Financial Statements of

OVA SCOTIA COMMU ITY COLLEGE

March 31, 2009

Deloitte & Touche LLP
1969 Upper Water Street
Suite 1500

OVA SCOTIA COMMU ITY COLLEGE
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March 31, 2009

NOVA SCOTIA COMMUNITY COLLEGE
Statement of Financial Position
March 31, 2009

		2009		2008
ASSETS				
Current				
Cash	$	**31,647,231**	$	33,334,468
Accounts receivable (Note 4)		**21,762,711**		14,111,746
Inventory		**914,415**		872,722
Prepaids		**1,653,902**		509,529
		55,978,259		48,828,465
Capital assets (Note 5)		**5,685,446**		3,875,251
Foundation assets (Note 6)		**4,201,588**		3,643,691
Provincial Receivable - Future Health Benefits (Note 16)		**20,328,071**		18,357,805
	$	**86,193,364**	$	74,705,212
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	**25,360,212**	$	22,419,482
Deferred revenue (Note 7)		**8,763,497**		6,750,071
		34,123,709		29,169,553
Deferred revenue related to capital assets (Note 8)		**2,420,713**		2,484,307
Employee future benefit obligation (Note 16)		**35,014,203**		29,270,438
		71,558,625		60,924,298
Commitments (Note 14)				
NET ASSETS				
Invested in capital assets (Note 9)		**3,264,733**		1,390,944
Unrestricted		**2,445,495**		4,023,356
Restricted for Foundation purposes (Note 6)		**4,201,588**		3,643,691
Restricted for College development (Note 13)		**4,722,923**		4,722,923
		14,634,739		13,780,914
	$	**86,193,364**	$	74,705,212

ON BEHALF OF THE BOARD

. . . . Director

. . . . Director

NOVA SCOTIA COMMUNITY COLLEGE
Statement of Cash Flows
Year ended March 31, 2009

	2009	2008
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
Operating		
Excess of revenue over expenditures	$ 295,928	$ 353,635
Items not affect cash:		
Amortization of deferred revenue related to capital assets	(1,772,863)	(1,760,407)
Amortization	2,700,118	2,240,958
Employee future benefit obligation	5,743,765	4,305,890
Long-term receivable - Province of Nova Scotia	(1,970,266)	(1,639,805)
Changes in non-cash working capital items (Note 12)	(3,882,875)	1,093,904
	1,113,807	4,594,175
Investing		
Purchase of capital assets	(4,510,313)	(1,721,399)
Financing		
Pensionable advance	-	555,557
Contributions related to capital assets	1,709,269	1,231,976
	1,709,269	1,787,533
NET CASH (OUTFLOW) INFLOW	(1,687,237)	4,660,309
CASH POSITION, BEGINNING OF YEAR	33,334,468	28,674,159
CASH POSITION, END OF YEAR	$ 31,647,231	$ 33,334,468

NOVA SCOTIA COMMUNITY COLLEGE
Statement of Changes in Net Assets
Year ended March 31, 2009

	Invested in Capital Assets (Note 9)	Unrestricted	Restricted for Foundation Purposes (Note 6)	Restricted for College Development (Note 13)	2009 Total	2008 Total
Balance, beginning of year	**$ 1,390,944**	**$ 4,023,356**	**$ 3,643,691**	**$ 4,722,923**	**$ 13,780,914**	$ 12,107,308
Adoption of financial instruments accounting policy	-	-	-	-	-	(9,370)
Excess (deficiency) of revenue over expenditures	**(927,255)**	**1,223,183**	-	-	**295,928**	353,635
Investment in capital assets	**2,801,044**	**(2,801,044)**	-	-	-	-
Endowment contributions and interest	-	-	**1,687,601**	-	**1,687,601**	2,171,282
Endowment disbursements	-	-	**(1,129,704)**	-	**(1,129,704)**	(841,941)
Balance, end of year	**$ 3,264,733**	**$ 2,445,495**	**$ 4,201,588**	**$ 4,722,923**	**$ 14,634,739**	$ 13,780,914

1. OVERVIEW OF OPERATIO S

The Nova Scotia Community College (the "College") was established as a post-secondary public education corporation under the authority of the Community College Act of Nova Scotia effective April 1, 1996.

The College, with thirteen campuses across the Province of Nova Scotia (the "Province"), is responsible for enhancing the economic and social well being of Nova Scotia by meeting the occupational training requirements of the population and the labour market.

The College has entered into a consent agreement with the Province that allows the College to construct facilities on land owned by the Province pursuant to the $123 million multi-year infrastructure investment announced by the Province on March 28, 2003. The investment will provide newer facilities, more space and revamped learning and student life areas across the Province. Ownership of the buildings, including th

3. SIG IFICA T ACCOU TI G POLICIES (continued)

Assets and liabilities	Classification	Measurement
Cash	Held for trading	Fair value
Provincial receivable - Future Health Benefits	Loans and receivables	Amortized cost
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

3. SIG IFICA T ACCOU TI G POLICIES (continued)

Contributed services

The Province provides the College with buildings at

6. FOU DATIO ASSETS (continued)

The Foundation has not been consolidated in the College's financial statements. Financial statements of the Foundation are available upon request. Financial summaries as at March 31 and for the years then ended are as follows:

$***ova Scotia Community College Foundation***

8. DEFERRED REVE UE RELATED TO CAPITAL ASSETS

Deferred revenue related to capital assets represents the unamortized portion of funding received from the Province of Nova Scotia and other sources for capital asset additions. The deferred revenue is amortized into revenue at a rate corresponding with the amortization rate for the related capital asset.

16. EMPLOYEE FUTURE BE EFIT OBLIGATIO

College Service Award

An employee hired on or after August 1, 1998 who retires because of age or mental or physical incapacity shall be granted a College Service Award (“CSA”) equal to 1% of the employee’s annual salary for each year of continuous service to a maximum of 25 years. There are no employee contributions in respect of the plan. There is no distinct fund held in respect of the CSA benefits but sufficient cash is maintained to cover the obligation. The benefits are paid from unrestricted cash.

An actuarial valuation was completed as of March 31, 2009 and the College’s obligation relating to these benefits was approximately $6,248,000 (2008 - $5,344,000). The benefit expense was $1,269,056 (2008 - $1,146,254). The benefits paid were $39,823 (2008 - $8,425). The next actuarial valuation is scheduled for March 31, 2010.

The significant actuarial assumptions adopted in estimating the College’s obligation are as follows:

Future salary increase	6% per annum
Discount rate	0% per annum
Retirement age	20% upon attainment of age 55 and 80 points (age plus service); the remainder at 35 years of service or age 60, whichever is earlier

$*on-pension Retirement Benefits - $SGEU*

In fiscal 2007/2008, the Province required the College to assume the future liability for non-pension retirement benefits for the College’s non-teaching staff.

In 2008/2009, the College decided to create a separate fund that would be held in respect of the non-pension retirement benefits. This fund has sufficient cash to cover the obligations associated with this liability.

An actuarial valuation was completed as of March 31, 2009 and the College’s obligation relating to these benefits was $8,438,132 (2008 - $5,568,633). The benefit expense was $723,155 (2008 - $547,828). The benefits paid were $103,043 (2008 - $97,022). The next actuarial valuation is scheduled for March 31, 2010.

The significant actuarial assumptions adopted in estimating the College’s obligation are as follows:

Expected rate of return	0.80% per annum
Discount rate	2.00% per annum
Retirement age	20% upon attainment of age 55 and 80 points (age plus service); the remainder at 35 years of service or age 60, whichever is earlier

16. EMPLOYEE FUTURE BE EFIT OBLIGATIO (continued)

18. CAPITAL MA AGEME T

The College's objectives when managing capital are to maintain a capital structure that provides financial flexibility in order to preserve its ability to meet financial obligations. In managing its capital structure, the College monitors performance throughout the year to ensure working capital requirements and capital expenditures are funded fr