

**NORTH ISLAND COLLEGE**

**STATEMENT OF FINANCIAL INFORMATION**

**FOR THE YEAR ENDED MARCH 31, 2021**

Financial Information Regulation (FIR) Schedule 1

**NORTH ISLAND COLLEGE  
MANAGEMENT REPORT  
FIR SCHEDULE 1, SECTION 9 (3)  
FOR THE YEAR ENDED MARCH 31, 2021**

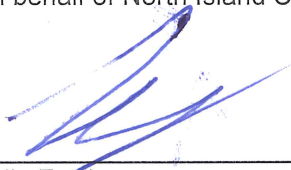
The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

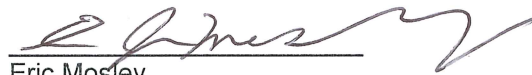
The Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility. The Board meets with management and the external auditors once a year or as needed.

The external auditors, KPMG, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Financial Information Act. Their examination includes a review and evaluation of North Island College's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Board of Governors.

On behalf of North Island College:



Colin Fowler  
Vice President, Finance & Facilities



Eric Mosley  
Chair, Board of Governors

Sept. 23 2021  
Date

2021-09-23  
Date

**NORTH ISLAND COLLEGE  
APPROVAL OF FINANCIAL INFORMATION  
FIR SCHEDULE 1, SECTION 9 (1)  
FOR THE YEAR ENDED MARCH 31, 2021**

The undersigned represents the Board of Governors of North Island College and approves all statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

On behalf of North Island College:



Eric Mosley  
Chair, Board of Governors

2021-09-23

Date

**NORTH ISLAND COLLEGE  
SCHEDULE OF DEBTS  
FIR SCHEDULE 1, SECTION 4  
FOR THE YEAR ENDED MARCH 31, 2021**

The outstanding amount of debt secured by debt instruments is NIL.

**NORTH ISLAND COLLEGE  
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS  
FIR SCHEDULE 1, SECTION 5  
FOR THE YEAR ENDED MARCH 31, 2021**

North Island College has given the following indemnities under the Guarantees and Indemnities Regulation:

	<b>Issue Date</b>	<b>Indemnity Number</b>	<b>Indemnitee</b>	<b>Description</b>
1.	09/13/2017	20187771	Al Davidson Ltd.	1636 Peninsula Road lease
2.	07/25/2007	080263	BC Health Authorities	Work Experience / Practicum Placements
3.	10/13/2010	110962	Canadian Red Cross Society	First Aid Courses
4.	11/26/2019	202011159	Canadian Red Cross Society	Learning Experiences
5.	02/01/2018	20188649	City of Port Alberni	2018-2021 Lease 4751 Tebo Avenue
6.	12/14/2021	202112423	Cybersecurity Collaboration Agreement	University College & Institute Protection Program Canarie
7.	05/20/2019	202010370	Educational Institution Affiliation Agreement	Collaboration practicum placement sites at non - HCPP sites
8.	08/17/2011	120618	Follett Higher Education Group	Online Access to Text Rental Website
9.	02/01/2017	20187173	Frosst Financial Corp.	Lease of space at Thunderbird Mall for Port Hardy Campus.
10.	11/20/2020	202112333	Kryterion Testing Solutions	Proctored Internet-based tests through Webassessor.
11.	04/01/2016	20176184	Minister of Indian Affairs and Northern Development	DIAND initiatives

**NORTH ISLAND COLLEGE  
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS  
FIR SCHEDULE 1, SECTION 5  
FOR THE YEAR ENDED MARCH 31, 2021**

North Island College has given the following indemnities under the Guarantees and Indemnities Regulation:

<b>Issue Date</b>	<b>Indemnity Number</b>	<b>Indemnatee</b>	<b>Description</b>
12. 08/21/2018	20199423	Mitacs Inc.	Internships/Fellowships at Mt. Waddington
13. 11/20/2020	202112519	National Advanced Placement & Prior Learning Program (N-APPL)	Providing and delivering academic services
14. 03/31/2010	101444	Nebraska Book Company	WinPrism Software (Bookstore Retail)
15. 01/26/2010	101143	PeopleAdmin Inc.	Employment Application Software
16. 06/18/2009	100349	Performance Objects Inc.	Master subscription agreement for Software
17. 10/15/2019	202010766	Seniors Village 3 LLP	Practice Education
18. 09/30/2014	20152749	Shell Energy North America	Sale and purchase of Natural Gas.

**NORTH ISLAND COLLEGE  
STATEMENT OF SEVERANCE AGREEMENTS  
FIR SCHEDULE 1, SECTION 6 (7)  
FOR THE YEAR ENDED MARCH 31, 2021**

There were no new severance agreements made between North Island College and its non-unionized employees during fiscal year ended March 31, 2021.

**NORTH ISLAND COLLEGE  
SCHEDULE OF EMPLOYEE REMUNERATION AND EXPENSES  
FIR SCHEDULE 1, SECTION 6  
FOR THE YEAR ENDED MARCH 31, 2021**

**A. Board of Governors**

<b>Name</b>	<b>Position</b>	<b>Remuneration</b>	<b>Expenses</b>
Atherton, Jane	Board Member	2,500	-
Bellrose, Darius	Board Member	1,500	228
Chakraborty, Priyanka	Board Member/Student Empl.	3,717	-
Everson, Robert	Board Member	2,500	-
Frank, Sharlene	Board Member	2,500	-
Hunt, Ross	Board Member	2,500	187
McCubbin, Andrew	Board Member	2,500	-
Minaker, Barry	Board Member	2,500	-
Mosley, Eric	Board Chair	2,750	781
Murphy, Jane	Board Member	2,875	273
Puetz, Valery	Board Member	2,500	91
Sawatzky, Jeanette	Board Member	1,500	228
Scarlatti, Christopher	Board Member	1,000	800
Trasolini, Patricia	Board Member	2,500	-
		<b>33,342</b>	<b>2,588</b>

**B. Other Employees > \$75,000**

<b>Name</b>		<b>Remuneration</b>	<b>Expenses</b>
Ackland, Shirley	Fac, Appld Bus Tech	99,335	-
Almond, Janis	Fac, Accessible Learning	99,305	-
Anderson, James	Inst, Human/Social Sciences	93,811	157
Awai, Katriona	Manager, Financial Services	97,514	1,995
Baird, Niki	Fac, Accessible Learning	99,298	1,741
Balfry, Patrick	Inst, Automotive, Trades	80,364	-
Banton-Smith, Samantha	Inst, Counsellor, Human Services	87,472	-
Batch, Cory	Inst, Electronics	99,333	4,069
Batho, Catherine	Inst, Early Childhood Education	99,333	136
Bauby, Xavier	Inst, Professional Cook	98,632	-
Beaupre, Byron	Inst, Heavy Duty Mech	80,704	-
Bellavia, Antonio	Ass. Vice President Access	146,591	278
Bellham, Darin	Ass. Registrar, Student Services	83,868	-
Bennis, Othman	Inst, Business Admin	90,340	2,484
Black, Casey	Dir, Information Technology	150,315	4,035



**NORTH ISLAND COLLEGE  
SCHEDULE OF EMPLOYEE REMUNERATION AND EXPENSES  
FIR SCHEDULE 1, SECTION 6  
FOR THE YEAR ENDED MARCH 31, 2021**

**B. Other Employees > \$75,000 (continued)**

<b>Name</b>		<b>Remuneration</b>	<b>Expenses</b>
Blacquiere, Ashley	Inst, Digital Design & Development	90,316	2,167
Blaiklock, Felicity	Dir, Student Affairs & PA Admin	109,718	171
Bowman, John	President	206,755	-
Brady, Aisling	Inst, Math/Sciences	101,514	-
Budisa-Bonneau, Anita	Coord, Work Integrated Ed	99,335	1,864
Burton, Pamela	Inst, Nursing	99,334	-
Cameron, Debra	Inst, ABE & Math & Sciences	97,467	401
Caraballo Acosta, Pedro	Inst, Tourism	96,584	7,524
Carrel, Alix	Inst, Human/Social Sciences	99,351	56
Chapelle, Alan	Inst, Bus Admin	96,311	-
Charette, Nick	Inst, Plumbing/Heating	99,986	-
Child, Sara	Inst, Indigenous Education	81,375	-
Chow, Yiling	Inst, Human/Social Sciences	99,339	396
Connell, Katrina	Inst, Early Child Care Ed	90,438	-
Crewe, Ken	Dir, Human Resources	130,044	-
Cruickshank, Neil	Dean, Arts/Sciences/Tech	125,747	228
Cumming, Anne	Inst, English	101,955	757
Dack, Richard	Inst, Nursing	99,255	91
Davis, Ronald	Inst, Bus Admin	98,813	-
Deagle, Heidi	Inst, Nursing	99,223	-
Deagle, Sarah	Asst Registrar, Enroll Serv	81,389	1,065
Deveaux, Natalie	Coord, Assessment Services	81,388	1,612
Diemer, Jason	Inst, Math/Sciences	99,333	-
Domae, Lisa	Exec.VP, Academic COO	158,631	1,211
Elgersma, Fetze	Int Mgr, App Services & Edu Tech	86,784	980
Elias, Harley	Inst, Tourism	83,337	-
Erickson, Murray	Inst, Bus Admin	101,259	2,328
Faust, Sandra	Inst, Adult Basic Ed	99,333	-
Finnerty, Jolean	Manager, Office of Advancement	79,289	91
Fleck, Susan	Director, Finance	114,230	2,061
Fowler, Colin	Vice-Pres Finance & Facilities	155,480	2,232
Fraser, Joanna	Inst, Nursing	94,109	5,000
Gaetz, Roslyn	Fac, Access Learn Serv	99,335	-
Gallant, Lynette	Coord, Library Services	99,335	2,698
Gardiner-Hynds, Richelle	Inst, Human/Social Sciences	99,292	-
George, Darren	Inst, Math/Sciences	99,333	-

**NORTH ISLAND COLLEGE  
SCHEDULE OF EMPLOYEE REMUNERATION AND EXPENSES  
FIR SCHEDULE 1, SECTION 6  
FOR THE YEAR ENDED MARCH 31, 2021**

**B. Other Employees > \$75,000 (continued)**

<b>Name</b>		<b>Remuneration</b>	<b>Expenses</b>
Gereluk, Theresa	Inst, Early Child Care Ed	99,314	-
Gingras, Jeannette	Inst, Office Admin	99,222	-
Girard, Elizabeth	Inst, Acc Learning	86,725	-
Goodliffe, Rachel	Inst, Practical Nursing	99,440	-
Graham, David	Dir, Facilities Management	130,247	3,864
Gray, Danean	Manager, Human Resources	96,585	91
Gus, Wilma	Inst, Adult Basic Ed	99,394	2,975
Haggith, Kathleen	Dean, Health & Human Services	125,747	741
Hardin, Erik	Inst, Carpentry Apprentice	99,333	-
Harris, Wendy	Learning Specialist, CVC	99,335	895
Harrison, Donna	Inst, Math/Sciences	99,313	-
Harsell, Bradley	Inst, Electronics	81,815	1,134
Hartman, RaeAnn	Assoc Dean, Health & Human	102,150	331
Hartnett, Caitlin	Inst, Adult Basic Ed	83,152	5,625
Haugen, Robert	Mgr, Contract & Training Services	85,275	1,034
Hearnden, Margaret	Global Learning Facilitator	91,020	1,000
Heidt, Randall	VP, Strategic Initiatives	152,423	7,309
Herringer, Mark	Exec Dir, Int'l Education	133,778	1,101
Hinman-Smith, Daniel	Inst, Human/Social Sciences	99,333	-
Howie, Heather	Asst Registrar, Records	78,129	734
Irving, Alan	Inst, Professional Cook	90,506	-
Johns, David	Inst, Electrical	126,183	-
Johnsen, Kelly	Inst, Human Services	96,715	744
Jones, Michele	Inst, Math/Sciences	81,816	-
Jones, Miriam	Mgr, Stud Servs & Projs	91,643	1,126
Khan, Alexandra	Dir, Marketing & Comm	107,538	13,622
Knaack, Liesel	Dir, Cen T & L Innovation	110,195	993
Kuhnert, Kathleen	Assoc VP, Stu Serv/Registra	134,986	1,398
Laird, Robert	Inst, Carpentry Apprentice	99,333	-
Lawrence, Jeffrey	Inst, Human/Social Sciences	99,333	-
Leclair, Junko	Mgr, Int Enrol & Recruit	78,310	85
Lightfoot, Dennis	Inst, Math/Sciences	99,480	56
Lowey Mackenzie, Kerri	Inst, Human Services	99,333	-
Lu, Frank	Inst, Bus Admin	99,333	600

**NORTH ISLAND COLLEGE  
SCHEDULE OF EMPLOYEE REMUNERATION AND EXPENSES  
FIR SCHEDULE 1, SECTION 6  
FOR THE YEAR ENDED MARCH 31, 2021**

**B. Other Employees > \$75,000 (continued)**

MacFadgen, Lynne	Regional Dir, CE & Training	102,800	-
Madarasz, Christian	Inst, Office Admin	99,333	-
Marriott, Judith	Inst, Bus Admin	99,289	1,625
Martin, Dean	Manager, Student Life	94,431	374
Mason, Karen	Inst, Nursing (SH)	99,333	7,698
Mayboudi, Ali	Inst, Bus Admin	99,335	-
McCaffrey, Noreen	Inst, Adult Basic Ed, Assessment	99,363	525
McConomy, Erin	Inst, English	81,778	1,685
McIntosh, Stephen	Inst, Joinery/Cabinet	99,397	-
McKay, Elizabeth	Inst, Nursing	99,111	-
McPherson, Barbara	Inst, Practical Nursing	101,437	-
Meiers, Janice	Inst, Nursing	106,813	-
Merry, Donna	Reg Mgr, Mixalakwila Campus	98,969	-
Michaud, Laurie	Inst, Nursing, Coord, Practice Plc.	102,675	4,357
Milligan, Sandra	Inst, Math/Sciences	99,333	696
Morrison, William	Inst, College Centre	99,333	-
Moseley, Ann-Marie	Inst, Bus Admin	77,612	-
Naugler, Diane	Dean, Bus & Applied Studies	125,747	158
Nelson, Peggy	Adm Mgr, EVP Academic	80,694	46
Newton, Sean	Inst, English	99,333	2,500
Oberik, Lynne	Inst, Nursing	99,333	586
O'Connell, Cheryl	Dean, Trades & Technical	125,747	4,442
O'Donnell, Kathleen	Inst, Acc Learning	99,333	-
Paquet-Combe, Marie-France	Inst, Health Care Assistant	76,423	-
Parkinson, William	Dir, Enrollment Planning	113,869	574
Patterson, Deena	HR Advisor, HRM & HRIS	83,849	-
Pelletier, Norma	Inst, Bus Admin	99,333	-
Perron, Linda	Inst, Fine Arts	99,333	-
Petr, Trevor	Inst, Electrical	99,333	-
Petteplace, Lindsay	HR Adv, Recruit & Benefits	75,677	583
Pinel, David	Inst, Indigenous Eco Touris	99,346	922
Plautz, Karl	Inst, Welder Fabricator	95,829	-
Posner, Christopher	Inst, Automotive Mechanics	81,891	-
Rowes, Amy	Counsellor	97,051	1,880
Russell, Elizabeth	Inst, Fine Arts	90,002	-
Schiller, Suzanne	Fac, Learning Commons	98,605	-
Schmidt, Danita	Inst, Adult Basic Ed	96,514	-
Scholtz, Antonie	Inst, Human/Social Sciences	88,212	-
Shantz, Susan	Inst, Human Services	89,369	743

**NORTH ISLAND COLLEGE  
SCHEDULE OF EMPLOYEE REMUNERATION AND EXPENSES  
FIR SCHEDULE 1, SECTION 6  
FOR THE YEAR ENDED MARCH 31, 2021**

**B. Other Employees > \$75,000 (continued)**

<b>Name</b>		<b>Remuneration</b>	<b>Expenses</b>
Shopland, Kelly	Dir, Indigenous Education	105,353	-
Simpson, Nadine	Inst, Adult Basic Ed	99,355	401
Skulmoski, Wes	Mgr, Inst Research & Planning	87,342	-
Stuart, Leslie	Coord, Learning Centre, PN	101,043	-
Tabata, Naomi	Manager, CARTI	91,327	-
Taylor, Jason	Inst, Electrical	89,213	-
Tilston, Caroline	Inst, Nursing	93,839	-
Trudel, Anthony	Inst, Adult Basic Ed & Assessment	94,511	406
Tulloch, Laurie	Inst, Early Child Care Ed	99,333	-
Udy, Christopher	Dir, Trades & Technical	111,772	-
Van De Ven, Gerald	Manager, Health & Safety	89,577	-
van Orden, Meindert	Inst, English	79,682	-
Vipond, Sara	Inst, Fine Arts	99,334	3,848
Wallace, Jason	Manager,Purch,Print,Retail Serv	84,129	13,587
Wang, Sherrie	Inst, Math/Sciences	99,333	202
Watts, Lesley-Anne	Inst, English	86,093	-
Willers, Michael	Inst, Math/Sciences	99,333	-
Wilson, Megan	Inst, Media/Graphic Design, Fine Ar	99,291	3,791
Wrye, Jennifer	Inst, Human/Social Sciences	99,333	-
Yells, Bryan	Mgr, Facilities Operations	86,832	1,908
Zhao, Chunxiao	Inst, Bus Admin	99,333	2,500
		<b>14,487,889</b>	<b>149,323</b>

**C. Other Employees < \$75,000**

Consolidated Remuneration / Expenses < \$75,000		<b>14,072,720</b>	<b>160,488</b>
<b>TOTAL</b>		<b>28,593,951</b>	<b>312,399</b>

**NORTH ISLAND COLLEGE  
SCHEDULE OF PAYMENTS FOR GOODS OR SERVICES  
FIR SCHEDULE 1, SECTION 7  
FOR THE YEAR ENDED MARCH 31, 2021**

**A. Payments >\$25,000**

<b>Name</b>	<b>Payment</b>
Abell Pest Control	40,005
Adam's the Tarp & Tool Co. Ltd	36,962
Agnel Egidor Worth	32,320
Alberni Valley Refrigeration	45,189
Baiocco Ventures Ltd	30,361
BC Electronic Library Network	121,486
BC Hydro	258,841
BCNET	597,869
Bee-Clean Building Maintenance	703,018
Bell Media Inc	33,734
Blackboard Inc	58,737
Camosun College	38,144
CDW Canada, Inc	57,441
Cengage Canada	91,572
Charter Telecom	113,819
City Electric Supply	38,496
City of Courtenay	106,049
City of Port Alberni	163,646
Clermont's Ultimate Tool Supply Inc	27,803
College Pension Plan	1,803,129
Comox Valley United Way	30,712
Compugen Inc	583,756
Container King	27,160
COSTCO Wholesale	31,287
Dale's Plumbing And Mechanical Ltd	71,198
Dependable Lawn Care Ltd	112,449
Diesel Laptops Llc	41,881
Digarc	29,093
Employer Health Tax	604,950
English Bay Entertainment Inc	31,500
ESC Automation	289,957
Explorance	30,015
Festo Didactic Ltd	107,988
Footprints Security Patrol Inc	119,943

**NORTH ISLAND COLLEGE  
SCHEDULE OF PAYMENTS FOR GOODS OR SERVICES  
FIR SCHEDULE 1, SECTION 7  
FOR THE YEAR ENDED MARCH 31, 2021**

**A. Payments >\$25,000 (continued)**

<b>Name</b>	<b>Payment</b>
Formline Architecture	118,770
FortisBC-Natural Gas	65,443
Frosst Financial Corp	167,030
Genus Investments	62,468
Grant Illuminated Signs	26,791
Harris & Company	59,174
Hitec Screen Printing	25,145
Houle Electric Limited	409,023
Idp Education Ltd	46,495
Illume Student Advisory Services Inc	41,135
Island West Coast Developments Ltd	776,018
Kevin's Lawn Care	40,127
KPMG LLP T4348	31,395
Leaders International	47,706
Lentelus Farms	40,058
Linde Canada Inc	49,734
Login Canada	38,421
Manulife Financial	2,176,914
McElhanney Consulting	73,791
McQueen Construction Ltd	529,053
Microserve V8205	970,245
Moneris/Chase	186,864
MPS	26,891
Municipal Pension Plan	859,305
Nelson Roofing & Sheet Metal Ltd	73,338
Nuu-Chah-Nulth Tribal Council	65,415
Oxford University Press	27,584
Peak Landscaping	31,804
Pearson Education Canada	136,838
Port Alberni Shelter Society	35,175
Providence Residential Community Care	91,140
Purolator Inc	33,985
Queens Printer	91,354
Receiver General of Canada	1,455,075

**NORTH ISLAND COLLEGE  
SCHEDULE OF PAYMENTS FOR GOODS OR SERVICES  
FIR SCHEDULE 1, SECTION 7  
FOR THE YEAR ENDED MARCH 31, 2021**

**A. Payments >\$25,000 (continued)**

<b>Name</b>	<b>Payment</b>
Ricoh Canada Inc	54,202
Roper Greycall Llp	49,068
Russell Food Equipment Ltd	50,421
School District #72	138,294
ScreenScape Networks Inc	35,058
Sea45 Compliance Consult & Creative	39,900
Service First Ltd	49,587
Shell Energy North America (Canada) Inc	55,813
Southern Butler Price	33,866
Ssa Quantity Surveyors Ltd	28,896
Staples Business Advantage	251,120
Sysco Victoria	46,943
TELUS Mobility	96,002
Tianxiang Liu (Victor)	29,397
Top Hat	29,449
Tyco Integrated Fire And Security	77,892
Vancouver Island Enterprises	28,565
Vancouver Island University	128,655
Vancouver Island Varsteel	40,748
Windsor Plywood	40,652
Worksafe BC	67,669
	<b><u>\$ 16,792,411</u></b>

**B. Consolidated Payments <\$25,000** **\$ 3,311,284**

**C. Grants & Contributions**

Consolidated Payments for Grants & Contributions > \$25,000	214,956
Consolidated Payments for Grants & Contributions < \$25,000	-
	<b><u>\$ 214,956</u></b>

**TOTAL** **\$ 20,318,651**

**NORTH ISLAND COLLEGE  
 RECONCILIATION TO FINANCIAL STATEMENTS  
 FIR SCHEDULE 1, SECTION 6 & 7  
 FOR THE YEAR ENDED MARCH 31, 2021**

**Items reported under FIR**

Employee Remuneration - Schedule 1, Section (6)	28,593,951
Employee Expenses - Schedule 1, Section (6)	312,399
Supplier Payments - Schedule 1, Section (7)	20,318,651
	<b>\$ 49,225,001</b>

**Per Financial Statements - Schedule of Expenses** 50,820,385

Reconciling items

Capital Purchases	2,854,446
Amortization of Capital Assets	(4,000,240)
GST Rebates and Recoveries	361,971
Accrual Timing, Tax and other Differences	(811,561)
	<b>\$ 49,225,001</b>



**NORTH ISLAND COLLEGE  
FINANCIAL STATEMENTS  
For the year ended March 31, 2021**

**North Island College**  
**Index to the Financial Statements**  
**For the year ended March 31, 2021**

Page

**STATEMENT OF MANAGEMENT RESPONSIBILITY**

**INDEPENDENT AUDITORS' REPORT**

**FINANCIAL STATEMENTS**

Statement of Financial Position	<b>1</b>
Statement of Operations and Accumulated Surplus	<b>2</b>
Statement of Changes in Net Debt	<b>3</b>
Statement of Remeasurement Gains and Losses	<b>4</b>
Statement of Cash Flows	<b>5</b>
Notes to the Financial Statements	<b>6-18</b>
Schedule 1 - Schedule of Expenses by Object	<b>19</b>

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The financial statements have been prepared by management in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia. The integrity and objectivity of these statements is management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. The significant accounting policies are summarized in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

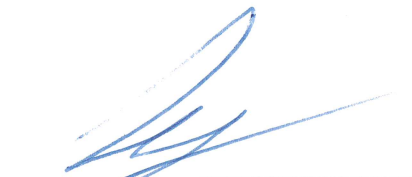
The North Island College Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Audit and Finance committee. The Audit and Finance Committee reviews financial information on a quarterly basis and the external audited financial statements yearly. The external auditor has full access to the Audit and Finance Committee, with and without management present.

KPMG conducts an independent examination, in accordance with Canadian auditing standards, and expresses an opinion on the financial statements. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of the examination and their opinion on the financial statements.

On behalf of North Island College



Lisa Domae  
President



Colin Fowler  
Vice President, Finance & Facilities

June 17, 2021



KPMG LLP  
St. Andrew's Square II  
800-730 View Street  
Victoria BC V8W 3Y7  
Canada  
Telephone 250-480-3500  
Fax 250-480-3539

## INDEPENDENT AUDITORS' REPORT

*To the Board of Governors of North Island College, and  
To the Minister of Advanced Education, Skills and Training, Province of British Columbia*

### **Opinion**

We have audited the financial statements of North Island College (the Entity), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements as at and for the year ended March 31, 2021 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

### **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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity 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.

### **Emphasis of Matter – Financial Reporting Framework**

We draw attention to Note 2(a) to the financial statements which describes the applicable financial reporting framework and the significant differences between that financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditors' 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 auditors' 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 the financial statements.

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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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.

*KPMG LLP*

Chartered Professional Accountants


Victoria, Canada  
June 18, 2021


**North Island College**  
**Statement of Financial Position**  
**As at March 31, 2021 with comparative information for 2020**

	Note	2021	2020
<b>Financial assets</b>			
Cash and cash equivalents		\$ 3,139,753	\$ 2,470,219
Accounts receivable		1,276,498	457,258
Due from government organizations	3	1,248,200	1,376,126
Inventories held for resale		260,231	269,079
Assets held for sale	9	583,511	-
Portfolio investments	4	<u>16,877,118</u>	<u>14,880,723</u>
		23,385,311	19,453,405
<b>Liabilities</b>			
Accounts payable and accrued liabilities	5	9,202,642	9,281,633
Due to government organizations	3	114,513	300,865
Employee future benefits	6	582,559	437,680
Leasehold inducements	16	371,321	368,392
Deferred revenue		2,154,559	1,941,038
Deferred contributions	7	12,720,427	10,090,405
Deferred capital contributions	8	<u>38,725,349</u>	<u>39,302,068</u>
		63,871,370	61,722,081
Net debt		(40,486,059)	(42,268,676)
<b>Non-financial assets</b>			
Tangible capital assets	9	46,964,794	48,694,099
Prepaid expenses		<u>490,592</u>	<u>214,757</u>
		47,455,386	48,908,856
<b>Accumulated surplus</b>		<u>\$ 6,969,327</u>	<u>\$ 6,640,180</u>
Accumulated surplus is comprised of:			
Accumulated surplus		\$ 5,426,114	\$ 7,039,809
Accumulated rereasurement gains (losses)		<u>1,543,213</u>	<u>(399,629)</u>
		<u>\$ 6,969,327</u>	<u>\$ 6,640,180</u>

Commitments and contingencies (notes 11 & 12)  
Contractual rights (note 14)  
See accompanying notes to the financial statements

Approved on behalf of the Board of Governors

  
Eric Mosley,  
Chair of the Board of Governors

  
Colin Fowler,  
Vice President, Finance and Facilities

**North Island College**  
**Statement of Operations and Accumulated Surplus**  
**For the year ended March 31, 2021 with comparative information for 2020**

	Note	Budget 2021 Note 2(k)	2021	2020
<b>Revenue</b>				
Province of British Columbia		\$ 34,099,689	\$ 32,014,939	\$ 30,906,898
Government of Canada grants		725,963	311,642	272,410
Tuition and student fees		12,793,520	10,387,895	12,893,094
Contract services		280,083	907,508	1,062,820
Sales of goods and services		1,478,000	767,529	1,467,377
Investment income		543,350	739,108	1,080,917
Other income		450,900	682,973	886,648
Revenue recognized from deferred capital contributions	8	<u>2,911,442</u>	<u>3,395,096</u>	<u>2,876,282</u>
		53,282,947	49,206,690	51,446,446
<b>Expenses (Schedule 1)</b>				
Instructional and non-sponsored research		50,229,536	48,418,976	49,549,743
Ancillary services		1,376,318	1,033,703	1,574,525
Sponsored research		686,794	326,658	199,446
Special purpose		<u>990,299</u>	<u>1,041,048</u>	<u>1,034,147</u>
		53,282,947	50,820,385	52,357,861
<b>Deficit for the year</b>		-	(1,613,695)	(911,415)
Accumulated surplus, beginning of year		<u>7,039,809</u>	<u>7,039,809</u>	<u>7,951,224</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 7,039,809</u>	<u>\$ 5,426,114</u>	<u>\$ 7,039,809</u>

See accompanying notes to the financial statements

**North Island College**  
**Statement of Changes in Net Debt**  
For the year ended March 31, 2021 with comparative information for 2020

	<b>Budget 2021</b> Note 2(k)	<b>2021</b>	<b>2020</b>
Deficit for the year	\$ -	\$ (1,613,695)	\$ (911,415)
Acquisition of tangible capital assets	-	(2,854,446)	(9,702,160)
Net transfer to assets held for resale	-	583,511	-
Amortization of tangible capital assets	3,590,370	4,000,240	3,344,446
Gain on sale of tangible capital assets	-	-	(61,795)
Proceeds on sale of tangible capital assets	-	-	66,700
	<u>3,590,370</u>	<u>1,729,305</u>	<u>(6,352,809)</u>
Acquisition of prepaid expenses	-	(505,878)	(206,706)
Use of prepaid expenses	-	<u>230,043</u>	<u>125,717</u>
	-	(275,835)	(80,989)
Net remeasurement losses	<u>-</u>	<u>1,942,842</u>	<u>(1,606,181)</u>
<b>Change in net debt</b>	3,590,370	1,782,617	(8,951,394)
Net debt, beginning of year	<u>(42,268,676)</u>	<u>(42,268,676)</u>	<u>(33,317,282)</u>
Net debt, end of year	<u>\$ (38,678,306)</u>	<u>\$ (40,486,059)</u>	<u>\$ (42,268,676)</u>

See accompanying notes to the financial statements



**North Island College**  
**Statement of Remeasurement Gains and Losses**  
**For the year ended March 31, 2021 with comparative information for 2020**

	<b>2021</b>	<b>2020</b>
Accumulated remeasurement gains(losses), beginning of year	\$ (399,629)	\$ 1,206,552
Unrealized gains (losses) attributed to:		
Portfolio investments	2,091,941	(1,116,303)
Amounts reclassified to the statement of operations:		
Realized gains on pooled funds	<u>(149,099)</u>	<u>(489,878)</u>
Net remeasurement gains (losses) for the year	<u>1,942,842</u>	<u>(1,606,181)</u>
<b>Accumulated remeasurement gains (losses), end of year</b>	<b><u>\$ 1,543,213</u></b>	<b><u>\$ (399,629)</u></b>

See accompanying notes to the financial statements

**North Island College**  
**Statement of Cash Flows**  
For the year ended March 31, 2021 with comparative information for 2020

	<b>2021</b>	<b>2020</b>
<b>Cash provided by (used in):</b>		
<b>Operations</b>		
Deficit for the year	\$ (1,613,695)	\$ (911,415)
Items not involving cash:		
Amortization of tangible capital assets	4,000,240	3,344,446
Revenue recognized from deferred capital contributions	(3,395,096)	(2,876,282)
Change in employee future benefits	144,879	(79,630)
Change in lease inducements	2,929	(71,394)
Gain on sale of tangible capital assets	-	(61,795)
Change in non-cash operating working capital:		
Decrease (increase) in accounts receivable	(819,240)	379,296
Decrease in due from government organizations	127,926	657,418
Increase in prepaid expenses	(275,835)	(80,989)
Decrease in inventories held for resale	8,848	78,262
Increase (decrease) in accounts payable and accrued liabilities	(78,991)	551,891
Decrease in due to government organizations	(186,352)	(333,965)
Increase (decrease) in deferred revenue	213,521	(400,315)
Increase (decrease) in deferred contributions	<u>2,630,022</u>	<u>(2,495,770)</u>
Net change in cash from operating activities	759,156	(2,300,242)
<b>Capital activities</b>		
Cash used to acquire tangible capital assets	(2,854,446)	(9,702,160)
Increase in deferred capital contributions	2,818,377	5,337,304
Proceeds on disposal of tangible capital assets	<u>-</u>	<u>66,700</u>
Net change in cash from capital activities	(36,069)	(4,298,156)
<b>Investing activities</b>		
Decrease (increase) in portfolio investments	<u>(53,553)</u>	<u>3,805,051</u>
Net change in cash from investing activities	(53,553)	3,805,051
<b>Net change in cash and cash equivalents</b>	<b>669,534</b>	<b>(2,793,347)</b>
Cash and cash equivalents, beginning of year	<u>2,470,219</u>	<u>5,263,566</u>
Cash and cash equivalents, end of year	<u>\$ 3,139,753</u>	<u>\$ 2,470,219</u>

See accompanying notes to the financial statements

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**1 Authority and purpose**

North Island College operates under the authority of the College and Institute Act of British Columbia. The College is a not-for-profit entity governed by a Board of Governors, the majority of which are appointed by the provincial government of British Columbia. The College is a registered charity and is exempt from income taxes under section 149 of the Income Tax Act.

**2 Summary of significant accounting policies**

The financial statements of the College are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the College are as follows:

(a) Basis of accounting:

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections related to accounting standards for not for profit organizations.

Regulation 198/2011 requires that restricted contributions received or receivable are to be reported as revenue depending on the nature of the restrictions on the use of the funds by the contributors as follows:

(i) Contributions for the purpose of acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are recorded and referred to as deferred capital contributions and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded. The reduction of the deferred capital contributions and the recognition of the revenue are accounted for in the fiscal period during which the tangible capital asset is used to provide services.

(ii) Contributions restricted for specific purposes other than those for the acquisition or development of a depreciable tangible capital asset are recorded as deferred contributions and recognized in revenue in the year in which the stipulation or restriction on the contributions have been met.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**2 Summary of significant accounting policies (continued)**

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which require that government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410.

As a result, revenue recognized in the statement of operations and certain related deferred capital contributions would be recorded differently under Canadian public sector accounting standards.

**(b) Cash and cash equivalents**

Cash and cash equivalents include highly liquid investments with a term to maturity of three months or less at the date of purchase.

**(c) Financial instruments**

Financial instruments are classified into two categories: fair value or cost.

(i) Fair value category: all portfolio investments are quoted in an active market and therefore reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statements of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

(ii) Cost category: financial assets and liabilities are recorded at cost or amortized cost. Gains and losses are recognized in the Statements of Operations and Accumulated Surplus when the financial asset is derecognized due to disposal or impairment. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of financial assets are included in the cost of the related instrument.

**(d) Inventories held for resale**

Inventories held for resale, including books and merchandise for sale in campus bookstores are recorded at the lower of cost or net realizable value. Cost includes the original purchase cost, plus shipping and applicable duties. Net realizable value is the estimated selling price less any costs to sell.

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**2 Summary of significant accounting policies (continued)**

(e) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight line basis over their estimated useful lives shown below. The College prorates amortization on a monthly basis in the year of acquisition. Land is not amortized as it is deemed to have a permanent value.

Buildings and site improvements	
Concrete and steel buildings	10-40 years
Wood-framed buildings	10-20 years
Site improvements	10 years
Furniture and equipment	
Library books	10 years
Furniture, equipment, and vehicles	5 years
Computer servers	3-5 years
Computer equipment	3-5 years
Leasehold improvements	Remaining term of the lease

Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the College's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

(ii) Works of art and historic assets

Works of art and historic assets are not recorded as assets in these financial statements.

(iii) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**2 Summary of significant accounting policies (continued)**

(f) Employee future benefits

The College and its employees make contributions to the College Pension Plan and the Municipal Pension Plan which are multi-employer joint trustee plans. These plans are defined benefit plans, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding. As the assets and liabilities of the plans are not segregated by institution, the plan is accounted for as a defined contribution plan and any contributions of the College to the plan are expensed as incurred.

Sick leave benefits are also available to the College's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(g) Revenue recognition

Tuition and student fees and sales of goods and services are reported as revenue at the time the services are provided or the products are delivered, and collection is reasonably assured.

Unrestricted donations and grants are recorded as revenue when receivable if the amounts can be estimated and collection is reasonably assured.

Restricted donations and grants are reported as revenue depending on the nature of the restrictions on the use of the funds by the contributors as set out in note 2(a).

The College leases certain land properties to third parties for a period of 99 years. Cash received from land leases is deferred and amortized to revenue on a straight-line basis over the term of the lease.

Investment income includes interest recorded on an accrual basis and dividends recorded as declared, realized gains and losses on the sale of investments, and writedowns on investments where the loss in value is determined to be other-than-temporary.

(h) Measurement uncertainty

(i) Use of estimates: The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and related disclosures. Key areas where management has made estimates and assumptions include those related to the fair value of financial instruments, useful life of tangible capital assets and the present value of employee future benefits and commitments. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**2 Summary of significant accounting policies (continued)**

(ii) COVID-19: On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in governments worldwide, including the Canadian federal and provincial governments, enacting emergency measures to combat the spread of the virus. The economic conditions and the College's response to the pandemic had a material impact on the College's operating results and financial position for the fiscal year ended March 31, 2021. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the College is not known at this time.

(i) Assets held for sale

Long-lived assets are classified by the College as an asset held for sale at the point in time when the asset is in a condition to be sold and is publicly seen to be for sale, management has committed to selling the asset and has a plan in place, there is an active market, and is reasonably anticipated that the sale will be completed within a one-year period.

(j) Foreign currency translation

The College's functional currency is the Canadian dollar. There are no significant foreign currency transactions.

(k) Budget figures

Budget figures have been provided for comparative purposes and have been derived from the North Island College 2020-2021 Budget approved by the Board of Governors of North Island College on April 23, 2020.

Budget figures are presented only for information purposes.

**3 Due from and to government organizations**

<b>Due from:</b>	<b>2021</b>	<b>2020</b>
Federal government	\$ 3,898	\$ 608
Provincial government	983,882	1,299,647
Other government organizations	<u>260,420</u>	<u>75,871</u>
	<u>\$ 1,248,200</u>	<u>\$ 1,376,126</u>
<b>Due to:</b>	<b>2021</b>	<b>2020</b>
Federal government	\$ 75,895	\$ 46,299
Provincial government	18,686	201,942
Other government organizations	<u>19,932</u>	<u>52,624</u>
	<u>\$ 114,513</u>	<u>\$ 300,865</u>

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**4 Portfolio investments**

Portfolio investments are recorded at fair value and are comprised of the following:

	<b>2021</b>	<b>2020</b>
Fixed income	\$ 600,112	\$ 781,541
Pooled bond funds	8,156,904	6,853,105
Pooled equity funds	<u>8,120,102</u>	<u>7,246,077</u>
	<u>\$ 16,877,118</u>	<u>\$ 14,880,723</u>

**5 Accounts payable and accrued liabilities**

	<b>2021</b>	<b>2020</b>
Trade payables	\$ 1,211,424	\$ 1,592,591
Salaries and benefits payable	1,186,590	940,327
Accrued leaves payable	3,300,071	3,407,588
Other payables and accrued liabilities	<u>3,504,557</u>	<u>3,341,126</u>
	<u>\$ 9,202,642</u>	<u>\$ 9,281,632</u>

**6 Employee future benefits**

(a) Pension benefits:

The College and its employees contribute to the College Pension Plan and the Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at August 31, 2019, the College Pension Plan has about 15,000 active members, and approximately 9,000 retired members. As at December 31, 2019, the Municipal Pension Plan has about 213,000 active members, including approximately 6,000 from colleges.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the College Pension Plan as at August 31, 2018, indicated a \$303 million surplus for basic pension benefits on a going concern basis.



**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**6 Employee future benefits (continued)**

The most recent valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The College paid \$2,556,788 for employer contributions to the plans in fiscal 2021 (2020: \$2,698,207).

The next valuation for the College Pension Plan will be as at August 31, 2021 with results available in 2022. The next valuation for the Municipal Pension Plan will be December 31, 2021, with results available in 2022.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

(b) Other benefits:

	<b>2021</b>	<b>2020</b>
Severance	\$ 509,559	\$ 364,680
Accumulated sick leave benefit	<u>73,000</u>	<u>73,000</u>
	<u>\$ 582,559</u>	<u>\$ 437,680</u>

(i) The College provides severance benefits to eligible employees based on eligibility, years of service, and final salary.

(ii) Employees of the College are entitled to sick leave in accordance with the terms and conditions of their employment contracts. Sick leave credits accumulate for employees of the College, as they render services they earn the right to the sick leave benefit. The College recognizes a liability and an expense for sick leave in the period in which employees render services in return for the benefits.

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**7 Deferred contributions**

Deferred contributions are comprised of funds for restricted uses including special programs, facilities and research. Changes in the deferred contribution balances are as follows:

	<b>2021</b>		
	<b>Land Sale</b>	<b>Other</b>	<b>Total</b>
Balance, beginning of year	\$ 3,961,144	\$ 6,129,261	\$ 10,090,405
Contributions received	-	11,431,257	11,431,257
Revenue recognized	-	<u>(8,801,235)</u>	<u>(8,801,235)</u>
Balance, end of year	<u>\$ 3,961,144</u>	<u>\$ 8,759,283</u>	<u>\$ 12,720,427</u>

	<b>2020</b>		
	<b>Land Sale</b>	<b>Other</b>	<b>Total</b>
Balance, beginning of year	\$ 3,961,144	\$ 8,625,031	\$ 12,586,175
Contributions received	-	8,619,910	8,619,910
Transfers	-	(1,878,755)	(1,878,755)
Revenue recognized	-	<u>(9,236,925)</u>	<u>(9,236,925)</u>
Balance, end of year	<u>\$ 3,961,144</u>	<u>\$ 6,129,261</u>	<u>\$ 10,090,405</u>

In 2012/13, the College sold 11.164 acres of land to the Vancouver Island Health Authority for \$4,030,114. Use of the sale proceeds is restricted under the College and Institute Act. The proceeds, net of land costs of \$68,970, have been recorded as deferred contributions until permission to use the funds for acquisition of specific capital assets is granted.

**8 Deferred capital contributions**

Funding contributions for tangible capital assets are referred to as deferred capital contributions. Amounts are recognized into revenue as the asset is amortized over the useful life of the asset. Treasury Board specifies this accounting treatment as disclosed in note 2(a). Changes in the deferred capital contributions balance are as follows:

	<b>2021</b>	<b>2020</b>
Balance, beginning of year	\$ 39,302,068	\$ 36,841,046
Contributions received during the year - cash	2,818,377	3,458,549
Transfers	-	1,878,755
Revenue recognized from deferred capital contributions	<u>(3,395,096)</u>	<u>(2,876,282)</u>
Balance, end of year	<u>\$ 38,725,349</u>	<u>\$ 39,302,068</u>

**North Island College**  
**Notes to the Financial Statements**  
Year ended March 31, 2021

**9 Tangible capital assets**

<b>Cost</b>	<b>Mar 31, 2020</b>	<b>Additions</b>	<b>Transfers</b>	<b>Disposals</b>	<b>Mar 31, 2021</b>
Land	\$ 457,919	\$ -	\$ (130,000)	\$ -	\$ 327,919
Site improvements	2,569,590	-	(7,554)	-	2,562,036
Buildings	82,787,992	605,809	(1,806,574)	-	81,587,227
Furniture & equipment	4,667,961	982,769	-	(221,327)	5,429,403
Software & licences	34,138	-	-	(9,686)	24,452
Computer equipment	1,030,383	157,664	-	-	1,188,047
Leasehold improvements	2,199,271	-	-	-	2,199,271
Vehicles	570,378	-	-	(56,708)	513,670
Library books	466,991	33,124	-	(42,748)	457,367
Assets under construction	883,404	1,075,080	(207,520)	-	1,750,964
<b>Total</b>	<b>\$ 95,668,027</b>	<b>\$ 2,854,446</b>	<b>\$ (2,151,648)</b>	<b>\$ (330,469)</b>	<b>\$ 96,040,356</b>

<b>Accumulated amortization</b>	<b>Mar 31, 2020</b>	<b>Amortization</b>	<b>Transfers</b>	<b>Disposals</b>	<b>Mar 31, 2021</b>
Site improvements	\$ 2,279,610	\$ 70,312	\$ (7,554)	\$ -	\$ 2,342,368
Buildings	41,211,104	2,326,820	(1,560,583)	-	41,977,341
Furniture & equipment	1,834,076	948,755	-	(221,327)	2,561,504
Software & licences	28,074	4,057	-	(9,686)	22,445
Computer equipment	541,571	239,571	-	-	781,142
Leasehold improvements	480,818	270,687	-	-	751,505
Vehicles	339,077	98,919	-	(56,708)	381,288
Library books	259,598	41,119	-	(42,748)	257,969
<b>Total</b>	<b>\$ 46,973,928</b>	<b>\$ 4,000,240</b>	<b>\$ (1,568,137)</b>	<b>\$ (330,469)</b>	<b>\$ 49,075,562</b>

	<b>Net Book Value Mar 31, 2020</b>	<b>Net Book Value Mar 31, 2021</b>
Land	\$ 457,919	\$ 327,919
Site improvements	289,980	219,668
Buildings	41,576,888	39,609,886
Furniture & equipment	2,833,885	2,867,899
Software & licences	6,064	2,007
Computer equipment	488,812	406,905
Leasehold improvements	1,718,453	1,447,766
Vehicles	231,301	132,382
Library books	207,393	199,398
Assets under construction	883,404	1,750,964
<b>Total</b>	<b>\$ 48,694,099</b>	<b>\$ 46,964,794</b>

**North Island College**  
**Notes to the Financial Statements**  
Year ended March 31, 2021

**9 Tangible capital assets (continued)**

<b>Cost</b>	<b>Mar 31, 2019</b>		<b>Additions</b>		<b>Transfers</b>		<b>Disposals</b>		<b>Mar 31, 2020</b>	
Land	\$	457,919	\$	-	\$	-	\$	-	\$	457,919
Site improvements		2,404,933		-		164,657		-		2,569,590
Buildings		58,555,256		285,675		23,947,061		-		82,787,992
Furniture & equipment		2,923,338		1,215,605		861,603		(332,585)		4,667,961
Software & licences		30,997		3,141		-		-		34,138
Computer equipment		1,121,541		158,051		-		(249,209)		1,030,383
Leasehold improvements		1,631,007		17,029		551,235		-		2,199,271
Vehicles		577,386		-		-		(7,008)		570,378
Library books		471,160		39,493		-		(43,662)		466,991
Assets under construction		<u>18,424,794</u>		<u>7,983,166</u>		<u>(25,524,556)</u>		<u>-</u>		<u>883,404</u>
<b>Total</b>	<b>\$</b>	<b><u>86,598,331</u></b>	<b>\$</b>	<b><u>9,702,160</u></b>	<b>\$</b>	<b><u>-</u></b>	<b>\$</b>	<b><u>(632,464)</u></b>	<b>\$</b>	<b><u>95,668,027</u></b>

<b>Accumulated amortization</b>	<b>Mar 31, 2019</b>		<b>Amortization</b>		<b>Disposals</b>		<b>Mar 31, 2020</b>		
Site improvements	\$	2,206,645	\$	72,965		\$	-	\$	2,279,610
Buildings		39,185,757		2,025,347		-		-	41,211,104
Furniture & equipment		1,500,472		666,189		(332,585)		-	1,834,076
Software & licences		19,705		8,369		-		-	28,074
Computer equipment		596,136		194,644		(249,209)		-	541,571
Leasehold improvements		259,065		221,753		-		-	480,818
Vehicles		228,049		113,130		(2,102)		-	339,077
Library books		<u>261,212</u>		<u>42,049</u>		<u>(43,663)</u>		<u>-</u>	<u>259,598</u>
<b>Total</b>	<b>\$</b>	<b><u>44,257,041</u></b>	<b>\$</b>	<b><u>3,344,446</u></b>		<b>\$</b>	<b><u>(627,559)</u></b>	<b>\$</b>	<b><u>46,973,928</u></b>

	<b>Net Book Value</b>		<b>Net Book Value</b>	
	<b>Mar 31, 2019</b>		<b>Mar 31, 2020</b>	
Land	\$	457,919	\$	457,919
Site improvements		198,288		289,980
Buildings		19,369,499		41,576,888
Furniture & equipment		1,422,866		2,833,885
Software & licences		11,292		6,064
Computer equipment		525,405		488,812
Leasehold improvements		1,371,942		1,718,453
Vehicles		349,337		231,301
Library books		209,948		207,393
Assets under construction		<u>18,424,794</u>		<u>883,404</u>
<b>Total</b>	<b>\$</b>	<b><u>42,341,290</u></b>	<b>\$</b>	<b><u>48,694,099</u></b>

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**9 Tangible capital assets (continued)**

(a) Assets under construction

Assets under construction having a value of \$1,750,964 (2020: \$883,404) have not been amortized. Amortization of these assets will commence when the asset is available for productive use.

(b) Assets for resale

The College intends to list for sale the Campbell River campus property located on Vigar Road. The sale is expected to be complete within one year. The net book value of the property is \$583,511 and this has been transferred from tangible capital assets to assets held for sale as at March 31, 2021.

**10 Financial risk management**

The College is potentially exposed to credit risk, liquidity risk, foreign exchange risk and interest rate risk from the entity's financial instruments. Qualitative and quantitative analysis of the significant risks from the College's financial instruments is provided below by type of risk.

(a) Credit risk

Credit risk primarily arises from the College's cash and cash equivalents, accounts receivable and portfolio investments. The risk exposure is limited to their varying amounts at the date of the statement of financial position.

Accounts receivable primarily consist of amounts receivable from government organizations, students, clients and sponsors. To reduce the risk, the College regularly reviews the collectability of its accounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts. As at March 31, 2021 the amount of allowance for doubtful debts was \$177,063 (2020: \$147,342), as these accounts receivable are deemed by management not to be collectible. The College historically has not had difficulty collecting receivables, nor have counterparties defaulted on any payments.

(b) Market and interest rate risk

Market risk is the risk that changes in market prices and inputs, such as interest rates, will affect the College's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk.

The College manages market risk by holding cash balances with a top rated Canadian Schedule I financial institution. The portfolio investments are professionally managed following the investment program which is approved by the College's Board of Governors and consistent with the requirements of the College and Institute Act. The College periodically reviews its investments and is satisfied that the portfolio investments are being managed in accordance with the investment program.

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**10 Financial risk management (continued)**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.

It is management's opinion that the College is not exposed to significant market or interest rate risk arising from its financial instruments.

(c) Liquidity risk

Liquidity risk is the risk that the College will not be able to meet its financial obligations as they become due.

The College manages liquidity risk by continually monitoring actual and forecasted cash flows from operations, anticipated investing, and financial activities to ensure that its financial obligations are met.

(d) Foreign exchange risk

The College has not entered into any agreements or purchased any foreign currency hedging arrangements to hedge possible currency risks, as management believes that the foreign exchange risk derived from currency conversions is not significant. The foreign currency financial instruments are short-term in nature and do not give rise to significant foreign currency risk.

**11 Contractual obligations**

The nature of the College's activities can result in multiyear contracts and obligations whereby the College will be committed to make future payments. Significant contractual obligations related to operations that can be reasonably estimated are as follows:

	<b>Port Alberni Campus</b>	<b>St. Joe's Campus</b>	<b>Port Hardy Campus</b>	<b>Total</b>
2022	\$ 127,627	\$ 91,140	\$ 156,813	\$ 375,580
2023	127,627	91,140	65,339	284,106
2024	<u>127,627</u>	<u>7,595</u>	<u>-</u>	<u>135,222</u>
Total contractual obligations	<u>\$ 382,881</u>	<u>\$ 189,875</u>	<u>\$ 222,152</u>	<u>\$ 794,908</u>

**12 Contingent liabilities**

The College may, from time to time, be involved in legal proceedings, claims, and litigation that arise in the normal course of business. In the event that any such claims or litigation are resolved against the College, such outcomes or resolutions could have a material effect on the business, financial condition, or results of operations of the College. At March 31, 2021 there are no outstanding claims.

**North Island College**  
**Notes to the Financial Statements**  
**Year ended March 31, 2021**

**13 Related parties**

North Island 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.

North Island College Foundation is a not-for-profit organization and a registered charity under the Income Tax Act. The Foundation was created to enhance the delivery of North Island College's programs and services by raising funds to provide scholarships and bursaries, and to support various College projects. Although there is no common control of the organizations through the Board appointment or other forms of control, the Foundation is related to the College by virtue of holding resources which are to be used to provide support to students attending the College. Transactions with the Foundation were recorded at the exchange amount.

At March 31, 2021 accounts receivable of the College included \$109,530 due from the Foundation. At March 31, 2020 accounts payable of the College included \$505,653 due to the Foundation.

	<b>2021</b>	<b>2020</b>
Bursaries	\$ 492,055	\$ 531,265
Donations and other	416,888	994,013
Gifts-in-kind	<u>2,020</u>	<u>12,225</u>
Foundation contributions to the College	<u>\$ 910,963</u>	<u>\$ 1,537,503</u>
College contributions to the Foundation	<u>\$ 4,060</u>	<u>106,359</u>

**14 Contractual rights**

The College has entered into multi-year contracts with the Province of British Columbia that entitles the College to receive the following amounts:

	<b>Port Alberni Campus</b>	<b>St. Joe's Campus</b>	<b>Port Hardy Campus</b>	<b>Total</b>
2022	\$ 127,627	\$ 91,140	\$ 156,813	\$ 375,580
2022	127,627	91,140	65,339	284,106
2024	<u>127,627</u>	<u>7,595</u>	<u>-</u>	<u>135,222</u>
Total contractual rights	<u>\$ 382,881</u>	<u>\$ 189,875</u>	<u>\$ 222,152</u>	<u>\$ 794,908</u>

**15 Lease inducement**

In September 2017, the College entered into a 5 year renewable lease for premises located in Port Hardy. In conjunction with the lease, the landlord financed \$500,000 of the improvements to be repaid by the College over 10 years. The amount is funded by the Province over the term of the lease.

**North Island College**  
**Schedule 1 - Schedule of Expenses by Object**  
**For the year ended March 31, 2021 with comparative information for 2020**

<b>Expenses</b>	<b>Budget 2021</b>	<b>2021</b>	<b>2020</b>
Salaries and benefits	\$ 37,962,501	\$ 35,369,855	\$ 35,252,057
Other personnel costs	708,731	872,205	953,140
Advertising and promotion	744,989	382,465	826,837
Books and periodicals	288,123	289,746	252,415
Cost of goods sold	999,150	540,028	1,041,549
Equipment costs	1,234,312	2,135,715	1,606,223
Facility costs	2,577,977	3,284,910	3,682,867
Financial service charges	232,695	277,960	262,271
General fees and services	1,833,265	1,364,191	1,777,485
Student awards	883,615	821,881	813,986
Supplies and general expenses	1,230,057	1,169,825	1,499,349
Travel	763,662	96,408	727,981
Grant transfers	233,500	210,896	210,896
Donations to NIC Foundation	-	4,060	106,359
Amortization of tangible capital assets	3,590,370	4,000,240	3,344,446
	<u>\$ 53,282,947</u>	<u>\$ 50,820,385</u>	<u>\$ 52,357,861</u>