



Canadore College Annual Report 2021-2022



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The Year in Review: A Message from the Chair and the President

Dear Canadore Community,

The COVID-19 pandemic may have persisted, but Canadore never wavered in its commitment to produce graduates ready to work in sectors across the economy in Northern Ontario and beyond. As we begin to emerge from public health restrictions and into a “new normal”, by all measures, our employees have again risen to the challenge and delivered outstanding results. The transformations in our program and service delivery models brought on by the pandemic have continued this year, and will likely continue a few years into the future.

Despite the uncertainty brought on by the pandemic, student enrolment and retention remained strong across all college programs. Canadore’s program development continued to be guided by a rapidly changing workforce, and our support services evolved to be responsive to student needs.

Canadore remains committed to implementing the recommendations made by the Truth and Reconciliation Commission of Canada. We are collaborating with Indigenous educational organizations and communities to develop curriculum that meets their needs now and in the future.

This year saw our applied research projects expand to include addressing seniors’ isolation through The Village, identifying COVID-19 variants through our genomics programs, and innovation projects supported by the Innovation Centre for Advanced Manufacturing and Prototyping (ICAMP).

Canadore will keep looking to diversify its funding sources while maintaining its focus on student success. This approach will require strategic collaboration with public and private institutions and companies to achieve our mandate, mission, and strategic priorities. We will continue to make strategic investments in our employees and buildings to deliver on our vision and mission.



George Burton, President and CEO



Todd Wilcox, Chair



Mission, Vision, Values



Mission

To provide outstanding applied education and training for an ever-changing world.

Vision

Canadore is the college of choice for connecting people, education and employment through leadership and innovation.

Values

Canadore and its representatives will act with:

- ◀ Respect
- ◀ Integrity
- ◀ Transparency
- ◀ Commitment to excellence
- ◀ Accountability
- ◀ Responsiveness and flexibility



The 5 Pillars

The five guiding pillars act as Canadore's operations decision filters to our actions. All that we do must align with the 5 Pillars in support of the College's strategic direction.



Student Success



Program and Service Excellence



Innovation and Entrepreneurship



Connection to Community



Sustainability (Fiscal and Environmental)



Student Success

Canadore College exists for its students; to help them maximize their potential, acquire skills for employment, set up a basis for further education, or all three combined. We will uphold Canadore's historical focus on student success. Our services and student activities will be designed and delivered to create a unique college experience. As we evolve, we will attract and support a diverse community of learners in a culturally-safe environment and we will focus on their success and satisfaction

Guiding Principles

- Leadership in student success programs
- Student support mechanisms
- Career preparation/Job connection for life
- Lifelong connection to the College through the Alumni Association and community
- Linking with community support services and networks to create efficient hubs

The 5 Pillars



Program and Service Excellence

Canadore College will provide relevant and responsive programs and services to meet the needs of students, employers, and our communities. We will focus on our learning and the learning environment.

We will offer a diverse range of credentials including certificates, diplomas, degrees, continuing education, apprenticeship, and workforce development training.

Guiding Principles

Focus on learning

Targeted programs driven by employer and applicant demand

Student-centered services and experiential learning opportunities

Programming for the global economy

Pathways for lifelong learning and credential recognition

Experiential learning opportunities in all programs



Innovation and Entrepreneurship

We will apply an innovative approach to meet the challenges Canadore and our communities face. We will recognize and build on our strengths and those of our partners. We will not be bound by tradition or convention. We will embrace technology tools to support teaching and learning. We will be entrepreneurial in our approach to program development. We will continually look towards innovation and reinvention in programming, services and technology.

Guiding Principles

Private and public sector partnerships

First Nations partnerships

Broader education sector partnerships

Creative and flexible program design and delivery

Leveraging the use of technology

Innovation and entrepreneurship will be encouraged and embraced

Innovation and entrepreneurship will be elements in all our programs and services

We will serve as an innovation leader and incubator for our students and the communities we serve

The 5 Pillars



Connection to Community

Canadore College is a major partner in the prosperity and success of the Nipissing District, the West Parry Sound region and beyond in the province of Ontario. We are a significant economic contributor to the economy and comprise 6% of regional domestic product. We support economic development by providing business incubator facilities, customized partnership models and, most importantly, by training highly skilled graduates with emphasis on experiential learning.

We will continue to act as a catalyst for economic development by bringing together employers, agencies and public and private sector partners to develop responsive and innovative programming to meet industry and community needs. We will continually seek to improve our connection to community through our employees and students being involved with local organizations, fundraising, partnerships and more.

Canadore College will continue to expand its applied research capacity and activity to support and promote the economic health of the College, enhance the learning environment, and create and retain jobs in the province.

Guiding Principles

Partnerships for regional and provincial economic development

Social development of students and communities

Expand and strengthen education partnerships and applied research scope

Maintain a close linkage to business and community needs

Continue to be highly responsive to labour market needs

Pro-actively contribute to the economic development of our region and province

Ensure accessibility to communities and First Nations

Actively engage our alumni and communities as ambassadors for the College



Sustainability (Fiscal and Environmental)

Canadore College is committed to ensuring the prudent and effective management of its human, fiscal and environmental resources to ensure that its learners and employees receive the maximum benefit from the College's and communities' resources.

We will maintain our financial health to support high quality learning, service provision, and economic development activities. The College will optimize opportunities for funding from all sources. We will cultivate a culture of entrepreneurship ensuring financial and environmental sustainability. As a publicly supported institution, with greater percentages of our revenue from non-government sources, the College has a responsibility to set an example of stewardship and accountability to our students and the public.

Guiding Principles

Diversification of funding/revenue sources

Entrepreneurial approach

Expansion of international education opportunities

Effectively planning and executing with efficiency

Human and fiscal organizational capacity

Fiscal responsibility

Partnership is a key consideration in all that we do

Lead in the pursuit of good environmental stewardship

Report on Previous Year's Strategic Objectives

1. Maintain our strong focus on student success and graduate employment.

Indigenous Learners

◀ Culturally grounded programs

Canadore College offers programs grounded in Indigenous educational practices and which draw on the rich languages, histories and cultural practices of Indigenous learners and communities. A traditional Indigenous ceremony space was included in the design of The Village, the College's world-class health and wellness facility which blends Indigenous, Western and Eastern practices.

Canadore College has more than 6,000 Indigenous alumni, and more than 700 Indigenous students annually studying on campus and in their community. This represents 15% of our student population.

◀ General Carpenter Pre-Apprenticeship Program for Women

Canadore College is delivering on its promise to provide trained people to fill gaps in the skilled trades. Twelve women from North Bay and area, as well as First Nations communities across the province, successfully completed the General Carpenter Pre-Apprenticeship Program for Women. Many of the women in this year's class have gone back to their home communities to work, some are continuing their studies at a post-secondary level, others were signed on as an apprentice with their employer, and some were hired by their work placements directly from the program.

◀ Pow Wows

The sounds of drumming and singing were once again heard on campus. The annual Welcome Pow Wow was held as an in-person event after being cancelled in 2020 because of the COVID-19 pandemic. The annual Winter Pow Wow was celebrated virtually in February after the return of stricter public health measures.

The annual pow wows celebrate the vibrant local Indigenous culture and are a way to preserve tradition.

Report on Previous Year's Strategic Objectives

Student Classroom Experience

◀ Recording Engineering - Music Production

Students in the Recording Engineering - Music Production program at Canadore College got the chance to put what they are learning in the classroom to real-life experience while recording new songs with Joan Smith & the Jane Does, the musical team of Joan Smith and Tom Juhas from Toronto. The program prepares students for careers as music producers or engineers. Using state-of-the-art equipment, they learn the basics of acoustics, signal flow, automation, recording and mixing techniques. They learn to produce multi-track recordings demonstrating a full range of audio engineering and music production skills. They gain technical knowledge and skills to become professional audio engineers in today's music industry.

◀ Skills competitions

Canadore College students consistently fare well in national and provincial skills competitions. This year, students in the School of Aviation and Aerospace Technology received gold and silver in the Skills Ontario competition, and bronze in the national competition. The campus walls are adorned with 13 banners for wins in the Ontario competition and five for wins in the national competition. The focus on practical, hands-on skills combined with the encouragement and support of faculty has been attributed to the students' success in competition.

Professional Development

◀ VLS1.0

Canadore's Academic Centre of Excellence (ACE) developed faculty and student supports for virtual learning. In December 2020, the Ontario Ministry of Colleges and Universities launched the \$50M Virtual Learning Strategy (VLS) to drive the growth and advancement in virtual learning across the province's post-secondary institutions. The strategy will expand the possibilities of traditional and life-long learning through accelerated use of both online and hybrid learning.

The VLS1.0 Digital Capacity – Targeted Supports project designed, developed and re-imagined high-quality virtual learning spaces and resources to further the VLS initiative principle to achieve excellence in virtual teaching and learning at Canadore. The spaces and resources include a re-developed [ACE website](#) into a public virtual space for faculty to learn about the teaching resources and support available to them at Canadore; the re-design and update of Canadore's current New Faculty Orientation course into one for HyFlex (in-person and online) delivery; the development of a virtual Tech Support space for students to learn how to use the College's educational technologies and online learning best practices; and the development of instructional material, templates and videos to augment ACE's iLearn faculty instructional support spaces.

Report on Previous Year's Strategic Objectives

2. Focus our energy to ensure responsiveness to the job market through the rapid evolution of programs, services and applied research, and a strong focus on entrepreneurship.

Program Development

New apprenticeship programs launched in 2021-2022

- Automotive Service Technician-Apprenticeship
- Railway Car Technician-Apprenticeship
- Marine and Small Engine Technician-Apprenticeship
- Information Technology Network Technician-Apprenticeship
- Information Technology Hardware Technician-Apprenticeship
- Motorcycle Technician-Apprenticeship
- Truck and Coach Technician-Apprenticeship

New programs launched in 2021-2022

- Entrepreneurship Management
- Enterprise Analysis and Research
- Motive Power Fundamentals – Motorcycle and Sport Vehicle Repair
- International Nursing License Preparation
- Honours Bachelor of Science in Nursing – stand-alone degree



Report on Previous Year's Strategic Objectives

Applied Research

The Village and Canadore College to research new ways to end seniors' isolation

Will robots be the answer to social isolation for seniors? That is what The Village will investigate through a new research project entitled "The Use of Companion Social Robots with Older Adults: A Pilot Study Examining Impacts on Social Isolation, Social Inclusion, and Perceived Loneliness." This project will help to address some of the barriers faced by older adults, particularly in the North, in feeling connected. It will also determine how technology, such as these robots, can help in reducing loneliness and isolation, and improve overall quality of life.

Students involved in the pilot study will benefit from training on how to handle and program artificial intelligence technology to understand the effects of social robots on social isolation. Their involvement in the study not only provides an intergenerational approach to social programming, but also inspires innovation with the use of modern technology in their individual practices.

ONCoV Coalition to identify COVID-19 variants

Canadore College joined an Ontario-wide coalition to sequence and characterize coronavirus strains that are affecting people in the province. The world-leading research team, ONCoV Genomics Coalition, was brought together by Ontario Genomics, an organization funded by the Ontario government. Canadore, through its Genomics Lab, is the only college in the coalition.

The Genomics Lab and the Functional Genomics and Clinical Consultation program teaches post-graduate students how to conduct and analyze the triple gene qPCR test for COVID-19, and how to perform sequencing on the viral genomes. Participating in the coalition provides tremendous learning opportunities for the students and provides the community with specially trained graduates who can assist in the battle against the pandemic.

3. Develop an entrepreneurial platform and acquire one additional platform.

Entrepreneurship Academy:

Canadore College officially launched the first-ever Entrepreneurship Academy in Canada. The Academy's establishment is positioned to revolutionize and transform learning experiences and be responsive to new ways of leading, thinking and learning through environmental disruption. The Entrepreneurship Academy at Canadore College will offer new learning modalities that do not exist elsewhere in Canada, focusing on adaptive, entrepreneurial skill sets. The Entrepreneurship Academy will enable students to learn through industry experts and will offer a more dynamic hands-on approach.

Report on Previous Year's Strategic Objectives

4. Diversify revenue sources to ensure continued investment in the College's programs, services, and infrastructure.

Ontario colleges are moving away from being publicly funded institutions to publicly assisted institutions. Government funding has declined to 18% of total revenues.

International Enrolment:

\$121,162,645

Contract training:

\$1,930,057

Entrepreneurship and Research:

\$600,000



5. Adopt a new academic credentialing structure including microcredentials, majors and minors to reflect international standards and recognize learning in the 21st century. Expand our credential offerings to include select degrees and in partnership with other institutions of higher learning.

◀ Biigiweyan Cross Cultural Competency Microcredential

Biigiweyan (which means Coming Home) has trained more than 150 health and justice professionals in an inter-professional Indigenous Cultural Safety program. The program is built on the Canadian Institutes of Health Research seed grant on cultural safety. Offered by Canadore's First Peoples' Centre, Biigiweyan trains through live actor simulation.

◀ Honours Bachelor of Advanced Manufacturing Technology Management

Canadore launched its first degree -- Honours Bachelor of Advanced Manufacturing Technology Management -- in September 2022. This program will prepare students for careers in technology management in companies engaged in advanced manufacturing to support other key Northern region industries including mining, transportation, forestry, utilities, and construction.

◀ Bachelor of Science in Nursing – stand-alone degree

Canadore launched its Bachelor of Science in Nursing (BScN) in September 2022. The new four-year Honours BScN program will increase the region's capacity to train and retain nurses. Canadore has been training nurses for more than 30 years, and the College's programs will now include the BScN degree, and a new three-year bridging Practical Nursing to BScN Program to launch in 2023.

Report on Previous Year's Strategic Objectives

6. Be a key stimulus and partner in the economic development of our region and province through strong community and industry connections.

◀ Northern Ontario Business Recognition

The Innovation Centre for Advanced Manufacturing and Prototyping (ICAMP) was recognized by Northern Ontario Business as its Entrepreneurial Community for 2021. The Award recognizes non-profit or charitable groups, government agencies and institutions that collaborate by sharing human and/or capital resources to create conditions that affect economic growth or development in Northern Ontario.

ICAMP has a proven record of accomplishment with groundbreaking applied research, specifically designed to meet the needs of industry, while contributing to the economy of the region by creating or retaining hundreds of jobs in the North. This award recognizes the vision of ICAMP, the power of partnerships, and the reality of what can be accomplished when people work together. The equipment and expertise at ICAMP have helped complete more than 800 projects, assisted more than 400 companies, and created or retained 270 jobs in the North.

◀ Canadore College partners with OPP Auxiliary on new direct entry program

Canadore College announced a new partnership with the Ontario Provincial Police (OPP) Auxiliary and Nipissing University to offer direct entry into the OPP Auxiliary Program to gain hands-on training and experience in policing.

◀ Canadore College and the Canadore Foundation dedicate new campus Wellness Garden

Canadore College and the Canadore College Foundation have an on-campus wellness garden thanks to the generous gift to The Village capital campaign by Stanford International College of Business and Technology, the College's partner. The Stanford International College Wellness Garden is built at the entrance to The Village.

The Stanford International College Wellness Garden embodies elements of wind, water, sound, fire, and soil. The design creates an admiration for, and a sense of harmony with, nature. While Eastern cultures influenced the design, the garden utilizes hardy plants that fit our northern climate.



Report on Previous Year's Strategic Objectives

7. Build a strong, sustainable future and be good environmental stewards.

◀ Ecometrica

Canadore College signed onto software designed by Ecometrica, an international provider of monitoring systems to create sustainability reports. Canadore will input information on a variety of factors including its energy and water usage, electricity, heating, and cooling costs, and will receive a report on the greenhouse gases emitted by those activities. Canadore is one of eight colleges and institutions from across Canada to participate. Each institution will receive a standardized baseline of its greenhouse gas emissions and then will collaborate on solutions to reduce them.

◀ Sustainable Development Taskforce

Canadore has set a goal to be carbon neutral by 2031. A Sustainable Development Taskforce has been struck to establish a baseline, and then to start mapping a way forward. Every student and employee will have a role to play in reaching this carbon neutral goal.

◀ United Nations Sustainable Development Goals

Canadore College signed onto the United Nations Sustainable Development Accord in support of its **17 Sustainable Development Goals** (SDG). More recently the College filed its first annual SDG report and has been included as a case study in the international SDG Accord Progress Report. Through its Sustainable Development Task Force, the College has committed to considering the SDGs in research, campus operations, and curriculum development.



Financial and Operating Outlook

Canadore College faces additional revenue challenges as the long-term negative impacts of the COVID-19 pandemic continue to be felt across every aspect of college operations including staffing, program delivery models, and domestic and international student enrolments. For much of 2021-2022, borders remained closed, hesitation remained in the domestic market, and government support was uncertain. The impacts on enrolment, steep declines in corporate training and ancillary revenues, in addition to the costs of continuing to accommodate COVID-19, translates into a loss of ancillary revenues of \$2M annually until 2022.

The COVID-19 pandemic highlighted the need for funding reform to small, northern and rural colleges, including Canadore, so these colleges can become more self-sufficient. As the pandemic continued into 2021, the negative underlying economic conditions resulting from the pandemic did not see significant improvement – many businesses would re-open or re-hire, but historical problems with under-population and a lack of proper skills training persisted.

Changes to Ontario government policy and investment in Canadore College are the key to unlocking the region's potential.

Declining levels of government funding and rising costs related to collective agreements and inflation mean the College must generate net new revenue to meet operational requirements, program capital investment needs, and deferred maintenance.

The cap on student tuition, the international claw-back fee and other policy levers are additional strains on the College budget. When the net effect of restrictions and the corridor distribution model combine with a number of critical infrastructure deficiencies, Canadore, without financial reserves, is at risk should it experience negative adjustment to its revenues or expenditures.

The College continued to invest in technologies and staff as it faced new and evolving demands from business and industry to provide trained employees.

The College continues to face an annual maintenance funding shortfall of approximately \$1.6 million per year, which has accumulated to total deferred maintenance in excess of \$22.5 million. The College will look to replace its Commerce Court Campus within the next decade as the building has surpassed its life expectancy. The replacement cost is estimated at \$65 million.



Financial and Operating Outlook

The Canadore College Foundation was established in 2016 to assist with the College's financial challenges and to provide leadership to meet long-term development and fundraising objectives. The Foundation will continue to provide the College with greater flexibility to raise capital dollars for infrastructure and monies for scholarships.

Despite our projected financial position, we will:

- 1** Continue to address a significant list of academic, capital and deferred maintenance needs by partnering primarily with the private sector;
- 2** Consider some of the project priorities identified in our Campus Master Plan and Long-term Capital Project Plan if government funding is not available to support them;
- 3** Support program renewal and development, and address other priorities of our strategic plan;
- 4** Take advantage of strategic high-benefit initiatives and opportunities; and
- 5** Prudently manage the day-to-day operations of the College.

We believe our limited capacity to withstand the anticipated financial challenges that lie ahead is our greatest challenge. However, we are confident our plans for the future will position the College well to keep building its reputation for excellence and innovation, supporting its commitment to student success, program and service excellence, connecting to community, innovation and entrepreneurship, and sustainability.



APPENDIX A: STRATEGIC MANDATE AGREEMENT REPORT BACK

2020-2025 Strategic Mandate Agreement



Canadore College's 2020-2025 Strategic Mandate Agreement can be viewed in full at canadorecollege.ca/about/downloads

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Management's Responsibility for Financial Reporting

For the year ended March 31, 2022

The financial statements of The Canadore 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.

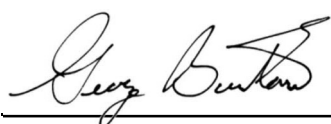
The College maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the College's assets are appropriately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

The College's liabilities have been reviewed by management. There are no material liabilities in either fact or contingency as at the date of this report that have been omitted from these financial statements.

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. BDO Canada LLP has full and free access to the Audit Committee.



President and CEO



Chief Financial Officer

May 24, 2022

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APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Independent Auditor's Report

For the year ended March 31, 2022

To the Board of Governors of Canadore College of Applied Arts and Technology

Opinion

We have audited the financial statements of Canadore College of Applied Arts and Technology (the College), which comprise the statement of financial position as at March 31, 2022, the statements of changes in net assets, remeasurement gains and losses, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2022, and its results of operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Independent Auditor's Report

For the year ended March 31, 2021

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

North Bay, Ontario
May 24, 2022

The accompanying notes are in integral part of these financial statements.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Statement of Financial Position

For the year ended March 31, 2022

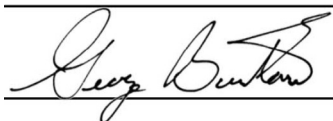
March 31	2022	2021
Assets		
Current		
Cash and cash equivalents	\$ 125,493,300	\$ 101,382,046
Accounts receivable (note 4)	5,391,699	5,101,500
Grants receivable	3,893,030	4,592,767
Prepaid expenses	868,308	1,095,884
	135,646,337	112,172,197
Internally restricted cash and investments (note 2)	18,000,000	2,000,000
Restricted cash and investments (note 2)	5,805,076	5,697,771
Other receivables (note 5)	488,816	488,816
Capital assets (note 6)	74,098,236	74,701,631
	\$ 234,038,465	\$ 195,060,415
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 32,022,272	\$ 22,109,343
Deferred revenue (note 7)	96,456,938	83,685,079
Deferred contributions (note 10)	300,820	461,295
Current portion of long-term debt (note 8)	777,764	884,391
	129,557,794	107,140,108
Long-term debt (note 8)	8,870,647	8,957,116
Post-employment benefits and compensated absences (note 9)	2,057,000	2,206,394
Deferred capital contributions (note 11)	54,556,428	54,567,614
	65,484,075	65,731,124
Net Assets		
Unrestricted	3,107,908	1,552,948
Invested in capital assets (note 13)	12,075,896	12,938,464
Internally restricted (note 14)	18,000,000	2,000,000
Externally restricted (note 12)	5,805,076	5,697,771
	38,988,880	22,189,183
Accumulated remeasurement gains (losses)	7,716	-
	38,996,596	22,189,183
	\$ 234,038,465	\$ 195,060,415

Contingencies (note 15) Global Pandemic (note 20)

On behalf of the Board:



Chair



President

The accompanying notes are in integral part of these financial statements.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Statement of Changes in Net Assets

For the year ended March 31, 2022

	March 31, 2022					Total
	Unrestricted	Invested in Capital Assets	Internally Restricted	Externally Restricted		
Net assets (deficiency), beginning of year	\$ 1,552,948	\$ 12,938,464	\$ 2,000,000	\$ 5,697,771	\$	22,189,183
Endowments received during the year	-	-	-	107,305		107,305
Excess (deficiency) of revenues over expenses for the year	19,002,743	(2,310,351)	-	-		16,692,392
Inter fund transfer (note 13)	(1,447,783)	1,447,783	-	-		-
Transfer to internally restricted (note 14)	(16,000,000)	-	16,000,000	-		-
Net assets (deficiency), end of year	\$ 3,107,908	\$ 12,075,896	\$ 18,000,000	\$ 5,805,076	\$	38,988,880

	March 31, 2021					Total
	Unrestricted	Invested in Capital Assets	Internally Restricted	Externally Restricted		
Net assets (deficiency), beginning of year	\$ (5,569,997)	\$ 14,092,645	\$ -	\$ 5,607,441	\$	14,130,089
Endowments received during the year	-	-	-	90,330		90,330
Excess (deficiency) of revenues over expenses for the year	10,091,130	(2,122,366)	-	-		7,968,764
Inter fund transfer (note 13)	(968,185)	968,185	-	-		-
Transfer to internally restricted (note 14)	(2,000,000)	-	2,000,000	-		-
Net assets (deficiency), end of year	\$ 1,552,948	\$ 12,938,464	\$ 2,000,000	\$ 5,697,771	\$	22,189,183

The accompanying notes are in integral part of these financial statements.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Statement of Remeasurement Gains and Losses

For the year ended March 31, 2022

For the year ended March 31	2022	2021
Accumulated remeasurement gains, beginning of year	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Fixed income	-	-
Equity instruments	7,716	-
	<u>7,716</u>	<u>-</u>
Realized (gains) losses attributable to:		
Fixed income	-	-
Equity instruments	-	-
	<u>-</u>	<u>-</u>
Net remeasurement gains for the year	7,716	-
Accumulated remeasurement gains, end of year	\$ 7,716	\$ -

The accompanying notes are in integral part of these financial statements.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Statement of Operations

For the year ended March 31, 2022

For the year ended March 31	2022	2021
Revenues		
Grants and reimbursements	\$ 32,223,454	\$ 28,264,216
Student fees - domestic	13,055,009	11,558,906
Student fees - international	121,161,645	90,803,884
Ancillary	1,382,820	842,026
Investment income	1,114,665	891,140
Other	6,396,670	5,401,346
Amortization of deferred capital contributions	4,436,114	4,054,127
Gain on disposal of capital assets	47,639	-
	<u>179,818,016</u>	<u>141,815,645</u>
Expenses		
Salaries and benefits	45,669,400	40,947,787
Instructional supplies and field work	1,075,757	1,086,392
Utilities and plant services	7,854,442	4,394,376
Contracted and professional services	9,366,714	7,010,106
International activities	80,043,388	63,578,287
General expenditures and supplies	4,674,822	3,775,676
Information technology, furniture and equipment, purchases and rentals	3,328,824	2,906,918
Scholarships, bursaries and awards	1,936,860	1,007,495
Ancillary	2,316,698	2,895,412
Interest on long-term debt	222,148	201,526
Loss on disposal of capital assets	-	1,432
Amortization of capital assets	6,636,571	6,041,474
	<u>163,125,624</u>	<u>133,846,881</u>
Excess of revenues over expenses for the year	\$ 16,692,392	\$ 7,968,764

The accompanying notes are in integral part of these financial statements.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Statement of Cash Flows

For the year ended March 31, 2022

For the years ended March 31	2022	2021
Net inflow (outflow) of cash related to the following activities		
Operating		
Excess of revenues over expenses	\$ 16,692,392	\$ 7,968,764
Items not involving cash:		
Amortization of capital assets	6,636,571	6,041,474
Amortization of deferred capital contributions	(4,436,114)	(4,054,127)
(Gain) loss on disposal of capital assets	(47,639)	1,432
Accrual for post-employment benefits and compensated absences	(149,394)	76,688
	<u>18,695,816</u>	<u>10,034,231</u>
Change in non-cash operating working capital:		
Accounts receivable	(290,199)	1,254,325
Grants receivable	699,737	(656,647)
Prepaid expenses	227,576	(560,557)
Other receivables	-	643
Accounts payable and accrued liabilities	9,913,081	3,539,390
Accrual for vacation pay		
Deferred revenue	12,771,859	29,723,726
Deferred contributions	(160,475)	183,092
	<u>41,857,395</u>	<u>43,518,203</u>
Investing		
Unrealized gain on externally restricted cash and investments	7,716	-
Internally restricted cash and investments	(16,000,000)	(2,000,000)
	<u>(15,992,284)</u>	<u>(2,000,000)</u>
Financing		
Repayment of long-term debt	(943,096)	(887,776)
Advances of long-term debt	750,000	-
	<u>(193,096)</u>	<u>(887,776)</u>
Capital		
Purchase of capital assets	(6,058,777)	(2,861,934)
Proceeds on disposal of capital assets	47,639	(1,432)
Contributions received for capital purposes	4,450,377	2,466,664
	<u>(1,560,761)</u>	<u>(396,702)</u>
Increase in cash and cash equivalents	24,111,254	40,233,725
Cash and cash equivalents, beginning of year	101,382,046	61,148,321
Cash and cash equivalents, end of year	\$ 125,493,300	\$ 101,382,046

The accompanying notes are in integral part of these financial statements.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

Canadore College of Applied Arts and Technology ("Canadore" or the "College"), established in 1967, is an Ontario College of applied arts and technology duly established pursuant to Ontario Regulation 34/03 made under the Ontario Colleges of Applied Arts and Technology Act, 2002. The College is an agency of the Crown and provides postsecondary education to full-time and part-time students.

The College is a not-for-profit organization and, as such, is exempt from income taxes under the Income Tax Act (Canada).

Basis of Presentation

The financial statements of the College 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 the Public Sector Accounting Board ("PSAB for Government NPOs").

Revenue Recognition

The College follows the deferral method of accounting for contributions, which include donations and government grants. Tuition fees and contract training revenues are recognized as income to the extent that the related courses and services are provided within the fiscal year of the College.

Ancillary revenues including parking, residence and other sundry revenues are recognized when products are delivered or services are provided to the student or client, the sales price is fixed and determinable, and collection is reasonably assured.

Unrestricted contributions are recognized as revenue when received or receivable.

Externally restricted contributions and restricted investment income are recognized as revenue in the year in which the related expenses are incurred.

Restricted contributions for the purchase of capital assets are deferred and amortized to revenue at a rate corresponding with the amortization rate for the related capital assets.

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

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Restricted investment income that must be maintained as an endowment is credited to net assets. Unrestricted investment income is recognized as revenue when earned.

Capital Assets

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expenses. Betterments that extend the estimated useful life of an asset are capitalized. When a capital asset no longer contributes to the College's ability to provide services or the value of the future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets (continued)

Construction in progress costs are capitalized as incurred and transferred to applicable capital asset categories and amortized once the assets are placed in service.

Capital assets are capitalized on acquisition and amortized on a straight-line basis over their useful lives, which has been estimated to be as follows:

Buildings and building improvements	25-40 years
Site improvements	10 years
Furniture and equipment	5 years
Computer equipment and computers under capital lease	3-5 years
Equipment	5-10 years

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, vested sick leave and non-vested 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 estimates 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 pension and 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.

Vacation Pay

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

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:

Fair Value

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

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

The bond portfolio is initially recognized at cost and subsequently carried at fair value. Changes in fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met.

All investments held in equity instruments that trade in an active market are recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis.

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.

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

Amortized Cost

This category includes accounts receivable, other receivables, accounts payable and accrued liabilities, operating loan, long-term debt and obligations under capital lease. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest method, less any impairment losses on financial assets.

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.

Management Estimates

The preparation of financial statements in conformity with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from these results. Areas of key estimation include determination of fair value for the allowance for doubtful accounts, useful lives of capital assets and actuarial estimation of post-employment benefits and compensated absences liabilities.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

2. FINANCIAL INSTRUMENT CLASSIFICATION

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

	2022		
	Fair Value	Amortized Cost	Total
Cash and cash equivalents	\$ 125,493,300	\$ -	\$ 125,493,300
Accounts receivable	-	5,391,699	5,391,699
Grants receivable	-	3,893,030	3,893,030
Internally restricted cash and investments ⁽ⁱ⁾	18,000,000	-	18,000,000
Restricted cash and investments ⁽ⁱⁱ⁾	5,805,076	-	5,805,076
Accounts payable and accrued liabilities	-	32,022,272	32,022,272
Long-term debt	-	9,648,411	9,648,411
	\$ 149,298,376	\$ 50,955,412	\$ 200,253,788

	2021		
	Fair Value	Amortized Cost	Total
Cash and cash equivalents	\$ 101,382,046	\$ -	\$ 101,382,046
Accounts receivable	-	5,101,500	5,101,500
Grants receivable	-	4,592,767	4,592,767
Internally restricted cash and investments ⁽ⁱ⁾	2,000,000	-	2,000,000
Restricted cash and investments ⁽ⁱⁱ⁾	5,697,771	-	5,697,771
Accounts payable and accrued liabilities	-	22,109,343	22,109,343
Long-term debt	-	9,841,507	9,841,507
	\$ 109,079,817	\$ 41,645,117	\$ 150,724,934

(i) Included in internally restricted cash and investments are cash balances and equity holdings

(ii) Included in restricted cash and investments is \$4,855,472 (2021 - \$4,462,494) in bonds and equities and \$949,604 (2021 - \$1,235,277) in interest bearing accounts with interest rates ranging from 0.8% to 11.35% (2021 - 1.83% to 11.35%) with maturities as follows:

	2022				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 Years	Total
Carrying value	\$ 2,240,739	\$ 1,299,568	\$ 866,854	\$ 448,311	\$ 4,855,472
Percent of total	46%	27%	18%	8%	

	2021				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 Years	Total
Carrying value	\$ 2,078,813	\$ 1,291,480	\$ 516,150	\$ 576,051	\$ 4,462,494
Percent of total	47%	29%	12%	12%	

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

2. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

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).

	2022			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 125,493,300	\$ -	\$ -	\$ 125,493,300
Internally restricted cash and investments	18,000,000	-	-	18,000,000
Restricted cash and investments	5,805,076	-	-	5,805,076
	\$149,298,376	\$ -	\$ -	\$149,298,376

	2021			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 101,382,046	\$ -	\$ -	\$ 101,382,046
Internally restricted cash and investments	2,000,000	-	-	2,000,000
Restricted cash and investments	5,697,771	-	-	5,697,771
	\$109,079,817	\$ -	\$ -	\$109,079,817

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and 2021.

There were also no transfers in or out of Level 3.

3. CREDIT FACILITY AGREEMENT

The College has an operating loan under a credit facility agreement with a Canadian chartered bank. The maximum draw permitted under this agreement is \$8,000,000 with an interest rate of prime less 0.75%. At March 31, 2022, the outstanding balance under this credit facility was \$Nil (2021 - \$Nil).

4. ACCOUNTS RECEIVABLE

	2022	2021
Trade receivables (net of \$33,900 (2021 - \$Nil) allowance)	\$ 4,296,725	\$ 4,442,040
Student receivable (net of \$145,000 (2021 - \$322,830) allowance)	139,098	272,404
Harmonized Sales Tax receivable	845,097	303,532
Accrued interest receivable	110,779	83,524
	\$ 5,391,699	\$ 5,101,500

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

5. OTHER RECEIVABLES

The College, in conjunction with Nipissing University, entered into an agreement with the Corporation of the City of North Bay whereby the City would construct sewer and water services on behalf of the Education Centre. Project funding was provided by the Northern Ontario Heritage Fund Corporation and is repayable when the funds are received from the City of North Bay (see note 8).

As at March 31, the following amounts remain outstanding:

	2022	2021
Accounts receivable from City of North Bay repayable from future lot levies for water and sewer connections	\$ 488,816	\$ 488,816

6. CAPITAL ASSETS

	2022		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 3,160,956	\$ -	\$ 3,160,956
Site improvements	2,101,741	725,035	1,376,706
Buildings	110,488,266	55,567,198	54,921,068
Furniture and equipment	32,415,105	26,991,752	5,423,353
Computer equipment	8,901,482	8,142,136	759,346
Computers under capital lease	1,670,105	1,670,105	-
Equipment	23,025,309	14,568,502	8,456,807
	\$ 181,762,964	\$ 107,664,728	\$ 74,098,236

	2021		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 2,401,279	\$ -	\$ 2,401,279
Site improvements	2,101,741	514,861	1,586,880
Buildings	109,809,167	53,036,454	56,772,713
Furniture and equipment	29,341,960	25,545,952	3,796,008
Computer equipment	8,363,946	7,703,310	660,636
Computers under capital lease	1,670,105	1,670,105	-
Equipment	22,524,042	13,039,927	9,484,115
	\$ 176,212,240	\$ 101,510,609	\$ 74,701,631

7. DEFERRED REVENUE

	2022	2021
Advanced tuition fees	\$ 92,185,000	\$ 79,206,309
Alumni Association	402,723	237,504
Student Athletics	199,141	128,538
Grants and other	3,670,074	4,112,728
	\$ 96,456,938	\$ 83,685,079

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

8. LONG-TERM DEBT

	2022	2021
Student Residence		
2.14% Mortgage, payable in monthly installments of \$35,394, including principal and interest, maturing October 27, 2029	\$ 2,945,598	\$ 3,311,259
3.477% Mortgage payable in semi-annual installments of \$116,263 including principal and interest, maturing November 10, 2026	1,058,780	1,249,506
3.222% Mortgage payable in semi-annual installments of \$63,446 including principal and interest, maturing July 1, 2027	634,902	738,820
Capital Financing		
2.71% Fixed rate term loan, payable in semi-annual installments of \$86,125 including principal and interest, maturing March 28, 2022	-	168,811
3.95% Fixed rate term loan, payable in semi-annual installments of \$114,404 including principal and interest, maturing March 5, 2049	3,777,053	3,854,295
3.2% Fixed rate term loan, payable in monthly installments of \$4,235 including principal and interest, maturing December 20, 2041	743,262	-
Parry Sound Campus Forgivable Mortgage		
Interest free mortgage, reduced without payment, by 10% of the original principal per year for each year of operation of the Parry Sound Campus	-	30,000
Infrastructure Upgrades		
Interest free incentive term-loan payable to Northern Ontario Heritage Fund Corporation to be repaid from proceeds received from the City of North Bay for future lot levies for water and sewer connections (see note 5)	488,816	488,816
	9,648,411	9,841,507
	777,764	884,391
Current portion of long-term debt	\$ 8,870,647	\$ 8,957,116

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

8. LONG-TERM DEBT (continued)

Principal due within each of the next five years and thereafter on long-term debt is as follows:

2023	\$	777,764
2024		799,507
2025		823,342
2026		847,085
2027		871,455
Thereafter		5,529,258
		<u>\$ 9,648,411</u>

9. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY

The following table outlines the components of the College's post-employment benefits and compensated absences liabilities and related expenses:

	2022				
	Post-employment benefits	Non-vested sick leave	Vested sick leave	Parental leave	Total liability
Accrued employee future benefits obligation	\$ 447,000	\$ 1,369,000	\$ -	\$ -	\$ 1,816,000
Value of plan assets	(121,000)	-	-	-	(121,000)
Unamortized actuarial gains (losses)	113,000	249,000	-	-	362,000
Total liability	<u>\$ 439,000</u>	<u>\$ 1,618,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,057,000</u>
	2021				
	Post-employment benefits	Non-vested sick leave	Vested sick leave	Parental leave	Total liability
Accrued employee future benefits obligation	\$ 452,000	\$ 1,547,000	\$ -	\$ 114,394	\$ 2,113,394
Value of plan assets	(106,000)	-	-	-	(106,000)
Unamortized actuarial gains (losses)	115,000	84,000	-	-	199,000
Total liability	<u>\$ 461,000</u>	<u>\$ 1,631,000</u>	<u>\$ -</u>	<u>\$ 114,394</u>	<u>\$ 2,206,394</u>

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

9. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

	2022				
	Post-employment benefits	Non-vested sick leave	Vested sick leave	Parental leave	Total expense
Current year benefit costs (recovery)	\$ (15,000)	\$ 123,000	\$ -	\$ -	\$ 108,000
Interest on accrued benefit obligation	1,000	27,000	-	-	28,000
Amortized actuarial losses (gains)	(5,000)	-	-	-	(5,000)
Total expense	\$ (19,000)	\$ 150,000	\$ -	\$ -	\$ 131,000

	2021				
	Post-employment benefits	Non-vested sick leave	Vested sick leave	Parental leave	Total expense
Current year benefit costs (recovery)	\$ 36,000	\$ 163,000	\$ -	\$ 114,394	\$ 313,394
Interest on accrued benefit obligation	1,000	25,000	-	-	26,000
Amortized actuarial losses (gains)	(4,000)	-	-	-	(4,000)
Total expense	\$ 33,000	\$ 188,000	\$ -	\$ 114,394	\$ 335,394

The total expense for post-employment benefits and compensated absences is included in salaries and benefits on the Statement of Operations. The total amount paid during the year for post-employment benefits and compensated absences was \$280,394 (2021 - \$178,000).

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

Retirement Benefits

CAAT Pension Plan

All full time employees of the College, and any part time employees who opt to participate, are members of the Colleges of Applied Arts and Technology Pension Plan (the "Plan"), a multi-employer jointly-sponsored defined benefit plan for public colleges in Ontario and other employers across Canada. The College makes contributions to the plan equal to those of employees. Contribution rates are set by the Plan's governors to ensure long-term viability of the Plan. Since the Plan is a multi-employer plan, the College's contributions are accounted for as if the Plan were a defined contribution plan with the College's contributions being expensed in the period they come due.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates related to full-time members. 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 filed with pension regulators as at January 1, 2022 indicated an actuarial surplus on a going concern basis of \$4.4 billion. The College made contributions to the Plan and its associated retirement compensation arrangement in the amount of \$3,711,215 in 2022 (2021 - \$3,508,198), which has been included in salaries and benefits on the Statement of Operations.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

9. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

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 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 as at March 31, 2022 of the future benefits was determined using a discount rate of 2.9% (2021 – 1.7%).

b) *Hospital and other medical*

Medical premium increases were assumed to increase at 6.29% per annum in 2022 (2021 – 6.42%), grading down to 4.0% per annum in 2040.

c) *Dental costs*

Dental costs were assumed to increase at 4.0% per annum in 2022 (2021 – 4.0%).

Compensated Absences

Non-Vested Sick Leave

The College allocates to certain employees groups a specified number of days each year to 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 provide 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 sick 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 assumptions used in the valuation of vesting and non-vesting sick leave are the College's best estimates of expected rates of:

	2022	2021
Wage and salary escalation		
Academic full-time and partial load	2% in 2020, 1.0% per annum thereafter	2% in 2020, 1.0% per annum thereafter
Support staff full-time	1.0% in 2020, 2% in 2021, 1.25% in 2022, and 1.0% per annum thereafter	1.0% in 2020, 2% in 2021, 1.25% in 2022, and 1.0% per annum thereafter

The probability that the employee will use more sick days than the annual entitlement and the excess number of sick days used are within ranges of 0% to 26.2% (2021 - 0% to 26.2%) and 0% to 9.4% (2021 – 0% to 9.4%) respectively for age groups ranging from 20 and under to 65 and over in bands of 5 years.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

10. DEFERRED CONTRIBUTIONS

	2022	2021
Balance, beginning of year	\$ 461,295	\$ 278,203
Contributions received	34,300	71,321
Interest earned on contributions during the year	303,141	107,269
Unrealized gains (losses) on investments	(383,492)	272,537
Amounts transferred to revenue	(114,424)	(268,035)
Balance, end of year	\$ 300,820	\$ 461,295

Deferred contributions are comprised of:

	2022	2021
Scholarships, bursaries and awards	\$ 47,859	\$ 54,696
Endowment fund interest and unrealized gains	39,784	194,584
Joint employment stability reserve	213,177	212,015
Balance, end of year	\$ 300,820	\$ 461,295

11. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount and unspent amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations. The changes in deferred capital contribution balances are as follows:

	2022	2021
Balance, beginning of year	\$ 54,567,614	\$ 56,155,077
Contributions received for capital purposes	4,450,377	2,466,664
Disposal of capital assets	(25,449)	-
Amortization of deferred capital contributions	(4,436,114)	(4,054,127)
Balance, end of year	\$ 54,556,428	\$ 54,567,614

12. EXTERNALLY RESTRICTED NET ASSETS

Externally restricted net assets include restricted donations received by the College where the endowment principal is required to be maintained intact. The investment income generated from these endowments must be used in accordance with the various purposes established by the donors. The College ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose in which they were provided.

Investment income on externally restricted endowments that was disbursed during the year has been recorded in the statement of operations since this income is available for disbursement as scholarships and bursaries and the donors' conditions have been met. The unspent portion of investment income is recorded in deferred contributions. Investment income on endowed assets recognized and deferred was \$153,204 and \$259,675 respectively (2021 - \$185,253 and \$75,983).

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

12. EXTERNALLY RESTRICTED NET ASSETS (continued)

Externally restricted endowment funds include grants provide by the Government of Ontario from the Ontario Student Opportunity Trust Fund ("OSOTF") and the Ontario Trust for Student Support ("OTSS"). Under these programs, the government matched funds raised by the College. The purpose of the program is to assist academically qualified individuals who, for financial reasons, would not otherwise be able to attend College.

Schedule of changes in endowment fund balances:

	2022				2021	
	OSOTF I	OSOTF II	OTSS	Other	Total	Total
Fund balance, beginning of year	\$1,713,852	\$ 275,744	\$2,308,446	\$1,399,729	\$5,697,771	\$5,607,441
Cash donations received	-	-	-	107,305	107,305	90,330
Fund balance, end of year	\$1,713,852	\$ 275,744	\$2,308,446	\$1,507,034	\$5,805,076	\$5,697,771

Schedule of changes in expendable funds available for awards:

	2022				2021	
	OSOTF I	OSOTF II	OTSS	Other	Total	Total
Balance, beginning of year	\$ 33,409	\$ (5,814)	\$ 60,220	\$ (11,832)	\$ 75,983	\$ 155,790
Investment income, net of direct investment related expenses	119,218	12,440	104,121	65,059	300,838	69,355
Bursaries awarded	(27,509)	(6,811)	(46,760)	(36,066)	(117,146)	(149,162)
Balance, end of year	\$ 125,118	\$ (185)	\$ 117,581	\$ 17,161	\$ 259,675	\$ 75,983

13. INVESTMENT IN CAPITAL ASSETS

Investment in capital assets represents the following:

	2022	2021
Capital assets	\$ 74,098,236	\$ 74,701,631
Less amounts financed by:		
Deferred capital contributions	(54,556,428)	(54,567,614)
Long-term debt relating to capital assets	(7,465,912)	(7,195,553)
	\$ 12,075,896	\$ 12,938,464

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

13. INVESTMENT IN CAPITAL ASSETS (continued)

Changes in net assets invested in capital assets is calculated as follows:

	2022	2021
Purchase of capital assets	\$ 6,058,777	\$ 2,861,934
Principal payment of long-term debt	479,642	437,896
Interest on long-term debt	157,380	133,587
Less: advances of long-term debt	(750,000)	-
Less: proceeds on disposal of fixed assets	(47,639)	1,432
Less: amounts financed by deferred capital contributions	(4,450,377)	(2,466,664)
	\$ 1,447,783	\$ 968,185

14. INTERNALLY RESTRICTED FUNDS

The College restricts amounts from the net asset balance, as approved by the Board of Governors. Internally restricted net assets consists of the following:

	2022	2021
International Studies Programming	\$ 2,000,000	\$ 2,000,000
Domestic Studies Programming	250,000	-
Strategic Initiatives	9,450,000	-
Capital Infrastructure	6,300,000	-
	\$ 18,000,000	\$ 2,000,000

15. CONTINGENCIES

In the normal course of operations the College is in the process of dealing with a number of grievances that may go to arbitration. As of the date of financial statement preparation the likelihood and impact of these grievances on the College's financial statements is unknown. Should any costs be incurred as a result of the arbitration process, such costs will be expensed in the year of settlement.

In the normal course of operations the College is involved in certain legal matters and litigations, the outcome of which is not presently determinable. The loss, if any, from these contingencies will be accounted for in the periods in which the matters are resolved.

16. CANADORE STUDENTS' COUNCIL

Included in assets and liabilities at year end is \$1,916,598 (2021 - \$1,520,227) in student fees collected on behalf of Canadore Students' Council (the "CSC") and not disbursed during the year. On behalf of CSC the College disbursed funds in the amount of \$1,055,410 (2021 - \$754,387) for expenses incurred during the year on behalf of the College's students. These expenses and the associated fees collected have not been recognized in the College's statement of operations. In 2018, funds held in trust under the previous student council body representing Canadore College students in the amount of \$1,885,529 were disbursed to a newly appointed trustee, external to and independent of the College, representing CSC and the College. The assets held in trust are intended to be used for expenditures of a capital nature to enhance the educational experience of members of the Canadore community. These funds are not in the sole control of the College and therefore have not been recognized in these financial statements. As at March 31, 2022 these funds had a market value of \$2,495,046 (2021 - \$2,357,733).

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

17. THE CANADORE COLLEGE FOUNDATION

The Canadore College Foundation (the "Foundation") was created for the purpose of raising funds for capital and other purposes to assist the College in continuing to provide outstanding applied education. Funds received from the Foundation during the year totaled \$132,300 (2021 - \$399,594). The College has an outstanding receivable from the Foundation as at March 31, 2021 in the amount of \$108,155 (2021 – \$Nil). The College provides support when required, office space, basic infrastructure and associated services, computer and other equipment, services of certain College departments in return for a management fee that is calculated annually in the amount of \$26,550 (2021 - \$33,000). The Foundation is not controlled by the College and therefore is not consolidated in these financial statements.

18. ECONOMIC DEPENDENCE

The College receives approximately 18% (2021 – 20%) of its revenues from the Ministry of Colleges and Universities.

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 related to its cash, debt holdings in its investment portfolio, other receivables and accounts receivable. The College holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the College's cash accounts are insured up to \$300,000 (2021 - \$300,000).

The College's investment policy operates within the constraints of the investment guidelines issued by the Ministry of Colleges and Universities 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 on a monthly basis. 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 A (R-1) or better. The maximum exposure to investment credit risk is outlined in note 2.

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

19. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

Credit Risk

Accounts receivable are ultimately due from students. Credit risk is mitigated by financial approval processes before a student is enrolled and 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:

	2022				
	Total	1-30 days	31-60 days	61-90 days	91-120 days
Government receivables	\$ 4,738,127	\$4,738,127	\$ -	\$ -	\$ -
Student receivables	284,098	17,179	41,412	89,022	136,485
Other receivables	4,441,404	2,388,999	529,036	478,086	1,045,283
Gross receivables	9,463,629	7,144,305	570,448	567,108	1,181,768
Less: impairment allowances	(178,900)	-	-	-	(178,900)
Net receivables	\$ 9,284,729	\$7,144,305	\$ 570,448	\$ 567,108	\$1,002,868

	2021				
	Total	1-30 days	31-60 days	61-90 days	91-120 days
Government receivables	\$ 4,896,299	\$ 4,896,299	\$ -	\$ -	\$ -
Student receivables	595,234	930	6,238	144,349	443,717
Other receivables	4,525,564	3,440,900	418,952	129,074	536,638
Gross receivables	10,017,097	8,338,129	425,190	273,423	980,355
Less: impairment allowances	(322,830)	-	-	-	(322,830)
Net receivables	\$ 9,694,267	\$ 8,338,129	\$ 425,190	\$ 273,423	\$ 657,525

Student receivables not impaired are considered collectible based on the College's assessment and experience regarding collections rates.

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

Market Risk

Market risk is the risk that the fair value of 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 operates within the constraints of the investment guidelines issued by the Ministry of Colleges and Universities. The policy's application is monitored by management, the investment managers and the Board of Governors. Diversification techniques are utilized to minimize risk.

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

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

19. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

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 levels when adverse changes in foreign currency rates occur. The College does not have any material transaction 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 of 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, bank loans and long-term debt.

The College's guaranteed investment and bond portfolio has interest rates ranging from 0.8% to 11.35% (2021 – 1.83% to 11.35%) with maturities ranging from April 7, 2022 to June 2, 2048 (2021 – July 23, 2021 to June 2, 2048).

At March 31, 2022, a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of guaranteed investment certificates and bonds of \$50,563 (2021 - \$43,472). A 1% fluctuation in interest rates would have an estimated impact on interest expense related to the College's bank loans of \$91,596 (2021 - \$93,227) and no impact on interest income related to the College's other long-term receivable.

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

Equity Risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The College is exposed to this risk through its equity holdings within its investment portfolio. At March 31, 2022, a 5% movement in the stock markets with all other variables held constant would have an estimated effect on the fair value of the College's investments of \$123,334 (2021 - \$140,075).

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

APPENDIX B: CANADORE COLLEGE FINANCIAL STATEMENTS

Notes to Financial Statement

For the year ended March 31, 2022

19. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

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 following table sets out the contractual maturities (representing undiscounted contractual cash-flows of financial liabilities):

	2022			
	Within 6 months	6 months to 1 year	1 to 5 years	over 5 years
Accounts payable	\$32,022,272	\$ -	\$ -	\$ -
Long-term debt	388,882	388,881	3,341,389	5,529,258
	<u>\$32,411,154</u>	<u>\$ 388,881</u>	<u>\$ 3,341,389</u>	<u>\$ 5,529,258</u>

	2021			
	Within 6 months	6 months to 1 year	1 to 5 years	over 5 years
Accounts payable	\$22,109,343	\$ -	\$ -	\$ -
Long-term debt	442,196	442,195	3,105,540	5,851,576
	<u>\$22,551,539</u>	<u>\$ 442,195</u>	<u>\$ 3,105,540</u>	<u>\$ 5,851,576</u>

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.

20. GLOBAL PANDEMIC

In winter 2020 the impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of the global pandemic continued into fiscal 2021 and 2022 the College did realize a decline in specific revenues and a change in academic delivery model that required investment in technology. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the full extent of the related financial impact cannot be reasonably estimated in its entirety at this time. To manage the risk associated with the uncertainty the College focused on collecting receivables, student recruitment and support efforts, managing expenditures, both operating and capital in nature, and increasing opportunities for revenue diversification to ensure the College is able to continue delivering on its mandate as an Ontario College of applied arts and technology under advised local and provincial public health measures. The College was approved for funding in the amount of \$5,527,000 to assist with the financial impacts of COVID-19, of which \$4,538,400 (2021 - \$988,600) has been recognized to March 31.

21. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year presentation.



2020 KPI results

(reported to Board of
Governors January 2022):

Graduate Employment Rate *6 months after graduation*

87.8%

Graduate Satisfaction *6 months after graduation*

82.3%

Employer Satisfaction Rate

100%

Graduation Rate

68.4%

APPENDIX D: SUMMARY OF ADVERTISING AND MARKETING COMPLAINTS RECEIVED



Canadore College did not receive any advertising or marketing complaints during the 2021-2022 academic year.



Executive Committee

Jim Bruce
George Burton, President and CEO
Shelley Busch
John Carlan
Peter Chirico
Jake Lacourse
Rebecca McGlynn
Rebecca Minogue
Stephen Parrick
Samantha St Pierre
Todd Wilcox, Chair
Colin Williams
Dave Wolfe

Secretary of the Board

Ginette Cazabon
Manager, Office of the President

Non-Voting Officers of the College

Shawn Chorney, Vice President, Enrolment Management, Indigenous and Student Services
Sarah Moore, Chief Financial Officer
Ahmed Obaide, Vice President, Academic

GREAT THINGS HAPPEN HERE