

Audited Financial Statements of

**CAMOSUN COLLEGE**

Year ended March 31, 2011

# CAMOSUN COLLEGE

Audited Financial Statements

Year ended March 31, 2011

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Governors of Camosun College, and  
To the Minister of Advanced Education, Province of British Columbia

### **Report on the Financial Statements**

I have audited the accompanying financial statements of Camosun College, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

### **Auditor's Responsibility**

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

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

In my view, the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of Camosun College as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Victoria, British Columbia  
June 27, 2011

John Doyle, MAcc, CA  
Auditor General

# CAMOSUN COLLEGE

Statement of Financial Position

March 31, 2011, with comparative figures for 2010

## STATEMENT 1

	Operating Fund	Ancillary Services Fund	Self Funded Profits Fund	Capital Fund	2011 Total	2010 Total
<b>Assets</b>						
Current assets:						
Cash	\$ 14,986,337	1,191,418	-	-	16,177,755	19,764,343
Accounts receivable	5,415,900	907,134	-	-	6,323,034	5,529,711
Inventory (note 2)	-	798,590	-	-	798,590	510,174
Prepaid expenses	512,645	1,211	-	-	513,856	399,267
	20,914,882	2,898,353	-	-	23,813,235	26,203,495
Capital assets (note 3)	-	-	-	70,185,510	70,185,510	69,540,496
	\$ 20,914,882	2,898,353	-	70,185,510	93,998,745	95,743,991
<b>Liabilities</b>						
Current liabilities:						
Accounts payable and accrued liabilities (note 4)	\$ 8,092,982	662,296	-	-	8,755,278	9,322,034
Revenue received in advance	7,368,614	-	-	-	7,368,614	6,597,469
Current portion of lease liability (note 6)	140,335	-	-	-	140,335	137,264
Current portion of accrued payroll benefits (note 5)	3,521,843	-	-	-	3,521,843	3,388,524
Interfund balances	1,578,062	2,236,057	(1,111,955)	(2,702,164)	-	-
	20,701,836	2,898,353	(1,111,955)	(2,702,164)	19,786,070	19,445,291
Accrued payroll benefits (note 5)	1,479,000	-	-	-	1,479,000	1,620,000
Lease liability (note 6)	216,755	-	-	-	216,755	375,220
Deferred capital contributions (note 7)	-	-	-	55,629,375	55,629,375	57,507,707
	22,397,591	2,898,353	(1,111,955)	52,927,211	77,111,200	78,948,218
<b>Fund Balances</b>						
Invested in capital assets	-	-	-	17,258,299	17,258,299	17,194,831
Internally restricted (note 8)	1,000,000	-	-	-	1,000,000	1,000,000
Unrestricted	2,518,134	-	1,111,955	-	3,630,089	3,609,466
	3,518,134	-	1,111,955	17,258,299	21,888,388	21,804,297
Unfunded accrued payroll benefits (note 5)	(5,000,843)	-	-	-	(5,000,843)	(5,008,524)
	(1,482,709)	-	1,111,955	17,258,299	16,887,545	16,795,773
	\$ 20,914,882	2,898,353	-	70,185,510	93,998,745	95,743,991

Commitments and Contingencies (note 12)

See accompanying notes to financial statements.

Approved:

*[Signature]*

Chair

*[Signature]*  
Vice President Administration  
and Chief Financial Officer

# CAMOSUN COLLEGE

## Statement of Operations and Changes in Fund Balances

March 31, 2011, with comparative figures for 2010

## STATEMENT 2

	Operating Fund	Ancillary Services Fund	Self Funded Profits Fund	Capital Fund	2011 Total	2010 Total
<b>Revenue</b>						
Grants	\$ 59,430,697	94,032	8,000	3,521,116	63,053,845	64,141,287
Tuition	24,213,580	-	-	-	24,213,580	24,132,285
Contract services	4,453,828	-	12,271	-	4,466,099	4,907,735
Goods and services	731,959	8,108,556	-	-	8,840,515	9,208,517
Amortization of deferred contributions	-	-	-	3,226,950	3,226,950	2,995,678
Other	1,297,981	344,366	115,368	34,859	1,792,574	1,555,529
	90,128,045	8,546,954	135,639	6,782,925	105,593,563	106,941,031
<b>Expenses</b>						
Salaries and benefits	78,612,259	2,747,545	40,453	-	81,400,257	81,468,453
Supplies and services	10,160,330	549,632	118,083	-	10,828,045	10,565,707
Cost of goods sold	-	4,207,315	-	-	4,207,315	4,301,626
Minor renovations and repairs	-	-	-	3,526,719	3,526,719	4,965,485
Amortization	-	-	-	5,539,455	5,539,455	5,337,261
	88,772,589	7,504,492	158,536	9,066,174	105,501,791	106,658,532
<b>Excess (deficiency) of revenue over expenses</b>	\$ 1,355,456	1,042,462	(22,897)	(2,283,249)	91,772	282,499
Fund balances, beginning of year (note 14)	(1,423,446)	-	1,024,388	17,194,831	16,795,773	16,513,274
Capital transfers	(2,310,613)	(5,155)	(30,949)	2,346,717	-	-
Interfund transfers	895,894	(1,037,307)	141,413	-	-	-
<b>Fund balances, end of year</b>	\$ (1,482,709)	-	1,111,955	17,258,299	16,887,545	16,795,773

See accompanying notes to financial statements.

# CAMOSUN COLLEGE

## Statement of Cash Flows

## STATEMENT 3

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
Cash flows from operating activities:		
Surplus of revenue over expenses	\$ 91,772	\$ 282,499
Items not involving cash:		
Amortization of capital assets	5,539,455	5,337,261
Amortization of deferred capital contributions	(6,748,066)	(7,916,179)
Net change in operating working capital (note 9)	(1,763,084)	2,415,297
Increase in revenue received in advance	771,145	622,255
Increase (decrease) in accrued payroll benefits	(7,681)	534,429
	(2,116,459)	1,275,562
Investing activities:		
Purchase of capital assets	(6,184,469)	(3,583,817)
Financing activities:		
Deferred capital contributions received	4,869,734	10,576,296
Reduction in capital lease obligation	(155,394)	(86,338)
	4,714,340	10,489,958
Increase (decrease) in cash	(3,586,588)	8,181,703
Cash, beginning of year	19,764,343	11,582,640
Cash, end of year	\$ 16,177,755	\$ 19,764,343

See accompanying notes to financial statements.

# CAMOSUN COLLEGE

Notes to Financial Statements

Year ended March 31, 2011

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Camosun College (the "College") is a post-secondary educational institution funded by the Province of British Columbia (the "Province") and incorporated under the College and Institute Act of British Columbia. The British Columbia Ministry of Advanced Education (the "Ministry") provides the principal source of funding. The College is a not for profit organization under the Income Tax Act.

## 1. Significant accounting policies:

### (a) Fund accounting:

The financial statements of the College have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations. The resources and operation of the College are segregated into various funds for accounting and financial reporting purposes, each being treated as a separate entity with responsibility for the stewardship of the assets allocated to it.

The Operating Fund accounts for the instructional, administrative and other operational costs financed by grants, tuition fees and other general income.

The Ancillary Services Fund accounts for funds received and expended in operating the College bookstore and providing food services, parking, child care and recreation.

The Self Funded Profits Fund accounts for the share of profits generated from entrepreneurial activities, which are retained by the school or departments that delivered the activity.

The Capital Fund accounts for funds received and expended for the acquisition of capital assets.

### (b) Inventories:

Inventories are valued at the lower of average cost and net realizable value.

### (c) Capital assets:

Capital assets are recorded at cost other than donated assets, which are recorded at their estimated fair market value upon receipt.

The following assets are amortized on a straight-line basis over their estimated useful life.

Category	Period
Buildings	20 to 40 years
Furniture, fixtures, equipment and computers	5 years

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# CAMOSUN COLLEGE

## Notes to Financial Statements

Year ended March 31, 2011

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### 1. Significant accounting policies (continued):

#### (c) Capital assets (continued):

Artwork is recorded at cost and is not subject to amortization.

Amortization is not provided on work in progress until the assets are available for use.

On July 14, 1983 certain land was transferred to the College by order of the Lieutenant-Governor in Council. These assets have been recorded at a nominal value of \$1. Title to the assets is transferred subject to their continued use for educational purposes.

#### (d) Revenue recognition:

The College follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fee for services revenues and expenditures are recognized as activities are performed, using the percentage of completion method. The zero profit margin method is used when a contract's financial outcome is not reasonably determinable. This method of accounting requires that equal amounts of revenue and cost be recognized until the financial outcome of a contract can be reasonably estimated. Provision for all anticipated losses is made in the period in which they become evident.

Externally restricted capital contributions are recorded as deferred capital contributions until the amount is invested in capital assets. Contributions for capital assets that will be amortized are transferred to unamortized deferred capital contributions in the period the asset is acquired. Contributions for capital assets that will not be amortized, such as land, are not transferred to unamortized deferred capital contributions or recognized as revenue, but are recorded as a direct increase in fund balance in the period the asset is acquired. Capital donations of depreciable assets are recorded at fair value when a fair value can be reasonably estimated.

Unamortized deferred capital contributions are recognized as revenue on the same basis as the related capital assets are amortized.

#### (e) Unfunded accrued payroll benefits:

Accrued liabilities (note 5) for holiday pay, sick leave and earned time off are recorded as unfunded as they will be funded from future operations.



# CAMOSUN COLLEGE

Notes to Financial Statements

Year ended March 31, 2011

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## 1. Significant accounting policies (continued):

### (f) Employee future benefits:

The College and its employees make contributions to the provincial College and Municipal Pension Plans. These contributions are expensed as incurred.

Sick leave benefits are available to certain College employees. The cost of this benefit is actuarially determined based on service and best estimates of retirement ages and other factors. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn future benefits.

### (g) Asset retirement obligations:

The fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated retirement costs are capitalized as part of the carrying amount of the long-lived assets and depreciated over the life of the asset. At this time the College has determined that there are no significant asset retirement obligations.

### (h) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant areas requiring the use of management estimates relate to the determination of the useful lives of capital assets for amortization, the amortization of related deferred capital contributions, determination of employee future benefits, and provisions for contingencies. Actual results could differ from these estimates.

### (i) Financial instruments:

The College's financial instruments include cash, accounts receivable, accounts payable and accrued liabilities, and unfunded accrued payroll benefits. The fair value of these instruments approximates their carrying values. It is management's opinion that the College is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

The College has classified its financial instruments as follows:

- Cash as held for trading (measured at fair value through the statement of operations)
- Accounts receivable (measured at amortized cost)

# CAMOSUN COLLEGE

Notes to Financial Statements

Year ended March 31, 2011

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## 1. Significant accounting policies (continued):

### (i) Financial instruments (continued):

- Accounts payable and accrued as other financial liabilities (measured at amortized cost)
- Unfunded accrued payroll benefits as other financial liabilities (measured at amortized cost)

### (j) Future Accounting Framework

The Public Sector Accounting Board sets out the applicable source of Generally Accepted Accounting Principles to be applied by Canadian government organizations. The College is classified as a government not-for-profit organization ("GNPO"). Under the direction of the Public Sector Accounting Standards Board ("PSAB"), the College currently adheres to the standards for not-for-profit organizations ("NPOs") in the CICA Handbook.

Recent revisions to the introduction of the PSAB Handbook require the College to report under the PSAB Handbook in its fiscal period beginning April 1, 2012. Within the PSAB Handbook, GNPO's are provided the option of incorporating specific not-for-profit accounting provisions; however, the Province of British Columbia has directed the College to adopt the PSAB Handbook without the incorporation of these optional not-for-profit provisions. Conversion to the PSAB Handbook will result in significant changes to both the recognition and measurement of certain accounts and to the overall presentation of the financial statements including disclosures.

## 2. Inventory

Inventory is comprised of:

	2011	2010
Bookstore	\$ 798,590	\$ 510,174
	\$ 798,590	\$ 510,174

During the year ended March 31, 2011 the College recognized \$4,024,052 (2010 - \$4,142,223) of expenses related to inventories in the Statement of Operations and Changes in Fund Balances. This includes an amount of \$11,604 (2010 - \$39,464) resulting from write-down of inventories.

# CAMOSUN COLLEGE

## Notes to Financial Statements

Year ended March 31, 2011

### 3. Capital assets:

			2011	2010
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 14,484,612	\$ -	\$ 14,484,612	\$ 14,484,612
Buildings	91,983,127	43,195,959	48,787,168	46,842,112
Work in progress	-	-	-	1,174,841
Artwork	91,917		91,917	91,917
Furniture, fixtures, equipment and computers	19,775,648	13,310,925	6,464,723	6,438,015
Equipment under capital lease	598,822	241,732	357,090	508,999
	\$ 126,934,126	\$ 56,748,616	\$ 70,185,510	\$ 69,540,496

The insurance on College property is the responsibility of the Province, which paid \$55,522 (2010 - \$72,428) for premiums and fees on behalf of the College for the coverage. The \$55,522 (2010 - \$72,428) is not recorded in the financial transactions of the College or in these financial statements. All claims for loss of College property have to be submitted to the Province for consideration for replacement. The College has no direct insurance coverage against loss of any of its capital assets.

The Work in Progress in the previous year related to renovations to create Learning Commons spaces at the Lansdowne and Interurban campuses, and construction of an Aboriginal Gathering Space at the Lansdowne Campus. The projects are complete and recorded as additions to buildings.

### 4. Accounts payable and accrued liabilities:

	2011	2010
Trade payables and accrued liabilities	\$ 7,979,459	\$ 8,579,466
Professional development	775,819	742,568
	\$ 8,755,278	\$ 9,322,034

# CAMOSUN COLLEGE

Notes to Financial Statements

Year ended March 31, 2011

## 5. Accrued payroll benefits:

	2011	2010
Holiday pay	\$ 3,457,409	\$ 3,324,423
Sick leave	1,479,000	1,620,000
Earned time off	64,433	64,101
Total accrued payroll benefits: unfunded	5,000,843	5,008,524
Less current portion	3,521,843	3,388,524
	\$ 1,479,000	\$ 1,620,000

For sick leave paid out on termination the liability is determined by an actuary. The expense for this item is as follows:

	2011	2010
Projected service cost	\$ 45,000	\$ 48,000
Interest expense	91,000	95,000
Total expense	\$ 136,000	\$ 143,000

## 6. Capital lease obligation:

The College has entered into a capital lease, expiring August 30, 2013, for office equipment requiring future minimum lease payments as follows, calculated using a discount rate of 7.23%:

	2011
2012	\$ 162,404
2013	162,404
2014	67,669
Total minimum lease payments	\$ 392,477
Less interest	(35,387)
	357,090
Less current portion	140,335
	\$ 216,755

Interest of \$31,818 (2010 - \$13,207) relating to the capital lease obligation has been expensed.

# CAMOSUN COLLEGE

## Notes to Financial Statements

Year ended March 31, 2011

### 7. Deferred capital contributions:

Deferred capital contributions reported in the Capital Fund include deferred and unamortized capital contributions.

The changes for the year are as follows:

	Deferred	Unamortized	2011	2010
Opening balance	\$ 5,162,042	\$ 52,345,665	\$ 57,507,707	\$ 54,847,590
Restricted contributions received	4,869,734	-	4,869,734	10,576,296
Contributions spent	(7,329,612)	7,329,612	-	-
Amounts amortized to revenue	-	(6,748,066)	(6,748,066)	(7,916,179)
Closing balance	\$ 2,702,164	\$ 52,927,211	\$ 55,629,375	\$ 57,507,707

### 8. Internally restricted:

The College's Board of Governors has internally restricted \$1,000,000 to be held for future capital expenditures. This amount is not available for any other purposes without approval by the Board of Governors.

### 9. Change in operating working capital:

	2011	2010
Accounts receivable	\$ (793,323)	\$ 252,866
Inventory	(288,416)	232,170
Prepaid expenses	(114,589)	388,097
Accounts payable and accrued liabilities	(566,756)	1,542,164
	\$ (1,763,084)	\$ 2,415,297

### 10. Pension plan:

The college and its employees contribute to the College Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The boards of trustees for these plans represent plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are defined. The College Pension Plan has about 12,000 active members from college senior administration and instructional staff and approximately 4,500 retired members. The Municipal Pension Plan has about 163,000 active members, with approximately 5,600 from colleges.

# CAMOSUN COLLEGE

Notes to Financial Statements

Year ended March 31, 2011

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## 10. Pension plan (continued):

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of the plan funding. The most recent valuation for the College Pension Plan as at August 31, 2009 indicated an unfunded liability of \$28 million for basic pension benefits. The next valuation will be as at August 31, 2012 with results available in 2013. The most recent valuation for the Municipal Pension Plan as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. For the fiscal year 2011 the College paid \$3,744,186 (2010 - \$3,536,976) for employer contributions to the College Pension plan and \$1,333,469 (2010 - \$1,311,626) for employer contributions to the Municipal Pension plan.

## 11. Related party transactions:

### (a) Other agency operations:

The College is related through common ownership to all Province of British Columbia ministries, agencies, Crown corporations, school districts, health authorities, hospital societies, universities and colleges that are included in the provincial government reporting entity. Transactions with these entities, unless disclosed otherwise, are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Included in accounts receivable at year end is \$1,618,352 (2010 - \$367,467) from the provincial government. During the year the College received grants in the amount of \$61,383,165 (2010 - \$58,501,690) from the provincial government and included \$57,751,963 (2010 - \$58,791,244) in revenue. \$1,979,861 (2010 - \$8,317,719) of the \$4,869,734 of restricted contributions received during the year was from the provincial government.

### (b) Camosun College Foundation:

The College has an economic interest in the Camosun College Foundation (the "Foundation"). The net assets and results of operations of the Foundation have not been included in these financial statements. The Foundation is a separate society formed to raise funds for furthering the interests of the College and to provide scholarships and bursaries for students of the College.

# CAMOSUN COLLEGE

Notes to Financial Statements

Year ended March 31, 2011

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## 11. Related party transactions (continued):

### (b) Camosun College Foundation (continued):

The College provides some financial support to the Foundation. During the year \$429,543 (2010 - \$461,000) was provided to the Foundation to cover a portion of the Foundation's administrative costs.

For the year ended March 31, 2011, gift in kind donations from the Foundation to the College were \$133,954 of which \$110,393 was recorded as capital assets (2010 - \$95,490 of which \$22,456 was recorded as capital assets). Included in the College's accounts receivable at March 31, 2011 is \$50,259 (2010 - \$10,578) due from the Foundation.

### (c) Pacific Institute for Sport Excellence Society:

The College has an economic interest in the Pacific Institute for Sport Excellence Society ("PISE"). The net assets and results of operations of PISE have not been included in these financial statements. PISE is a separate society formed to bring sport education and athlete development under one roof, incorporating health and wellness programs, high performance sport services, applied sport research and innovation and community programs. PISE has three founding members – Camosun College, Canadian Sport Centre Pacific and PacificSport Victoria – and is a not for profit organization under the Income Tax Act.

PISE's facilities, located at the Interurban campus, were completed in September 2008 at which time the College signed a long term lease and license agreement with PISE under which PISE will operate the facility for a 25 year term with a 29 year extension option at an annual rent of \$1 per year. At the same time, PISE has signed a long term sub lease with the College under similar terms under which the College will operate its sport education programs, recreation and athletics programs and teams and applied research activities at an annual cost of \$504,000.

At the date of occupancy, the related \$28 million cost of the capital assets under construction and associated deferred capital grants were removed from the College's financial statements.

The College provides custodial, grounds, maintenance and other specialist facility services to PISE on a cost recovery basis under a service agreement. Fees and expenses for these services amounted to \$299,026 (2010 - \$249,767) during the year.

Included in the College's accounts receivable at March 31, 2011 is \$69,697 (2010 - \$1,863) due from PISE.

# CAMOSUN COLLEGE

Notes to Financial Statements

Year ended March 31, 2011

## 12. Commitments and Contingencies:

Operating leases:

The College is committed to minimum annual lease payments under various operating leases. The future minimum annual payments over the next five years are as follows:

	Computer equipment		Facilities
2012	\$	509,689	\$ 504,000
2013		358,997	504,000
2014		204,164	504,000
2015		43,147	504,000
2016		-	504,000

Contingencies:

There are claims pending in which the College is involved arising in the ordinary course of business. An estimate of the contingent gain or loss arising from these claims cannot be made. It is considered that the potential claims would not materially affect the College's financial statements and any amounts ultimately settled will be recorded in the period in which the claim is resolved.

## 13. Capital management:

The College receives its principal source of capital through funding received from the Province of British Columbia through the Ministry of Advanced Education. The College defines capital to be fund balances. The College's objective when managing capital is to fund its operations and capital asset additions. The College manages the capital structure in conjunction with the Ministry and makes adjustments based on available government funding and economic conditions. Currently, the College's strategy is to monitor expenses to preserve capital in accordance with budgeted funding and grants. The College is not subject to debt covenants or any other capital requirements with respect to operating funding. Funding received for designated purposes must be used for the purpose outlined in the funding letter. The College has complied with the external restrictions on the funding provided.



# CAMOSUN COLLEGE

Notes to Financial Statements

Year ended March 31, 2011

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## 14. Comparative figures and change in fund balances:

Certain of the 2010 comparative figures have been reclassified to conform to the 2011 financial statement presentation.

In addition, the Operating Fund Balances previously reported in the Statement of Operations and Changes in Fund Balances did not include the Unfunded Accrued Payroll Benefits component in prior years. This has been included for the year ended March 31, 2011 and the 2010 comparative figures have been restated to conform to this financial statement presentation.

The Operating Fund Balance at March 31, 2010 was previously reported as \$3,585,078 and has now been restated to include the Unfunded Accrued Payroll Benefits at March 31, 2010 of (\$5,008,524) resulting in a restated Operating Fund balance of (\$1,423,446).

Total Fund Balances at March 31, 2010 were previously reported as \$21,804,297 and have now been restated to include the Unfunded Accrued Payroll Benefits at March 31, 2010 of (\$5,008,524) resulting in a restated Total Funds Balance of \$16,795,773.

Total Fund Balances at April 1, 2009 were previously reported as \$20,987,369 and have now been restated to include the Unfunded Accrued Payroll Benefits at March 31, 2009 of (\$4,474,095) resulting in a restated Total Funds Balance of \$16,513,274.