

Financial Statements of

**THE GEORGE BROWN
COLLEGE OF APPLIED
ARTS AND TECHNOLOGY**

Year ended March 31, 2014

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of the George Brown College of Applied Arts and Technology (the "College") are the responsibility of management and have been approved by the Board of Governors.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs"). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

The College maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the College's assets are appropriately accounted for and adequately safeguarded.

The College's insurance liabilities have been reviewed by management in consultation with its broker. There are no material liabilities in either fact or contingency as at the date of this report.

The Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board of Governors and meets regularly with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the external auditor's report. The Committee reports its findings to the Board for consideration when approving the financial statements. The Committee also considers, for review and approval by the Board, the engagement or re-appointment of the external auditors.

The financial statements have been audited by BDO Canada LLP, the external auditors in accordance with Canadian generally accepted auditing standards, on behalf of the Board. BDO Canada LLP has full and free access to the Audit Committee.



College President

June 4, 2014



Vice President, Corporate Services



Tel: 905 270-7700
Fax: 905 270-7915
Toll-free: 866 248 6660
www.bdo.ca

BDO Canada LLP
1 City Centre Drive, Suite 1700
Mississauga ON L5B 1M2 Canada

Independent Auditor's Report

To the Board of Governors of The George Brown College of Applied Arts and Technology

We have audited the accompanying financial statements of The George Brown College of Applied Arts and Technology, which comprise the statement of financial position as at March 31, 2014, and the statements of operations, changes in net assets, cash flows and re-measurement gains and losses for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The George Brown College of Applied Arts and Technology as at March 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

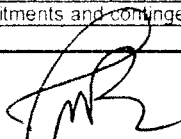
BDO Canada LLP

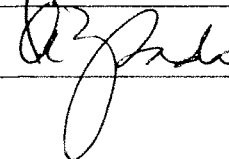
Chartered Accountants, Licensed Public Accountants
Mississauga, Ontario
June 4, 2014

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Financial Position
as at March 31, 2014

	2014	2013
Assets		
Current assets:		
Cash	\$ 66,680,485	\$ 31,025,360
Short term investments (Note 3)	27,118,907	26,746,731
Grants receivable	2,677,240	6,775,509
Accounts receivable	16,915,166	13,752,869
Receivable from George Brown College Foundation (Note 13 & 14)	13,457,436	13,490,018
Inventories	3,348,676	2,835,336
Prepaid expenses	1,284,499	1,773,601
	131,482,409	96,399,424
Deposits	2,781,632	781,632
Investment in GBSP Centre Corp. (Note 2)	5,497,807	5,730,574
Capital assets (Note 4)	376,679,503	370,025,970
	\$ 516,441,351	\$ 472,937,600
Liabilities, Deferred Contributions and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 39,961,147	\$ 41,560,049
Current portion of long term debt (Note 6)	4,838,298	108,332
Deferred revenue (Note 5)	34,229,805	29,764,344
	79,029,250	71,432,725
Long-term liabilities:		
Post employment benefits and compensated absences (Note 7)	10,041,000	10,596,000
Long term debt (Note 6)	27,121,797	433,336
	37,162,797	11,029,336
Deferred contributions:		
Expenses of future periods (Note 9(a))	4,702,731	3,886,247
Capital assets (Note 9(b))	217,586,398	214,147,153
	222,289,129	218,033,400
Net assets:		
Unrestricted:		
Operating	15,173	(19,689,497)
Post employment benefits and compensated absences	(10,041,000)	(10,596,000)
Vacation pay	(9,934,723)	(9,789,010)
	(19,960,550)	(40,074,507)
Internally restricted (Note 10)	53,800,000	42,000,000
Investment in capital assets (Note 11)	130,948,216	157,686,325
Restricted for endowments (Note 13)	13,234,195	13,218,349
	178,021,861	172,830,167
Accumulated remeasurement gains/(losses)	(61,686)	(388,028)
	177,960,175	172,442,139
Commitments and contingent liabilities (Notes 8, 12)		
	\$ 516,441,351	\$ 472,937,600

 Chair

 President

See accompanying notes to the financial statements

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Operations
Year ended March 31, 2014

	2014	2013
Revenue : (Schedule 1)		
Grants and reimbursements	\$ 126,294,858	\$ 127,290,567
Tuition and other student fees	127,577,578	119,656,526
Ancillary	21,908,476	20,213,818
Other	10,350,915	10,046,808
Amortization of deferred contributions related to :		
Capital assets	8,172,444	7,201,320
Expenses of future periods	6,032,011	7,372,933
	<u>\$ 300,336,282</u>	<u>\$ 291,781,972</u>
Expenditures :		
Salaries and benefits	\$ 184,762,951	\$ 173,253,796
Services, Supplies & Minor Equipment	41,352,384	42,754,103
Rental, Utilities & Maintenance	20,954,422	18,116,330
Ancillary	12,745,573	11,788,692
Other Expenses	8,879,697	7,142,635
Scholarships, bursaries and grants	6,032,011	7,372,933
Amortization of capital assets	20,433,396	18,514,733
	<u>295,160,434</u>	<u>278,943,222</u>
Excess of revenue over expenditures	<u>\$ 5,175,848</u>	<u>\$ 12,838,750</u>

See accompanying notes to the financial statements

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Changes in Net Assets

Year ended March 31, 2014

					2014	2013
	Invested in capital assets (Note 11)	Restricted for endowments (Note 13)	Unrestricted	Internally restricted (Note 10)	Total	Total
Balance, beginning of year	\$ 157,686,325	\$ 13,218,349	\$ (40,074,507)	\$ 42,000,000	\$ 172,830,167	\$ 159,989,692
Excess of (expenses over revenue) revenue over expenses (Note 11(b))	(12,260,952)	-	17,436,800	-	5,175,848	12,838,750
owa loan repayment						
Endowment contributions	-	15,846	-	-	15,846	1,725
Capital assets additions						
financed by college funds (Note 11(b))	(14,477,157)	-	14,477,157	-	-	-
Internally imposed restrictions (Note 10)	-	-	(11,800,000)	11,800,000	-	-
Balance, end of year	\$ 130,948,216	\$ 13,234,195	\$ (19,960,550)	\$ 53,800,000	\$ 178,021,861	\$ 172,830,167

See accompanying notes to the financial statements

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows
Year ended March 31, 2014

	2014	2013
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 5,175,848	\$ 12,838,750
Items not involving cash:		
Amortization of capital assets	20,433,396	18,514,733
Amortization of deferred contributions related to capital assets	(8,172,444)	(7,201,320)
Change in accumulated remeasurement losses	326,342	-
Amortization of deferred contributions related to expenses of future periods (Note 9(a))	(6,032,011)	(7,372,933)
Change in non-cash operating working capital (Note 15)	3,778,293	(17,092,326)
Accrual for post employment benefits and compensated absences	(555,000)	(671,000)
Endowment contributions	15,846	1,725
Equity pickup from GBSP (Note 2)	232,767	(24,175)
	15,203,037	(1,006,547)
Financing activities:		
Repayment of long-term debt (Note 6)	(3,581,573)	(108,332)
Long term debt	35,000,000	-
Deferred contributions received related to expenses of future periods	6,848,495	6,429,450
	38,266,922	6,321,118
Investing activities:		
Advances to George Brown College Foundation	32,582	(794,611)
Sale of short term investments - net	-	49,657,894
Purchase of short term investments - net	(372,176)	(663,337)
Deposits	(2,000,000)	45,362
	(2,339,594)	48,245,309
Capital activities:		
Deferred contributions received related to capital assets	11,611,689	12,738,858
Purchase of capital assets	(27,086,929)	(66,518,969)
	(15,475,240)	(53,780,111)
Increase (decrease) in cash	35,655,125	(220,231)
Cash, beginning of year	31,025,360	31,245,591
Cash, end of year	\$ 66,680,485	\$ 31,025,360

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Remeasurement Gains and Losses
Year Ended March 31, 2014

	2014	2013
Accumulated remeasurement losses at beginning of year	\$ (388,028)	\$ -
Unrealized losses attributable to:		
Short-term investments	(97,733)	(388,028)
Amounts reclassified to the statement of operations:		
Short-term investments	424,075	-
Net remeasurement gains/(losses) for the year	326,342	(388,028)
Accumulated remeasurement losses at end of year	\$ (61,686)	\$ (388,028)

See accompanying notes to the financial statements

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

The George Brown College of Applied Arts and Technology (the "College") was established as a community college in 1967 under The Department of Education Act of the Province of Ontario. The College is dedicated to providing post-secondary and vocationally-oriented education. The College is a registered charity and is exempt from income taxes under the Income Tax Act, provided the specified disbursements quota is achieved.

1. SIGNIFICANT ACCOUNTING POLICIES:

These financial statements are the representations of management and have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by Public Sector Accounting Board ("PSAB for Government NPOs"). The significant accounting policies are as follows:

a) Revenue recognition:

The College follows the deferral method of accounting for contributions, which include donations and government grants.

Operating grants are recorded as revenue in the period to which they relate. Grants earned but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions, other than endowment contributions, are recognized as revenue in the year in which the related expenses are incurred. Contributions externally restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

Endowment contributions are recognized as direct increases in endowment net assets.

Restricted income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted income is recognized as revenue when earned.

Tuition fees are recognized ratably over the term to which the tuition fee revenue applies to the extent that the related courses are provided to the student.

Other operating revenues are recognized when the related services are provided or the related products are delivered.

b) Financial instruments:

The College classifies its financial instruments as either fair value or amortized cost. The College's accounting policy for each category is as follows:

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Fair value

The College has designated its fixed income portfolio that would otherwise be classified into the amortized cost category at fair value as the College manages and reports performance of it on a fair value basis.

They are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations. Changes in fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

(ii) Amortized cost

This category includes accounts receivable, grants receivable, receivable from George Brown College Foundation, accounts payable and accrued liabilities, and long term loan. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets, except for contributions, which are initially recognized at fair value.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the statement of operations.

c) Inventories:

Inventories other than books are valued at the lower of cost and net realizable value with cost being determined on the first-in first-out basis. Books are valued at the lower of cost and net realizable value with cost being determined using the retail inventory method, which approximates average cost. Net realizable value is the estimated selling price less the estimated cost to make the sale.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Student organizations:

These financial statements do not reflect the assets, liabilities and the results of operations of the various student organizations.

e) Investment in GBSP Centre Corp.:

The investment in the George Brown Souleppier Centre Corp. ("GBSP Centre Corp.") joint venture is accounted for using the modified equity method. No adjustment is made for the basis of accounting of the joint venture being different than PSAB for Government NPOs.

f) Capital assets:

(i) Title to land, buildings, furniture and equipment and other capital assets occupied and used by predecessor institutions was transferred to the College at nominal value. If these assets are not used by the College for educational purposes, the Province of Ontario has the right to repurchase the assets at the nominal value.

(ii) Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution when fair value is reasonably determinable. Otherwise contributed assets are recorded at a nominal amount. Amortization is provided on a straight-line basis over the estimated useful lives of the assets, which have been determined as follows:

Buildings and improvements	40 years
Building under capital lease	49 years
Leasehold improvements	10 years
Equipment	5 years
Automotive equipment	5 years
Computer equipment	3 years

(iii) Assets under capital leases

The College leases a building on terms which transfer substantially all the benefits and risks of ownership to the College. This lease has been accounted for as a "capital lease" as though an asset had been purchased and a liability incurred.

g) Vacation pay:

The College recognizes vacation pay as an expense on the accrual basis.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Retirement and post-employment benefits and compensated absences:

The College provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental, vesting sick leave and non-vesting sick leave. The College has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of post-employment future benefits are actuarially determined using management's best estimate of health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis.
- (ii) The costs of the multi-employer defined benefit pension are the employer's contributions due to the plan in the period.
- (iii) The cost of vesting and non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.
- (iv) The discount rate used in the determination of the above-mentioned liabilities is equal to the College's internal rate of borrowing.

i) Use of estimates:

The preparation of financial statements in conformity with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the year. Actual results could differ from these estimates. Areas of key estimation include determination of fair value for short and long-term investments, deferred revenue, allowance for doubtful accounts, capital asset amortization, amortization of deferred capital contributions, and actuarial estimation of post-employment benefits and compensated absences liabilities.

j) Public sector salary disclosure act:

The Public Sector Salary Disclosure Act, 1996 (the "Act") requires the disclosure of salaries and benefits of employees in the public sector who are paid a salary of \$100,000 or more in a year. The College complies with this Act by providing the information to MTCU for disclosure on the public website.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

2. INVESTMENT IN GBSP CENTRE CORP.

Pursuant to a Joint Venture Agreement dated February 12, 2004, the College has a 50% interest in GBSP Centre Corp., a joint venture corporation providing facilities for performances as well as for education and instruction in theatre, dance, music and the related arts. The joint venture has a December 31 fiscal year end. The College's equity share of the joint venture from April 1, 2013 to March 31, 2014 has been included in these financial statements using the modified equity method.

The College's 50% interest in the joint venture is summarized below:

	2014	2013
Current assets	\$ 455,693	\$ 808,529
Capital assets	5,705,938	5,776,319
Current liabilities	450,692	443,600
Deferred contributions	5,738,132	5,935,674
Net assets	\$ (27,193)	\$ 205,574
Revenue	\$ 1,237,439	\$ 1,087,483
Expenses	1,470,206	1,063,308
(Deficiency)/excess of revenue over expenses	\$ (232,767)	\$ 24,175
Cash flows (used in) operating activities	\$ (16,915)	\$ (242,954)
Cash flows (used in) provided by financing activities	\$ (197,542)	\$ 139,776
Cash flows used in investing activities	(140,896)	(20,306)
Net cash outflow	\$ (355,353)	\$ (123,484)

The College's 50% equity share of the deficiency of revenue over expenses of GBSP Centre Corp. from April 1, 2013 to March 31, 2014 has been included in other expenses.

During the year, the College paid rent of \$253,639 (2013 - \$254,311) and contributions of \$556,785 (2013 - \$472,250) to the joint venture which was included in maintenance, utilities and municipal taxes and supplies and other expenses, respectively.

The joint venture is a not-for-profit organization, and as such follows the recommendations of CICA Handbook Part III – Accounting Standards for Not-for-Profit Organizations. As such, there are differences between the accounting policies of the College under PSAB for Government NPOs and the Joint Venture under Part III of the CICA Handbook. Under the modified equity approach, the College makes no adjustment to the amounts disclosed or recognized in its financial statements for these differences. For the year ended March 31, 2014, there were no accounting policy differences that would have resulted in an adjustment to amounts or disclosures in these financial statements.

3. INVESTMENTS

Investments comprised of a bond portfolio are held with the College's investment management firm. Short term investments carry interests rates ranging from 1.75% to 4.25% (2013 - 1.9% to 5%). As at March 31, 2014, the fair value of the bond portfolio was \$27,118,907 (2013 - \$26,746,731).

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

3. INVESTMENTS (continued)

	2014	2013
Interest income	\$ 866,610	\$ 983,761
Realized capital (losses) gains	\$ (424,075)	\$ 82,577
Unrealized capital losses	\$ (61,686)	\$ (388,028)

Interest income and realized capital gains/(losses) are recorded as other revenue and other expenses, respectively, in the statement of operations. Unrealized capital gains/(losses) are recorded in the statement of remeasurement gains and losses.

4. CAPITAL ASSETS

			2014	2013
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 2,324,224	\$ -	\$ 2,324,224	\$ 2,324,224
Artwork	71,969	-	71,969	71,969
Buildings and improvements	445,643,535	102,098,584	343,544,951	332,215,509
Building under capital lease	10,109,970	2,469,641	7,640,329	7,846,825
Construction in progress	1,645,840	-	1,645,840	3,992,300
Work in progress equipment	374,555	-	374,555	2,343,967
Leasehold improvements	3,570,627	714,125	2,856,502	3,213,564
Equipment	63,910,088	49,609,503	14,300,585	13,460,275
Computer equipment	36,972,218	33,051,670	3,920,548	4,549,518
Automotive equipment	94,109	94,109	-	7,819
	\$ 564,717,135	\$ 188,037,632	\$ 376,679,503	\$ 370,025,970

5. DEFERRED REVENUE

	2014	2013
Tuition fees	\$ 24,775,081	\$ 22,754,855
Unexpended grants	7,913,633	6,226,934
Other	1,541,091	782,555
	\$ 34,229,805	\$ 29,764,344

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

6. LONG TERM DEBT

In 2012, the College received a \$650,000 loan from the City of Toronto for the purposes of retrofitting and upgrading existing facilities to increase energy efficiency. The loan is unsecured, interest free and is repayable in equal, quarterly installments of \$27,083.

In 2014, the College received a \$35,000,000 loan from the Ontario Financing Authority for the constructions costs and acquisition of furniture and equipment for the Waterfront Campus. The loan is unsecured, at an interest rate of 2.423% and is repayable in equal, quarterly installments of \$1,362,775.

The future principal repayments for both loans are as follows:

2015	\$	4,838,298
2016		4,953,951
2017		5,072,439
2018		5,193,817
2019		5,209,822
and thereafter		6,691,768
	\$	31,960,095
Less: current portion		4,838,298
	\$	27,121,797

7. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES

The following tables outline the components of the College's post-employment benefits and compensated absences liabilities and the related expenses.

	2014			
	Post-employment Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 1,767,000	\$ 4,078,000	\$ 1,177,000	\$ 7,022,000
Value of plan assets	(293,000)	-	-	(293,000)
Unamortized actuarial gains / (losses)	264,000	2,631,000	417,000	3,312,000
Total liability	\$ 1,738,000	\$ 6,709,000	\$ 1,594,000	\$ 10,041,000

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

7. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES (continued)

	2013			
	Post-employment Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 2,188,000	\$ 6,996,000	\$ 1,824,000	\$ 11,008,000
Value of Plan assets	(290,000)			(290,000)
Unamortized actuarial gains / (losses)	(45,000)	(89,000)	12,000	(122,000)
Total liability	\$ 1,853,000	\$ 6,907,000	\$ 1,836,000	\$ 10,596,000

	2014			
	Post-employment Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ (85,000)	\$ 308,000	\$ 61,000	\$ 284,000
Interest on accrued benefit obligation	6,000	117,000	22,000	145,000
Amortized actuarial losses	4,000	10,000	2,000	16,000
Total expense	\$ (75,000)	\$ 435,000	\$ 85,000	\$ 445,000

	2013			
	Post-employment Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ 184,000	\$ 390,000	\$ 97,000	\$ 671,000
Interest on accrued benefit obligation	10,000	169,000	49,000	228,000
Amortized actuarial losses	3,000	37,000	18,000	58,000
Total expense	\$ 197,000	\$ 596,000	\$ 164,000	\$ 957,000

Post-employment benefits and compensated absences expense has been included in salaries and benefits expenditures.

Above amounts exclude pension contributions to the Colleges of Applied Arts and Technology pension plan, a multi-employer plan, described below.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

7. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES (continued)

Retirement benefits

CAAT Pension Plan

Substantially all of the College's employees are members of the Colleges of Applied Arts and Technology Pension plan (the "Plan"), which is a multi-employer jointly sponsored defined benefit plan for eligible employees of public colleges and related employers in Ontario. The College makes contributions to the Plan equal to those of the employees. Contributions rates are set by the Plan's governors to ensure the long term viability of the Plan.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension assets and liabilities. The most recent actuarial valuation filled with pension regulators as at January 1, 2014 indicated an actuarial surplus of \$525 million. The College made contributions to the Plan and its associated retirement compensation arrangement of \$14,605,000 (2013 - \$13,129,000) which has been included in the statement of operations.

Post-employment benefits

The College extends post employment life insurance, health and dental benefits to certain employee groups subsequent to their retirement. The College recognizes these benefits as they are earned during the employees' tenure of service. The College also provide continuation of medical and dental benefits to certain employee groups while receiving long-term disability benefits. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

The major actuarial assumptions employed for the valuation are as follows:

(a) Discount rate

The present value of employee future benefits as at March 31, 2014 was determined using a discount rate of 2.70% (2013 – 2.10%).

(b) Hospital and other medical

Hospital and other medical costs were assumed to increase at 4.00% per annum (2013 – 4.00%).

Medical premium increases were assumed to increase at 7.50% per annum in 2014 and decrease proportionately thereafter to an ultimate rate of 4.00% in 2034.

(c) Drug costs

Drug costs increases were assumed to increase at a 9% per annum in 2014 and decrease proportionately thereafter to an ultimate rate of 4.00% in 2034.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

7. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES (continued)

(d) Dental costs

Dental costs were assumed to increase at 4.00% per annum (2013 – 4.00%).

Compensated absences

Vesting Sick Leave

The College has provided for vesting sick leave benefits during the year. Eligible employees, after 10 years of service, are entitled to receive 50% of their accumulated sick leave credit on termination or retirement to a maximum of 6 months' salary. The program to accumulate sick leave credits ceased for employees hired after March 31, 1991. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

Non-Vesting Sick Leave

The College allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employees' illness or injury exceeds the current year's allocation of days. Sick days are paid out at the salary in effect at the time of usage. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

The major actuarial assumptions used in the valuation of vesting and non-vesting sick leave are as follows:

(a) Discount rate

The present value as at March 31, 2014 of the future benefits were determined using a discount rate of 2.70% (2013 – 2.10%)

(b) Wage and salary escalation rates

Academic full-time and academic partial load salaries were assumed to increase at a rate between 0% to 1.75% per annum.

Support staff full-time salaries were assumed to increase at a rate between 0% to 1.75% per annum.

The probability that the employee will use more sick days than the annual accrual and the excess number of sick days used are within ranges of 0% to 24% and 0 to 44.3 days respectively for age groups ranging from 20 and under to 65 and over in bands of 5 years.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

8. OBLIGATIONS UNDER LEASES

The College is committed to lease payments for its leased premises and equipment under various operating leases, until 2111. Future minimum annual lease payments are as follows:

	Operating leases
Year ending March 31:	
2015	\$ 4,604,541
2016	4,691,255
2017	4,733,237
2018	4,571,466
2019	3,271,667
and thereafter	13,572,948
Total minimum lease payments	\$ 35,445,114

In a prior year, the College entered into a 100 year land lease agreement with the City of Toronto in connection with constructing a new Centre for the Health Sciences. Total rental payments for the initial construction and occupancy period of 2009 to 2013 were \$607,334, escalating to an annual payment of \$587,145 in 2014 with a 3% annual increase for the first rental period ending 2031. Rental payments for each period after 2031 will be reset based on the then FMV of the land, based on its unimproved value and its intended educational use and tied to the CPI.

Effective December 21, 2003, the College entered into a lease agreement in connection with its joint venture (Note 2) to lease certain facilities for an initial term of twenty (20) years, with an option to extend the lease for five (5) successive terms of twenty years each. During the period from the lease commencement date to August 31, 2014, annual lease payments under this agreement are \$155,000 per annum for "grade level facilities" and \$2 per square foot for "above grade premises". Rent escalation is tied to CPI and is provided for during the period September 1, 2014 to February 29, 2024.

In a prior year, the College entered into an agreement, as part of the Ontario Government Superbuild Program, with Ryerson Polytechnic University to lease additional premises at the Sally Horsfall Eaton Centre for a term of forty nine years, with related total capital lease payments over the lease period estimated at \$9,966,000. These capital lease payments were paid as at March 31, 2003, from Superbuild funding, fundraising and College funds. As a result, there is no related obligation under capital lease related to this facility.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

9. DEFERRED CONTRIBUTIONS

a) Expenses of future periods:

Deferred contributions related to expenses of future periods represent unspent restricted grants and donations for bursary and other purposes.

	2014	2013
Balance, beginning of year	\$ 3,886,247	\$ 4,829,730
Contributions received	6,848,495	6,429,450
Less amount recognized as revenue	(6,032,011)	(7,372,933)
Balance, end of year	\$ 4,702,731	\$ 3,886,247

b) Capital assets:

Deferred capital contributions related to capital assets represent the unamortized amount of grants and other contributions received for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the Statement of Operations.

	2014	2013
Balance, beginning of year	\$ 214,147,153	\$ 208,609,615
Contributions received	11,611,689	12,738,858
Less amounts amortized to revenue	(8,172,444)	(7,201,320)
Balance, end of year	\$ 217,586,398	\$ 214,147,153

The balance of unamortized capital contributions related to capital assets consists of the following:

	2014	2013
Unamortized capital contributions used		
to purchase capital assets	\$ 206,825,812	\$ 204,761,502
to finance building under capital lease	7,378,718	7,578,143
Unspent contributions	3,381,868	1,807,508
	\$ 217,586,398	\$ 214,147,153

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

10. INTERNALLY IMPOSED RESTRICTIONS

The Board of Governors, on June 4, 2014, approved the transfer of \$11,800,000 from unrestricted funds to internally restricted funds, and the following allocations in 2014 internally restricted funds.

	2014	2013
General contingency	\$ 18,000,000	\$ 14,000,000
Strategic initiatives	5,000,000	2,000,000
Capital projects	30,800,000	26,000,000
	<u>\$ 53,800,000</u>	<u>\$ 42,000,000</u>

11. INVESTMENT IN CAPITAL ASSETS

a) Investment in capital assets is calculated as follows:

	2014	2013
Capital assets	\$ 376,679,503	\$ 370,025,970
Amounts financed by:		
Deferred contributions	(217,586,398)	(214,147,153)
Unspent deferred contributions	3,381,868	1,807,508
Financed by Long Term debt	(31,526,759)	-
	<u>\$ 130,948,216</u>	<u>\$ 157,686,325</u>

b) Change in net assets invested in capital assets is calculated as follows:

	2014	2013
Deficiency of revenue over expenditures:		
Amortization of deferred contributions related to capital assets	\$ 8,172,444	\$ 7,201,320
Less amortization of capital assets	(20,433,396)	(18,514,733)
	<u>(12,260,952)</u>	<u>(11,313,413)</u>
Purchase of capital assets	\$ 27,086,930	\$ 66,518,969
Amounts funded by:		
Deferred contributions	(10,037,328)	(13,635,184)
Long Term debt	(31,526,759)	-
	<u>(14,477,157)</u>	<u>52,883,785</u>
	<u>(26,738,109)</u>	<u>41,570,372</u>

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

12. COMMITMENTS AND CONTINGENT LIABILITIES

a) Litigation:

The College has been named as a defendant in certain litigation alleging actual and punitive damages. The College carries insurance coverage based on the amount of the claims, however management is not able to determine the final outcome of these claims.

b) Loan Guarantee for Casa Loma Centre:

The College has guaranteed a non-revolving term credit facility of \$3.6 million for the Student Association of George Brown College to finance construction of a 24,000 square foot Student Centre. This loan obligation has been assumed by the Student Association.

c) Letter of credit:

The College has issued a letter of credit on behalf of the Student Association for \$600,000 to provide the Toronto Transit Commission (TTC) a guarantee of the obligations of the Student Association pursuant to the TTC agreement.

d) Purchase commitments:

The College has entered into an agreement to purchase real property for the purposes of establishing a student residence for \$40 million. The College has made two deposits of \$400,000 and \$1,600,000 relating to the project on February 19, 2014 with the remainder becoming payable within 30 days of substantial completion of retrofit work done to renovate the property for the College's purposes. Upon substantial completion of the retrofit work, the ownership of the property will transfer to the College. The current estimate of substantial completion is March 15, 2016.

13. NET ASSETS RESTRICTED FOR ENDOWMENTS

Net assets restricted for endowments includes monies provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund ("OSOTF") and the Ontario Trust for Student Support ("OTSS") matching programs to award student aid as a result of raising an equal amount of endowed donations. Included in the amount restricted for endowments are OSOTF trust funds in the amount of \$3,069,864 (2013 - \$3,069,864), and OTSS trust funds of \$9,953,402 (2013 - \$9,953,402).

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

14. RELATED PARTY TRANSACTIONS

a) Related entity:

The George Brown College Foundation (the "Foundation"), an organization in which the College has an economic interest, is incorporated under the Corporations Act (Ontario) and is a registered charity under the Income Tax Act. Its purpose is to raise and administer funds for the benefit of the College, as well as for charitable purposes, including the advancement of education, within Canada.

The College traditionally provides a contribution for services rendered by the Foundation to raise and administer funds in support of the College. A memorandum of understanding dated March 9, 2011 outlines the services provided between the College and the Foundation. Total assets in the Foundation amount to \$26,257,479 (2013 - \$26,866,483). During the year, the Foundation received contributions from the College of \$600,000 (2013 - \$2,744,085) comprising of \$300,000 for operating expenses and \$300,000 for fundraising campaigns (2013 - \$1,043,107 and \$1,700,978, respectively).

During the year, the Foundation provided \$4,110,317 (2013 - \$919,218) directly to the College, comprising of \$150,105 for various projects, \$3,100,000 for capital initiatives and \$860,212 for student scholarships and awards (2013 - \$505,479, \$Nil and \$413,739 respectively). Included in accounts receivable is an amount of \$Nil (2013 - \$162,892) receivable from the Foundation.

In addition, the Foundation utilized office space owned by The George Brown College. The space is provided rent free.

The receivable from the Foundation is non-interest bearing and is due on demand.

b) Student Association Centre:

Pursuant to an agreement dated in 2001, the College leases a portion of its facilities to the student body for use as a student centre. The agreement is for a term of 49 years with nominal rental to be paid at \$1.00 per year.

15. STATEMENT OF CASH FLOWS

The net change in non-cash working capital balances related to operations presented on the Statement of Cash Flows consists of the following:

	2014	2013
Grants receivable	\$ 4,098,269	\$ (3,995,424)
Accounts receivable	(3,162,297)	(101,126)
Inventories	(513,340)	(394,022)
Prepaid expenses	489,102	(1,137,058)
Accounts payable and accrued liabilities	(1,598,902)	(14,919,824)
Deferred revenue	4,465,461	3,455,128
	<u>\$ 3,778,293</u>	<u>\$ (17,092,326)</u>

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

16. GUARANTEES

In the normal course of business, the College enters into agreements that meet the definition of a guarantee.

- a) The College has provided indemnities under lease agreements for the use of various operating facilities and license agreements relating to the construction site for the Waterfront Campus development. Under the terms of these agreements the College agrees to indemnify the counterparties for various items including, but not limited to, all liabilities, loss, suits, and damages arising during, on or after the terms of the agreements. The maximum amount of any potential future payment cannot be reasonably estimated.
- b) Indemnity has been provided to all directors and or officers of the College for various items including, but not limited to, all costs to settle suits or actions due to association with the College, subject to certain restrictions. The College has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a trustee, director or officer of the College. The maximum amount of any potential future payment cannot be reasonably estimated.
- c) In the normal course of business, the College has entered into agreements that include indemnities in favour of third parties, such as student work placement agreements. These indemnification agreements may require the College to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.

The nature of these indemnification agreements prevents the College from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to counterparties.

Historically, the College has not made any significant payments under such or similar indemnification agreements and therefore no amount has been recorded in the statement of financial position with respect to these agreements.

17. CITY OF TORONTO DAYCARE SUBSIDIES

During the March 31, 2014 fiscal year, the College recorded wage subsidies totaling \$ 470,061 (2013 - \$475,864), wage improvement subsidies totaling \$ 31,912 (2013 - \$31,912) and Special Needs grants totaling \$175,788 (2013 - \$161,125) from the City of Toronto.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

18. FINANCIAL INSTRUMENT CLASSIFICATION

The following table provides cost and fair value information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	2014		
	Fair Value	Amortized Cost	Total
Cash	\$ 66,680,485	\$ -	\$ 66,680,485
Short-term investments	27,118,907	-	27,118,907
Grants receivable	-	2,677,240	2,677,240
Accounts receivable	-	16,915,166	16,915,166
Receivable from George Brown College Foundation	-	13,457,436	13,457,436
Accounts payable and accrued liab.	-	39,961,147	39,961,147
Current portion of Long-term loan	-	4,838,298	4,838,298
Long-term loan	-	27,121,797	27,121,797
	<u>\$ 93,799,392</u>	<u>\$ 104,971,084</u>	<u>\$ 198,770,476</u>

Short-term investments consist of fixed rate instruments of both federal and provincial governments and Canadian public companies.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2014			
	Level 1	Level 2	Level 3	Total
Cash	\$ 66,680,485	\$ -	\$ -	\$ 66,680,485
Short-term investments	-	27,118,907	-	27,118,907
Total	<u>\$ 66,680,485</u>	<u>\$ 27,118,907</u>	<u>\$ -</u>	<u>\$ 93,799,392</u>

There were no transfers between Level 1 and Level 2 for the year ended March 31, 2014. There were also no transfers in or out of Level 3.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

19. FINANCIAL INSTRUMENT RISK MANAGEMENT

Credit risk

Credit risk is the risk of financial loss to the College if a debtor fails to make payments of interest and principal when due. The College is exposed to this risk relating to its cash, investments, grants receivable, accounts receivable, and receivable from George Brown College Foundation. The College holds its cash accounts with a federally regulated chartered bank who is insured by the Canadian Deposit Insurance Corporation. In the event of default, the College's cash accounts are insured up to \$100,000 (2013 - \$100,000).

The College's investment policy operates within the constraints of the investment guidelines issued by the MTCU and puts limits on the bond portfolio including portfolio composition limits, issuer type limits, bond quality limits, aggregate issuer limits, corporate sector limits and general guidelines for geographic exposure. All fixed income portfolios are measured for performance on a quarterly basis and monitored by management during the year. The guidelines permit the College's funds to be invested in bonds issued by the Government of Canada, a Canadian province or a Canadian municipality having a rating of A or better, or corporate investments having a rating of AAA (high) or better.

Accounts receivable is primarily due from students, government, and other large corporations. Credit risk is mitigated by the highly diversified nature of the student population.

The College measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the College's historical experience regarding collections. The amounts outstanding at year end were as follows:

	Total	<i>Past Due</i>				
		1 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	Over 120 days
Government receivable	\$ 2,677,240	\$ 2,677,240				
Student receivable	7,949,650	2,309,557	213,675	1,461,721	1,351,170	2,613,527
Other receivable	12,808,172	12,808,172	-	-	-	-
Gross receivable	23,435,062	17,794,969	213,675	1,461,721	1,351,170	2,613,527
Less: impairment allowances	(3,842,656)	-		(384,238)	(844,891)	(2,613,527)

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk.

The College's investment policy operates within the constraints of the investment guidelines issued by the MTCU. The policy's application is monitored by management, the investment managers and the board of governors. Diversification techniques are utilized to minimize risk. The Policy limits the investment in any one corporate issuer to a maximum of 10% of the College's total fixed income bonds.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

19. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Currency risk

Currency risk relates to the College operating in different currencies and converting non-Canadian earnings at different points in time at different foreign College levels when adverse changes in foreign currency College rates occur. The College does not have any material transactions or financial instruments denominated in foreign currencies.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates.

The College is exposed to this risk through its interest bearing investments.

At March 31, 2014, a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of bonds of \$710,000.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Liquidity risk

Liquidity risk is the risk that the College will not be able to meet all cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. The follow table sets out the contractual maturities (representing undiscounted contractual cash-flows of financial liabilities):

Maturity profile of bonds held is as follows:

	2014				Total
	Within 1 year	Within 2-5 years	Within 6-10 years	Over 10 years	
Carrying value	\$ 2,848,913	\$ 24,269,994	\$ -	\$ -	\$ 27,118,907
Percent of Total	11%	89%	0%	0%	100%

Accounts payable and accrued liabilities mature within one year.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements
Year ended March 31, 2014

20. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's method of presentation.

THE GEORGE BROWN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule 1 - Analysis of Revenue

Year ended March 31, 2014

	2014	2013
Grants and reimbursements :		
General Purpose Operating	\$ 83,027,623	\$ 84,925,869
Enrolment Growth	14,515,469	14,601,574
Special Projects	6,149,289	4,020,439
Students With Disabilities	4,877,457	4,464,523
Apprenticeship	3,917,814	4,160,107
Collaborative Nursing	3,918,965	4,044,725
Literacy Basic Skills	3,395,574	3,477,405
Other grants and reimbursements	6,492,667	7,595,925
	<u>126,294,858</u>	<u>127,290,567</u>
Tuition and other student fees :		
Full-time - Domestic	67,618,086	62,368,143
Part-time - Domestic	16,669,652	16,784,096
International	40,401,958	34,735,565
Other	2,887,882	5,768,722
	<u>127,577,578</u>	<u>119,656,526</u>
Ancillary :		
Bookstore sales	10,412,236	9,835,279
Daycare	7,291,957	6,681,432
Other ancillary	4,204,283	3,697,107
	<u>21,908,476</u>	<u>20,213,818</u>
Other :		
Miscellaneous	10,350,915	10,046,808
	<u>10,350,915</u>	<u>10,046,808</u>
Amortization of deferred contributions :		
Capital assets	8,172,444	7,201,320
Expenses of future periods	6,032,011	7,372,933
	<u>14,204,455</u>	<u>14,574,253</u>
	<u>\$ 300,336,282</u>	<u>\$ 291,781,972</u>

See accompanying notes to the financial statements