

TOGETHER, WE'RE LEADING THE WAY.



ACKNOWLEDGING THE LAND AT DURHAM COLLEGE

Durham College acknowledges the lands and Peoples of the Mississaugas of Scugog Island First Nation.

We recognize the lands on which we gather are covered under the Williams Treaties and rest within the traditional territory of the Mississaugas, a branch of the Anishinaabeg Nation, which also includes Algonquin, Chippewa, Odawa, Ojibway and Pottawatomi. It is through the treaty process that we are able to live, learn, teach and prosper in this region.

We acknowledge with gratitude this land and the Indigenous Peoples who have cared for and continue to protect Turtle Island (North America) and its resources. We commit to the responsibility of reconciliation and the work of increasing awareness and understanding of our shared history. We do so by recognizing the past and working towards a shared future as friends and allies.

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MESSAGE FROM THE PRESIDENT

I am proud of Durham College's (DC) vibrant, inclusive campus culture, where students and employees can learn, grow and thrive. Through our everyday actions, we regularly reaffirm our reputation as a leader in post-secondary education by inspiring and preparing learners to create success for themselves and their communities.

Through key partnerships, innovative programs, expert teaching, attentive support services and modern facilities, we are equipping our students with the knowledge, skills and resources they need to excel in a rapidly changing world. Our strategic focus on these areas has not only strengthened our position within the post-secondary sector but has also enhanced our capacity to address the evolving needs of our community.

When I think about what makes DC great, I always reflect on our people. Our employees personify our organization and its values, and together with the Board of Governors, alumni, donors and partners, they bring our mission to life. The results of our collective efforts are evident in our students' successes and our graduates' professional achievements.

While I took on the role of President recently, I have been a member of the DC community for nearly nine years and, throughout this time, championed our efforts to deliver the best in innovative and transformative education. I am proud of all we have accomplished at DC this year, and looking to the future, I am ready to build on the incredible foundation we have established.



Sincerely,

A handwritten signature in black ink that reads "Elaine Popp".

Dr. Elaine Popp
President, Durham College



MESSAGE FROM THE BOARD CHAIR

Every year, Durham College (DC) celebrates memorable achievements, and this year is no exception.

From opening state-of-the-art facilities like the Vanhaverbeke Family EV Training Centre and the Centre for Innovation and Research to watching students take their knowledge beyond the classroom and excel at local, provincial and even national competitions, it was a stellar year. I am proud of our college's continued success in supporting our students through innovative teaching and learning, valuable and dynamic experiences and wrap-around support services.

Throughout the pages of this annual report, you'll learn highlights of selected initiatives, accomplishments, and events that demonstrate our ongoing commitment to excellence, guided by the four strategic pillars of Our Students, Our People, Our Work and Our Community. It is clear both why and how DC continues to distinguish itself as a leader in post-secondary education.

One of our top priorities this year was the rigorous search for DC's next President. On March 1st, we welcomed Dr. Elaine Popp to this pivotal role. Dr. Popp is an impactful, proven and strategic post-secondary leader. Her expertise, knowledge and sector-specific experience will ensure DC continues to deliver generative and market-driven programming while building on our reputation for best-in-class thought leadership.

Thank you for your continued support, partnership and advocacy, which ensure DC's positive impact on our students and the communities we serve.



Sincerely,

Dr. Gail Johnson Morris
Chair, Board of Governors, Durham College



2023-2024 DURHAM COLLEGE BOARD OF GOVERNORS

- » Dr. Gail Johnson Morris, Board Chair
- » Lisa Allen, Board Vice-Chair
- » Ian Ball
- » Melissa Bosomworth, support staff governor
- » Jim Brown
- » Kalyan Chakravarthy
- » Elizabeth Cowie
- » Liam Croft, student governor
- » Jeff Dornan
- » Kelly Doyle, administrative staff governor
- » John Ecker
- » Ian Murray
- » Jerry Ouellette
- » Peter Pryce
- » Dwight Townsend
- » Nathan Wilson, academic staff governor
- » Dr. Elaine Popp, President, ex-officio



DURHAM COLLEGE EXECUTIVE LEADERSHIP TEAM

- » Dr. Scott Blakey, Chief Administrative Officer
- » Dr. Jean Choi, Vice President, Academic
- » Barbara MacCheyne, Vice President, Administration and Chief Financial Officer
- » Dr. Elaine Popp, President
- » Bonnie St. George, Vice President, External Relations and Advancement

MISSION

TOGETHER, WE'RE LEADING THE WAY.

VISION

Inspiring learners to **create success** for themselves and their communities through the best in **innovative** and **transformative** education.

VALUES

- » Collaboration
- » Diversity and inclusion
- » Excellence
- » Innovation
- » Integrity
- » Respect
- » Social responsibility

BY THE NUMBERS

- » Top GTA Employer (for the **13TH** time)
- » Canada's Greenest Employer (for the **8TH** time)
- » Top 50 Research College (for the **10TH** time)
- » **2 CAMPUSES** (Oshawa and Whitby)
- » **110,500+** alumni
- » **2,600+** employees
- » **13,700+** full-time post-secondary and apprenticeship students
- » **14,600+** professional and part-time learning students
- » **3,800+** international students from 90 countries
- » **145+** full-time post-secondary programs
- » **1,000+** educational pathways
- » **\$913+ MILLION** economic impact on Durham Region



REPORT ON PREVIOUS YEAR'S GOALS

Achieving the objectives outlined in the annual Business Plan each year is important to the success of the college's strategic plan. The Ontario Minister's Binding Policy Directive for Annual Reports requires each college to summarize the results of its Business Plan from the previous year in its annual report, recognizing the importance of these objectives.

OUR STUDENTS

When students come to Durham College (DC), they know they will receive the best post-secondary education possible and they make the most of it. From in-class learning and on-campus experiences to work-integrated learning and regional and provincial competitions, DC students are harnessing every opportunity to grow and thrive.

Their commitment to themselves, both in and out of the classroom, makes us proud every year.

To ensure our graduates continue to meet the needs of employers, we launched new programs that reflect changing job markets and anticipate industry demands. They include:

- » [Cloud Computing](#) (graduate certificate)
- » [Fire Prevention and Technology](#) (advanced diploma)
- » [Honours Bachelor of Community Mental Health](#) (degree)
- » [Honours Bachelor of Paralegal](#) (degree)
- » [Recreation Therapy](#) (diploma)

Many prospective students attended Open House events in [late 2023](#) and [early 2024](#), as they came to our campuses with their families and supporters to learn about our 145+ career-driven programs, the services we offer and campus life. Our DC alumni family grew at both [Spring](#) and [Fall Convocations](#) as thousands of new graduates crossed the stage.

Impactful work-integrated learning opportunities are key to program completion:

- » For the second year in a row, [EnactusDC](#) was named a Central Regional Champion for its Founder's Drive podcast project.
- » [Four Fine Arts students](#) spent the summer transforming the L-Wing with their artistic talent, creating murals and paintings that are now proudly displayed in the hallways.
- » The [RBC Urban Agriculture Work Integrated Learning Program](#) gave eight students the chance to launch innovative urban agriculture projects.
- » Dozens of students had the opportunity to participate in Faculty-led Classroom Abroad (FLCA) trips. Dental Hygiene students [travelled to Costa Rica](#), while students from the Faculty of Media, Art and Design (MAD) travelled to [Las Arrugas, Guatemala](#).



- » [Journalism – Mass Media student](#) Andrew Neary was recognized with three impressive awards; the 2023 Experiential & Work-Integrated Learning Ontario Work-Integrated Learning Student of the Year, the Co-operative Education & Work-Integrated Learning (CEWIL) Canada Emery-Dufault Student of the Year, and the DC Alumni Association Scholarship for Academic Excellence.
- » The Business Conference brought together high-performing students, faculty and staff from the Faculty of Business alongside local industry to experience an inspiring keynote speaker and professional development sessions focused on diversity, collaboration and innovation.

Outside of the classroom, DC students successfully put their skills to the test in a number of local, provincial and national competitions:

- » [Five students won medals](#) at the 2023 Skills Ontario Competition. Abigayle Hamilton and Emma Pace moved on to the [Skills Canada National Competition](#) and brought home silver medals in the Horticulture and Landscape (Team of 2) category.
- » Two of DC's culinary students were named Canada's [best new student chefs](#) at Taste Canada's Cooks the Books Student Culinary Competition.
- » [Game-Art student Melissa Friesen](#) beat out competitors from colleges and universities across Ontario to take home first place in the 3D Design category at Ubisoft Toronto NEXT 2023 competition.
- » A group of five students from the Faculty of Business placed second at the 2023 Maple Leaf Sports and Entertainment [\(MLSE\) PrimeTime Sports Case Competition](#).

It was another excellent year for DC's student-athletes. The [2023 Fall season](#) was a dominant one, with both men's and women's rugby teams notching undefeated regular seasons. Three of our Durham Lords were named OCAA Players of the Year and soccer's Sage Thomas-Roberts earned Canadian Collegiate Athletic Association (CCAA) All-Canadian status. [The 2023-24 winter season](#) was also successful, with the men's basketball and women's indoor soccer teams winning provincial bronze medals. Basketball's O'Shane Taylor-Douglas was recognized as an All-Canadian.

To help connect future DC students with our campus community, DC launched a new [Student Ambassador program](#). More than a dozen students from various Faculties and programs answered questions, shared their unique perspectives and described their student-life experiences to help prospective students make a more informed decision about coming to DC.

Successfully completed the [College Quality Assurance Audit Process \(CQAAP\)](#), where DC was granted mature status with all standards met after submitting a self-study and completing a virtual site visit. The audit results were complimentary, with the college meeting 30 out of the 32 requirements, with the outstanding two requirements listed as partially met. The audit panel commended the college's collaboration, teamwork, commitment to students and quality assurance.

OUR PEOPLE

Our employees share a commitment to providing innovative learning experiences, supportive services and programs that foster the welcoming, inclusive and dynamic environment for which DC is known. Their work provides our students with an exceptional education and college experience.

DC ushered in a new era in March with the appointment of our [new President, Dr. Elaine Popp](#). A proven post-secondary leader, Dr. Popp previously served as DC's Executive Vice President, Academic. In that role, she spearheaded the launch of several successful strategic frameworks, including the Academic Plan, Enrolment Management Plan, Internationalization and Global Engagement Plan and the five-year New Program Development Plan. She now brings her knowledge and experience to the role of President, as she builds upon the strong foundation that has

been established. As we look to the future, she will work to shape an even more sustainable, people-focused, equity-driven college and continue to foster meaningful connections with the local community and broader global society. She will also take on the critical task of developing our next Strategic Plan.

DC's new leader hit the ground running with a [special event on Employee Appreciation Day](#), greeting attendees and sharing her appreciation for the meaningful work DC's employees do every day. The event also included a keynote address from speaker, author and CEO, Ron Tite, as well as professional development sessions and a mindfulness session.



After 16 years of leading the way, [DC's former president Don Lovisa](#) stepped down in February. His outstanding tenure was recognized with the [renaming of the Whitby Campus Main Building in his honour](#).

Mr. Lovisa was also presented with the [Doug Light Career Achievement Award](#) by the Ontario College Administrative Staff Association (OCASA) for his contributions to college education in the province.

For a remarkable 13th time, DC was recognized as a [Greater Toronto Top Employer](#). The selection committee lauded DC for our family-friendly policies, tuition assistance for employees and their dependents, defined benefit pension plan with employer-matched contributions and retirement planning assistance.

The college was also recognized as one of [Canada's Top 50 Research Colleges for the 10th time](#), and one of [Canada's Greenest Employers](#) for the eighth consecutive year.

[Professor Matisse Hamel-Nelis](#) was recognized for her tireless commitment to accessibility in communications when PR News named her one of their People of the Year in the Diversity, Equity and Inclusion Champion category.

DC's employees made a profound difference this year through their generosity. Thanks to proceeds from [the employee Pay Day Lottery](#), we purchased new, state-of-the-art equipment to provide even more opportunities for innovative and hands-on learning. Examples of our investments include five emergency childbirth simulators for use in our nursing and paramedic programs and a thermal imaging camera to aid in live fire training for firefighting students.



OUR WORK

At DC, we prioritize collaboration and innovation as we evolve our programs to meet student and industry needs, build state-of-the-art facilities and invest in the future.

We are committed to providing our students with an exceptional education and college experience.

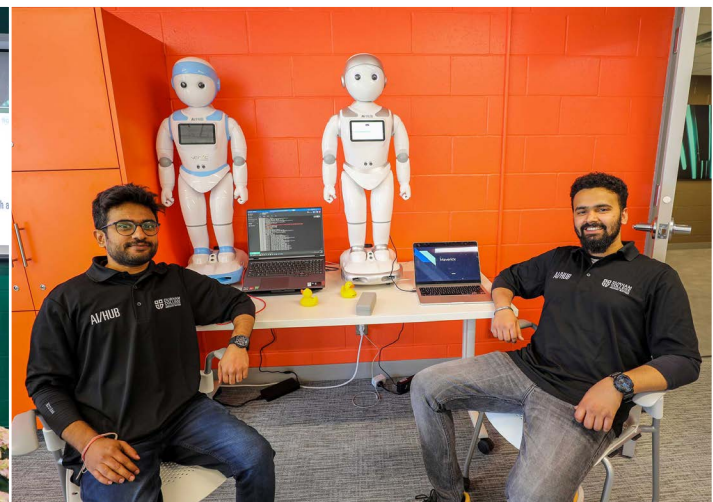
The ongoing modernization of our facilities continued this year. We celebrated the opening of the [Centre for Innovation and Research \(CIR\)](#), a new home for our Office of Research Services, Innovation and Entrepreneurship (ORSIE) and four of our five applied research centres, including the AI Hub, the Centre for Cybersecurity Innovation, the Mixed Reality Capture Studio and the Social Impact Hub. The Institutional Research team and the Experiential Learning Hub are also located in the CIR.

Those research centres will further their work in addressing industry and social challenges through innovation and collaboration, thanks to [\\$2.1 million](#) from the College and Community Innovation (CCI) program's Mobilize grant.

We also introduced two new modern and collaborative learning spaces at our Whitby campus. [PROTO](#) provides clients, industry partners, students and faculty members space to collaborate and develop creative solutions and prototypes to address industry challenges. The [Vanhaverbeke Family EV Training Centre](#) will equip students with the specialized skills required to excel in the growing electric automotive industry.

The additions were a fitting enhancement of the Whitby campus, [which celebrated its 30th anniversary](#) in 2023. From its humble beginnings as a converted chocolate factory, it has grown into a high-demand campus that is addressing the training needs in the Durham Region and beyond and has produced tens of thousands of skilled graduates.

A transformational \$2 million gift from philanthropist Diane Blake will support invaluable work-integrated learning opportunities. The [Diane Blake Student Success Initiative](#) will help students develop the essential employability skills they need by supporting co-ops, field placements and applied research positions.



We partnered with The Schulich Foundation to launch the [Schulich Builders scholarship program](#), which is dedicated to students pursuing careers in the skilled trades. In another new initiative, we partnered with Johnson Controls to provide Electromechanical Engineering Technology students with financial support and mentorship opportunities.

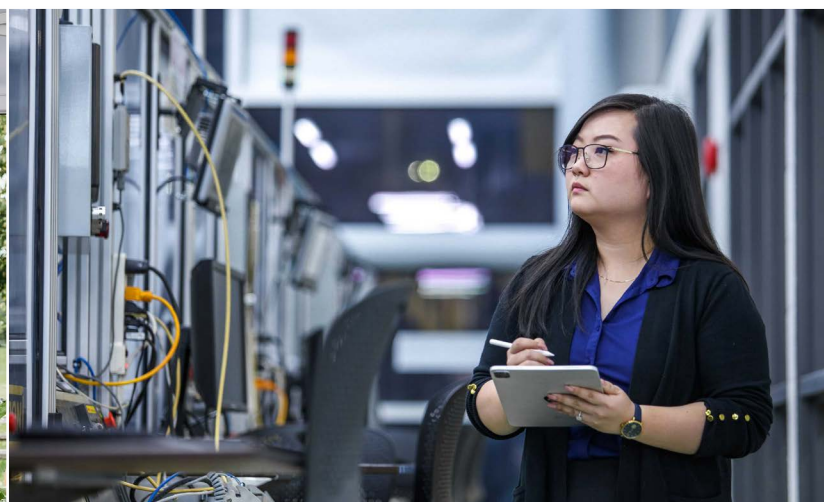
With DoorDash, we launched the [DoorDash #BlackFoodEnergy Culinary Scholarship](#) to support domestic and international Black students in DC's Culinary Management diploma program.

To promote food literacy and fight food insecurity, our Campus Health and Wellness Centre and the Barrett Centre of Innovation in Sustainable Urban Agriculture launched '[Food IQ: Growing Minds, Growing Plates](#)', an initiative to educate DC students on the importance of accessible, affordable, healthy food and preparing nutritious meals.

Supported by our generous employees, alumni and students, the [DC Food Insecurity Bursary](#) supported 1,150 students who needed extra help navigating the escalating cost of living.

We partnered with the Supply Chain Management Association Ontario to provide students with a jumpstart to their job search. While they completed their studies, students in DC's Supply Chain programs will also be [making progress towards earning their Certified Supply Chain Management Professional designation](#).

We're encouraging our students to broaden their understanding of the world with a unique Global Competency Recognition program. [Get Global](#) invites all students to expand their knowledge in four key areas: cultural awareness, global connections, global learning and global sustainability.



OUR COMMUNITY

At DC, we're proud of the contributions we make to the communities we serve. Though we have campuses in Oshawa and Whitby, and multiple community employment centres in Durham Region, we also see our impact in Ontario, Canada and the world. We make a difference by sharing resources and expertise through partnerships, investments and collaboration.

The Barrett Centre of Innovation in Sustainable Urban Agriculture's [Ajax Urban Farm](#) was officially unveiled to help address the issues of food literacy and security in Durham Region and beyond. This community-based living lab will help build a more resilient, inclusive, collaborative and diverse food system.

The Ajax Urban Farm includes an [Innovation Zone](#), with three designed garden models – a pollinator garden, home garden and balcony garden. They will act as templates to inspire community members to grow their own food at home. This initiative also features an [Indoor Farm](#), a hydroponic growing unit where fresh produce can be grown year-round.

We welcomed first responders, community partners, faculty members and 30 students from DC's Firefighter – Pre-Service Education and Training program to the new Vanhaverbeke Family EV Training Centre to participate in a [two-day training event](#) to learn how to respond to emergency situations involving electric vehicles.

[We partnered with Blue Door](#) to provide valuable training in the skilled trades to those facing barriers to autonomous and full-time employment. Expert faculty from our Building Construction and Carpentry and Renovation programs provided training to 20 participants.

DC's First Peoples Indigenous Centre hosted the Aboriginal Post-Secondary Information Program (APSIP) during the GTA Week of the 2023-24 APSIP Tour. Approximately 22 Indigenous recruiters from various colleges, universities, and polytechnics connected Indigenous learners and counsellors from the Durham Catholic District School Board and Durham District School Board (DDSB) to the post-secondary landscape.

[The Cypher: Black Male Empowerment Conference](#) was a life-changing day for 400 students in Grades 7 to 10 from the DDSB. The event celebrated the limitless potential of young Black men, and activities included speeches, a community networking market, science experiments, engineering simulations and more.

Our Social Impact Hub partnered with DC alumnus Chris Cull to launch his [docuseries, Surviving Addiction](#), which shares different perspectives of those affected by it.

To mark [Social Justice Week](#), we invited speakers from DC and beyond to a digital event where they discussed a number of social issues, including homelessness, child welfare and addiction. DC Journalism professor Alvin Ntibinyane discussed the role journalists play in promoting social justice and fighting oppression. Chris Cull was also present to discuss his docuseries and his journey with mental health, addictions and recovery.

ORSIE will continue to help small businesses and start-ups get off the ground thanks to a [\\$300,000 grant from Intellectual Property Ontario](#). Its intellectual property advisory services will be used by business clients in the community, as well as students in FastStart, the college's on-campus entrepreneurship centre.

We supported the Durham Region's growing virtual production industry by inviting more than 60 experts to engage with each other at [Industry Day](#), where they discussed emerging trends and predictions for the future of film and television.

DC Journalism students created 17 interactive story maps that celebrated significant women in Oshawa's history through TeachingCity Oshawa. This project was undertaken in celebration of the City of Oshawa's 100th birthday and International Women's Day.

The [She Means Business Panel and Networking Event](#) was designed to celebrate and empower women in business by providing a platform for female student entrepreneurs to connect, learn, and be inspired by an expert panel of leaders who shared their experience and expertise.

We welcomed politicians and industry leaders to our campus, including [Prime Minister Justin Trudeau](#), who visited our Whitby campus as part of his budget tour, for an intimate town hall event with more than 100 DC students and college employees.



INTERNATIONAL HIGHLIGHTS

DC is a diverse and globally connected community with students from 90 countries. We continue to focus on helping all of our students, staff and employees build their intercultural awareness and global engagement. Our work supporting international projects, education abroad, and internationalization-at-home remains a priority, as do our efforts in international student recruitment and international student support.

DC is dedicated to fostering broad community engagement on issues impacting international students. We continued to lead the International Community Partnership committee throughout the year, ensuring that goals were established and met through collaboration with member groups, such as Ontario Tech University (Ontario Tech), Trent University and the Region of Durham. Membership has grown to 38 active participants across four working groups focused on information sharing and coordination on safe and affordable housing, public transportation, international student employment, health and wellness, food security, and community connections.

To support and increase the applicant experience, DC delivers enhanced support and oversight to our educational agent partners. This year, we launched a new agent portal to improve transparency and communication, overhauled our internal agent contract renewal procedures, and published new agent resource materials. We have been leading the Colleges Ontario initiative to create a new common agent training module to be approved and established in the Summer of 2024.



Throughout the year, DC has engaged in several [international projects](#), including:

- » A team led by DC, Centennial and Sault colleges travelled to two communities in Tanzania to lead a labour market analysis as part of the Empowerment Through Skills Program. This project aims to help local development colleges and community-based partners build the capacity to provide education to improve young girls' and women's lives by building up their technical, business and self-empowerment skills and advancing gender equality.
- » In Guyana, the Skills to Access the Green Economy project team worked with partnering institutes to create new programs and education pathways for adolescent girls, women, indigenous youth and skilled professionals looking to upgrade their skills.
- » SAGE team members also travelled to Jamaica, Dominica, St. Lucia, Belize, and Grenada, focusing on implementing a comprehensive teacher training program for online curriculum design and delivery.
- » The college is engaged in two projects through Young Africa Works in Kenya (YAWK). The first is YAWK 01, which looks at national competency-based education and training for all pre-service and in-service Technical and Vocational Education and Training. A second partnership, YAWK 24, aims to develop and launch new electrical and solar programs at Maasai Mara Technical Vocational College.
- » Through the Kenya Blue Economy Skills Training program, faculty members with expertise in tourism and hospitality have engaged in community and school consultations on program needs, labour market needs, and teacher capacity to develop interests and opportunities within hospitality and the blue economy.

2023-2024 saw six Faculty-led Classrooms Abroad (FLCAs) organized and executed. Some of these new opportunities were enabled by funding through the Global Skills Opportunity program, where faculty members provided students with another avenue for global learning. Destinations included [Rome, San Diego and Costa Rica](#), while the signature FLCA@Home and Away: Storytelling in Guatemala led by faculty members from Media, Art & Design continued.

OFFICE OF RESEARCH SERVICES, INNOVATION AND ENTREPRENEURSHIP HIGHLIGHTS

DC's ORSIE continues to support local industry as a leader in applied research, working to help address industry and social challenges through innovation and collaboration. We continue to foster meaningful research projects and engage with employer hosts, enabling our students to participate in real-world learning opportunities and giving them the experiences that will help prepare them for the future.

[ORSIE's AI in Action](#) event in March was a unique opportunity for business leaders, technology enthusiasts, and community leaders to explore the transformative potential of artificial intelligence. The event, which featured a range of inspirational speakers, underscored the advantages of staying at the forefront of the field and embracing its impact on innovation.

Last fall, [ORSIE hosted a Tech Talk](#) event that drew over 30 local business owners to campus. The event, featuring intellectual property experts, fostered a deeper understanding of the topic and provided a platform for networking and collaborative relationship-building between the college and local talent in Durham Region.

As a part of CEWIL and Enactus project "Founder's Drive Season 2: Inspiring curiosity among youth via a global podcast about the issues facing young entrepreneurs", the Experiential Learning Hub from ORSIE assisted project leads to organize students to visit Akwesasne, an Indigenous community. The students compiled four great stories, learned about Indigenous cultures and the complexities of this First Nation, built new relationships with youth and local leaders, and cemented their technical skills. The group utilized the footage they captured during their visit to win the [Desjardins Youth Empowerment Challenge](#) at the 2024 Enactus Regional Competition in March 2024.

[Supported by DC](#) and the College and Community Social Innovation Fund (CCSIF) – Social Sciences and Humanities Research Council (SSHRC), faculty members led the project Innovation Through Co-production: A holistic approach to supporting social competency in pre-school children. This year, it entered its final phase, bringing together families and early childhood educators in a series of co-designed workshops focusing on ways to support the development of social competence skills in pre-school children. As a result of these workshops, a social competence skills-building resource kit was created and piloted in four EarlyON Child and Family Centres in Durham Region.

Also funded by CCSIF – SSHRC, the Building Bridges Together project team developed three social innovations that break down access barriers to financial literacy and services for people experiencing low income. The project includes financial literacy assistance through a free walk-up touch screen kiosk, advice through the 211 helpline, and tax literacy via a board and video game.

Over the past year, the Raising Resilient Families: Empowering Parents with Cognitive Challenges project leaders partnered with Brock University to facilitate the exploration of early intervention strategies to support parents with cognitive challenges. The research team hired parent educators from the Starfish Parent Support Program who engaged with expectant parents to provide the evidence-based Step-By-Step Parenting Program. The research leaders have also begun hosting co-production sessions with service providers and parents with lived experience. This project is funded by CCSIF – SSHRC.



ATHLETICS HIGHLIGHTS

Every year, DC athletes inspire pride in our college community. The commitment, teamwork, and resilience they show on the fields, courts, diamonds, and links mirror their excellence in our classrooms, labs, shops, and studios.

The Durham Lords had an incredible 2023-2024 season, bringing home a record eight medals – winning seven Ontario College Athletic Association (OCAA) medals and one from the Canadian Collegiate Softball Association. [Women’s rugby won gold](#), closing out their second consecutive undefeated season, and [women’s softball earned silver](#) medals provincially and nationally. The Durham Lords saw five bronze medals from men’s rugby, men’s basketball, women’s soccer, women’s indoor soccer and men’s baseball.

This season also saw some friendly matches between DC and Ontario Tech through three of our annual campus matches. Our men’s soccer team brought home the Campus Cup for the first time since 2015. Then, later in the season, men’s basketball won the Campus Clash for the first time, and our Esports team held their title, beating Ontario Tech at the second annual event.

The Durham Lords had many individual successes along the way. Our athletes demonstrated not only their commitment to their sports but also to their programs of study. At the [Academic Athletic Awards Luncheon](#), 65 academic award-winning athletes set another record. We also had 33 OCAA All-Stars, five OCAA Players of the Year and Divisional Players of the Year and two CCAA All-Canadians.

In 2023-2024, the Athletics department introduced the DC/Ontario Tech dance team, the women’s basketball sport club and the cross-country running club. The Campus Wellness and Recreation Centre expanded its programming by hosting the college’s first Ontario Collegiate Recreation volleyball tournament, paint socials, late-night skates, skills competitions and women’s recreation and wellness day.

Beyond their sports venues, varsity athletes hosted several charity and community events, including [Motionball](#), a non-profit organization that empowers young Canadians to be leaders in their communities, raising funds and awareness for Special Olympics through inclusive social and sporting events.



ALUMNI HIGHLIGHTS

At DC, we cherish the connections we foster with our alumni community and believe that the college remains an important part of their journeys, regardless of where they call home. As they continue their paths to success, we witness their outstanding achievements and take inspiration from them. With more than 110,500 alumni, the successes to share are almost endless.

Jennifer McCool-Closs, an alumna of the Primary Care Paramedic diploma (2007) and Advanced Care Paramedic graduate certificate (2011), as well as a member of the Durham College Alumni Association Board of Directors, took her skills abroad in 2023. Working with the University of Toronto and Kwame Nkrumah University of Science and Technology in Ghana, she worked with a team to deliver training with the goal of equipping health personnel in Ghana. These efforts helped provide participants with the requisite emergency pre-hospital skills to respond swiftly during critical moments. She will return to Ghana in June 2024 to take part in a second session.

[DC named three outstanding Alumni of Distinction](#) who are making impacts in their fields and creating change in their communities. We also nominated these inspiring individuals for a Premier's Award in 2023, which honours outstanding college

graduates who are making an impact through social and economic contributions in Ontario and beyond. DC's nominees in 2023 were Stew MacDonald (Sports Administration, 1982), Christine Cunningham (Social Service Worker, 2015) and Tre Sanderson (Culinary Management, 2015).

DC was also excited about the opportunity to [welcome Tre back to Bistro '67](#). Sanderson, a 2015 graduate of our Culinary Management program, made history as the first black winner of the hit show Top Chef Canada. A proud DC graduate, Tre hosted a two-night kitchen-takeover event at Bistro '67.

Our alumni are creating success for themselves in the skilled trades. Hayden Sharpe, an alumnus of the Welding Engineering Technician diploma (2018) and an apprentice at Ironworkers Local 721 in Toronto, has demonstrated his exceptional skills by placing first in their local Apprentice Competition. After competing against 12 apprentices across Ontario at the District Council Competition, Hayden is headed to the International Apprentice Competition in Chicago next fall.



UPDATES FROM COLLEGE COUNCIL

College Council met twice in 2023-2024, in accordance with Board By-Law No. 3. During these meetings, various updates from across the college were shared for awareness and discussion. Topics included:

- » With the announcement of the Blue Ribbon Panel, the council was given updates regarding the recommendations. Discussions regarding fiscal sustainability for colleges, the impact of the province's tuition freeze, international enrolment, and recent funding announcements occurred.
- » The council received an overview of the CQAAP, where DC was granted mature status with all standards met after submitting a self-study and completing a virtual site visit. The audit results were complimentary, with the college meeting 30 out of the 32 requirements, with the outstanding two requirements listed as partially met. The audit panel commended the college's collaboration, teamwork, commitment to students and quality assurance.
- » Several updates from the Durham College Student Association were provided in areas related to the unified health plan for domestic and international students, the modernization of the Student Centre and the recent increase in usage and food insecurity on campus.
- » The new Honoric Naming Policy and Procedure was reviewed.
- » Good news roundtables were a standing agenda item, highlighting successes from around the campuses in various academic and service departments, including the Access and Support Centre, Student Academic Learning Services, Faculty of Health Sciences and the Centre for Teaching and Learning.

SUMMARY OF ADVERTISING/MARKETING COMPLAINTS RECEIVED

DC did not received any advertising or marketing complaints for the fiscal year 2023-2024.

FINANCIALS

**DURHAM COLLEGE OF
APPLIED ARTS
AND TECHNOLOGY**

Year ended March 31, 2024

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of the Durham College of Applied Arts and Technology (the "College") are the responsibility of management and have been approved by the Board of Governors.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAS for Government NPOs"). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The College maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the College's assets are appropriately accounted for and adequately safeguarded.

The College's insurance liabilities have been reviewed by management in consultation with its broker. There are no material liabilities in either fact or contingency as at the date of this report.

The Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit and Finance Committee.

The Audit and Finance Committee is appointed by the Board of Governors and meets regularly with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the consolidated financial statements and the external auditor's report. The Committee reports its findings to the Board for consideration when approving the consolidated financial statements. The Committee also considers, for review and approval by the Board, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP, the external auditors in accordance with Canadian generally accepted auditing standards, on behalf of the Board. BDO Canada LLP has full and free access to the Audit and Finance Committee.


College President


Chief Financial Officer

June 12, 2024

Independent Auditor's Report

To the Board of Governors of Durham College of Applied Arts and Technology

Opinion

We have audited the consolidated financial statements of Durham College of Applied Arts and Technology (the "College"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statement of operations, consolidated statement of changes in net assets, consolidated statement of cash flows and consolidated statement of rereasurement gains and losses for the year ended March 31, 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the College as at March 31, 2024, and its consolidated results of its operations, its consolidated cash flows, and its consolidated rereasurement gains and losses for the year then ended in accordance with Canadian public sector accounting standards.

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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our 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.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the College'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 College or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing

Independent Auditor's Report (Continued)

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 these consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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 consolidated 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 College'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 College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the College to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
June 12, 2024

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position

Year ended March 31, 2024, with comparative figures for year ending March 31, 2023

	March 31, 2024	March 31, 2023 (Restated - Note 3)
ASSETS		
Current assets:		
Cash	\$ 80,259,124	\$ 74,736,758
Short-term investments (note 4)	25,982,745	15,654,883
Accounts receivable (note 4)	14,400,618	15,562,084
Current portion of long-term receivables (note 5)	653,628	621,010
Inventories	977,297	1,054,529
Prepaid expenses	517,572	368,119
	122,790,984	107,997,383
Long-term investments (note 4)	21,517,347	18,739,456
Long-term receivables (note 5)	6,295,225	6,948,853
Capital assets (note 6)	238,956,440	242,511,280
	\$ 389,559,996	\$ 376,196,972
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 79,266,949	\$ 82,800,116
Accrued vacation	8,905,249	8,120,534
Deferred revenue (note 7(a))	27,311,502	23,308,944
Current portion of debt (note 8)	17,198,095	3,856,390
Term debt due on demand (note 8)	6,295,225	6,948,853
	138,977,020	125,034,837
Deferred contributions (note 7(b))	138,329,089	140,646,271
Long-term debt (note 8)	18,446,232	34,991,276
Derivative liability (note 8)	365,550	619,415
Long-term asset retirement obligation liability (note 2)	7,723,952	7,469,973
Long-term liability relating to public private partnership (note 9)	7,308,136	7,165,504
Post-employment, retirement benefits and compensated absences (note 10)	4,254,995	4,705,506
	315,404,974	320,632,782
Net assets:		
Unrestricted		
Operating	(10,686,073)	(25,559,059)
Post-employment, retirement benefits, and compensated absences	(4,254,995)	(4,705,506)
Vacation pay	(8,905,249)	(8,120,534)
	(23,846,317)	(38,385,099)
Invested in capital assets (note 14)	62,512,320	59,225,386
Internally restricted (note 11)	14,043,386	14,019,249
Endowments (note 11)	17,763,999	17,276,885
	70,473,388	52,136,421
Accumulated remeasurement gains	3,681,634	3,427,769
	74,155,022	55,564,190
Commitments (note 16)		
Related Party (note 17)		
Guarantees (note 18)		
	\$ 389,559,996	\$ 376,196,972

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

 Director

 Director

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Operations

Year ended March 31, 2024, with comparative figures for year ending March 31, 2023

	March 31, 2024	March 31, 2023 (Restated - Note 3)
Revenue:		
Grants and reimbursements	\$ 83,217,577	\$ 78,744,758
Student tuition fees	118,346,452	86,159,260
Ancillary operations	11,582,308	10,246,434
Rental income	11,717,657	10,460,467
Other income	38,393,952	33,445,610
Amortization of deferred capital contributions (note 7(b)(i))	10,114,058	9,234,680
Total revenue	273,372,004	228,291,209
Expenditures:		
Salaries and benefits	158,989,159	136,062,808
Instructional supplies	5,262,317	4,595,068
Contracted services	12,369,127	10,466,373
Utilities, maintenance and taxes	15,753,504	14,235,456
Interest and bank charges	3,206,525	3,065,509
Scholarships and bursaries	4,358,379	3,087,369
Supplies and other expenses	34,581,925	30,118,144
Accretion expense on Asset Retirement Liability (ARO)	253,979	245,628
Amortization of capital assets (note 14(b))	20,747,236	20,386,448
Total expenditures	255,522,151	222,262,803
Excess of revenue over expenditures	\$ 17,849,853	\$ 6,028,406

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Statement of Changes in Net Assets
Year ended March 31, 2024, with comparative figures for year ending March 31, 2023

	March 31, 2024						March 31, 2023					
	Internally restricted net assets			Total internally restricted net assets			Internally restricted net assets			Total internally restricted net assets		
	Unrestricted	Invested in capital assets (note 14)	Internally Restricted (note 11)	Foundation	Endowments (note 11)	Total	Unrestricted	Invested in capital assets (note 14)	Internally Restricted (note 11)	Foundation	Endowments (note 11)	Total
Balance, beginning of year	\$ (38,385,099)	\$ 59,225,386	\$ 13,816,880	\$ 202,369	\$ 17,276,885	\$ 52,136,421	\$ (38,385,099)	\$ 59,225,386	\$ 13,816,880	\$ 202,369	\$ 17,276,885	\$ 52,136,421
Excess (deficiency) of revenue over expenditures	28,360,593	(10,534,877)	-	24,137	-	17,849,853	28,360,593	(10,534,877)	-	24,137	-	17,849,853
Invested in capital assets (note 14(b))	(13,821,811)	13,821,811	-	-	-	-	(13,821,811)	13,821,811	-	-	-	-
Endowment contributions	-	-	-	-	487,114	487,114	-	-	-	-	487,114	487,114
Transfer (note 11)	-	-	-	-	-	-	-	-	-	-	-	-
Net changes during the year	14,538,782	3,286,934	-	24,137	487,114	18,336,967	14,538,782	3,286,934	-	24,137	487,114	18,336,967
Balance, end of year	\$ (23,846,317)	\$ 62,512,320	\$ 13,816,880	\$ 226,506	\$ 17,763,999	\$ 70,473,388	\$ (23,846,317)	\$ 62,512,320	\$ 13,816,880	\$ 226,506	\$ 17,763,999	\$ 70,473,388
March 31, 2023 (Restated - Note 3)												
	Internally restricted net assets			Total internally restricted net assets			Internally restricted net assets			Total internally restricted net assets		
	Unrestricted	Invested in capital assets (note 14)	Internally Restricted (note 11)	Foundation	Endowments (note 11)	Total	Unrestricted	Invested in capital assets (note 14)	Internally Restricted (note 11)	Foundation	Endowments (note 11)	Total
Balance, beginning of year as previously stated	\$ (40,754,322)	\$ 56,811,354	\$ 13,816,880	\$ 189,927	\$ 17,139,914	\$ 47,203,753	\$ (40,754,322)	\$ 56,811,354	\$ 13,816,880	\$ 189,927	\$ 17,139,914	\$ 47,203,753
Change in accounting policy (Note 3)	(1,232,709)	-	-	-	-	(1,232,709)	(1,232,709)	-	-	-	-	(1,232,709)
Balance, beginning of year as restated	(41,987,031)	56,811,354	13,816,880	189,927	17,139,914	45,971,044	(41,987,031)	56,811,354	13,816,880	189,927	17,139,914	45,971,044
Excess (deficiency) of revenue over expenditures	17,129,018	(11,113,054)	-	12,442	-	6,028,406	17,129,018	(11,113,054)	-	12,442	-	6,028,406
Invested in capital assets (note 14(b))	(13,527,086)	13,527,086	-	-	-	-	(13,527,086)	13,527,086	-	-	-	-
Endowment contributions	-	-	-	-	136,971	136,971	-	-	-	-	136,971	136,971
Transfer (note 11)	-	-	-	-	-	-	-	-	-	-	-	-
Net changes during the year	3,601,932	2,414,032	-	12,442	136,971	6,165,377	3,601,932	2,414,032	-	12,442	136,971	6,165,377
Balance, end of year	\$ (38,385,099)	\$ 59,225,386	\$ 13,816,880	\$ 202,369	\$ 17,276,885	\$ 52,136,421	\$ (38,385,099)	\$ 59,225,386	\$ 13,816,880	\$ 202,369	\$ 17,276,885	\$ 52,136,421

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Cash Flows

Year ended March 31, 2024, with comparative figures for year ending March 31, 2023

	March 31, 2024	March 31, 2023 (Restated - Note 3)
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	\$ 17,849,853	\$ 6,028,406
Items not affecting cash:		
Amortization of capital assets	20,747,236	20,386,448
Amortization of deferred capital contributions	(10,114,058)	(9,234,680)
Accretion Expense on Asset Retirement Obligation	253,979	245,628
Change in non-cash working capital:		
Accounts receivable	1,161,466	(1,656,565)
Inventories	77,232	(190,164)
Prepaid expenses	(149,453)	(48,803)
Accounts payable and accrued liabilities	(3,533,167)	12,310,223
Interest on Public Private Partnership	142,631	456,102
Accrued vacation	784,715	603,289
Post-employment, retirement benefits and compensated absences	(450,511)	40,441
Deferred revenue	4,002,558	3,165,232
	<u>30,772,481</u>	<u>32,105,557</u>
Financing activities:		
Endowment contributions	487,114	136,971
Repayment of long-term debt	(3,856,967)	(6,891,532)
	<u>(3,369,853)</u>	<u>(6,754,561)</u>
Capital activities:		
Contributions received for capital purposes (net of fair market value adjustment)	7,796,877	8,361,661
Purchase of capital assets	(17,192,396)	(17,444,773)
	<u>(9,395,519)</u>	<u>(9,083,112)</u>
Investing activities:		
Decrease in long-term receivables	621,010	590,021
(Increase)/Decrease in investments	(13,105,753)	(14,539,864)
	<u>(12,484,743)</u>	<u>(13,949,843)</u>
Increase in cash	5,522,366	2,318,041
Cash, beginning of year	74,736,758	72,418,717
Cash, end of year	<u>\$ 80,259,124</u>	<u>\$ 74,736,758</u>
Supplemental cash flow information:		
Interest paid	\$ 1,535,408	\$ 1,685,708

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Remeasurement Gains and Losses

Year ended March 31, 2024, with comparative figures for year ending March 31, 2023

	March 31, 2024	March 31, 2023
Accumulated remeasurement gains at beginning of year	\$ 3,427,769	\$ 3,013,902
Unrealized (losses) gains attributable to:		
Derivative - interest rate swap	253,865	413,867
Net remeasurement gains for the year	253,865	413,867
Accumulated remeasurement gains at end of year	\$ 3,681,634	\$ 3,427,769

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

Durham College of Applied Arts and Technology (the "College") was established as a corporation without share capital, as set out in the Ontario Colleges of Applied Arts and Technology Act. The Corporations Act governs the corporate affairs of the College and became effective April 1, 2003. The College is principally involved in providing post-secondary educational services. Under the Income Tax Act (Canada), the College is considered a registered charity and, accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met.

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

(a) *Basis of presentation*

The consolidated financial statements of the College have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs"). These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the College and its subsidiary Durham College Foundation (the "Foundation"). All significant inter-company balances and transactions have been eliminated upon consolidation.

(b) *Revenue recognition*

The College follows the deferral method of accounting for restricted contributions which include donations and government grants.

Operating grants are recorded as revenue in the period to which they relate. Grants earned but not received at the end of an accounting period are accrued. When a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Tuition fees are recognized as income to the extent that the related courses and services are provided by the College.

Ancillary revenues, including parking, bookstore, rental, contract training and other sundry revenues, are recognized when products are delivered or services are provided to the student or client, the sales price is fixed and determinable, and collection is reasonably assured.

Unrestricted contributions are recognized as revenue when received or receivable.

Externally restricted contributions, other than endowment contributions, are recognized as revenue in the year in which the related expenses are recognized.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

Restricted contributions for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Endowment contributions are recognized as direct increases in endowed net assets.

Investment income earned on endowment funds is recognized as a deferred contribution until awarded. Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

(c) *Financial Instruments*

The College classifies its financial instruments as either fair value or amortized cost. The College's accounting policy for each category is as follows:

Fair value

This category includes derivatives and equity instruments quoted in an active market. The College has designated its fixed income instruments that would otherwise be classified into the amortized cost category at fair value as the College manages and reports performance of it on a fair value basis.

Financial instruments in this category are initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the consolidated statement of remeasurement gains and losses until they are realized, when they are transferred to the consolidated statement of operations. Changes in fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the consolidated statement of operations. On sale or settlement, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the consolidated statement of operations.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

Amortized cost

This category includes accounts receivable, long-term receivables, accounts payable and accrued liabilities, term debt due on demand and long-term debt. Financial instruments in this category are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets, except for contributions, which are recognized at fair value.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the consolidated statement of operations.

(d) *Capital assets*

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the College's ability to provide services or the value of future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value. Any unamortized deferred capital contribution amount related to the capital asset is recognized in revenue in the consolidated statement of operations, provided that all restrictions have been complied with.

Construction in progress costs are capitalized as incurred. They are transferred to various categories of capital assets and are amortized on a basis consistent with similar assets, once the assets are placed in service.

Capital assets are capitalized on acquisition and amortized on a straight-line basis over their useful lives, which have been estimated to be as follows:

Whitby Residence	109 years
Buildings	40 years
Asset Retirement Obligation – Buildings	20 years
Building improvements	10 years
Equipment and furniture	5 - 10 years
Computer equipment	3 years

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

The College initially recognizes infrastructure, or a betterment to infrastructure, procured through a public private partnership arrangement as an asset at cost where, through the terms and economic substance of the public private partnership the public sector entity controls the purpose and use of the infrastructure, access to the future economic benefits and exposure to risks of the infrastructure asset, and any significant residual interest in the infrastructure at the end of the public private partnership term. Where cost of the infrastructure asset is neither determinable nor verifiable from the public private partnership process and agreement, cost is determined to be the estimated fair value of the asset at the transaction date. Infrastructure assets are subsequently amortized on a straight-line basis over their estimated useful lives as follows:

Whitby Residence at 1614 Champlain Ave - 109 years

When the College recognizes an infrastructure asset in relation to a public private partnership and has an obligation to provide consideration to the private sector partner, it recognizes a liability that is initially measured at the same amount as the related infrastructure asset, reduced by any consideration previously provided to the private sector partner. The financial liability is subsequently measured at amortized cost using the effective interest method. The rate implicit to the agreement was utilized as the discount rate for determining the related financing charge.

(e) *Inventories*

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

(f) *Student organizations*

These consolidated financial statements do not reflect the assets, liabilities, and results of operations of the various student organizations as they are not controlled by the College.

(g) *Vacation pay*

The College recognizes vacation pay as an expense on the accrual basis.

(h) *Post-employment, retirement benefits and compensated absences*

The College provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental, vesting sick leave and non-vesting sick leave. The College has adopted the following policies with respect to accounting for these employee benefits:

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (i) The costs of post-employment future benefits are actuarially determined using management's best estimate of health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis.
- (ii) The costs of the multi-employer defined benefit pension are the employer's contributions due to the plan in the period.
- (iii) The cost of vesting and non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.
- (iv) The discount used in the determination of the above-mentioned liabilities is equal to the College's internal rate of borrowing.

(i) *Foreign currency translation*

Transactions in foreign currencies are translated into Canadian dollars at rates of exchange at the time of such transactions. Monetary assets and liabilities are translated at current rates of exchange with the resulting gains and losses recognized in the consolidated statement of operations.

(j) *Management estimates*

The preparation of consolidated financial statements in conformity with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of consolidated financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates. Areas of key estimation include determination of fair value of investments, impairment allowances, amortization of capital assets, fair value of derivative liabilities, vacation pay and actuarial estimation of post-employment benefits, asset retirement obligations and compensated absences liabilities.

(k) *Asset Retirement Obligations*

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

2. ASSET RETIREMENT OBLIGATIONS

The organization's financial statements include an asset retirement obligation for asbestos remediation for our buildings. The related asset retirement costs are being amortized on a straight line basis. The liability has been estimated using a net present value technique with a discount rate of 3.40% (2023, 3.40%). The estimated total undiscounted future expenditures are \$14,579,068 (2023 - \$14,579,068), which are to be incurred over the next twenty years. The liability is expected to be settled when renovations are completed on the space and the asbestos is removed during this time.

The carrying amount of the liability is as follows:

Asset Retirement Obligation as at, March 31, 2023	\$ 7,469,973
Increase due to liability incurred during the current year	-
(Decrease) due to liability settled during the current year	-
Increase due to accretion expense	253,979
Increase / (decrease) due to revisions in estimated cash flows	-
Asset retirement obligation as at, March 31, 2024	<u>\$ 7,723,952</u>

However, the total amount of the liability may change due to revisions of the regulation scope and if renovations to the space are completed earlier than the projected twenty years.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

3. CHANGE IN ACCOUNTING POLICY

Effective April 1, 2023, the College adopted new Section PS 3160, Public Private Partnership (P3), using the retrospective method with restatement. As a result of the adoption, the presentation of the financial statements has changed from the prior year. The standard requires an infrastructure asset and corresponding liability to be recognized. The impact of adoption of this standard was as follows:

	<u>April 1, 2022</u>
Increase in long-term Public Private Partnership (P3) liability	\$ 1,232,711
(Decrease) in opening accumulated surplus	\$ 1,232,711
	<u>March 31, 2023</u>
Increase in interest expense	\$ 456,102
Increase in long-term Public Private Partnership (P3) liability	\$ 456,102

4. FINANCIAL INSTRUMENT CLASSIFICATION

The following table provides cost and fair value information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	2024		
	Fair Value	Amortized Cost	Total
Cash	\$ 80,259,124	\$ -	\$ 80,259,124
Accounts receivable	-	14,400,618	14,400,618
Current portion of long-term receivables	-	653,628	653,628
Short-term investments	25,982,745	-	25,982,745
Long-term investments	21,517,347	-	21,517,347
Long-term receivable	-	6,295,225	6,295,225
Accounts payable and accrued liabilities	-	79,266,949	79,266,949
Accrued vacation	-	8,905,249	8,905,249
Current portion of debt	-	17,198,095	17,198,095
Term debt due on demand	-	6,295,225	6,295,225
Long-term debt	-	18,446,232	18,446,232
Derivative liability	365,550	-	365,550

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

4. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

	2023		
	Fair Value	Amortized Cost	Total
Cash	\$ 74,736,758	\$ -	\$ 74,736,758
Accounts receivable	-	15,562,084	15,562,084
Current portion of long-term receivables	-	621,010	621,010
Short-term investments	15,654,883	-	15,654,883
Long-term investments	18,739,456	-	18,739,456
Long-term receivable	-	6,948,853	6,948,853
Accounts payable and accrued liabilities	-	82,800,116	82,800,116
Accrued vacation	-	8,120,534	8,120,534
Current portion of debt	-	3,856,390	3,856,390
Term debt due on demand	-	6,948,853	6,948,853
Long-term debt	-	34,991,276	34,991,276
Derivative liability	619,415	-	619,415

Investments consist of equity instruments in public companies (2024 - \$21,254,819, 2023 - \$15,184,337), fixed income instruments (2024 - \$379,746, 2023 - \$4,002,999) and Guaranteed Investment Certificates (2024 - \$25,865,527, 2023 - \$15,207,003). Investments include \$21,315,537 (2023 - \$19,042,331) of investments externally restricted for endowment purposes (see Note 11).

Maturity profile of fixed income instruments held is as follows:

	2024				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying value	\$ 117,218	\$ 170,467	\$ 92,061	\$ -	\$ 379,746
Percentage of Total	31%	45%	24%	0%	

	2023				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying value	\$ 447,880	\$ 2,620,717	\$ 862,583	\$ 71,819	\$ 4,002,999
Percentage of Total	11%	65%	22%	2%	

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

4. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2024			
	Level 1	Level 2	Level 3	Total
Cash	\$ 80,259,124	\$ -	\$ -	\$ 80,259,124
Investments	47,120,346	379,746	-	47,500,092
Derivative liability	-	-	365,550	365,550
Total	\$ 127,379,470	\$ 379,746	\$ 365,550	\$128,124,766

	2023			
	Level 1	Level 2	Level 3	Total
Cash	\$ 74,736,758	\$ -	\$ -	\$ 74,736,758
Investments	30,391,340	4,002,999	-	34,394,339
Derivative liability	-	-	619,415	619,415
Total	\$ 105,128,098	\$ 4,002,999	\$ 619,415	\$109,750,512

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2024 and 2022. There were also no transfers in or out of Level 3.

Risk management relates to the understanding and active management of risks associated with all areas of the College's activities and the associated operating environment. Investments are primarily exposed to market, credit, interest rate, foreign currency and liquidity risks. The College has formal policies and procedures that establish target asset mix. The College's policies also require diversification of investments within categories, and set limits on exposure to individual investments.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure each risk.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

4. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

(i) Market risk:

The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. Fluctuation in the market exposes the College to a risk of loss.

The College is exposed to this risk through its equity holdings within its investment portfolio. At March 31, 2024, a 10.00% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the College's equities of \$1,230,573 (2023 - \$1,062,819).

(ii) Credit, interest rate and maturity risk:

Credit risk is the risk of financial loss to the College if a debtor fails to make payments of interest and principal when due. The College is exposed to this risk relating to its cash, bonds, long-term receivables and accounts receivable. The College holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance

Corporation. In the event of default, the College's cash accounts are insured up to \$100,000 (2023 - \$100,000).

The investment policy of the Foundation operates within the confines of the Trustees Act which places limitations on the composition of the investment portfolio. All other College investments not held within the Foundation operate within the constraints of the Ministry's Binding Directive on Banking, Investments and Borrowing which puts limits on the bond portfolio including portfolio composition limits, issuer type limits, bond quality limits, aggregate issuer limits, corporate sector limits and general guidelines for geographic exposure.

Accounts receivable and long-term receivables are ultimately due from students and the Ontario Tech University (the "University"). Credit risk is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population.

The College measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the College's historical experience regarding collections.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

4. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

The amounts outstanding at year-end are as follows:

	2024						
	Total	Current	Past Due				
			1-30 days	31-60 days	61-90 days	91 - 120 days	
Government receivables	\$ 1,509,826	\$ 1,509,826	\$ -	\$ -	\$ -	\$ -	\$ -
Student receivables	7,846,109	-	99,510	236,822	902,127	6,607,650	
Other receivables	10,481,545	7,507,465	1,424,597	1,267,523	196,437	85,523	
Gross receivables	19,837,480	9,017,291	1,524,107	1,504,345	1,098,564	6,693,173	
Less: impairment allowances	(5,436,862)	-	-	-	-	(5,436,862)	
Net receivables	\$ 14,400,618	\$ 9,017,291	\$ 1,524,107	\$ 1,504,345	\$ 1,098,564	\$ 1,256,311	

	2023						
	Total	Current	Past Due				
			1-30 days	31-60 days	61-90 days	91 - 120 days	
Government receivables	\$ 5,440,789	\$ 5,440,789	\$ -	\$ -	\$ -	\$ -	\$ -
Student receivables	6,333,377	-	104,360	169,588	627,061	5,432,368	
Other receivables	8,086,400	6,462,480	999,799	470,670	99,732	53,719	
Gross receivables	19,860,566	11,903,269	1,104,159	640,258	726,793	5,486,087	
Less: impairment allowances	(4,298,482)	-	-	-	-	(4,298,482)	
Net receivables	\$ 15,562,084	\$ 11,903,269	\$ 1,104,159	\$ 640,258	\$ 726,793	\$ 1,187,605	

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates.

The College is exposed to this risk through its interest-bearing investments and debt.

The College mitigates interest rate risk on a portion of its term debt through a derivative financial instrument that exchanges the variable rate inherent in a portion of the term debt for a fixed rate (see Note 8). Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the term debt.

The College's bond portfolio has interest rates ranging from 0.70% to 4.60% (2023 – 0.63% to 6.00%) with maturities ranging from April 1, 2024 to September 17, 2029 (2023 – June 2, 2023 to December 2, 2053).

At March 31, 2024, a 1.00% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of bonds and the interest rate swap of \$296,400 (2023 - \$376,700). The College's term debt as described in Note 8 would

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

4. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

not be impacted as the inherent variable rate of the debt has been fixed with the use of the aforementioned derivative interest rate swap.

Credit risk on accounts receivables and long-term receivables are mitigated by financial and system controls on past due accounts. The College measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the College's historical experience regarding collections. The credit risk related to the College's accounts receivable for tuition revenue has increased due to the impact of COVID-19, which could lead to potential losses.

(iii) Foreign currency risk:

Foreign currency risk arises when the value of securities denominated in a currency other than Canadian dollars is affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated. U.S. equities are held in U.S. dollars, which have been converted to Canadian dollars as at year-end, using the exchange rate at that date. Investments held in U.S. dollars at March 31, 2024 were approximately \$nil (2023 - \$7,184,568) stated in Canadian dollars.

(iv) Liquidity risk:

Liquidity risk is the risk that the College will not be able to meet all cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows of financial liabilities):

	2024			
	Within	6 months to		
	6 months	1 year	1 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 79,266,949	\$ -	\$ -	\$ -
Accrued vacation	6,678,937	2,226,312	-	-
Debt	16,880,228	317,867	5,391,786	19,349,671
	\$ 102,826,114	\$ 2,544,179	\$ 5,391,786	\$ 19,349,671
	2023			
	Within	6 months to		
	6 months	1 year	1 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 82,800,116	\$ -	\$ -	\$ -
Accrued vacation	6,090,401	2,030,133	-	-
Debt	2,258,669	1,597,721	7,098,512	34,841,617
	\$ 91,149,186	\$ 3,627,854	\$ 7,098,512	\$ 34,841,617

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

4. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

Derivative financial liabilities mature as described in Note 8.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

5. LONG-TERM RECEIVABLES

Student levy receivable for campus recreation and wellness centre

Includes a receivable from future student levies as approved by the Durham College Student Association Incorporated, with a long-term portion of \$6,295,225 (2023 - \$6,948,853) and a current portion of \$653,628 (2023 - \$621,010) for the financing of a new Campus Recreation and Wellness Centre (“the Centre”). It is repayable from an annual special levy on student fees and bears interest equal to the debt incurred to construct the Centre (Note 8). The receivable is secured by the variable rate mortgage due on demand with underlying swap on the Centre.

6. CAPITAL ASSETS

			2023	
			2024 (Restated - Note #3)	
	Ending Cost	Accumulated Amortization	Net book Value	Net book Value
Land	\$ 4,521,201	\$ -	\$ 4,521,201	\$ 4,521,201
Buildings	296,143,883	135,218,412	160,925,471	167,279,634
Whitby Residence - (P3)	6,630,762	403,938	6,226,824	6,286,411
Building improvements	123,360,916	77,579,656	45,781,260	41,396,685
Asset Retirement Obligation (ARO) - Building	2,167,999	1,471,141	696,858	735,571
Equipment and furniture	109,177,854	93,842,638	15,335,216	14,015,500
Computer equipment	51,717,368	46,585,702	5,131,666	4,827,072
Construction-in-progress	337,944	-	337,944	3,449,206
	\$594,057,927	\$355,101,487	\$238,956,440	\$ 242,511,280

Construction-in-progress relates to various ongoing capital projects that are not yet complete.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

7. DEFERRED CONTRIBUTIONS

(a) *Deferred revenue*

Deferred revenue represents grants - \$5,164,289 (2023 - \$5,179,656), tuition fees - \$12,555,577 (2023 - \$9,227,702) and other revenue - \$9,591,636 (2023 - \$8,901,586) related to expenses of future periods.

(b) *Deferred contributions*

(i) Capital contributions

Deferred capital contributions represent the unamortized amount of donations and grants for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the Consolidated Statement of Operations at the same rate as amortization is recorded on the related capital assets.

	2024		2023	
Balance, beginning of year	\$	138,079,813	\$	137,991,867
Contributions received		6,584,307		9,322,626
Less amounts amortized to revenue		(10,114,058)		(9,234,680)
Balance, end of year	\$	134,550,062	\$	138,079,813

(ii) Foundation

	2024		2023	
Balance, beginning of year	\$	2,480,505	\$	3,215,552
Transfers		(206,100)		(101,000)
Net investment income (loss) and deferred contributions		2,040,220		(160,677)
Scholarships & Bursaries		(601,550)		(473,370)
Balance, end of year	\$	3,713,075	\$	2,480,505

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

7. DEFERRED CONTRIBUTIONS (continued)

(iii) Expenses of future periods

Deferred contributions represent unspent restricted donations for scholarships and bursaries.

	2024		2023	
Balance, beginning of year	\$	85,952	\$	311,871
Contributions received		0		0
Disbursements		(20,000)		(225,919)
Balance, end of year	\$	65,952	\$	85,952
Total deferred contributions	\$	138,329,089	\$	140,646,270

8. DEBT

	2024	2023
3.12% unsecured mortgage on student residence, repayable in semi-annual instalments of \$753,625 principal and interest, due February 2024. Fully repaid February 2024.	\$ -	\$ 736,334
2.77% commercial mortgage loan on student residence, repayable in monthly instalments of \$202,919 principal and interest, due June 2031, interest rate renewal in June 2024. This loan is being treated as current since the renewal arrangements due for June 2024 have not been finalized.	15,990,184	17,954,040
Variable rate secured mortgage due on demand, with an underlying swap fixing the rate at 5.38% on the Campus Recreation and Wellness Centre, due in November 2032, interest and principal paid monthly.	6,948,853	7,569,864
3.43% unsecured mortgage on the Centre for Skilled Trades and Technology which includes capitalized interest of \$54,148, repayable in semi-annual instalments of \$600,362 principal and interest, due March 2047.	19,000,515	19,536,281
	\$ 41,939,552	\$ 45,796,519
Less current portion	17,198,095	3,856,390
Less term debt due on demand	6,295,225	6,948,853
	\$ 18,446,232	\$ 34,991,276

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

8. DEBT (continued)

Principal payments due in each of the next five years and thereafter are as follows:

2025	\$ 17,198,095
2026	1,261,401
2027	1,317,355
2028	1,375,893
2029	1,437,137
Thereafter	19,349,671
	<hr/>
	\$ 41,939,552

Interest expense on long-term debt of \$1,535,408 (2023 - \$1,685,708) is included in interest and bank charges.

The College has an interest rate swap to manage the interest rate variability arising on the 25 year mortgage for the Athletic and Health Centre. The mortgage bears interest at floating rates based on banker's acceptances. The swap effectively fixes the interest rate at 5.38% on an initial principal amount of \$14,000,000 over the 25 year life of the mortgage. The fair value of the interest rate swap, in favour of the counterparty, of \$365,550 (2023 - \$619,415) is recorded in the consolidated statement of financial position with the fluctuations in fair value being recorded in the consolidated statement of remeasurement gains and losses.

The College has a credit facility agreement with a Canadian chartered bank, which provides for a revolving operating line of credit up to \$15,000,000, bearing interest at prime less 0.75%. At March 31, 2024, the College had utilized \$nil (2023 - \$nil) of the operating line of credit.

The College has entered into Irrevocable Standby Letters of Credit with a Canadian chartered bank. The letters of credit consist of \$177,200 bearing interest at 1.50%, \$15,000 bearing interest at 1.20% and \$18,025 bearing interest at 1.20%.

The College obtained a 25 year unsecured mortgage on the Centre for Skilled Trades and Technology building from the Ontario Financing Authority. The interest rate for the initial draw of \$9,566,000 in fiscal 2020-21 was 0.41%. The loan of \$20,000,000 plus the capitalized interest of \$58,148 has an interest rate of 3.43% as of March 31, 2022.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

9. PUBLIC PRIVATE PARTNERSHIP

In 2019, the College entered into a public private partnership arrangement with Campus Development Whitby Corp. (the Partner) for the design, construction, financing, operation and maintenance of a student residence at 1614 Champlain Ave.

Under the terms of the arrangement, the Partner is responsible for constructing, financing, operating and maintaining the student residence for a period of 69 years in exchange for cash payments to the Partner over the term of the arrangement. Refer to Note 6 – Capital Assets for information on the cost, accumulated amortization and net book value of the Whitby residence.

Upon expiry or other termination of the arrangement, the Partner must surrender the student residence building to the College in good condition. Under the terms of the arrangements, the College is obligated to provide the Partner with access to 1614 Champlain Ave. The College allocates its payments between the liability principal and interest expense in accordance with the effective interest rate method over the term of the arrangement. The liability is repayable in monthly instalments, \$35,906 (2023 – \$35,237), which are indexed to CPI annually, including interest calculated at a rate of 7.885%, maturing on August 31, 2087. Principal repayments are not expected to commence until September 1, 2064 as the effective interest accrued on the principal balance currently exceeds the sum of the annual cash payments. During the current year, the interest expense recorded relating to the liability was \$570,158 (2023 - \$558,889).

10. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY

The following tables outline the components of the College's post-employment and retirement benefits and compensated absences liabilities and related expenses:

	2024				
	Post- employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 1,229,000	\$ 157,995	\$ 5,321,000	\$ 50,000	\$ 6,757,995
Value of plan assets	(296,000)	-	-	-	(296,000)
Unamortized actuarial gains/(losses)	(3,000)	-	(2,198,000)	(6,000)	(2,207,000)
Total liability	\$ 930,000	\$ 157,995	\$ 3,123,000	\$ 44,000	\$ 4,254,995

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

10. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

	2023				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 1,180,000	\$ 670,506	\$ 4,584,000	\$ 45,000	\$ 6,479,506
Value of plan assets	(283,000)	-	-	-	(283,000)
Unamortized actuarial gains/(losses)	10,000	-	(1,495,000)	(6,000)	(1,491,000)
Total liability	\$ 907,000	\$ 670,506	\$ 3,089,000	\$ 39,000	\$ 4,705,506

	2024				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ 40,000	\$ -	\$ 304,000	\$ 1,000	\$ 345,000
Interest on accrued benefit obligation	3,000	22,797	157,000	2,000	184,797
Amortized actuarial (gains)/losses	(15,000)	-	121,000	2,000	108,000
Total expense	\$ 28,000	\$ 22,797	\$ 582,000	\$ 5,000	\$ 637,797

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

10. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

	2023				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ 116,000	\$ -	\$ 300,000	\$ 2,000	\$ 418,000
Interest on accrued benefit obligation	3,000	19,548	120,000	2,000	144,548
Amortized actuarial (gains)/losses	(15,000)	-	40,000	(66,000)	(41,000)
Total expense	\$ 104,000	\$ 19,548	\$ 460,000	\$ (62,000)	\$ 521,548

Above amounts exclude pension contributions to the Colleges of Applied Arts and Technology pension plan, a multi-employer plan, described below.

Retirement Benefits

CAAT Pension Plan

All full-time employees of the College, and any part-time employees who opt to participate, are members of the Colleges of Applied Arts and Technology Pension Plan (the "Plan"), which is a multi-employer jointly sponsored defined benefit plan for public colleges in Ontario and other employers across Canada. The College makes contributions to the Plan equal to those of the employees. Contribution rates are set by the Plan's governors to ensure the long-term viability of the Plan. Since the Plan is a multi-employer plan, the College's contributions are accounted for as if the plan were a defined contribution plan with the College's contributions being expensed in the period they come due.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates related to full-time members. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension assets and liabilities. The most recent actuarial valuation filed with pension regulators as at January 1, 2024 indicated an actuarial surplus on a going concern basis of \$5.3 billion. The College made contributions to the Plan and its associated retirement compensation arrangement of \$13,099,575 in 2024 (2023 - \$11,413,847), which has been included in the consolidated statement of operations.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

10. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

Post-Employment Benefits

The College extends post employment life insurance, health and dental benefits to certain employee groups subsequent to their retirement. The College recognizes these benefits as they are earned during the employees' tenure of service. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

The major actuarial assumptions employed for the valuations are as follows:

a) *Discount rate*

The present value as at March 31, 2024 of the future benefits was determined using a discount rate of 3.50% (2023 – 3.40%).

b) *Drug Costs*

Drug costs were assumed to increase at a 6.16% (2023 - 6.16%) and decrease proportionately thereafter to an ultimate rate of 4.00% in 2040.

c) *Hospital and other medical*

Hospital and other medical costs were assumed to increase at 4.00% per annum in 2024 (2023 – 4.00%).

Medical premium increases were assumed to increase at 6.16% per annum (2023 – 6.16%) and decrease proportionately thereafter to an ultimate rate of 4.00% in 2040 for fiscal 2024.

d) *Dental costs*

For the fiscal 2024 disclosure, dental costs and premiums were assumed to increase at 4.00% per annum (2023 – 4.00%).

e) *Retirement rates*

3.10% per annum starting at eligibility for reduced pension, increasing to 16.00% per annum after reaching eligibility for unreduced pension, with the remainder at age 65.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

10. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

Compensated Absences

Vesting Sick Leave

The College has provided for vesting sick leave benefits during the year. Eligible employees, after 10 years of service, are entitled to receive 50.00% of their accumulated sick leave credit on termination or retirement to a maximum of 6 months' salary. The program to accumulate sick leave credits ceased for employees hired after March 31, 1991. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

Non-Vesting Sick Leave

The College allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employees' illness or injury exceeds the current year's allocation of days. Sick days are paid out at the salary in effect at the time of usage. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

The assumptions used in the valuation of vesting and non-vesting sick leave are the College's best estimate of expected rates of:

	2024	2023
Wage and salary escalation	2.00% - 4.25%	1.00%
Discount Rate	3.50%	3.40%

The probability that the employee will use more sick days than the annual accrual and the excess number of sick days used are within ranges of 0.00% to 23.50% and 0 to 54.0 days respectively for age groups ranging from 20 and under to 65 and over in bands of 5 years.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

11. RESTRICTED NET ASSETS

Internally restricted

Capital Investments: These funds are expendable for major capital expenditures for the future. Income earned is expendable.

Capital Investments – Residence: These funds are expendable for major capital refurbishments to the student residences. Income earned is expendable.

Foundation: These funds are expendable for future unforeseen operating expenditures. Income earned is expendable.

The College, by resolution of the Board of Governors, internally restricts amounts from net assets as follows:

2024				
	Balance, Beginning of Year	Additions	Transfers, Adjustments, Disbursements	Balance, End of Year
Operating Contingency	\$ 13,060,950	\$ -	\$ -	\$ 13,060,950
Capital Investments - Residence	755,930	-	-	755,930
Foundation	202,369	24,137	-	226,506
	\$ 14,019,249	\$ 24,137	\$ -	\$ 14,043,386

2023				
	Balance, Beginning of Year	Additions	Transfers, Adjustments, Disbursements	Balance, End of Year
Operating Contingency	\$ 13,060,950	\$ -	\$ -	\$ 13,060,950
Capital Investments - Residence	755,930	-	-	755,930
Foundation	189,927	12,442	-	202,369
	\$ 14,006,807	\$ 12,442	\$ -	\$ 14,019,249

Endowments

Endowment funds are restricted donations received by the College where the endowment principal is required to be maintained. The investment income generated from these endowments must be used in accordance with the various purposes established by donors. The College ensures, as part of its fiduciary responsibilities, that all funds received and transferred to the Foundation with a restricted purpose are expended for the purpose for which they were provided.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

11. RESTRICTED NET ASSETS (continued)

Endowment funds include grants provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund ("OSOTF") and the Ontario Trust for Student Support ("OTSS"). Under these programs, the government matches funds raised by the College. The purpose of these programs is to assist academically qualified individuals who, for financial reasons, would not otherwise be able to attend College.

The balance of endowments at March 31 consists of the following:

	2024	2023
OSOTF (Note 12)	\$ 5,576,850	\$ 5,455,070
OTSS (Note 13)	6,857,481	6,707,736
Externally Restricted Donations	5,329,668	5,114,079
	\$ 17,763,999	\$ 17,276,885

These funds are donated specifically for student assistance. Income earned is expendable to provide financial assistance to students.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

12. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS

Net assets restricted for endowments include monies provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund matching program to award student aid as a result of raising an equal amount of endowment donations.

The College has recorded the following amounts under the program:

(a) OSOTF I:

	2024	2023
Schedule of Changes in Endowment Fund Balance		
Endowment fund balance, beginning of year	\$ 2,729,512	\$ 2,732,370
Preservation of capital	60,934	(2,858)
Endowment fund balance, end of year	\$ 2,790,446	\$ 2,729,512
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 542,133	\$ 659,154
Realized investment income (loss)	284,302	(46,936)
Bursaries awarded	(78,534)	(70,085)
Expendable balance, end of year	747,901	542,133
Number of bursaries awarded	63	57
Market value of endowment	\$ 4,245,858	\$ 3,783,988

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

12. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS (continued)

(b) OSOTF II:

	2024	2023
Schedule of Changes in Endowment Fund Balance		
Endowment fund balance, beginning of year	\$ 2,725,558	\$ 2,728,411
Preservation of capital	60,846	(2,853)
Endowment fund balance, end of year	\$ 2,786,404	\$ 2,725,558
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 541,573	\$ 658,424
Realized investment income (loss)	283,890	(46,868)
Bursaries awarded	(78,420)	(69,983)
Expendable balance, end of year	747,043	541,573
Number of bursaries awarded	63	57
Market value of endowment	\$ 4,239,929	\$ 3,778,728

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

13. ONTARIO TRUST FOR STUDENT SUPPORT

Net assets restricted for endowments include monies provided by the Government of Ontario from the Ontario Trust for Student Support matching program to award student aid as a result of raising an equal amount of endowment donations.

The College has recorded the following amounts in this program:

	2024	2023
Schedule of Changes in Endowment Fund Balance		
Endowment balance, beginning of year	\$ 6,707,736	\$ 6,714,757
Preservation of capital	149,745	(7,021)
)		
Endowment fund balance, end of year	\$ 6,857,481	\$ 6,707,736
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 1,380,806	\$ 1,672,612
Realized Investment income (loss)	704,015	(119,574)
Bursaries awarded	(192,996)	(172,232)
Expendable balance, end of year	\$ 1,891,825	\$ 1,380,806
Number of Bursaries awarded	154	140
Market value of endowment	\$ 10,487,995	\$ 9,347,609

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

14. INVESTED IN CAPITAL ASSETS

(a) Investment in capital assets represents the following:

	2024	2023 (restated - note #3)
Capital assets - net book value	\$ 238,956,440	\$ 242,511,280
Less amounts financed by deferred capital contributions (Note 7(b)(i))	(134,550,062)	(138,079,813)
Add unspent deferred capital contributions	20,323	42,556
Less amount financed by debt and lease	(34,990,699)	(38,226,655)
Less net book value of P3 - Building	(6,226,824)	(6,286,411)
Less net book value of capitalized ARO - Building	(696,858)	(735,571)
Investment in capital assets	\$ 62,512,320	\$ 59,225,386

(b) Change in invested in capital assets is calculated as follows:

	2024	2023 (restated - note #3)
Amortization of deferred capital contributions	\$ 10,114,058	\$ 9,234,680
Amortization of capital assets	(20,747,236)	(20,386,448)
Amortization of capitalized of P3 - Building	59,587	-
Amortization of capitalized of ARO - Building	38,714	38,714
	\$ (10,534,877)	\$ (11,113,054)
Net change in investment in capital assets:		
Purchase of capital assets	\$ 17,192,396	\$ 17,444,773
Amounts funded by:		
Deferred capital contributions (Note 7(b)(i))	(6,584,307)	(9,322,626)
(Spent)/Unspent deferred capital contributions	(22,233)	(86,854)
Adjustment for adoption to PS 3160	-	(809,720)
Repayment of debt	3,235,955	6,301,513
	\$ 13,821,811	\$ 13,527,086
	\$ 3,286,934	\$ 2,414,032

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

15. SERVICE COSTS

Durham College provides certain administrative services to Ontario Tech University under a shared service agreement. The cost of salaries, benefits and operating expenses allocated to the University has been calculated based on an individual percentage per department.

Both institutions have continued to review the remaining services to formalize service level agreements where collaboration is required. During 2011, a master service level agreement was signed and service level agreements for three departments were finalized. During 2012, a subsequent Memorandum of Agreement in Principle was signed with the remaining service level agreements to be finalized in 2015. In March 2015, a new Service Level Agreement was signed further clarifying the expectations and obligations of each party. The Agreement is effective April 1, 2015 and shall continue until terminated in writing by the Parties in accordance with the Agreement or until April 1 of any year in which there are no Services to be provided under any Work Description Document or a Statement of Current Practice.

16. COMMITMENTS

Premises and equipment

Future minimum lease payments, exclusive of taxes and operating costs, for premises and equipment under operating leases at March 31, 2024 are as follows:

2025	\$	641,390
2026		517,788
2027		465,064
2028		425,544
2029		434,054
Thereafter		1,296,362
	\$	3,780,202

Whitby Residence

The College has entered into a 69 year contract for the delivery of property management services related to its Whitby Residence, which requires the College to pay the service provider \$180 plus HST, per bed, per month (adjusted for CPI annually). Currently there are 61 years remaining on this contract. Management has estimated its remaining contractual obligations as:

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

16. COMMITMENTS (continued)

2025	\$	166,560
2026		170,141
2027		173,799
2028		177,536
2029		181,353
Thereafter		20,974,004
	\$	21,843,393

17. RELATED PARTY TRANSCATIONS

The College contracted with a company, All or Nothing Brewhouse connected to Jeffrey Dornan, a governor of the College, for services provided to the College, for the purchase of goods.

18. GUARANTEES

The College's primary guarantees are as follows:

- (a) Indemnity has been provided to all directors and or officers of the College for various items including, but not limited to, all settled suits or actions due to association with the College, subject to certain restrictions. The College has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a governor, director or officer of the College. The maximum amount of any potential future payment cannot be reasonably estimated.
- (b) In the normal course of business, the College has entered into agreements that include indemnities in favour of third parties, such as student work placement agreements, purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the College to compensate counter-parties for losses incurred by the counter-parties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

18. GUARANTEES (continued)

- (c) The College received approval from the Ministry of Finance, Ontario to guarantee \$220,000,000 in Series A Debentures for the Ontario Tech University. These debentures bear interest at 6.35%, payable semi-annually, with the principal due in 2034. The outstanding balance of the debenture debt on the financial statements of the Ontario Tech University at March 31, 2024 was \$129,205,319 (2023 - \$137,121,464).

On August 12, 2011, an agreement was signed between the University and MCU whereby the MCU shall pay the University \$13,500,000 each year in equal semi-annual payments of \$6,750,000 in April and October to fund the repayment of the debentures. The agreement took effect on April 1, 2011 and the grant will continue until the maturity of the debentures in October 2034.

19. SIGNIFICANT EVENT

On January 22, 2024, the federal government announced major changes to the International Student Program, including implementing a national cap on the number of post-secondary study permit applications approved across Canada for the next two years. On March 27, 2024, the provincial government announced the allocation of 235,000 permit applications for Ontario out of a national total of 606,250 permit applications, prioritizing programs focusing on skilled trades, health, STEM, hospitality and childcare to support labour market needs.

Of the 235,000 provincial permit applications, Durham College was allotted the same number of international study permit applications for 2024 that was realized in 2023. This allocation is not anticipated to result in a material impact to the tuition revenues for fiscal 2024-2025. At the end of 2024, the government will re-assess the number of new study permits that will be processed in 2025.



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