



It all starts here.

nsc

➤ 2003-04 Annual Report



It all starts here.

As NSCC evolves into the national calibre college Nova Scotians deserve, we're providing a fresh, new example of what post secondary education can be.

"It all starts here" captures the spirit of the new NSCC. It is a confident promise of better things to come, based on the results NSCC already produces in industry, in the province's economy, in local communities, and most importantly, in people's lives.

"It all starts here" is an open-ended promise which can be completed differently by each person who hears it.

Your career starts here. Your success starts here. For recent high school graduates, a new adult life starts here. For many mature learners, a whole new life starts here. For those who join NSCC from other schools, applied education that takes you where you want to go, starts here.

And for virtually everyone who graduates from any one of our 13 campuses, successful futures start here at NSCC.

1 Credit Where Credit is Due
Possibilities

3 The College vs. The Couch
Stardom

5 Major Impact
Success

7 Parents as Career Coaches
Wisdom

9 Giving Something Back
Wonder

11 First Nations Going Global
Worldwide

13 Technology and the Grape
Opportunity

15 The Best of the Best
Achievement

17 Leader in Accountability and Progress
Results

19 Financials
Stewardship

Shaking things up!

It would be an understatement to tell you we've had a big year. It's been ground breaking. Literally. The massive changes taking place at NSCC are really shaking things up. We're becoming the College we dreamed we could be and we want to tell you about it.

Imagine a place where dynamic instructors engage and energize their students. Where state-of-the-art equipment is housed in modern facilities. Where graduates don't have to leave Nova Scotia to find the work they love. A post secondary institution

responding to the needs of industry and strengthening our provincial economy. A College that gives back to the community and offers a gateway to the future.

Read on and find out what's been going on at your College this year!

Please send comments or questions about this publication to:

feedback@nsc.ca

1 Credit Where Credit is Due



NSCC Cumberland Campus, Springhill

... Possibilities



NSCC Cumberland Campus, Springhill



This is our vision and our challenge

Our approach to education will be one that engages Nova Scotians in new ways to apply knowledge and skill. We will integrate our education with community building and economic development.

The college experience will inspire confidence, reflection, and self reliance, challenging people to make use of what they learn, for their own benefit and for the benefit of us all.

2

Background image:
Erin Jolly
Early Childhood Studies program
NSCC Cumberland Campus, Springhill

70% of the fastest growing occupations in Nova Scotia require a college education

HRSDC – Nova Scotia

“The textbook child is not out there. Each child is so different.” It’s one of the many things that Erin Jolly learned while taking the Early Childhood Studies Program at Springhill’s Cumberland Campus.

The program also helped define the career path she’s currently on. “In those two years I grew up a lot. The College gave me a real focus.” After two successful work placements as the summer respite student at the Cumberland Early Intervention program, Jolly decided her passion was working with special needs children.

She set her sights on a career in Early Intervention and discovered her dream job required a university degree. No problem.

Due to NSCC’s Articulation Agreement with Mount Saint Vincent University, Jolly received full credit for her College

Diploma. She transferred straight into year three of Child and Youth Studies at the Mount.

Articulation Agreements, such as these, recognize that learning occurs in different yet complementary venues and work to honour prior learning. Other such agreements exist with UCCB, Memorial University (Newfoundland), and Athabasca University (Alberta).

With 18 months of schooling left, Jolly already has job offers. She’s grateful she could transfer her valuable College learning. “NSCC set me in the right direction.”

3 The College vs. The Couch



... Stardom



NSCC tools & equipment; Screen Arts program; Halifax Campus



Audrey Arsenault, Access & Health & Human Services



Todd Jackson; film editing



Dedication is our promise to our students

Audrey Arsenault is one of 500 employees to complete an NSCC professional development program this year. As the newly named Department Head for Access and Health and Human Services at Pictou Campus, this is important to her.

“The professional development opportunities offered by NSCC demonstrate a committed investment in employees and have been valuable to me on many levels. The chance to enjoy learning again as a student has enabled me to put myself in my learners’ shoes, better appreciate their challenges, and more effectively meet their needs.”

4

Background image:
Todd Jackson
Screen Arts program
NSCC, Halifax Campus

Within one year of graduation 88% of our alumni are employed and 95% of those stay to live and work in Nova Scotia

NSCC Graduate Follow-up Study, 2003

“Sleep is for rookies,” says Todd Jackson. “I’m having a ball.” Since graduating from NSCC’s Screen Arts program in 2001, Jackson has catapulted into the heart of Nova Scotia’s film and television industry.

He routinely puts in 70-80 hour weeks and has worked with some big names, including Thom Fitzgerald (*The Hanging Garden*) and Tricia Fish (*New Waterford Girls*).

Just six years ago, this thirty-four year old thought he wanted to be an accountant. Now he sits in one of the editing chairs of “*The Sea Hunters*,” the most widely distributed documentary series produced in Canada. Featuring shipwreck dives, the show airs on History tv and National Geographic International in over 160 countries.

A serendipitous volunteer stint as a camera operator is what led Jackson out of the world of numbers and into the Screen Arts program, where he wasted no time learning everything he could. “I worked it like a dog works a bone,” he says, citing the benefits of hands-on learning, the use of free gear, and the opportunity to pick the brains of experienced and seasoned instructors. Going for what you want is what it’s all about, says Jackson. “You can sit on the couch and dream about it, or you can go down to the College and do it.”

*5 Major
impact*

... Success





Don Ford, CEO, Capital Health

Alderney Drive, Dartmouth Nova Scotia



Education that is transforming lives

“NSCC believes that education has transformative power – it can impact individuals, families and communities in extraordinary ways. Capital Health agrees,” says Don Ford, CEO of Capital Health, a soon-to-be neighbour of NSCC’s new campus on the Dartmouth waterfront, and a key partner with a common vision.

“Education is a key determinant of health, and the partnership between NSCC and Capital Health is important to helping create healthy people and healthy communities,” says Ford.



John's Lunch, Dartmouth, Nova Scotia

6

Background image:
Tim Olive; Executive Director, Downtown Dartmouth Business Commission
Fotis Fatouros; partner with John's Lunch

6,700 jobs totaling over \$202 million in wages and salaries are attributable to NSCC

The Socioeconomic Benefits Generated by the Nova Scotia Community College
 Kjell A. Christophersen and M. Henry Robison
 CCBenefits Inc, 2002

Tim Olive is selling enthusiasm, not hammers, these days. The former hardware store owner is now Executive Director of the Downtown Dartmouth Business Commission and his stats indicate that things are heating up. One or two new companies are opening their doors every few weeks and calls are pouring in from business people looking for available space. “Dartmouth is the place to be,” the former MLA says proudly.

Olive credits NSCC’s new Metro Campus, slated to open in 2007 on the Dartmouth waterfront in Woodside, as one of the reasons. “You can feel the electricity in the air,” says Olive. “It’s so exciting to be here and be a part of this.”

Olive anticipates the 1,800 new students will gobble up services provided by grocers, convenience stores, drug stores, and restaurants, such as nearby

John’s Lunch. Industry will also be affected, as the companies in Woodside Industrial Park benefit from the pool of well-trained, highly skilled workers just down the road.

In fact, Olive predicts, the entire neighbourhood will likely be transformed. “If you look at the overall socio-economic conditions today and look at it again in 2010, it won’t be the same area.” The possibilities and potential are endless. “We’re like a diamond in the rough.”

As a longtime resident of Dartmouth, Olive is personally committed to making sure that the city lives up to its end of the bargain. Better streets and sidewalks, improved living conditions, and a refurbished downtown are all in the works. “This is a huge boost to our economy and we’re going to provide the services to support it.”

7 Parents as Career Coaches

... Wisdom



Larissa Downey, NSCC Student



African Canadian Advisory Committee

Students like Larissa prove the value and role of the African Canadian Advisory Committee. Now in its fifth year of service to NSCC, the committee's mandate is to assist the College with matters of diversity related to educational access, participation and the retention of African Canadian students.

The committee, which consists of 12 members from African Nova Scotian communities across the province, has also developed and presented a nine-point set of recommendations to promote a closer relationship of the Black Community and the College.



The Walls (left to right); Joan, Max, Grant, and daughter Chloe

8

Background image:
Joan and Chloe Walls
Participants of:
Parents as Career Coaches

Choices for kids are getting tougher, and resources for parents are getting fewer

"Parents can be their teens' biggest ally or their biggest obstacle in terms of good career planning," says Cathy Campbell, a Career Development Specialist with NSCC's Career and Transition Services (CATS).

Joan Walls, a parent of two teenagers, wanted to make sure she fell into the ally camp. It's why she leapt at the chance to participate in "Parents as Career Coaches," facilitated by NSCC staff.

The workshop teaches parents how to help their kids make informed choices about post-secondary education. With her daughter entering Grade Twelve, Walls wanted to help, but didn't know where to start.

"Things have really changed," affirms Campbell, adding that parents often don't realize how much tougher it is for young people today to find and keep work.

Centred around the goal of helping young people find careers they'll love, the course gives parents accurate information about current labour market trends and career opportunities.

"I think a lot of kids are nervous about having to make those choices," says Walls, who is taking the course again this fall and bringing her daughter, Chloe. "I learned that I'm not alone in worrying about what choices our kids will make. Anything we can do to help them is vital."

9 Giving Something Back



... Wonder

Veith House, Halifax, Nova Scotia





Ray Ivany, President, NSCC

Carpentry Apprentice students, Institute of Technology Campus, Halifax



National
calibre
College
with a
national
calibre
leader

Maclean's Magazine selected NSCC President, Ray Ivany as one of ten Canadians who made a difference in 2004. The magazine's highly-acclaimed annual Honour Roll chose Ray for his vision of college education and the change he is inspiring in Nova Scotia.

"In the six years since the charismatic Cape Breton native took the wheel at NSCC, he has negotiated a major transformation of the 13-campus college, reshaping a diverse network of vocational schools and technical institutes into one dynamic entity." (*Ann Dowsett-Johnston, Editor at Large, Maclean's Magazine*)

10

Background image:
Teacher, Glenna Beauregard & Kids
Veith House,
Halifax, Nova Scotia

With
great
skills
comes
great
responsibility

"They were just agog!" That's how Executive Director Cheryl Downton describes the preschoolers' response to the big beautiful owl that appeared on the walls of their play room at Veith House last April.

A group of NSCC apprentices in the Painter/Decorator program were responsible for the colourful mural in this non-profit agency that works to meet the needs of families and children living in poverty. They also patched holes and put a fresh coat of paint over the entire second floor of the 80-year old house in north end Halifax. "It made a big difference to us," says Downton.

At the same time, over in Pictou County, NSCC Carpentry students were busy custom building a wheelchair accessible home for Highland Community Residential Services.

The 1,500 square foot home in Stellarton will house five individuals with developmental disabilities.

"From our perspective, the work the Community College did was a lifesaver," says Hilary Amit, Executive Director of this non-profit society. "We would not have been able to successfully build this house without their help. The costs would have been much too high."

This kind of work experience that also serves as community service is what Kevin Gerrior, NSCC's Manager of Apprenticeship Training calls live work. "We help out the community at the same time as the students get their practical experience." He adds that the students love the feeling of contributing to something worthwhile. "They'll remember that work for a long time," says Gerrior. "It puts a big lump in your throat."

11 *First Nations Going Global*

... Worldwide



Acacia First Nations Artists

Bert Lewis, Principal, NSCC Strait Area Campus



Acadia First Nations Artisans



We're poised and ready



"Bring it on!" is what Bert Lewis says about the growth and buzz in Port Hawkesbury. And he means it. As the Principal of NSCC, Strait Area Campus, and President of the Chamber of Commerce, Bert knows the link between business growth and skill development.

"It's our job to anticipate industry needs, and with our recent campus development, I believe we're ready."



12

Lisa Francis, Economic Development Officer, Acadia First Nations

Why walk when you can soar

It's part of Lisa Francis' job to recognize a good thing when she sees it. As Economic Development Officer for Acadia First Nations, she is responsible for the cultural, spiritual, and economic growth of her community. Enter "Going Global" - a series of export training workshops, sponsored by NSCC, ACOA (Atlantic Canada Opportunities Agency), and the Confederacy of Mainland Mi'kmaq.

Francis immediately signed up, keen to learn more about how Acadia could capitalize on their abundant talent and resources. "Within those four sessions, I felt like I had learned a year's worth of material," says Francis. She looks forward to applying what she's learned to her community's lobster fishery and sizable population of artists.

"We have artisans that are doing magnificent work," says Francis. "But the quality of their work does not match the price that local people are willing or able to pay for it."

Through the workshop, facilitated by NSCC International Business Faculty, Francis learned how self-employed artisans can break into the lucrative export market.

"Going Global" is currently on the road to six other First Nations Communities around the province. "There was a very strong reception to the course," says Francis. "This is really going to make an impact in our community."

13 Technology and the Grape

... Opportunity



Monitoring station



The facts about higher earnings of graduates

The Socioeconomic Benefits Generated by the Nova Scotia Community College
Kjell A. Christophersen and M. Henry Robison
CCBenefits Inc, 2002

Every full time year of study completed will result in an additional \$1,991 in annual earnings for exiting students and graduates.

On average NSCC students see a 12.0% annual return on their investments in tuition fees, books & supplies.

They will fully recover their investment in 11.5 years

For every dollar invested they receive \$3.28 in higher future earnings over 30 years.

14

Background image:
Kim Wahl
Research Associate, NSCC Grad
Applied Geomatics Research Group

Nova Scotia wines are on the map

In a province better known for its lobster and beer, some are surprised to learn that Nova Scotia is producing award winners in the international wine industry.

“Nova Scotia is on the map now,” says John Lewis, a Horticulture Specialist working with Agrapoint, a Kentville-based agricultural development and consulting company.

This increased visibility has resulted in serious inquiries from investors wanting detailed assessments of the best sites for grape growing in the province. In response, the Grape Growers Association of Nova Scotia (GGANS) recently pledged their entire research budget to find out more.

Enter NSCC’s Applied Geomatics Research Group in Middleton - David Colville is the Research Scientist leading this project, and Kim Wahl is a Research Associate working in the field. Wahl, an NSCC grad who

studied GIS (Geographical Information Systems), uses cutting edge technology to gather microclimate information. The data is used to pinpoint optimal sites for future vineyards, and help existing vineyards maximize their yield.

A wine drinker herself, Wahl is thrilled to be able to put her studies to good use. “Who doesn’t like to integrate GIS with something like wine? It’s fantastic,” she says. “This is an application that really makes a difference to people.”

Nova Scotia’s wine industry, worth \$6 million, is currently poised to grow dramatically. “There’s a benefit in terms of tourism as this sector grows,” says Lewis. “It’s a win-win project.” Cheers to that!

*15 The Best of
the Best*

... Achievement



Culinary Arts students, NSCC Akerley Campus



A myriad of program offerings

NSCC offers over 100 programs within five academic schools – Access, Applied Arts and New Media, Business, Health and Human Services, and Trades and Technology.

Some of the highest demand programs are the adult learning program, marine geomatics, culinary arts, human resource management, practical nursing, and mechanical engineering technology.



16

Background image:
Ian Milner
Culinary Arts program
Prince George Hotel, Halifax

Having a passion for what you do is the fuel that takes you where you want to go

When your favourite channel is the Food Network, you risk being called a food geek. For Ian Milner, Nova Scotia's Cooking Apprentice of the Year (2004), this is no insult.

The 22-year old recent graduate of NSCC's Culinary Arts program at Akerley Campus lives and breathes cooking. "I can't get enough of it. I love to constantly learn." His obsession started young. "I told my mom when I was seven that I was going to be a chef." From his first job frying chicken at KFC, Milner has risen to the top of the culinary heap.

He is currently ensconced in the kitchen of Halifax's Prince George Hotel and finds himself in very good company. Three quarters of the cooking staff have studied Culinary Arts at NSCC and many have won Apprentice of the Year in the past. "It's a tradition," says Milner, who recently

did NSCC proud by placing Fourth in a Canada-wide Culinary Competition.

With this national achievement he joins Tanya Hynes, a second year Cartography student at COGS, winner of the prestigious Canadian Cartographic Association's "President Prize," and Radio and Television Arts students Jordon Spicer and Melissa Keith, who both edged out the competition and secured first place in the National BEAC (Broadcast Educator Association of Canada) Awards.

17 Leader in Accountability and Progress



From here ...

1996

NSCC becomes Board-governed, with a dynamic group of Nova Scotian volunteers at the helm.

1999

NSCC launches a strategic plan. Its mission to build Nova Scotia's economy and quality of life through education and innovation.

October 2002

Growing demand for college education drives enrolment. With 8,446 students enrolled for 2002-03, the college marks a 27% enrolment increase since 1997.



New Culinary facilities, NSCC Akerley Campus, Dartmouth

... Results

Meet the Board

Front row; left to right:

Charlotte States,
NSCC staff representative
Jim Bate,
NSCC staff representative
Rustum Southwell
Black Business Initiative
Teri Lake
NSCC student representative
Lorna MacIsaac
NSCC student representative

(Front row continued)

Sue Payne
ACA Cooperative
Shawn d'Entremont
Inshore Fisheries Ltd.
Don MacLeod
Secunda Marine
Kelly Nelson
High Liner Foods
Steffie Hawrylak-Young
NSCC staff representative

Back row; left to right:

Rob Sobey
Sobey's
George Moody
Berwick Heights Golf Course
Fred Chalmers
Wilson's Fuel Ltd.
Ray Ivany
NSCC
Chuck Hartlen (Chair)
Aliant

(Missing)

Bernd Christmas
Membertou
Irving Schwartz
Schwartz and Company
Chris Huskilson
Emera



... to there

March 2003

The Province of Nova Scotia makes a landmark \$123 million investment to support a multi-year plan to enhance NSCC, modernize facilities, increase student capacity, and enhance skill-driven learning programs.

September 2004

As this annual report goes to press, NSCC's new culinary and hospitality facility at Akerley Campus in Dartmouth nears completion. A world-class venue to complement the national calibre talent at NSCC.

January 2007

A new flagship campus opens on the Dartmouth waterfront. When the development project is completed, 10,000 Nova Scotians will have the opportunity to attend NSCC each year.



Future flagship campus, Dartmouth waterfront

As a matter of fact

18

Financial accountability and growth

75% of NSCC's revenues are dedicated to students and their learning.

NSCC has achieved a balanced budget for the past seven years.

Provincial impact

88% of NSCC graduates find employment; 82% in their field of choice.

NSCC is 73% of the way to our goal of providing access for diverse groups like Nova Scotians with disabilities, people of First Nations, those of African descent, and women in trades and technology

Learning outcomes

95% of NSCC grads stay in Nova Scotia

94% of NSCC graduates are satisfied with their NSCC experience.

NSCC graduates are lifelong learners; 27% of NSCC graduates pursue further formal education.

Employee learning and growth

In the last year, 500 NSCC employees completed NSCC professional development programs.

95% of NSCC employees enjoy the work they do here.

Background image:
NSCC Board of Governors
Location:
NSCC Truro Campus

Measuring progress and results

Few organizations commit to formal measurements of progress and accountability. In fact, NSCC is one of only a handful of colleges in Canada that uses key performance indicators to assess the achievement of institutional priorities, and report those results to NSCC stakeholders - the people of Nova Scotia.

"NSCC is leading several exciting and important initiatives for education, provincially and nationally," says Chuck Hartlen, Chair, NSCC's Board of Governors. "Our role as a Board is to ensure NSCC's mission is accomplished with the utmost quality. To do it well requires a high level of transparency made possible with an effective measurement tool."

The specific areas measured by the Board of Governors are Financial Accountability and Growth, Provincial Impact, Learning

Outcomes, and Employee Learning and Growth.

"It's a rewarding experience to work with such a results-focused group of volunteers within an effective board governance model. We're all committed to doing our part to ensure NSCC is the national calibre college Nova Scotia needs and deserves," says Hartlen.

Auditors' Report

To the Board of Governors of the
Nova Scotia Community College

The responsible stewardship of public funds is a way of life at NSCC

We have audited the statement of financial position of the Nova Scotia Community College as at March 31, 2004 and the statements of revenue and expenditures, cash flows and changes in net assets for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material

misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2004 and the results of its operations and its cash flows for the year then ended, in accordance with Canadian generally accepted accounting principles.

May 28, 2004

Deloitte & Touche, LLP
Chartered Accountants

19

Partnering with NSCC ...

The value of partnerships

NSCC has numerous partnerships with businesses and associations to support their human resource development needs, or combine expertise for joint initiatives. A few recent partnerships include:

Aliant

NSCC and Aliant work together to support business and skill development through employee exchanges and work terms.

Canadian Institute of Management (CIM)

NSCC School of Business graduates leverage their diplomas to achieve the CIM professional designation.

Composites Atlantic

NSCC delivers professional development programs for employees.

Department of Justice

NSCC delivers training to justice professionals across the province.

Dexter Construction

In order to address skills shortages, NSCC trains their new trades people.

General Dynamics

NSCC will work with Millbrook and General Dynamics on the training needs for the Maritime Helicopter program.

MARLANT

Joint training initiatives with Maritime Forces Atlantic for Civilian workforce.

Northwood

NSCC and Northwood work together on customized training needs, applied research and staff/student recruitment.

Parker Street Furniture & Food Bank

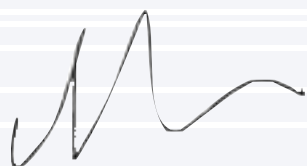
In order to reach out to new learners, NSCC helps Parker Street deliver credit courses in the community.

Statement of Financial Position

As at:
March 31, 2004

ASSETS	2004	2003
Current assets		
Cash	\$14,786,860	\$23,020,911
Accounts receivable ^(Note 3)	18,999,597	6,063,812
Inventory	754,846	716,430
Prepays	353,050	275,082
	<u>34,894,353</u>	<u>30,076,235</u>
Capital assets ^(Note 4)	5,999,361	6,173,046
Foundation assets ^(Note 5)	816,828	837,202
Pensionable advance ^(Note 13)	685,437	743,206
	<u>685,437</u>	<u>743,206</u>
	<u>\$42,395,979</u>	<u>\$37,829,689</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$21,035,261	\$18,026,304
Deferred revenue ^(Note 6)	6,262,769	6,512,390
	<u>27,298,030</u>	<u>24,538,694</u>
Deferred revenue related to capital assets ^(Note 7)	3,230,130	2,197,986
Employee future benefit obligation ^(Note 16)	2,003,990	1,693,982
	<u>32,532,150</u>	<u>28,430,662</u>
Commitments ^(Note 14)		
NET ASSETS		
Invested in capital assets ^(Note 8)	2,769,231	3,975,060
Unrestricted	1,554,847	-
Restricted for Foundation Purposes ^(Note 5)	816,828	837,202
Restricted for College Development ^(Note 12)	4,722,923	4,586,765
	<u>9,863,829</u>	<u>9,399,027</u>
	<u>\$42,395,979</u>	<u>\$37,829,689</u>

APPROVED ON BEHALF OF THE BOARD



Chair
Chuck Hartlen



President
Ray Ivany

Statement of Revenue and Expenditures

Year ended:
March 31, 2004

	2004	2003
Revenue		
Province of Nova Scotia ^(Note 9)	\$ 73,687,720	\$ 66,982,000
Government of Canada	8,743,000	7,440,100
Tuition and fees	14,934,536	14,167,798
Customized training	11,710,292	11,477,134
Amortization of deferred revenue related to capital assets	1,544,891	1,021,445
Other ^(Note 10)	15,338,094	12,816,208
	<u>125,958,533</u>	<u>113,904,685</u>
Expenditures		
Salaries and benefits	79,165,729	74,752,600
Operating supplies and services	24,739,382	20,381,259
Equipment, rentals and other administration	11,103,946	8,088,554
Utilities and maintenance	7,158,641	7,441,148
Amortization	3,305,659	2,861,637
	<u>125,473,357</u>	<u>113,525,198</u>
Excess of revenue over expenditures	<u>\$ 485,176</u>	<u>\$ 379,487</u>

Statement of Cash Flows

Year ended:
March 31, 2004

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:

	2004	2003
Operating		
Excess of revenue over expenditures	\$ 485,176	\$ 379,487
<i>Items not affecting cash:</i>		
Amortization of deferred revenue related to capital assets	(1,544,891)	(1,021,445)
Amortization	3,305,659	2,861,637
Gain on disposal of capital assets	-	(13,245)
Employee future benefit obligation	310,008	1,222,063
	<u>2,555,952</u>	<u>3,428,497</u>
Changes in non-cash working capital items ^(Note 11)	<u>(10,292,833)</u>	<u>11,605,821</u>
	<u>(7,736,881)</u>	<u>15,034,318</u>
Investing		
Purchase of capital assets	(3,131,974)	(2,319,170)
Proceeds on sale of capital assets	-	19,612
	<u>(3,131,974)</u>	<u>(2,299,558)</u>
Financing		
Pensionable advance	57,769	50,729
Contributions related to capital assets	2,577,035	1,575,555
	<u>2,634,804</u>	<u>1,626,284</u>
Net cash (outflow) inflow	(8,234,051)	14,361,044
Cash position, beginning of year	<u>23,020,911</u>	<u>8,659,867</u>
Cash position, end of year	<u>\$ 14,786,860</u>	<u>\$ 23,020,911</u>

Statement of Changes in Net Assets

Year ended: March 31, 2004	Invested in Capital Assets	Unrestricted	Restricted for Foundation Purposes (Note 5)	Restricted for College Development (Note 12)	Total 2004	Total 2004
Balance, beginning of year	\$ 3,975,060	\$ -	\$ 837,202	\$ 4,586,765	\$ 9,399,027	\$ 8,928,111
Excess (deficiency) of revenue over expenditures	(1,760,768)	2,245,944	-	-	485,176	379,487
Investment in capital assets	554,939	(691,097)	-	136,158	-	-
Endowment contributions and interest	-	-	375,695	-	375,695	1,237,707
Endowment disbursements	-	-	(396,069)	-	(396,069)	(1,146,278)
Balance, end of year	\$ 2,769,231	\$ 1,554,847	\$ 816,828	\$ 4,722,923	\$ 9,863,829	\$ 9,399,027

Notes to the Financial Statements

March 31, 2004

1. OVERVIEW OF OPERATIONS

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 the new Metro Campus, will remain with the Province. Costs associated with the project will be managed by the College and flow through a liability account, which is subsequently reimbursed by the Province. The expenditures are netted against the funds receivable from the Province and have no effect on the statement of revenue and expenditures.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Use of Estimates

The preparation of financial information requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as revenue and expenditures during the year. Actual

results may differ from those estimates.

b) Revenue Recognition

The College follows the deferral method of accounting for revenue. Tuition fees, residence fees and sales are recognized when the services are provided or the goods are sold. Funding for expenditures of future periods are deferred and recognized as revenue in the year in which the related expenditure is incurred. Funding received for capital assets are deferred and recognized as revenue on the same basis as the acquired capital assets are amortized.

Notes to the Financial Statements

March 31, 2004

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

c) Cash

Cash consists of cash on hand and amounts held by financial institutions, upon which interest is paid at commercial rates.

d) Capital Assets

Purchased capital assets are recorded at cost. Capital assets are amortized on a straight-line basis over the following estimated useful life:

Computer equipment - 3 years
Furniture and equipment - 5 years
Leasehold improvements - 2 to 5 years
Management Information System - 5 years

Land and buildings that are owned by the Province are not reflected in the assets of the College. Improvements made to these buildings are therefore expensed in the year. Improvements made to buildings with leases in place are capitalized and amortized over their useful life or the term of the lease, whichever is less.

e) Contributed Services

The Province provides the College with buildings at thirteen campuses (in excess of two million square feet) and is responsible for the maintenance of the physical plant and building infrastructure, the benefit of which is not reflected in these financial statements because of the difficulty in determining the value.

f) Inventory

Inventory consists of merchandise and supplies held for resale and are valued at the lower of cost and net realizable value. Administrative and program supplies and library periodicals are not inventoried.

3. ACCOUNTS RECEIVABLE

	2004	2003
Organizations	\$ 3,211,485	\$ 3,296,808
Student fees	2,113,235	2,332,484
Government funding	5,946,343	301,670
Development Project	6,301,493	-
Other	1,084,505	-
Harmonized Sales Tax	1,175,302	919,272
Allowance for doubtful accounts	(832,766)	(786,422)
	<u>\$18,999,597</u>	<u>\$ 6,063,812</u>

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2004	Net Book Value 2003
Computer equipment	\$ 7,637,160	\$ 6,138,288	\$ 1,498,872	\$ 280,586
Furniture and equipment	8,790,855	6,244,067	2,546,788	2,686,306
Leasehold improvements	233,662	207,872	25,790	38,685
Management Information System	6,197,789	4,269,878	1,927,911	3,167,469
	<u>\$22,859,466</u>	<u>\$16,860,105</u>	<u>\$ 5,999,361</u>	<u>\$ 6,173,046</u>

Notes to the Financial Statements

March 31, 2004

5. FOUNDATION ASSETS

The Nova Scotia Community College Foundation (the "Foundation") is a non-profit organization controlled by the College. The assets represent donations and related interest restricted for scholarships, awards and other specified purposes. The Foundation works collaboratively with the College and the community to enhance the student experience by developing and implementing a framework to

nurture support for current and future needs of the College.

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:

NSCC FOUNDATION	2004	2003
Financial Position		
Total assets	\$ 821,553	\$ 1,062,811
Total liabilities	\$ 4,725	\$ 225,609
Total net assets	816,828	837,202
Results of Operations		
Total revenues	\$ 821,553	\$ 1,062,811
Total expenses	\$ 375,695	\$ 1,983,480
	396,069	1,146,278
(Deficiency) excess of revenue over expenses	\$ (20,374)	\$ 837,202

The Foundation uses fund accounting and follows the restricted fund method of accounting for contributions.

6. DEFERRED REVENUE

Deferred revenue represents the unearned portion of amounts received for specific purposes and is summarized as follows:

	2004	2003
Apprenticeship	\$ 1,303,821	\$ 907,537
Offshore Operation	1,677,043	1,694,795
JD Irving	25,000	250,000
Applied Research	378,927	462,210
Customized training	1,657,799	2,253,797
Other	1,220,179	944,051
	\$ 6,262,769	\$ 6,512,390

Notes to the Financial Statements

March 31, 2004

7. DEFERRED REVENUE 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 changes in the deferred balance are as follows:

	<u>2004</u>	<u>2003</u>
Beginning balance	\$ 2,197,986	\$ 1,643,876
Contributions received	2,577,035	1,575,555
Amortization of deferred revenue related to capital assets	<u>(1,544,891)</u>	<u>(1,021,445)</u>
Ending balance	<u>\$ 3,230,130</u>	<u>\$ 2,197,986</u>

8. NET ASSETS INVESTED IN CAPITAL ASSETS

	<u>2004</u>	<u>2003</u>
Capital assets, net of amortization	\$ 5,999,361	\$ 6,173,046
Deferred revenue related to capital assets	<u>(3,230,130)</u>	<u>(2,197,986)</u>
	<u>\$ 2,769,231</u>	<u>\$ 3,975,060</u>

9. REVENUE - PROVINCE OF NOVA SCOTIA

	<u>2004</u>	<u>2003</u>
Funding received	\$ 74,687,720	\$ 67,982,000
Portion related to capital assets	<u>(1,000,000)</u>	<u>(1,000,000)</u>
	<u>\$ 73,687,720</u>	<u>\$ 66,982,000</u>

10. OTHER REVENUE

Other revenue is summarized as follows:	<u>2004</u>	<u>2003</u>
Bookstore revenue	\$ 3,640,823	\$ 3,372,344
Food sales	1,547,605	1,493,968
Apprenticeship/Shop	2,852,863	2,468,984
Interest	561,438	455,597
Recoveries	2,684,729	1,922,680
Applied research	658,590	348,100
Lodging, rent and miscellaneous	<u>3,392,046</u>	<u>2,754,535</u>
	<u>\$ 15,338,094</u>	<u>\$ 12,816,208</u>

25

Notes to the Financial Statements

March 31, 2004

11. CHANGES IN NON-CASH WORKING CAPITAL

	<u>2004</u>	<u>2003</u>
Accounts receivable	\$(12,935,785)	\$ 639,513
Inventory	(38,416)	(53,403)
Prepays	(77,968)	488,489
Accounts payable	3,008,957	6,377,971
Deferred revenue	<u>(249,621)</u>	<u>4,153,251</u>
	<u><u>\$(10,292,833)</u></u>	<u><u>\$ 11,605,821</u></u>

12. RESTRICTED FOR COLLEGE DEVELOPMENT

These funds have been internally restricted by the Board to ensure that the funds are used solely for college development projects.

13. PENSIONABLE ADVANCE

When the College took over the payroll function from the Province, it had to book a receivable, which represented a pay advance to staff. This was to account for the move from "paid to date" to "paid in arrears". This receivable was formerly held by the Province.

14. COMMITMENTS

The College is committed to the following lease and maintenance agreement payments over the next 5 years:

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 666,381	\$ 485,578	\$ 165,592	\$ 32,553	\$ 257

15. PENSION PLAN

The Nova Scotia Community College contributes to two defined benefit pension plans administered by the Province of Nova Scotia. The Province of Nova Scotia assumes the actuarial and investment risk associated with these plans. Accordingly, the College accounts for these pensions as defined contribution plans.

The College matches employees' contributions calculated as follows for the Nova Scotia Public Service Superannuation Plan: 5.4% on the part of their salary that is equal to or less than the "year's Maximum Pensionable Earnings" (YMPE) under the Canada

Pension Plan (CPP) and 7% on the part of their salary that is excess of YMPE. Under this plan, the College has recognized contributions of \$3,195,533 from April 1, 2003 to March 31, 2004.

The College matches employees' contributions calculated as follows for the Nova Scotia Teachers' Union Pension Plan: 8.3% on the part of their salary that is equal to or less than the YMPE under the CPP and 9.9% on the part of their salary that is excess of YMPE. Under this plan, the College has recognized contributions of \$6,431,135 from April 1, 2003 to March 31, 2004.

Notes to the Financial Statements

March 31, 2004

16. EMPLOYEE FUTURE BENEFIT OBLIGATION

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.

An actuarial evaluation was completed as of March 31, 2004 and the College's obligation relating to these benefits was \$2,004,000 (2003 - \$1,694,000).

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

Future salary increase
Expected rate of return
Retirement age

5% per annum
0% per annum
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

17. FINANCIAL INSTRUMENTS

Fair Value

The College evaluated the fair values of its financial instruments based on the current interest rate environment, related market values and current pricing of financial instruments with comparable terms. The carrying values are considered to approximate fair values.

Credit Risk

The College performs a continuous evaluation of its accounts receivable and records an allowance for doubtful accounts as required. Management considers there is no significant credit risk as at March 31, 2004.

- 1 Akerley Campus
21 Woodlawn Road, Dartmouth
(902) 491-4940
akadmissions@nsc.ca
 - 2 Annapolis Valley Campus
Middleton: 295 Commercial St.
(902) 825-3491
avadmissions@nsc.ca
Lawrencetown: 50 Elliot Road
(902) 584-2226
avadmissions@nsc.ca
 - 3 Burrigade Campus
372 Pleasant Street, Yarmouth
(902) 742-0760
buadmissions@nsc.ca
 - 4 Cumberland Campus
1 Main Street, Springhill
(902) 597-3737
cuaadmissions@nsc.ca
 - 5 Halifax Campus
1825 Bell Road, Halifax
(902) 491-4752
haadmissions@nsc.ca
 - 6 Institute of Technology Campus
5685 Leeds Street, Halifax
(902) 491-4644
inadmissions@nsc.ca
 - 7 Kingstec Campus
236 Belcher Street, Kentville
(902) 679-7361
kiadmissions@nsc.ca
 - 8 Lunenburg Campus
75 High Street, Bridgewater
(902) 543-2295
luadmissions@nsc.ca
 - 9 Marconi Campus
1240 Grand Lake Road, Sydney
(902) 563-2450
maadmissions@nsc.ca
 - 10 Pictou Campus
39 Acadia Avenue, Stellarton
(902) 752-2002
piadmissions@nsc.ca
 - 11 Shelburne Campus
1575 Lake Road, Shelburne
(902) 875-8640
shadmissions@nsc.ca
 - 12 Strait Area Campus
226 Reeves St., Port Hawkesbury
(902) 625-4017
stadmissions@nsc.ca
 - 13 Truro Campus
36 Arthur Street, Truro
(902) 893-5346
tradmissions@nsc.ca
- ➔ NSCC Admissions
(902) 491-4911 (metro Halifax)
1-866-679-6722 (toll-free)
admissions@nsc.ca
www.nsc.ca
 - ➔ NSCC ONLINE LEARNING
www.access.nsc.ca



One College: Thirteen Campuses



www.nsc.ca

Nova Scotia Community College