





Grant Thornton LLP
200-1633 Ellis Street
Kelowna, BC
V1Y 2A8

T +1 250 712 6800
F +1 250 712 6850

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 are expected to influence the economic decisions of users taken on the basis of the financial statements.

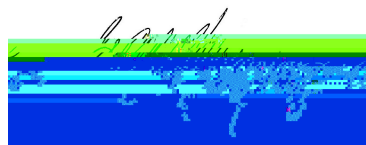


OKANAGAN COLLEGE
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021

	March 31 2021	March 31 2020
Financial assets		
Cash and cash equivalents	\$ 23,110,829	\$ 26,681,150
Investments (note 2)	12,040,095	9,551,923
Accounts receivable (note 3)	1,661,673	3,040,767
Inventory for resale (note 4)	750,452	835,624
	<u>37,563,049</u>	<u>40,109,464</u>
Liabilities		
Accounts payable and accrued liabilities (note 5)	11,655,305	14,013,079
Long term debt (note 7)	2,856,305	3,057,557
Deferred revenues	12,872,520	12,370,024
Employee future benefit obligations (note 8)	11,891,000	11,799,800
Deferred contributions for tangible capital assets (note 9)	119,013,623	118,222,307
	<u>158,288,753</u>	<u>159,462,767</u>
Net debt	<u>(120,725,704)</u>	<u>(119,353,303)</u>
Non-financial assets		
Prepaid expenses	601,068	602,375
Tangible capital assets (note 6)	146,708,737	143,707,132
	<u>147,309,805</u>	<u>144,309,507</u>
Accumulated surplus (note 10)	<u>\$ 26,584,101</u>	<u>\$ 24,956,204</u>
Accumulated surplus is comprised of:		
Accumulated surplus	\$ 24,216,280	\$ 24,202,672
Accumulated remeasurement gains	2,367,821	753,532
	<u>\$ 26,584,101</u>	<u>\$ 24,956,204</u>

Commitments and contingencies (note 12)

Approved on behalf of the Board:



Chair, Board of Governors

President

	Budget 2021	2021	2020
Revenue			
Government grants	\$ 63,816,809	\$ 64,321,331	\$ 63,680,357
Tuition and other fees	47,932,567	40,388,896	44,840,221
Ancillary service sales	5,418,798	2,316,463	5,058,337
Contract services	2,806,854	1,424,673	2,066,631
Other administration fees and sundry	577,100	1,047,557	1,393,795
Investment income	750,000	685,348	955,274
Post construction contributions for tangible capital assets	-	-	30,000
	5,509,605	5,667,963	5,606,566
	126,811,733	115,852,231	123,631,181
Expense (note 14)			
Instruction and academic support	71,045,541	64,354,654	69,540,665
Facility and institutional support	22,790,571	22,495,896	21,316,891
Enrolment management and student support	20,226,656	17,785,699	19,589,946
Ancillary operations	4,601,423	3,017,673	4,438,500
Amortization of tangible capital assets	8,008,115	8,045,274	7,867,314
Interest on long term debt	139,427	139,427	139,427
Loss on disposal of tangible capital assets	-	-	330,000
	126,811,733	115,838,623	123,222,743
Annual surplus			

OKANAGAN COLLEGE
STATEMENT OF REMEASUREMENT GAINS AND LOSSES
FOR THE YEAR ENDED MARCH 31, 2021

	2021	2020
Accumulated remeasurement gains, beginning of year	\$ 753,532	\$ 1,392,605
Unrealized gain (loss) on investments	1,804,310	(580,898)
Realized gain on investments, reclassified to statement of operations	(190,021)	(58,175)
Net remeasurement gains (losses) for the year	1,614,289	(639,073)
Accumulated remeasurement gains, end of year	\$ 2,367,821	\$ 753,532

	2021	2020
Net cash inflow (outflow) related to the following activities		
Operating activities		
Annual surplus	\$ 13,608	\$ 408,438
Adjust for non-cash items:		
Realized gain on disposal of investments	(190,021)	(58,175)
Actuarial adjustment on long term debt	(8,367)	(68,466)
	(5,667,963)	(5,606,566)
Amortization of tangible capital assets	8,045,274	7,867,314
Loss on disposal of tangible capital assets	-	330,000
	2,192,531	2,872,545
Changes in non-cash working capital		
Accounts receivable	1,379,094	(515,570)
Prepaid expenses	1,307	132,460
Inventory for resale	85,172	(77,397)
Accounts payable and accrued liabilities	(2,357,774)	1,386,187
Deferred revenues	502,496	111,084
Employee future benefit obligations	91,200	(25,900)
	1,894,026	3,883,409
Capital activities		
Acquisition of tangible capital assets	(11,046,879)	(17,481,765)
Investing activities		
Purchase of investments	(1,821,409)	(1,821,409)

OKANAGAN COLLEGE

Notes to the FC24[94 -19 outbreak a pandemic. The

to implement extraordinary measures to slow progress of infections and to
financial markets. The College has deployed initiatives 4.024 0 Td ()Tj -0.009 Tc 0.009 Tw 0.193 0 Td [(a)-11.9(l)-9(s)

tion 23.1 of the Budget Transparency and Accountability Act and its related regulations require the College to recognize government transfers for tangible capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these transfers to be fully recognized as revenue in the

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Revenue recognition

The College's revenue is derived primarily from tuition and fees, grants and contracts, and other sources. Revenue is recognized when the performance obligation is satisfied, which is generally when the service is provided. Revenue is recognized net of discounts and allowances. Revenue is recognized when the performance obligation is satisfied, which is generally when the service is provided. Revenue is recognized net of discounts and allowances.

The College's revenue is derived primarily from tuition and fees, grants and contracts, and other sources. Revenue is recognized when the performance obligation is satisfied, which is generally when the service is provided. Revenue is recognized net of discounts and allowances.

The College's revenue is derived primarily from tuition and fees, grants and contracts, and other sources. Revenue is recognized when the performance obligation is satisfied, which is generally when the service is provided. Revenue is recognized net of discounts and allowances.

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Inventory for resale

Inventory for resale is stated at the lower of cost or market value. Inventory is valued at the lower of cost or market value. Cost is determined on a first-in, first-out basis.

(f) Non-financial assets

Non-financial assets are stated at cost less accumulated depreciation and amortization.

(g) Prepaid expenses

Prepaid expenses are stated at cost less any amounts that have expired.

(h) Tangible capital assets

Tangible capital assets are stated at cost less accumulated depreciation and amortization. Depreciation is calculated using the straight-line method over the useful life of the asset. Amortization is calculated using the straight-line method over the useful life of the asset.

Category	Years
Buildings	10
Equipment	5
Leasehold improvements	5
Other tangible capital assets	3

Depreciation and amortization expense for the year ended March 31, 2021 was \$1,234,567.

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Employee future benefits

Supplemental information regarding the pension plan is provided in the accompanying financial statements. The pension plan is a defined contribution plan. The amount of contributions is determined by the plan formula. The plan is subject to the provisions of the Pension Benefits Act (PBA) and the Pension Benefits (General) Regulations (PBR). The plan is a multi-employer plan. The plan is subject to the provisions of the Pension Benefits Act (PBA) and the Pension Benefits (General) Regulations (PBR). The plan is a multi-employer plan.

(j) Asset retirement obligations

The College has asset retirement obligations for the removal of certain assets. The obligations are measured at the present value of the estimated future cash outflows required to settle the obligations. The obligations are recognized as liabilities when the College has a legal obligation to remove the asset. The obligations are measured at the present value of the estimated future cash outflows required to settle the obligations. The obligations are recognized as liabilities when the College has a legal obligation to remove the asset.

(k) Budget figures

Budget figures are based on the approved budget for the year. The budget figures are subject to change due to various factors, including changes in the economic environment and the College's operations. The budget figures are subject to change due to various factors, including changes in the economic environment and the College's operations.

(i)((-6.2(i8(i)5.1(gID 32 >>BDi)5.1(o)(e)9.23 >BDC /TT0 1 Tf 1t1.277 Tds(i4e)9r)-4.4.7(o)-6f(i)8.eatDs

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

1.

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

4. INVENTORY FOR RESALE

iv

	<u>2021</u>	<u>2020</u>
\$	\$ 1,739,909	\$
\$	10,543	13
	<u>\$ 1,750,452</u>	<u>\$</u>
\$		
\$		
\$		

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

6. TANGIBLE CAPITAL ASSETS

As at March 31, 2021						
	Land and site improvements	Buildings	Furniture and equipment	Computer equipment	Assets under construction	2021 Total
Cost						
\$	\$ 2,900	\$ 82,200	6,600	\$ 9,000	\$ 1,000	\$ 100,000
\$	0	0	8,000	0	0	8,000
\$	-	-	-	-	-	-
\$	2,900	82,200	14,600	9,000	0	108,700
Accumulated Amortization						
\$	98,000	6,200	5,800	3,200	-	113,200
\$	0	7,300	0	3,300	-	10,600
\$	0	6,000	5,800	4,900	-	22,700

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

6. TANGIBLE CAPITAL ASSETS

Assets under construction

\$)	is	Q	Q
0			0	0	0
0			0	0	0

Contributed tangible capital assets

\$	h	0	0	\$	0
0					

7. LONG TERM DEBT

		<u>2021</u>	<u>20</u>
\$	-		
0			
0			
0			
0			
0			
\$)	<u>\$ 2,856,305</u>	<u>\$ 30,5</u>

(a) SinkinTj /TT1(t)2.7()JTJ -0.001(e)3(a)4 9,62,

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

8. EMPLOYEE FUTURE BENEFITS

(a) Pension benefits

2021	2020	2019	2018	2017
1,000	1,000	1,000	1,000	1,000
1,000	1,000	1,000	1,000	1,000
1,000	1,000	1,000	1,000	1,000

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

8. EMPLOYEE FUTURE BENEFITS ~~¶~~

(b) Employee future benefit obligation ~~¶~~

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

9. DEFERRED CONTRIBUTIONS AVAILABLE CAPITAL ASSETS

51

6

6

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

15.

OKANAGAN COLLEGE
Notes to the Financial Statements
Year Ended March 31, 2021

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

	2020	2019
Accounts receivable	1,234,567	1,123,456
Accounts payable	(567,890)	(678,901)
Prepaid expenses	123,456	234,567
Income tax receivable	345,678	456,789
Investments	789,012	890,123
Other financial instruments	234,567	345,678
Total	2,220,370	2,372,114