Financial Statements of

SIR SANDFORD FLEMING COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Year ended March 31, 2009

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AUDITORS' REPORT

To the Board of Governors of Sir Sandford Fleming
College of Applied Arts and Technology

We have audited the balance sheet of Sir Sandford Fleming College of Applied Arts and Technology as at March 31, 2009 and the statements of revenue and expenditures, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants, Licensed Public Accountants

Toronto, Canada

May 15, 2009, except
as to note 17 which is
as of June 3, 2009

SIR SANDFORD FLEMING COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Balance Sheet

March 31, 2009, with comparative figures for 2008

	2009	2008
Assets		
Current assets:		
Cash	$ 10,699,354	$ 1,129,909
Short-term investments (notes 2 and 4)	303,677	8,006,142
Grants and reimbursements receivable	6,640,533	4,382,416
Accounts receivable	1,523,153	1,885,846
Inventory and prepaids	510,245	738,961
Notes receivable (note 3)	300,500	228,000
	19,977,462	16,371,274
Restricted cash and investments for endowments and bursaries (note 4)	4,666,611	4,254,919
Notes receivable (note 3)	1,656,178	1,981,353
Capital assets (note 5)	77,364,403	79,193,537
	$ 103,664,654	$ 101,801,083

	2009	2008

Liabilities, Deferred Contributions and Net Assets

	2009	2008
Current liabilities:		
Accounts payable and accrued liabilities	$ 5,486,750	$ 6,900,392
Accrued payroll and employee benefits	9,361,767	8,807,874
Grants received in excess of entitlements	2,285,891	1,011,564
Deferred revenue	3,626,921	3,100,122
Fleming College Foundation (note 15)	178,441	890,679
Current portion of long-term debt (note 9)	1,326,840	1,018,000
	22,266,610	21,728,631
Long-term debt (note 9)	21,080,193	20,665,000
Deferred derivative liability	2,985,000	2,094,117
Employee future benefits (note 7)	1,058,000	1,073,000
Deferred contributions:		
Bursaries	937,209	946,355
Deferred capital contributions (note 6)	50,989,970	51,957,381
	51,927,179	52,903,736
Net assets:		
Invested in capital assets (note 10)	5,417,769	7,772,914
Internally restricted (note 17)	215,000	–
Unrestricted net assets:		
Operating	5,237,101	1,447,144
Employee future benefits	(1,058,000)	(1,073,000)
Vacation pay accrual	(4,963,600)	(4,771,965)
Sick leave gratuity	(1,245,000)	(1,252,941)
Deferred derivative liability	(2,985,000)	(2,094,117)
Restricted for endowment (notes 13 and 14)	3,729,402	3,308,564
	4,347,672	3,336,599
Commitments and contingencies (note 16)		
	$ 103,664,654	$ 101,801,083

See accompanying notes to financial statements.

On behalf of the Board of Governors:

Chair of the Board of Governors

President

SIR SANDFORD FLEMING COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Revenue and Expenditures

Year ended March 31, 2009, with comparative figures for 2008

	2009	2008
Revenue:		
Grants and reimbursements	$ 48,553,025	$ 47,159,129
Student tuition	16,603,334	15,383,960
Other	9,772,416	9,145,577
Ancillary operations	3,713,689	3,679,756
Amortization of deferred capital contributions (note 6)	3,395,446	3,639,283
	82,037,910	79,007,705
Expenditures:		
Salaries	43,869,210	43,430,984
Benefits	8,396,348	8,165,080
Instructional support	4,852,586	4,087,369
Travel and professional development	1,042,240	1,045,629
Advertising	853,777	895,896
Telephone, legal and audit	939,786	1,087,274
Equipment maintenance	408,642	365,310
Plant and security	2,657,583	2,595,856
Rental and taxes	470,430	427,131
Utilities	2,349,456	2,277,013
Contract services and other	3,795,233	3,392,384
Bursaries	2,448,780	2,395,613
Supplementary	1,470,438	1,443,568
Interest on long-term debt	1,482,264	1,527,104
Derivative adjustment	890,883	192,090
Amortization of capital assets (note 10)	5,520,019	5,672,487
	81,447,675	79,000,788
Excess of revenue over expenditures	$ 590,235	$ 6,917

See accompanying notes to financial statements.

SIR SANDFORD FLEMING COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Changes in Net Assets

Year ended March 31, 2009, with comparative figures for 2008

	Invested in capital assets (note 10(a))	Internally restricted (note 17)	Restricted for endowment	Unrestricted	2009 Total	2008 Total
Net assets, beginning of year	$ 7,772,914	$ –	$ 3,308,564	$ (7,744,879)	$ 3,336,599	$ 4,935,189
Excess (deficiency) of revenue over expenditures (note 10(b))	(1,987,132)	215,000	–	2,362,367	590,235	6,917
Endowment contributions	–	–	420,838	–	420,838	296,520
Net change in invested in capital assets (note 10(b))	(368,013)	–	–	368,013	–	–
Change in accounting policy - interest rate swaps	–	–	–	–	–	(1,902,027)
Net assets, end of year	$ 5,417,769	$ 215,000	$ 3,729,402	$ (5,014,499)	$ 4,347,672	$ 3,336,599

See accompanying notes to financial statements.

SIR SANDFORD FLEMING COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

Year ended March 31, 2009, with comparative figures for 2008

	2009	2008
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	$ 590,235	$ 6,917
Items not involving cash:		
Amortization of capital assets	5,520,019	5,672,487
Gain on disposal of capital assets	(137,441)	(2,700)
Amortization of deferred capital contributions	(3,395,446)	(3,639,283)
Sick leave	(7,941)	(195,469)
Employee future benefits expense (recovery)	(15,000)	223,000
Deferred derivative liability	890,883	192,090
Donation of capital assets	(255,959)	(86,000)
	3,189,350	2,171,042
Change in non-cash operating working capital:		
Grants and reimbursements receivable	(2,258,117)	168,838
Accounts receivable	362,693	(67,001)
Inventory and prepaids	228,716	197,525
Accounts payable and accrued liabilities	(1,413,642)	2,082,483
Accrued payroll and employee benefits	561,834	(202,175)
Grants received in excess of entitlements	1,274,327	267,588
Deferred revenue	526,799	(526,987)
	2,471,960	4,091,313
Financing activities:		
Deferred capital contributions	2,428,035	6,400,453
Deferred contributions	(9,146)	382,255
Endowment contributions	420,838	296,520
Issuance of long-term debt	1,920,000	–
Principal payments on long-term debt	(1,195,967)	(3,125,900)
Fleming College Foundation, net	(712,238)	(476,035)
	2,851,522	3,477,293
Investing activities:		
Invested in short-term investments, net	7,702,465	(1,673,450)
Decrease (increase) in restricted cash and investments for endowments and bursaries	(411,692)	(678,775)
Purchase of capital assets	(3,511,658)	(5,755,720)
Proceeds on disposal of capital assets	214,173	2,700
Notes receivable	252,675	176,852
	4,245,963	(7,928,393)

SIR SANDFORD FLEMING COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows (continued)

Year ended March 31, 2009, with comparative figures for 2008

	2009	2008
Increase (decrease) in cash	9,569,445	(359,787)
Cash, beginning of year	1,129,909	1,489,696
Cash, end of year	$ 10,699,354	$ 1,129,909
Supplemental cash flow information:		
Interest paid	$ 1,482,264	$ 1,527,104

See accompanying notes to financial statements.

Sir Sandford Fleming College (the "College") was established as a corporation without share capital, as set out in the Ontario Colleges of Applied Arts and Technology Act. The Corporations Act governs the corporate affairs of the College and became effective April 1, 2003. The College is principally involved in providing post-secondary educational services. Under the Income Tax Act (Canada), the College is considered a registered charity and, accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met.

1. Significant accounting policies:

(a) Basis of accounting:

These financial statements are the representation of management and have been prepared in accordance with the "Governance and Accountability Framework for Universities and Colleges of Ontario" and generally accepted accounting principles.

(b) Deferred revenue:

The College defers the portion of the delivery of programs and courses that takes place after March 31.

(c) Revenue recognition:

The College follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Endowment contributions are recognized as direct increases to net assets.

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

1. Significant accounting policies (continued):

(d) Short-term investments and restricted cash and investments for endowments and bursaries:

Investments have been designated as held-for-trading and are recorded at fair value. The gain or loss arising from a change in fair value of investments for unrestricted investment income is included in excess (deficiency) of revenue over expenditures in the year in which it arises. Restricted investment income is recognized as revenue when related expenses are incurred.

(e) Library books:

Library book purchases are recorded as an operating expenditure at the time of purchase.

(f) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expenditure. Betterments which extend the estimated life of an asset are capitalized. Capital assets are amortized on a straight-line basis using the following annual rates:

Buildings	2-1/2%
Site improvements	10%
Furniture and equipment	20%
Computer equipment	33-1/3%
Residence furniture	6-2/3%
Fibre optic system	5%
Enterprise Resource Planning system	14%
Leasehold improvements	Over term of lease
Sport and Wellness Centre	Over term of lease

1. Significant accounting policies (continued):

(g) Accumulated sick leave credits:

The College is liable to pay 50% of an employee's accumulated sick leave credits on termination or retirement after 10 years of service. This program to accumulate sick leave credits ceased for employees hired after March 31, 1991.

Accrued payroll and employee benefits include an amount of $1,245,000 (2008 - $1,252,941) for sick leave accruals.

(h) Long-term debt:

The College has designated its long-term debt as held-for-trading and, as such, it is recorded at fair value. The fair value of the debt approximates its carrying value as the interest rate is similar to the interest rate currently available to the College.

(i) Derivative financial instruments:

Derivative financial instruments are utilized by the College in the economic management of its interest rate exposure. The College does not enter into derivative financial instruments for trading or speculative purposes. The College uses interest rate swap agreements to economically manage the floating interest rate of a portion of the debt portfolio and the related overall cost of borrowing. These instruments are not designated as hedges for accounting purposes and are carried on the balance sheet, under the caption deferred derivative liability, at estimated fair market value. Realized and unrealized gains or losses arising from net payments made or received and changes in fair value related to the interest rate swap agreements are recognized in the statement of revenue and expenditures in the period of the change as interest expense.

1. Significant accounting policies (continued):

(j) Employee future benefits:

The cost of post-retirement benefits is recognized over the periods in which the employee renders services to the College in return for the benefits. The accrued benefit obligation and the current service cost were actuarially determined using the projected benefit method prorated on service and based on management's assumptions.

(k) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the year. Actual results could differ from those estimates.

2. Short-term investments and restricted cash and investments for endowments and bursaries:

	2009		2008	
	Market value	Cost	Market value	Cost
Cash	$ 609,133	$ 609,133	$ –	$ –
Money market	367,470	367,471	8,694,035	8,694,035
Fixed income	3,386,121	3,396,996	2,907,349	2,887,545
Canadian equity	398,870	466,051	615,181	608,249
Global equity	208,694	227,556	44,496	68,940
	$ 4,970,288	$ 5,067,207	$ 12,261,061	$ 12,258,769

2. Short-term investments and restricted cash and investments for endowments and bursaries (continued):

Fair values of investments are determined as follows:

Bonds and equities are valued at year-end quoted market prices where available. Where quoted prices are not available, estimated fair values are calculated using comparable securities.

Guaranteed investment certificates, term deposits maturing after a year, mortgages and real estate debentures are valued at the present value of estimated future cash flows discounted at interest rates in similar type, quality and maturity.

The associated risks with the investments are as follows:

(a) Liquidity risk:

Money market investments represent instruments in highly liquid investments that are readily converted into known amounts of cash.

(b) Credit, interest rate and maturity risk:

Fixed income securities have yields varying from 1.26% to 8.96% (2008 - 3.32% to 6.77%) with maturity dates ranging from April 21, 2009 to June 30, 2039 (2008 - April 17, 2008 to December 22, 2019). The value of fixed income securities will generally rise if interest rates fall and fall if interest rates rise. The value of securities will vary with developments within the specific companies or governments which issue the securities.

(c) Equity risk:

The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. Changes in interest rates may also affect the value of equity securities.

2. Short-term investments and restricted cash and investments for endowments and bursaries (continued):

(d) Foreign exchange risk:

The value of securities denominated in a currency other than Canadian dollars will be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated.

3. Notes receivable:

The notes receivable balance includes $712,416 (2008 - $799,525) and $1,244,262 (2008 - $1,409,828) due from the Student Association, Frost Campus ("SA") and from the Sir Sandford Fleming College Student Administrative Council, Peterborough Campus ("SAC"), respectively.

The funds were utilized by SA to construct a Student Centre at the Frost Campus and by SAC for their contribution to The Peterborough Sport and Wellness Centre construction.

The notes receivable bear interest at the average interest rate earned on the College bank account of 2.4% (2008 - 4.3%). The repayments will vary year to year as the Building Fund Fee is based on enrolment at the respective campuses. The repayment period will continue indefinitely until the balances of the notes receivable plus accrued interest are fully paid. The current portions of the notes receivable are estimated by using the repayments net of projected interest received during the year as the basis of determination.

Total interest earned during the year is $53,539 (2008 - $129,641), and principal repayments received during the year totalled $252,675 (2008 - $176,852).

4. Restricted cash and investments for endowments and bursaries:

Cash and investments in the amount of $4,666,611 (2008 - $4,254,919) are restricted as to use and are not available for general operations. Fair value is described in note 2.

5. Capital assets:

	Cost	Accumulated amortization	2009 Net book value	2008 Net book value
Land	$ 2,359,937	$ –	$ 2,359,937	$ 2,384,936
Buildings	91,129,799	27,545,976	63,583,823	64,036,110
Site improvements	2,856,621	1,813,049	1,043,572	1,210,787
Furniture and equipment	18,613,420	15,548,887	3,064,533	2,979,935
Computer equipment	11,222,316	10,307,040	915,276	1,378,044
Residence furniture	1,086,301	547,088	539,213	611,633
Fibre optic system	1,560,459	346,580	1,213,879	1,291,902
Enterprise Resource Planning system	3,879,358	1,542,808	2,336,550	2,891,556
Leasehold improvements	277,893	230,642	47,251	99,304
Sport and Wellness Centre	2,448,053	187,684	2,260,369	2,309,330
	$ 135,434,157	$ 58,069,754	$ 77,364,403	$ 79,193,537

The total capital asset additions purchased and donated during the year was $3,767,617 (2008 - $5,841,720). The Ministry of Training, Colleges and Universities ("MTCU") contributed $2,671,245 (2008 - $4,516,060), the federal government, $24,538 (2008 - $82,920), private companies, $268,867 (2008 - $91,599), fundraising, $183,201 (2008 - $239,465) and internal funds, $619,766 (2008 - $911,676).

6. 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 revenue and expenditures. The changes in the deferred capital contributions balance are as follows:

	2009	2008
Balance, beginning of year	$ 51,957,381	$ 49,196,211
Less amounts amortized to revenue	3,395,446	3,639,283
	48,561,935	45,556,928
Contributions received for capital purposes	2,428,035	6,400,453
Balance, end of year	$ 50,989,970	$ 51,957,381

As at March 31, 2009, there was $1,450,369 (2008 - $2,219,758) of deferred capital contributions received that were not spent.

7. Employee future benefits other than pension:

The College pays certain benefits on behalf of its retired employees in addition to pension (note 8). As well, current employee compensated absence for short-term disability and maternity leave benefits are included. Information regarding the College's liability is as follows:

	2009	2008
Balance, beginning of year	$ 1,073,000	$ 850,000
Employee future benefits expense (income)	(15,000)	223,000
Balance, end of year	$ 1,058,000	$ 1,073,000

A discount rate of 5.5% was used as the actuarial assumption in the valuation of retired employee benefits. Compensated absences are not actuarially determined.

8. Pension plan:

The College has a defined benefit multi-employer pension plan for its employees, which is jointly trusteed. Under this arrangement, the College makes contributions to this plan equal to those of the employees. The College follows defined contribution accounting for its portion of the multi-employer plan. The employer portion of pension contributions for the year was $3,359,508 (2008 - $2,904,868). The pension plan is administered by a Board of Trustees and, based on the latest actuarial report of January 1, 2008, the plan has a going concern deficit and a solvency deficit. These deficits are eliminated when the contribution increase over the next two years is considered. Any unfunded liability would be shared equally between the colleges and their employees.

9. Long-term debt:

	2009	2008
Lindsay Student Residence loan, payable $26,701 monthly, including interest at 4.514%, due June 2015, secured by specific property	$ 1,742,033	$ –
Less principal repayments due within one year	246,840	–
	1,495,193	–
Brealey Student Residence loan payable, secured by specific property	17,028,000	17,529,000
Less principal repayment due within one year	537,000	501,000
	16,491,000	17,028,000
Peterborough Sport and Wellness Centre loan payable, secured by specific property	1,373,000	1,421,000
Less principal repayment due within one year	51,000	48,000
	1,322,000	1,373,000
Enterprise Resource Planning System loan payable, secured by specific property	2,264,000	2,733,000
Less principal repayment due within one year	492,000	469,000
	1,772,000	2,264,000
	$ 21,080,193	$ 20,665,000

9. Long-term debt (continued):

The College has entered into interest rate swaps for the Brealey Student Residence, the Peterborough Sport and Wellness Centre and the Enterprise Resource Planning System. The fair values of the interest rate swaps have been recorded as a deferred derivative liability.

The swap for the Brealey Student Residence has a total notional value of $20,000,000, whereby that portion of the loan payable is fixed at 7.05%, inclusive of the stamping fee. Principal repayments are due quarterly with the swap agreement expiring on October 31, 2011. The Brealey Student Residence loan also matures on October 31, 2011. The fair value of this swap liability is $2,522,839 (2008 - $1,907,757).

The Peterborough Sport and Wellness Centre swap has a notional value of $1,500,000, whereby that portion of the loan payable is fixed at 5.34%, inclusive of the stamping fee. Principal repayments are due quarterly with the swap agreement expiring on June 13, 2026. The fair value of this swap liability is $273,311 (2008 - $94,829).

The Enterprise Resource Planning System swap has a notional value of $3,500,000, whereby that portion of the loan payable is fixed at 5.05%, inclusive of the stamping fee. Principal repayments are due quarterly with the swap agreement expiring on June 13, 2013. The fair value of this swap liability is $188,850 (2008 - $91,531).

The principal repayments due in the next five years and thereafter are as follows:

2010	$ 1,326,840
2011	1,401,215
2012	18,712,115
2013	282,564
2014	295,586
Thereafter	388,713
	$ 22,407,033

10. Net assets invested in capital assets:

(a) Net assets invested in capital assets represent the following:

	2009	2008
Capital assets, at cost	$ 135,434,157	$ 132,251,067
Accumulated amortization	(58,069,754)	(53,057,530)
Long-term debt:		
Long-term portion	(21,080,193)	(20,665,000)
Current portion	(1,326,840)	(1,018,000)
Deferred contributions related to capital assets	(49,539,601)	(49,737,623)
Balance, end of year	$ 5,417,769	$ 7,772,914

(b) The change in net assets invested in capital assets is calculated as follows:

	2009	2008
Deficiency of revenue over expenditures:		
Amortization of deferred capital contributions	$ 3,395,446	$ 3,639,283
Amortization of capital assets	(5,520,019)	(5,672,487)
Gain on disposal of capital assets	137,441	2,700
	$ (1,987,132)	$ (2,030,504)
Net change in investment in capital assets:		
Donated and purchased capital assets	$ 3,767,617	$ 5,841,720
Proceeds on disposal of capital assets	(214,173)	(2,700)
Amounts funded by deferred capital contributions	(3,197,424)	(5,400,074)
Repayment of long-term debt	1,195,967	3,125,900
Issuance of long-term debt	(1,920,000)	–
	$ (368,013)	$ 3,564,846

11. Investment income:

Investment income earned and recorded in the statement of revenue and expenditures are calculated as follows:

	2009	2008
Unrestricted resources	$ 256,165	$ 494,962
Endowment funds	129,590	84,786
	$ 385,755	$ 579,748

12. Fair values of financial instruments:

Cash, grants and reimbursements receivable, accounts receivable, accounts payable and accrued liabilities and accrued payroll and employee benefits are designated as held for trading. Their carrying values approximate their fair values due to the relatively short period to maturity of these financial instruments. The fair value of the notes receivable is not determinable as the repayment amounts fluctuate each year and the maturity date is not known.

Fair values of short-term investments are as disclosed in note 2.

The College is exposed to interest rate risk on the financing of the student residence at the Brealey Campus, the Wellness Centre and the Enterprise Resource Planning System. The swaps have been recorded at their fair values, as described in note 9.

Each of the swaps was entered into with a highly rated counterparty, consistent with the College's risk management objectives.

13. Ontario Student Opportunity Trust Funds:

Net assets restricted for endowments include monies provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund Phase 1 and Phase 2 ("OSOTF") matching program to award student aid as a result of raising an equal amount of endowed donations.

The College has recorded the following amounts under the OSOTF programs:

(a) OSOTF - Phase one:

Schedule of changes in endowment fund balance:

	2009	2008
Fund balance, beginning of year	$ 1,417,236	$ 1,416,658
Preservation of capital	384	578
Fund balance, end of year	$ 1,417,620	$ 1,417,236

Schedule of changes in expendable funds available for awards:

	2009		2008	
	Market	Cost	Market	Cost
Balance, beginning of year	$ 270,058	$ 259,328	$ 284,392	$ 200,737
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	(40,890)	(13,530)	37,516	110,441
Bursaries awarded (2009 - 93; 2008 - 73)	(82,200)	(82,200)	(51,850)	(51,850)
Balance, end of year	$ 146,968	$ 163,598	$ 270,058	$ 259,328

13. Ontario Student Opportunity Trust Funds (continued):

(b) OSOTF - Phase Two:

Schedule of changes in endowment fund balance:

	2009	2008
Fund balance, beginning of year	$ 472,884	$ 472,447
Preservation of capital	42	437
Fund balance, end of year	$ 472,926	$ 472,884

Schedule of changes in expendable funds available for awards:

	2009		2008	
	Market	Cost	Market	Cost
Balance, beginning of year	$ 56,411	$ 59,203	$ 65,562	$ 39,211
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	(27,755)	6,017	4,910	34,053
Bursaries awarded (2009 - 17; 2008 - 11)	(21,515)	(21,515)	(14,061)	(14,061)
Balance, end of year	$ 7,141	$ 43,705	$ 56,411	$ 59,203

14. Ontario Trust for Student Support:

Net assets restricted for endowments include monies provided by the Government of Ontario from the Ontario Trust for Student Support ("OTSS") matching program to award student aid.

Schedule of donations received between April 1, 2008 and March 31, 2009:

Cash donations matched between April 1, 2008 and March 31, 2009	$ 124,843

Schedule of changes in endowment fund balances for the period from April 1, 2008 to March 31, 2009:

Fund balance, beginning of year	$ 1,152,808
Eligible cash donations received in compliance with the November 2005 Program Guidelines and Reporting Requirements	124,843
Matching funds received/receivable from MTCU in 2008/09	124,843
Preservation of capital	71
Fund balance, end of year	$ 1,402,565

14. Ontario Trust for Student Support (continued):

Schedule of changes in expendable funds available for awards:

	2009		2008	
	Market	Cost	Market	Cost
Balance, beginning of year	$ 34,227	$ 37,937	$ 32,765	$ 24,698
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	(42,937)	(9,878)	18,312	30,089
Bursaries awarded (2009 - 34; 2008 - 27)	(23,100)	(23,100)	(16,850)	(16,850)
Balance, end of year	$ (31,810)	$ 4,959	$ 34,227	$ 37,937

Status of recipients	OSAP recipients		Non-OSAP recipients		Total	
	Number	Amount	Number	Amount	Number	Amount
Full-time	21	$ 14,700	13	$ 8,400	34	$ 23,100

15. Fleming College Foundation:

The College exercises significant influence over Fleming College Foundation (the "Foundation"). The Foundation was established to raise funds for the use of the College. The Foundation was incorporated under the Canada Corporations Act and is a registered charity under the Income Tax Act (Canada). Net resources of the Foundation amount to $464,742 (2008 - $1,747,609), of which $432,239 (2008 - $1,553,863) is restricted.

The net assets and results from operations of the Foundation are not included in the financial statements of the College. Separate financial statements of the Foundation are available upon request.

Related party transactions during the year not separately disclosed in the financial statements include the College's contribution of $384,000 (2008 - $293,000) toward the Foundation's administrative expenses.

The College received $1,384,915 in donations from the Foundation during the year (2008 - $857,818) and transfers of $124,843 for OTSS (2008 - $149,580).

The balance due to the Foundation bears interest at the College rates earned on their short-term investments (note 2). Interest paid during the year amounted to $30,128 (2008 - $48,446). This related party balance arose as the College holds funds for investments on behalf of the Foundation.

16. Commitments and contingencies:

(a) The College is committed to the following operating lease payments in each of the following years:

2010	$ 422,460
2011	173,383
2012	9,798
2013	5,604

16. Commitments and contingencies (continued):

(b) The College entered into an agreement during fiscal 2009 to supply and install a transformer at the Frost Campus. The project is expected to be completed by May 2009, at a total cost of $462,827. During the year, the College has spent $103,177, resulting in a commitment at March 31, 2009 of $359,650.

17. Internally restricted net assets:

On June 3, 2009, the Board of Governors internally restricted $215,000 for the purpose of future residence and other direct student services. The $215,000 represents the accumulated excess of revenue over expenditures of the residence facilities.

18. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.