



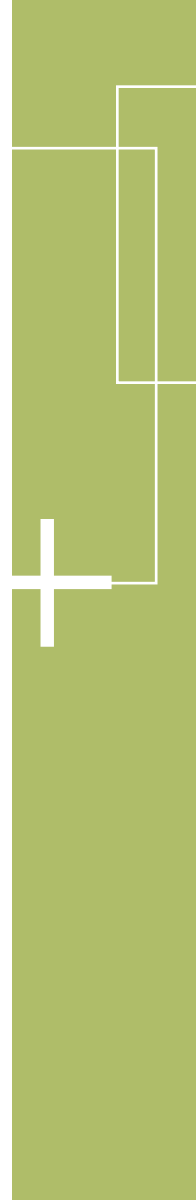
2010 REPORT TO THE COMMUNITY



NSCC works side-by-side with individuals, employers, industries and organizations throughout the province to improve Nova Scotia's economy and quality of life. There are so many stories to share we couldn't fit them all in one book. NSCC's online edition of our Report to the Community 2010 includes more stories plus photo galleries and videos. You can even share your own connection to NSCC. Visit [nsc.ca/report10](http://nsc.ca/report10)

## CONTENTS

Working Together	1
Feature Stories	2
Financials	14
Board of Governors	24



# “WORKING + TOGETHER”

Flexible, accessible and supportive; three words employers across the province are using to describe Nova Scotia Community College. That's because building collaborative relationships is at the heart of everything we do.



Helping businesses access the expertise or technology they need to compete. Bringing real world projects into the classroom so our students can gain portfolio-building experience. Developing programs that meet diverse learning needs. Bringing customized training into the workplace and offering opportunities for continuous learning.

All of these are examples of how NSCC collaborates with employers, researchers and community leaders throughout the province. By working together, we are shaping a workforce that has the relevant, advanced skills Nova Scotia needs for a sustainable future.

NSCC looks forward to continued collaboration that will support the 28,000 students who come to us looking for the qualifications and confidence they need to make a positive impact in their own lives and, in turn, the province's economy.

Acting President / Don Bureaux

Chair / Sandra Greer



Jason Johnson, NSCC Graduate + Willie McNeil, Associate, Environmental Remediation, Stantec

## “ WE SEE NSCC AS AN INTEGRAL PART OF CAPE BRETON.”

“The world is watching what we’re doing here,” says Willie McNeil, Associate, Environmental Remediation at Stantec (formerly Jacques Whitford), as he scans the massive remediation project underway at the Sydney Tar Ponds.

Reclaiming land in the heart of Sydney that has been considered toxic for decades is of vital importance to the surrounding communities. However, as the quality assurance consultant for the project, Stantec had trouble finding the skilled workers they needed. That’s why the Unama’ki

Economic Benefits Office stepped in, bringing NSCC and industry partners together to discuss ways of increasing training and building meaningful participation in local projects for Aboriginal people.

“We see NSCC as an integral part of Cape Breton; having two

campuses here and a large number of Aboriginal learners at both of them, they seemed to be the natural fit to approach first,” explains Alex Paul, Director, Unama’ki Economic Benefits Office.

As an outcome of this collaboration, NSCC offered its first Building Aboriginal Environmental Human Resources (BAEHR) program in 2008, directly within Aboriginal communities. “Just knowing your friends and neighbours were going to class alongside you was very encouraging and a great incentive,” says Jason Johnson, who completed the program in 2009 and has been working for Stantec ever since.

Jason takes great pride in his role at the largest remediation site in Canada. “I would love to see this gone. This monster from our past will be clean and safe for everybody. When it’s complete, I want to bring my family here and say, ‘I was part of this’.”



## “ ACCESS TO THE RIGHT SKILLS IS ABSOLUTELY CRITICAL.”

“Making sure we have access to the right people with the right skills to fill various roles is absolutely critical,” says Lillie Cruikshank, Vice President, Shared Services at Sobeys. From national headquarters in Stellarton, Lillie’s team handles master data management and accounting functions for more than 900 stores across Canada. Their work allows store employees to focus on the customer experience and deliver on Sobeys’ commitments.

“We grew very quickly and we needed to build up fundamental skills in staff with respect to accounting knowledge,” says Lillie. “We consulted Business Development staff from NSCC’s Pictou Campus and soon, Sobeys employees could take courses on-site, during office hours. Next, we asked NSCC to develop a specialized course for our process improvement team. That was just this spring and I’m already seeing the benefits,” she says.

NSCC students benefit from this relationship, too. Sobeys regularly hires Business Administration students to work evenings in the accounting department. That’s where Erin MacGillivray got her start in 2005. “I began as a clerk in National Accounting Services and have since moved through positions as a process improvement analyst, a relationship analyst for our regional offices, and now as a team lead in our corporate store banking department.”

“Having the community college here in Pictou County, with the wide range of offerings they have and the fact that they’re able to develop the skill set we’re looking for in potential future hires is certainly a benefit to us,” says Lillie.





Lillie Cruikshank, Vice-President, National Shared Services, Sobeys + Erin MacGillivray, NSCC Graduate.



**Jim Powers**, Memar Client + **Samuel Rad**, Founder, Memar Homes



## “ NSCC BUILDS CONFIDENCE.”

“I wanted to be self-employed my whole life,” says Samuel Rad, founder of Memar Homes, a construction company specializing in high quality, energy-efficient homes. “I chose NSCC to help me reach my goals.”



Samuel immigrated to Nova Scotia just three years ago. He set his goals high, determined to become one of the first Leadership in Energy Efficiency and Design (LEED) certified home builders serving Halifax Regional Municipality. He enrolled in NSCC’s Construction Management program and, to complement what he was learning in the classroom, worked part-time as a research assistant at NSCC’s Centre for the Built Environment. There, Samuel learned about

leading-edge renewable energy technologies, such as solar panels, thermal heating and wind turbines.

Before Samuel graduated this year, he’d established Memar Homes. Already, he has built 15, R2000 homes, which are in the process of being LEED certified.

“It was very important to me and my family to live in a sustainably-built home,” says Jim Powers, a Memar client. “Samuel brought unquestionable expertise at every stage and, equally important, he believes in what he’s doing.”

Samuel is already setting higher goals for his company. “I want to build the first carbon neutral home,” he says. “NSCC builds confidence. That’s what it did for me. Nothing is impossible.”

# “OUR HOPE IS THAT THOSE WHO HIRE WITH US RETIRE WITH US.”

Providing safe and reliable water services for hundreds of thousands of people is a 24-hour, 365-day commitment that counts on the precise skills of dedicated workers.

“Operating our plants without the training offered by NSCC would be a hardship and would definitely leave us struggling,” says Carl Yates, General Manager of Halifax Water. “Before our partnership with NSCC, we had to send employees out of province to get the level of technical training we required or we were forced to recruit employees from outside Nova Scotia.”

Halifax Water is now a major donor to the NSCC Foundation, supporting students who are pursuing the advanced skills the utility needs in its employees. Halifax Water has established four scholarships, ranging in value from \$2,000 to \$12,000, specifically for students enrolled in trades and technology programs.

This support made a world of difference for Christopher Soloman. The experienced fisherman wanted to make a career change that would lead to stable employment to support his family. He enrolled in the Civil Engineering Technology program and has since earned Halifax Water’s Jipuktuk etli apatua’timk (First Nations) Scholarship.

“I don’t have the stress of worrying about how I am going to pay for school or secure a work term. This scholarship means that I can focus on succeeding in my program,” says Christopher, whose goal is to work for Halifax Water after he graduates in 2011.



“Our hope is that those who hire with us will retire with us,” says Carl.



**Christopher Soloman**, NSCC Student + **Carl Yates**, General Manager, Halifax Water



**Dan Wilms**, Manager, Information Technology, South West District Health Authority + **Michael Thurber**, NSCC Graduate

“

## THEY'RE LOCAL, FLEXIBLE AND EXPERIENCED.”



“Information technology is an integral part of delivering quality patient care,” says Dan Wilms, Manager, Information Technology for South West District Health Authority. Dan works with the IT team at the Yarmouth Regional Hospital, which serves health centres throughout southwestern Nova Scotia. “Our

work enables clinicians and caregivers to view and share patient records securely and efficiently so they can make informed and timely decisions.”

It’s vital for this team to stay current, which in the IT world can mean almost constant training. For Dan and his team, the solution is right next door. “It was a good fit from the beginning. NSCC’s Burridge Campus is basically three blocks from us. They’re local, flexible, relevant and experienced.”

NSCC offers information technology programs that specialize in networking, database management and web development. Many NSCC students spend their five-week job placements at the hospital. That’s how Michael Thurber first joined Dan’s team. “We were always in a lab environment, did a lot of testing and dove deep into different technologies,” Michael says about his student experience. After graduation, Michael was hired full-time and has been there ever since.

NSCC also provides customized training for the Yarmouth Regional Hospital’s IT team. “It’s a real advantage to the region that people don’t have to leave home to learn advanced skills and stay current in the knowledge economy,” says Dan. “Our partnership with NSCC will continue for a long, long time.”

“

## NSCC IS GREAT FOR SMALL BUSINESSES.”

If a pesky buzz and bite chases you indoors, Rita’s Outerwear can help. A home-based business owned by Blair Marchand, Rita’s produces mosquito jackets, pants, socks and gloves that are sold nation-wide at a retail chain popular with nature enthusiasts. The high demand for these pest-proofers was difficult to meet, since the two-person team at Rita’s was folding and cutting the specialized material by hand.

That’s why Blair turned to NSCC to design and build a piece of equipment that would allow him to cut the material twice as fast. His company’s real-life engineering challenge became an applied research project for three senior Mechanical Engineering Technology students. “Those students went out of their way to get things done,” says Blair.

With the guidance of a faculty advisor, students Kyle Dixon, Jason Langille and David Butler modelled the unit with a computer program and then built the machine themselves. “Our team really learned to work together and build a positive relationship with an industry customer,” says David.

The machine that resulted from this collaboration is already in use and Rita’s Outerwear is exploring options for expansion. “NSCC is great for small businesses,” says Blair. “For me to have the money to improve productivity like that would’ve taken a while.”





**David Butler**, NSCC Graduate + **Blair Marchand**, Owner & Operator, Rita's Outerwear



## Auditors' Report

To the Board of Governors of the  
Nova Scotia Community College

We have audited the statement of financial position of the Nova Scotia Community College (the "College") as at March 31, 2010 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, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads "Deloitte &amp; Touche LLP". The signature is written in a cursive, flowing style.

Chartered Accountants  
Halifax, Nova Scotia  
May 31, 2010



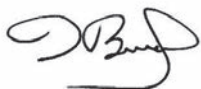
# Statement of Financial Position

MARCH 31, 2010

NOVA SCOTIA COMMUNITY COLLEGE

	2010	2009
<b>ASSETS</b>		
Current		
Cash	\$ 36,028,138	\$ 31,647,231
Accounts receivable (Note 4)	25,197,229	21,762,711
Inventory	840,383	914,415
Prepays	1,157,358	1,653,902
	<b>63,223,108</b>	<b>55,978,259</b>
Capital assets (Note 5)	8,394,378	5,685,446
Foundation assets (Note 6)	5,482,930	4,201,588
Provincial Receivable - Future Health Benefits (Note 16)	22,303,684	20,328,071
	<b>\$ 99,404,100</b>	<b>\$ 86,193,364</b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	\$ 32,455,338	\$ 25,360,212
Deferred revenue (Note 7)	8,640,825	8,763,497
	<b>41,096,163</b>	<b>34,123,709</b>
Deferred revenue related to capital assets (Note 8)	3,342,202	2,420,713
Employee future benefit obligation (Note 16)	38,875,120	35,014,203
	<b>83,313,485</b>	<b>71,558,625</b>
Commitments (Note 14)		
<b>NET ASSETS</b>		
Invested in capital assets (Note 9)	5,052,176	3,264,733
Unrestricted	832,586	2,445,495
Restricted for Foundation purposes (Note 6)	5,482,930	4,201,588
Restricted for College development (Note 13)	4,722,923	4,722,923
	<b>16,090,615</b>	<b>14,634,739</b>
	<b>\$ 99,404,100</b>	<b>\$ 86,193,364</b>

ON BEHALF OF THE BOARD



Acting President / Don Bureaux



Chair / Sandra Greer

# Statement of Revenue and Expenditures

YEAR ENDED MARCH 31, 2010

NOVA SCOTIA COMMUNITY COLLEGE

	<b>2010</b>	<b>2009</b>
<b>Revenue</b>		
Department of Education (Note 10)	<b>\$ 122,119,787</b>	\$ 115,712,266
Labour and Workforce Development	<b>17,336,768</b>	15,094,662
Tuition and fees	<b>28,339,920</b>	24,953,800
Customized training	<b>9,147,848</b>	9,418,765
Amortization of deferred revenue related to capital assets	<b>1,877,171</b>	1,772,863
Other (Note 11)	<b>20,762,388</b>	18,488,763
	<b>199,583,882</b>	185,441,119
<b>Expenditures</b>		
Salaries and benefits	<b>133,478,884</b>	125,939,841
Operating supplies and services	<b>35,098,748</b>	28,323,722
Equipment, rentals and other administration	<b>15,464,835</b>	14,954,491
Utilities and maintenance	<b>11,968,541</b>	13,227,019
Amortization	<b>3,398,340</b>	2,700,118
	<b>199,409,348</b>	185,145,191
<b>Excess of revenue over expenditures</b>	<b>\$ 174,534</b>	\$ 295,928

# Statement of Cash Flows

YEAR ENDED MARCH 31, 2010

NOVA SCOTIA COMMUNITY COLLEGE

	2010	2009
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES</b>		
<b>Operating</b>		
Excess of revenue over expenditures	\$ 174,534	\$ 295,928
Items not affecting cash:		
Amortization of deferred revenue related to capital assets	(1,877,171)	(1,772,863)
Amortization	3,398,340	2,700,118
Employee future benefit obligation	3,860,917	5,743,765
Long-term receivable - Province of Nova Scotia	(1,975,613)	(1,970,266)
Changes in non-cash working capital items (Note 12)	4,108,512	(3,882,875)
	<b>7,689,519</b>	<b>1,113,807</b>
<b>Investing</b>		
Purchase of capital assets	(6,107,272)	(4,510,313)
<b>Financing</b>		
Contributions related to capital assets	2,798,660	1,709,269
<b>NET CASH INFLOW (OUTFLOW)</b>	<b>4,380,907</b>	<b>(1,687,237)</b>
<b>CASH POSITION, BEGINNING OF YEAR</b>	<b>31,647,231</b>	<b>33,334,468</b>
<b>CASH POSITION, END OF YEAR</b>	<b>\$ 36,028,138</b>	<b>\$ 31,647,231</b>

# Statement of Changes in Net Assets

YEAR ENDED MARCH 31, 2010

	Invested in Capital Assets (Note 9)	Unrestricted	Restricted for Foundation Purposes (Note 6)	Restricted for College Development (Note 13)	2010 Total	2009 Total
Balance, beginning of year	\$ 3,264,733	\$ 2,445,495	\$ 4,201,588	\$ 4,722,923	\$ 14,634,739	\$ 13,780,914
Excess (deficiency) of						
revenue over expenditures	(1,521,169)	1,695,703	-	-	174,534	295,928
Investment in capital assets	3,308,612	(3,308,612)	-	-	-	-
Endowment contributions & interest	-	-	2,163,411	-	2,163,411	1,687,601
Endowment disbursements	-	-	(882,069)	-	(882,069)	(1,129,704)
Balance, end of year	<b>\$ 5,052,176</b>	<b>\$ 832,586</b>	<b>\$ 5,482,930</b>	<b>\$ 4,722,923</b>	<b>\$ 16,090,615</b>	<b>\$ 14,634,739</b>

# Notes to the Financial Statements

MARCH 31, 2010

NOVA SCOTIA COMMUNITY COLLEGE

## 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 Dartmouth Waterfront 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. CHANGES IN ACCOUNTING POLICIES

Effective April 1, 2009, the College adopted the following recommendations of the Canadian Institute of Chartered Accountants (“CICA”) for the year-ended March 31, 2010: Section 1540, Cash Flow Statements, Section 4400, *Financial Statement Presentation by Not-for-profit Organizations*, Section 4460, *Disclosure of Related Party Transactions by Not-for-profit Organizations* and Section 4470, *Disclosure of Allocated Expenses by Not-for-profit Organizations*. The adoption of these new standards had no impact of the College’s financial statements.

## 3. SIGNIFICANT ACCOUNTING POLICIES

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

### Cash

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

### Financial Instruments

Not-for-profit organizations may elect not to adopt the requirements of Sections 3862, *Financial Instruments – Disclosures* and 3863, *Financial Instruments – Presentation* and instead may apply the guidance in Section 3861, *Financial Instruments – Disclosure and Presentation*. The College has elected to use this exemption. Also, as allowed by Section 3855, *Financial Instruments – Recognition*, the College has elected not to record embedded derivatives in host contracts and contracts to buy or sell non-financial items that meet the definition of a derivative, at fair value.

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose, for which the financial instruments were acquired or issued, their characteristics and the College’s designation of such instruments. Settlement date accounting is used.

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

# Notes to the Financial Statements

MARCH 31, 2010

NOVA SCOTIA COMMUNITY COLLEGE

## Capital Assets

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 10 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.

## Inventory

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

## 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.

## Employee Future Benefits

The cost of post-retirement benefits earned by employees is actuarially determined using the projected unit method pro-rated on service and management's best estimate of salary escalation, retirement ages of employees and expected health care costs.

## 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. The accounts most subject to estimation and judgment include the allowance for doubtful accounts, amortization periods for capital assets, employee future benefits, and certain accrued liabilities. Actual results may differ from those estimates.

## 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 fair value.

## 4. ACCOUNTS RECEIVABLE

	2010	2009
Organizations	\$ 5,934,577	\$ 2,982,508
Student fees	636,525	389,572
Government funding	3,212,298	12,616,876
Development Project	2,027,678	4,136,854
Knowledge Infrastructure Project	11,122,999	-
Other	1,658,697	581,987
Harmonized Sales Tax	1,461,088	1,489,278
Allowance for doubtful accounts	(856,633)	(434,364)
	<b>\$25,197,229</b>	<b>\$21,762,711</b>

Included in accounts receivable is \$409,109 (2009 - \$34,808) due from the Nova Scotia Community College Foundation (the "Foundation").

# Notes to the Financial Statements

MARCH 31, 2010

NOVA SCOTIA COMMUNITY COLLEGE

## 5. CAPITAL ASSETS

	2010			2009
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 247,063	\$ -	\$ 247,063	\$ -
Computer equipment	7,707,822	6,856,950	850,872	699,284
Furniture & equipment	20,718,779	15,064,688	5,654,091	3,146,981
Leasehold improvements	3,822,391	2,180,039	1,642,352	1,839,181
Management Information Systems	6,197,789	6,197,789	-	-
	<b>\$ 38,693,844</b>	<b>\$ 30,299,466</b>	<b>\$ 8,394,378</b>	<b>\$ 5,685,446</b>

## 6. FOUNDATION ASSETS

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:

### Nova Scotia Community College Foundation

	2010	2009
<b>Results of operations</b>		
Total revenue	\$ 2,163,411	\$ 1,687,601
Total expenditures	882,069	1,129,704
Excess of revenue over expenditures	\$ 1,281,342	557,897
<b>Financial position</b>		
Total assets	\$ 5,899,366	\$ 4,289,652
Less: Total liabilities	416,436	88,064
Total net assets	\$ 5,482,930	\$ 4,201,588

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

## 7. DEFERRED REVENUE

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

	2010	2009
Apprenticeship	\$ 679,085	\$ 1,100,000
Skills development	667,578	1,345,182
Applied research	511,900	551,575
Customized training	927,568	837,795
Cost Recovery Programs	918,850	1,027,345
Disability resources	1,154,773	875,472
Links programs	197,179	439,855
Other	3,583,892	2,586,273
	<b>\$ 8,640,825</b>	<b>\$ 8,763,497</b>

## 8. 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 deferred revenue is amortized into revenue at a rate corresponding with the amortization rate for the related capital asset. The changes in the deferred balance are as follows:

	2010	2009
Beginning balance	\$ 2,420,713	\$ 2,484,307
Contributions received	2,798,660	1,709,269
Amortization of deferred revenue related to capital assets	(1,877,171)	(1,772,863)
Ending balance	\$ 3,342,202	\$ 2,420,713

## 9. NET ASSETS INVESTED IN CAPITAL ASSETS

	2010	2009
Capital assets, net of accumulated amortization	\$ 8,394,378	\$ 5,685,446
Deferred revenue related to capital assets	(3,342,202)	(2,420,713)
	<b>\$ 5,052,176</b>	<b>\$ 3,264,733</b>

# Notes to the Financial Statements

MARCH 31, 2010

NOVA SCOTIA COMMUNITY COLLEGE

## 10. REVENUE – DEPARTMENT OF EDUCATION

	2010	2009
Funding received	<b>\$123,119,787</b>	\$116,712,266
Portion related to capital assets	<b>(1,000,000)</b>	(1,000,000)
	<b>\$122,119,787</b>	\$115,712,266

## 11. OTHER REVENUE

	2010	2009
Bookstore revenue	<b>\$ 5,112,776</b>	\$ 4,599,145
Food sales	<b>1,995,914</b>	1,945,454
Shop revenues	<b>258,515</b>	227,017
Interest	<b>145,579</b>	863,347
Recoveries	<b>4,853,469</b>	4,443,530
Applied research	<b>1,247,055</b>	1,151,107
Lodging, rent & miscellaneous	<b>7,149,080</b>	5,259,163
	<b>\$ 20,762,388</b>	\$ 18,488,763

## 12. CHANGES IN NON-CASH WORKING CAPITAL

	2010	2009
Accounts receivable	<b>\$ (3,434,518)</b>	\$ (7,650,965)
Inventory	<b>74,032</b>	(41,693)
Prepays	<b>496,544</b>	(1,144,373)
Accounts payable and accrued liabilities	<b>7,095,126</b>	2,940,730
Deferred revenue	<b>(122,672)</b>	2,013,426
	<b>\$ 4,108,512</b>	\$ (3,882,875)

## 13. 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.

## 14. COMMITMENTS

The College is committed to the following lease and maintenance agreement payments over the next five years.

2011	\$ 1,263,927
2012	909,364
2013	546,441
2014	402,860
2015	354,715
	<b>\$ 3,477,307</b>

## 15. PENSION PLANS

The Nova Scotia Community College contributes to two defined benefit pension plans administered by the Province of Nova Scotia. The College accounts for these pensions as defined contribution plans.

In the first plan, the Nova Scotia Public Service Superannuation Plan, the Province of Nova Scotia assumes the actuarial and investment risk. For this plan, the College matches employees' contributions calculated as follows: 8.4% (2009 - 7.4%) 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 10.9% (2009 - 9.6%) on the part of their salary that is in excess of YMPE. Under this plan, the College has recognized contributions of \$7,461,798 (2009 - \$6,388,634) for the year.

In the second plan, the Nova Scotia Teachers' Union Pension Plan, the Province of Nova Scotia along with the Nova Scotia Teachers' Union ("NSTU") assumes the actuarial and investment risk. For this plan, the College matches employees' contributions calculated as follows: 8.3% (2009 - 8.3%) on the part of their salary that is equal to or less than the YMPE under the CPP and 9.9% (2009 - 9.9%) on the part of their salary that is in excess of YMPE. Under this plan, the College has recognized contributions of \$10,630,616 (2009 - \$9,560,242) for the year.

**16. EMPLOYEE FUTURE BENEFIT OBLIGATION**

**College Service Award**

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

An actuarial valuation was completed as of March 31, 2010 and the College’s obligation relating to these benefits was approximately \$6,588,000 (2009 - \$6,248,000). The benefit expense was \$1,199,623 (2009 - \$1,269,056). The benefits paid were \$12,539 (2009 - \$39,823). The next actuarial valuation is scheduled for March 31, 2011.

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

Future salary increase	5% per annum (prior 6% per annum)
Discount rate	0% per annum
Retirement age	20% upon attainment of age 55 and 80 points (age plus service); the remainder at 35 years of service or age 60, whichever is earlier

**Non-pension Retirement Benefits - NSGEU**

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

In 2008/09, the College decided to create a separate fund that would be held in respect of the non-pension retirement benefits. This fund has sufficient cash to cover the obligations associated with this liability.

An actuarial valuation was completed as of March 31, 2010 and the College’s obligation relating to these benefits was \$9,983,436 (2009 - \$8,438,132). The benefit expense was \$1,390,621 (2009 - \$723,155). The benefits paid were \$127,725 (2009 - \$103,043). The next actuarial valuation is scheduled for March 31, 2011.

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

Expected rate of return	0.80% per annum
Discount rate	2.0% per annum
Retirement age	20% upon attainment of age 55 and 80 points (age plus service); the remainder at 35 years of service or age 60, whichever is earlier

**Non-pension Retirement Benefits - NSTU**

In 2007/2008, the Province decided to transfer to the College the future liability for the non-pension retirement benefits for the College’s teaching and professional support staff. The Province also transferred a corresponding receivable that directly offsets the liability.

There is no impact on the excess of revenue over expenditures or net financial position of the College as a result of the transfers.

An actuarial valuation was completed as of March 31, 2010 and the College’s obligation relating to these benefits was \$22,303,684 (2009 – \$20,328,071). The benefit expense was \$1,286,000 (2009 - \$1,192,000). The benefits paid were \$287,000 (2009 - \$251,000). The next actuarial valuation is scheduled for March 31, 2011.

The significant actuarial assumptions provided by the Province are as follows:

Expected rate of return	4.75% per annum
Discount rate	4.75% per annum
Retirement age	60% at earliest age eligible for unreduced pension, the remainder at earlier of age 60 with 10 years of service, 35 years of service and age 65



## 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 of cash, accounts receivable and accounts payable and accrued liabilities are considered to approximate fair values due to their short-term maturity. The carrying value of the Provincial Receivable – Future Health Benefits approximates fair value based on the actuarial valuation performed on non-pension retirement benefits – NSTU (Note 16).

### Credit Risk

Credit risk arises with the uncertainties of predicting the financial difficulties students and corporations may experience which could cause them to be unable to fulfill their commitments to the College. The College mitigates this risk by having a diversified mix of students and corporations thereby limiting the exposure to a single individual or corporation. The College's credit risk is limited to the recorded amount of accounts receivable. The College performs a continuous evaluation of its accounts receivable balance and records an allowance for doubtful accounts as required. The amount of accounts receivable disclosed on the balance sheet is net of allowances for bad debts, estimated by management based on prior experience and their assessment of the current economic environment. Management considers there is no significant credit risk as at March 31, 2010.

## 18. CAPITAL MANAGEMENT

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

ensure working capital requirements and capital expenditures are funded from operations. The College will make adjustments to its capital structure to meet the objectives of the broader strategy or in response to changes in economic conditions and risk.

## 19. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year financial statement presentation.



## WORKING + TOGETHER = SUSTAINABLE PROSPERITY”

NSCC’s Board of Governors is made up of business, industry and community leaders; students, educators and administrators. We are determined champions of NSCC’s power to transform lives and improve Nova Scotia’s economy and quality of life through education and innovation.

The proof is in our Balanced Scorecard – the measures we set to ensure NSCC is delivering on its core values of accessibility, accountability and stewardship.

NSCC’s revenue from tuition remains below 16 per cent, making NSCC programs an affordable post-secondary option. This year, 4.4 per cent of all Nova Scotians aged 18 - 39 studied at one of our 13 campuses located throughout the province,

from Yarmouth to Springhill to Sydney. We are proud to report that more African Nova Scotians, First Nations and Nova Scotians with disabilities continue to turn to NSCC for post-secondary education.

With that kind of reach, it’s no wonder 84 per cent of NSCC employees believe their work contributes to improving Nova Scotia. This exceptional level of employee engagement placed NSCC on the list of the 50 Best Employers in Canada for 2010; the first educational institution in the country to achieve Best Employer standing.

We look forward to working with more Nova Scotians on building a sustainable future for our province through education and innovation.



## NSCC BOARD OF GOVERNORS

Top, left to right: **Board Chair Sandra Greer** Amirix Systems, Inc., **Paul Walter** Waterbury Newton, **Janet Knox** Annapolis Valley Health, **Don MacDonald** Retired, **Jeff Kline** NSCC Provincial Student Representative, **Tami Mosher** NSCC Support Representative, **Clayton Bartlett** Roclan Construction a division of DORA, **Pat Seaward** NSCC Administrative Representative

Bottom, left to right: **Margaret Brigley** Corporate Research Associates, **Gordon Nickerson** NSCC Metro Student Representative, **Scott McKellar** NSCC Academic Representative, **David Saxton** Retired, **Michael Kontak** Shaw Group, **Suzanne Bona** Scotian Homes, **Acting President Don Bureaux**, **Rob Bennett** Nova Scotia Power Inc.

Missing from photo: **Rod MacGregor** Bell Aliant, **James Surrette** Surrette Battery Co. Ltd., **Dan Christmas** Membertou



**nsc**c

In keeping with NSCC's environmental stewardship practices, we've reduced the print run of this year's Report to the Community. For more stories plus photos and videos, visit [nsc.ca/report10](https://nsc.ca/report10)