# Financial Statements

March 31, 2008

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# Financial Statements For the Year Ended March 31, 2008

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Auditors' Report



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Kelowna, BC V1Y 2A8

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To the Board of Governors of Okanagan College

We have audited the statement of financial position of Okanagan College as at March 31, 2008 and the statements of operations and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our

# OKANAGAN COLLEGE STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2008

(with comparative figures as at March 31, 2007)

	OPE	RATING FUND	ANCILLARY SERVICES FUND	SPECIFIC PURPOSE FUND	CAPITAL FUND		2007 TOTAL	
ASSETS	<u></u>							
Cash Marketable securities (note 3)		799,058 \$ 234,468		\$ - -	\$ -	\$ 13,799,058 6,234,468	\$ 9,276,092 8,297,169	
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Inventory		144,749	406,358			551,107	569,758	
	(1,	931,233)	(695,982)	2,627,215 2,646,976				
Inventory	(1,			- 2,627,215 2,646,976		551,107 22,269,763		
Inventory	(1. 19,	931,233)	(695,982)			22,269,763 1,782,211	20,665,201	
Inventory Interfund balances	(1. 19,	931,233) 891,665	(695,982)		55,839,653	22,269,763 1,782,211	<u>-</u> 20,665,201	

# OKANAGAN COLLEGE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED MARCH 31, 2008

(with comparative figures for 2007)

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	FUND	FUND	FUND	FUND	TOTAL	TOTA
REVENUE						
Grants from Province of British Columbia	\$ 48,401,579 \$				\$ 48,401,579	
Tuition fees	16,886,130				16,886,130	16,035,948
Contract services	7,304,971		869,457		8,174,428	8,583,957
Ancillary service sales		5,111,160			5,111,160	4,739,073
Investment income	707,723		3,976		711,699	797,359
Unrealized loss on investments	(531,111)				(531,111)	
Amortization of deferred contributions						
for capital acquisitions (note 7)				1,871,935	1,871,935	2,329,89
Other	1 445 552				1 <u>445_55</u> 2	3 482 950
		5 444 480	070 400	4 074 005	00 074 070	90 024 00
	74,214,844	5,111,160	873,433	1,871,935	82,071,372	80,924,004
EXPENSE					E4 40E 600	E4 000 E4
Salaries and benefits	52,798,304	992,654	344,140		54,135,098	51,320,51
Supplies and services	15,701,787	4,028,736	828,487		20,559,010	18,318,74
Interest on debt	82,455			5 505 <b>7</b> 00	82,455	99,080
Amortization of capital assets				5,595,782	5,595,782	5,376,27
	68,582,546	5,021,390	1,172,627	5,595,782	80,372,345	75,114,61

# OKANAGAN COLLEGE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2008

(with comparative figures for 2007)

2008 2007 **OPERATING ACTIVITIES:** 1,699,027 \$ 8,320,634 Excess of revenue over expense (Statement 2) Adjust for non-cash items (77,465)Gain on sale of investments 531,111 Unrealized loss (gain) on marketable securities \_<del>}</del>\_\_\_\_

5,595,782

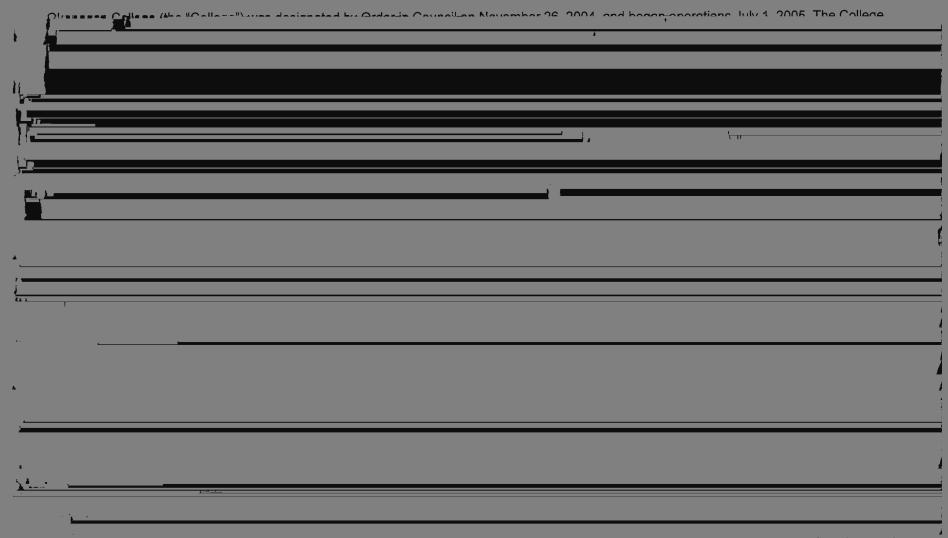
5,953,985

5,376,277

11,289,549

Amortization of capital assets

Notes to Financial Statements For the Year Ended March 31, 2008



operates under the authority of the College and Institute Act of British Columbia. The College is a not-for-profit entity and is exempt from income tax under Section 149 of the Income Tax Act.

## 1. Significant Accounting Policies

(a) Fund Accounting

#### Notes to Financial Statements For the Year Ended March 31, 2008

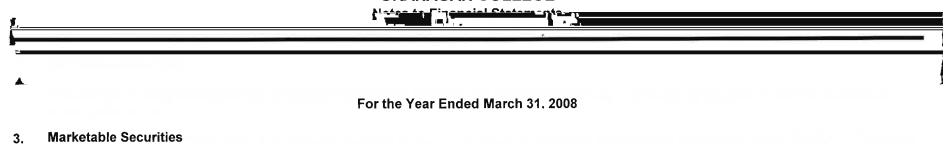
Deferred contributions related to capital assets represent the unamortized and unspent amount of externally restricted contributions received for the purchase of sential constant of control control control of control control of control of control contr

changes in fund balances.

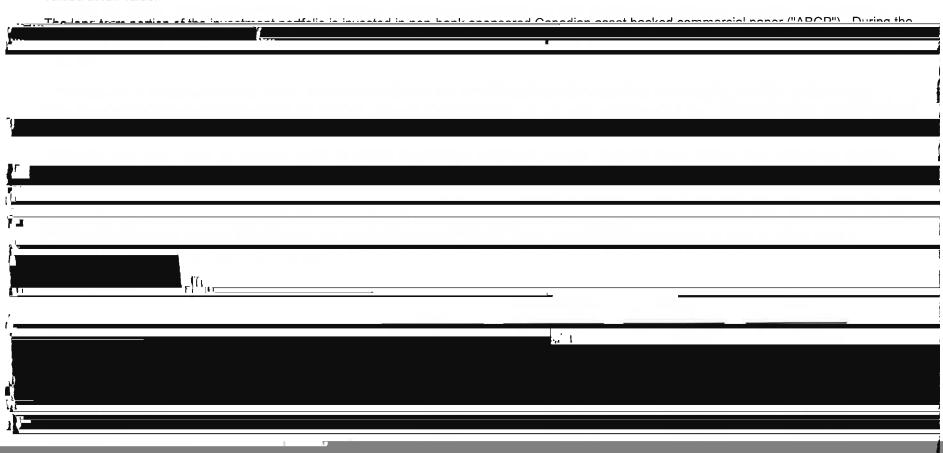
### Notes to Financial Statements For the Year Ended March 31, 2008

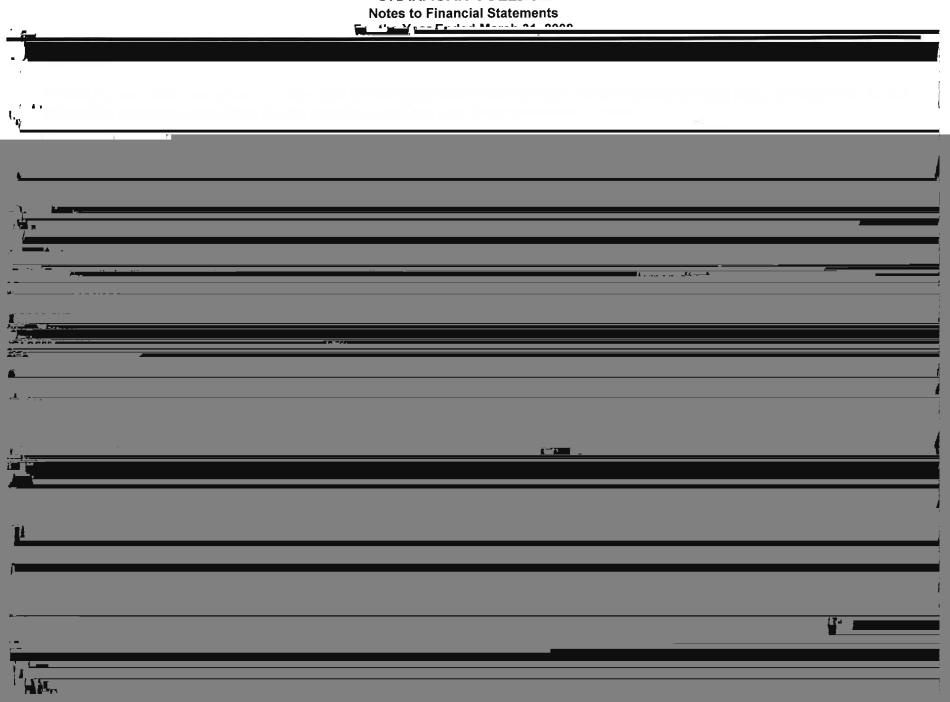
	The preparation of financial statements in conformity with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the figure statements and the reported amounts of revenues and expenses during the reporting period. Specific areas requiring
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	management estimates include the expected useful life of capital assets and the related amortization of the capital assets and deferred capital contributions, as well as the valuation of accounts receivable, certain marketable securities, and accrued payroll benefits. Actual results could differ from those estimates.
(f)	Financial Instruments
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<b>(4.2</b> 4240)	
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The portfolio of marketable securities is invested through Genus Capital Management ("Genus"). The investment portfolio is held for trading and valued at fair value.





#### Notes to Financial Statements For the Year Ended March 31, 2008

# **Deferred Contributions for Capital Acquisitions** 7. 2007 2008 \$ 32,933,218 \$ 35,237,630 Balance, beginning of year **Deferred contributions from:** F 44F 077 **Deferred contributions for capital** acquisitions 38,048,895 35,263,115 Less: Amounts amortized to revenue (1,871,935)(2,329,897)

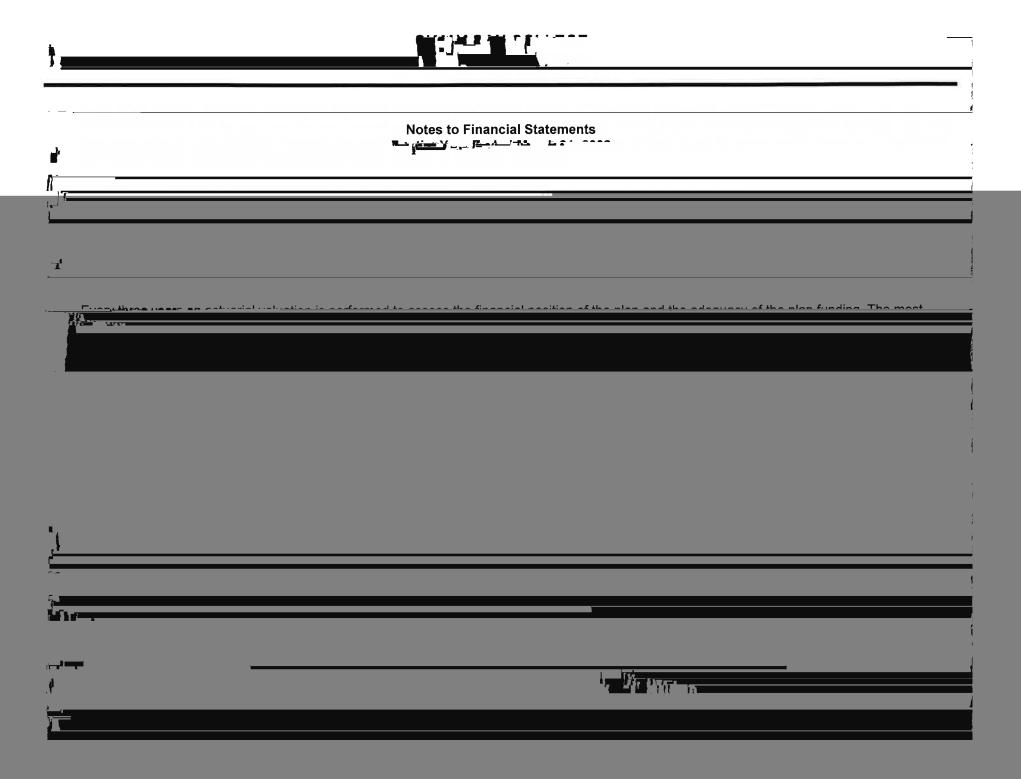
## 8. Commitments and Contingencies

Balance, end of year

(a) The College leases, for the Penticton campus, 5.92 hectares under a long-term lease, which expires June 30, 2036, the annual payment for which is \$88,105.

\$ 32,933,218

\$ 36,176,960



#### Notes to Financial Statements

Related organization transactions Included in the College expenses is \$166,019 (2007 - \$180,925) towards Foundation support, this includes \$21,288 of lease payments
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Continue Continue A . T. L. L. S.P.
for the Salmon Arm Trades building.
During the year the Callege received from the Equadation greats in the amount of \$41,014 (2007 - \$54,126) to fund enceitic projects