

DURHAM COLLEGE

ANNUAL REPORT 2024-2025



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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 BOARD CHAIR

As we close the final chapter of our 2020-2025 Strategic Plan, I am reflecting on Durham College's (DC) transformative journey – one that has strengthened our commitment to student success, innovation, and community engagement. This past year was not just a conclusion but a celebration of progress, resilience, and bold ambition.

Throughout the pages of this annual report, you'll explore highlights of accomplishments that demonstrate our ongoing commitment to excellence, guided by the four strategic pillars of Our Students, Our People, Our Work and Our Community.

It's inspiring to see DC's continued success. Thanks to the dedication of our employees, the college has achieved remarkable milestones – strengthening industry partnerships, embracing emerging technologies, and fostering an inclusive environment where students can thrive. These achievements go beyond strategic goals; they reflect the passion and innovation of our employees, students, and partners.

The Board of Governors is immensely proud of the impact of the college. We've solidified DC's reputation as a leader in post-secondary education. As we move forward, we remain unwavering in our commitment to our students – empowering them with the skills and knowledge they need to succeed. At the same time, we continue to strengthen our community and enable a workforce that is ready to meet the evolving needs of employers.

On behalf of the Board of Governors, I want to thank you for your continued support, partnership and advocacy, which ensure DC's positive impact on our students and the communities we serve today and in the future.

Sincerely,



A handwritten signature in black ink that reads "Lisa Allen".

Lisa Allen
Chair, Durham College Board of Governors

MESSAGE FROM THE PRESIDENT

Over the past year, our collective efforts have reinforced Durham College's (DC) reputation as a leader in higher education—empowering learners to achieve success for themselves and their communities. Through our shared dedication, we have demonstrated resilience while navigating the unexpected and ensuring that our campus community continues to thrive.

This annual report highlights the excellence of our employees and students across the four pillars of our 2020-2025 Strategic Plan: Our Students, Our People, Our Work, and Our Business. Despite unprecedented challenges, we have remained steadfast in delivering on our priorities—equipping our students with the knowledge and skills necessary to succeed in an ever-evolving world. Like many Ontario colleges, DC has faced significant financial pressures due to abrupt and frequent changes to the International Student Program by Immigration, Refugees and Citizenship Canada, compounded by an outdated provincial funding model. As a result, we have had to make difficult yet necessary decisions to ensure the long-term sustainability and competitiveness of DC. Through careful planning, we have maintained a delicate balance between fiscal responsibility and providing an exemplary student experience.

As we completed the final year of our outgoing Strategic Plan, our focus remained on offering industry-driven programs, advancing innovative applied research, and delivering quality teaching and learning experiences for our students. This momentum positioned us well as we embarked on establishing our next strategic plan, a process that began in August 2024.

Over the last several months, we engaged in a series of meaningful consultations, including surveys, pop-up conversations across our campuses, town halls, and visioning sessions. Through this process, we had more than 2,200 touchpoints from our community, including students, employees, governors, alumni, retirees, donors, industry leaders, and partners. These rich, diverse perspectives offered valuable insights into how DC can lead in a rapidly changing post-secondary landscape. What emerged is a clear and compelling roadmap: a Strategic Vision, with a guiding purpose, goals and objectives that not only reflect who we are today but define where we're headed. Our Vision will be launched in spring 2025.

With these great accomplishments, I hope everyone at DC feels a profound sense of pride. This annual report serves not only as a reflection on the past year but as a foundation for the future ahead.



Sincerely,

A handwritten signature in black ink that reads "Elaine Popp". The signature is fluid and cursive.

Dr. Elaine Popp
President, Durham College



2024-2025 DURHAM COLLEGE BOARD OF GOVERNORS

- » Lisa Allen, Board Chair
- » Alison Burgess, government appointee
- » Brandon Bird
- » Melissa Bosomworth, support staff governor
- » Jim Brown
- » Kalyan Chakravarthy
- » Jeff Dornan
- » Kelly Doyle, administrative staff governor
- » John Ecker, government appointee
- » Ian Murray, government appointee
- » Jerry Ouellette, government appointee
- » Riya Parikh, student governor
- » Peter Pryce, Board Vice-Chair
- » Kwende Thomas
- » Dwight Townsend
- » Nathan Wilson, academic staff governor
- » Dr. Elaine Popp, President



DURHAM COLLEGE EXECUTIVE LEADERSHIP TEAM

- » Dr. Jean Choi, Vice President, Academic and Students
- » Rick Hutchinson, Vice President, Strategic Infrastructure and Campus Safety
- » Barbara MacCheyne, Vice President, Corporate Services and Chief Financial Officer
- » Thom MacDonald, Associate Vice President, Enrolment and International Education
- » Dr. Elaine Popp, President
- » Bonnie St. George, Vice President, People, Equity and External Relations

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

- » **\$913+ MILLION** economic impact on Durham Region
- » **116,000+** alumni
- » **15,000+** professional and part-time learning students
- » **13,500+** full-time post-secondary students
- » **4,400+** international students from **76** countries
- » **2,650+** apprenticeship students
- » **2,300+** employees
- » **745+** educational pathways
- » **145+** full-time post-secondary programs
- » Greater Toronto Top Employer (for the **14TH** time)
- » Top 50 Research College (for the **11TH** time)
- » Canada's Greenest Employer (for the **9TH** time)
- » **2** Campuses (Oshawa and Whitby)

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

At Durham College (DC), students arrive confident that they'll receive a top-tier post-secondary education—and they make the most of it. Whether through in-class instruction, campus life, or work-integrated learning, DC students can embrace every opportunity to learn, grow, and succeed. By entering and excelling in external competitions, as well as special events on campus, they showcase their skills while networking with industry partners and their future peers.

[Police Foundations](#) graduate Maya Austin was honoured with the prestigious [Joe Moylan Award of Excellence](#), presented annually to an outstanding Police Foundations graduate from an Ontario college.

Our talented DC students earned an impressive 10 medals at the [Skills Ontario 2024 competition](#). Among the winners was Alexander Harley, who took home gold in Auto Service Technology and advanced to the Skills Canada Nationals Competition in Quebec, where he finished fourth.

At [Spring Convocation](#) in June, we proudly celebrated one of the largest graduating classes in our history, comprised of nearly 5,000 career-ready new alumni. [Fall Convocation](#) was just as memorable, with over 2,200 graduates crossing the stage to receive their DC credentials.

Over 300 students completed the [Centre for Success and Adult Dual Credit programs](#), overcoming unique challenges to achieve academic success.

Talented musicians hit all the right notes during [Oshawa Music Week](#), an annual celebration of the local music community organized entirely by [Music Business Management](#) students who gain invaluable hands-on skills and experience.

[DC's 2025 Innovation Showcase](#), organized by the DC Engineering Club, highlighted the creativity and technical skills of students developing solutions to climate change, presenting projects to

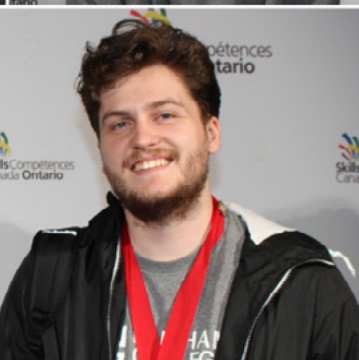
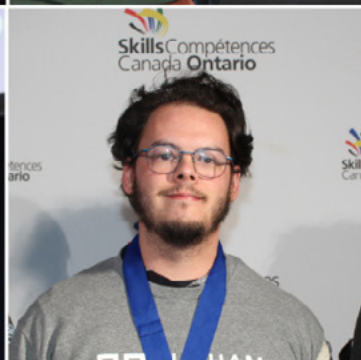
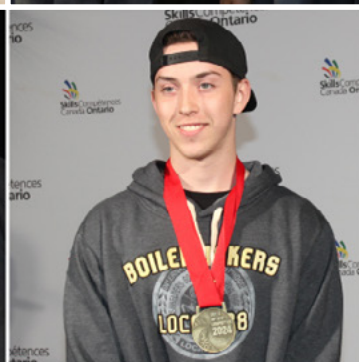
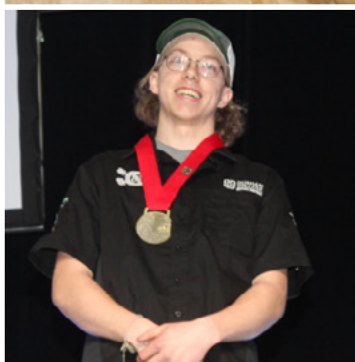
industry professionals and community members who assessed them on creativity, feasibility, and impact. Top individual honours went to Nathan Colburn (Mechanical Engineering Technology) for his carbon fibre bike frame "CFG-01." The group winners were Douglas Aubrey-Sleeper, Joshua Dervent, and Wyatt Martorino for the "KERS Bike"—a battery-free electric bike using kinetic energy recovery.

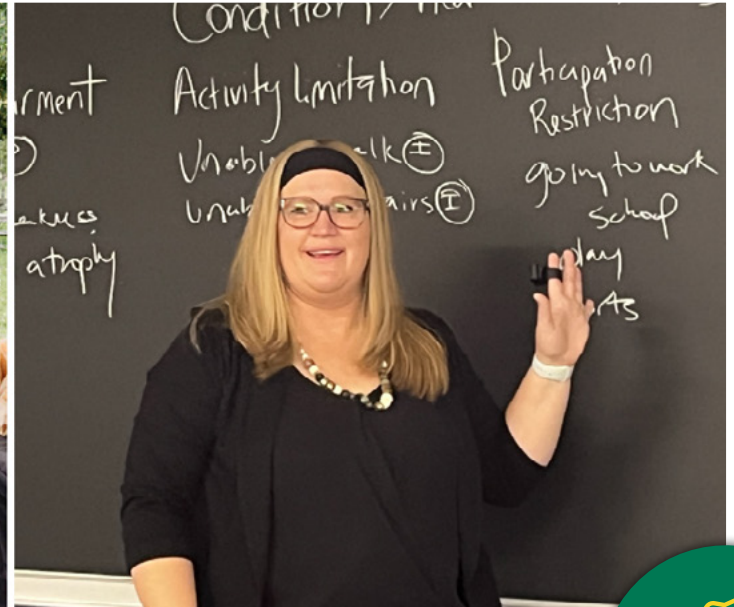
[Enactus Durham College earned top honours](#) at the Central Regional Exposition, with their Second Sole project being named the Canadian Tire Environmental Sustainability Central Regional Champion. Second Sole, founded by Environmental Technology student Jonathan Grant, repurposes single-use gloves into products like hockey pucks and shoe soles, reducing waste and promoting sustainable practices.

In a strong [fall season](#), our Women's Softball team became both provincial and national champions. The Women's Rugby team also became provincial champions, while the Men's Baseball team earned a provincial bronze.

The Durham Lords Men's Basketball team made history by [winning their first Ontario Colleges Athletic Association championship since 1997](#), defeating the Humber Hawks 67-61 in the gold medal game. They continued their success at the Canadian Collegiate Athletic Association (CCAA) National Championship in Montreal, earning silver after victories over UNB-Saint John and Collège Jean-de-Brébeuf. In a rematch with Humber, the Lords narrowly lost 76-70 in the final.

We proudly [hosted the 2025 CCAA Women's Volleyball National Championship](#), welcoming top collegiate teams from across Canada to the Oshawa campus. As hosts, our DC Lords competed with strong spirit, securing a straight-set win over Mount Allison but falling to eventual medalists the Lakeland Rustlers and Vancouver Island Mariners.





OUR PEOPLE

Our strength at Durham College (DC) starts with our people. We are committed to attracting and retaining talented, creative, and collaborative individuals who exemplify our mission and values. Our employees are dedicated to delivering innovative learning experiences and supportive programs that contribute to the welcoming, inclusive, and vibrant environment that defines DC.

After taking on the role in March 2024, Dr. Elaine Popp was [officially installed as President](#) at Spring Convocation. While speaking to the assembled DC community and graduating class, she expressed deep gratitude and a commitment to fostering excellence and collaboration. Under her leadership, the college aims to transform education and support student success through a vision centred on being future-focused, sustainable, people-centred and community-connected.

Over 125 service milestones were recognized at the May employee Town Hall event. Our Employee Awards of Excellence received 25 nominations. The awards for Faculty, Support Staff, Administrative Staff, and Teams were presented during the Academic Kickoff event in August.

DC was recognized as one of [Canada's Greenest Employers](#) for the ninth time for our strong commitment to sustainability. A number of initiatives were cited, including the launch of the Vanhaverbeke Family EV Training Centre, our zero-waste culinary program, and urban farming initiatives.

We were also named a [Greater Toronto Top Employer](#) for the 14th time, recognizing our strong workplace culture and commitment to employee well-being and growth. DC's achievements in applied research, community involvement, student support initiatives, and competitive benefits like pension matching, parental leave top-ups, and professional development were just a few of the things that set us apart.

For the eleventh time, we were recognized as one of [Canada's Top 50 Research Colleges](#). We received standout rankings among medium-sized colleges for paid student researchers and industry research income and placed fifth overall for research partnerships and completed projects.

DC earned double honours at the [Colleges and Institutes Canada \(CICan\) Awards of Excellence](#). The college earned a bronze award in the Excellence in Sustainable Development category, and Program Coordinator Laura Maybury was also recognized with a bronze in the Leadership Excellence – Faculty category.

The Barrett Centre of Innovation in Sustainable Urban Agriculture was honoured at the Royal Agricultural Winter Fair with an Honourable Mention in the [Urban Agriculture Excellence](#) category, presented by the Ontario Ministry of Agriculture, Food and Rural Affairs.

The main building at the Whitby campus was named in honour of [past DC president Don Lovisa](#) and his 16 years of transformative leadership. At a special event, members of the DC community praised his significant contributions to campus growth, innovation, and workforce-focused education.

The [President's Breakfast](#) celebrated donors who generously support our students and play a vital role in their success. The contributions of DC's donors help to fund modern learning spaces, hands-on training, scholarships, and bursaries. Speaking at the event, alumni and students emphasized how these investments remove financial barriers and enrich educational experiences, reinforcing how donor generosity shapes DC's future.

Chef Dave Hawey, a faculty member in the Culinary Management program, earned the prestigious Worldchefs Certified Chef de Cuisine certification, which is an internationally recognized credential that highlights his culinary expertise, commitment to sustainability, and dedication to professional development. At DC, Chef Hawey is known for his hands-on approach and passion for innovation, enhancing the learning experience for students, who benefit from his leadership, industry insights, and commitment to excellence.

DC employees made a meaningful impact this year through their remarkable generosity. During the 2024 holiday season, [we distributed \\$165,700 through our Food Access Bursary](#), providing crucial grocery support to nearly 1,000 students facing food insecurity. The bursary helps students focus on their education by alleviating food-related stress, reflecting DC's strong community spirit and commitment to student well-being.

Maintaining our commitment to inclusivity, DC opened a new multi-faith prayer space. This area, which offers both communal and individual sections as well as ablution stations, provides a welcoming and respectful environment to support the diverse spiritual and religious needs of our students.

OUR WORK

Students are at the heart of everything we do at Durham College (DC). We are dedicated to fostering collaboration and driving innovation as we continually enhance our programs to align with student aspirations and industry demands. By developing cutting-edge facilities and investing in long-term growth, we strive to deliver an outstanding education and an enriching college experience for every student.

With an eye to the future, we began [development of our next Strategic Plan](#), which is planned to be launched in spring 2025. Through this collaborative process, we heard from many members of the DC community, including students, employees, governors, alumni, donors, community partners and industry leaders, about how we could address the evolving needs and shifts in higher education. Together, their voices and perspectives helped to inform the roadmap for DC's future.

We strengthened our mental health support initiatives to address increasingly complex student needs. For fall 2024, [DC launched new resources](#)—including a comprehensive guide and quick-reference flowsheet—to equip employees with the tools to better support students' mental health. Developed by the Campus Health and Wellness Centre (CHWC), these resources aim to enhance understanding and streamline emergency responses.

In January, as part of Wellness Week and in alignment with Bell Let's Talk Day, [we hosted a mental health resource event](#) to promote awareness and connect students with vital support services. Organized by DC's CHWC, the event featured local partners, interactive booths, and activities focused on counselling, crisis support, and self-care. Wellness Week also included yoga, meditation, art therapy, and stress-management workshops. The event highlighted DC's ongoing commitment to mental health and fostering a caring, resilient campus environment that empowers students and staff to thrive.

In our ongoing effort to offer programming that meets the needs of students and industry, we supported an innovative five-week [Introduction to Millwrighting program](#) that promoted inclusivity and challenged gender stereotypes in the traditionally male-dominated field. First, DC provided academic upgrading support to help 10 women prepare for the millwright aptitude test and start apprenticeships. Later in the year, an [all-Indigenous group of 11 students](#) successfully completed the program.

In September of 2024, we launched new programs, including the [Law Clerk diploma](#) and graduate certificate in [Clinical Bioinformatics](#), that are designed to meet growing industry demands. Each year, DC continues to adapt to evolving workforce trends, aiming to equip students with relevant skills for high-demand careers and address labour shortages across sectors.

[Advanced Law Enforcement and Investigations](#) students took advantage of a new [virtual reality scenario program](#) to develop their communications skills and practice some of the challenging situations they'll face in their profession.

We partnered with [Registered Professional Accountant \(RPA\) Canada to create a new pathway for Accounting – Business graduates](#). Completing the program at DC now qualifies students to meet RPA prerequisites and sit for the RPA Mandatory Professional Exam. Earning the RPA designation prepares graduates to offer accounting services to small and medium businesses, non-profits, and entrepreneurs, equipping them with the practical skills, technological expertise, and professional knowledge needed in today's finance industry.







OUR COMMUNITY

At Durham College (DC), we take pride in the positive impact we have on the communities we serve. While our campuses are located in Oshawa and Whitby, our reach extends across Durham Region, and beyond. Through partnerships, strategic investments, and collaboration, we share our resources, facilities, and expertise to help create meaningful change.

DC researchers, in collaboration with Ontario Shores Centre for Mental Health Sciences and the Abilities Centre in Whitby, [conducted a study on how exercise affects both the physical and mental health of forensic patients](#). The project was supported by a \$350,000 College and Community Social Innovation Fund (CCSIF) grant.

At DC's Social Impact Hub, faculty member [Dr. Crystal Garvey led a research initiative](#)—funded by a \$360,000 CCSIF grant—aimed at improving mental health care for Black communities. As part of the project, she [co-produced a compelling documentary](#) featuring the stories of six individuals from diverse backgrounds, which premiered at our Centre for Innovation and Research.

The Barrett Centre of Innovation in Sustainable Urban Agriculture (Barrett Centre) partnered with the Durham Catholic District School Board to [launch a Dual Credit program](#) that offered Ajax high school students hands-on experience working on a farm.

In another collaborative project, the Barrett Centre and the Faculty of Media, Art and Design teamed up to give students real-world experience by [developing educational online games](#) aimed at teaching young children about food literacy and sustainable agriculture.

The Office of Research Services, Innovation and Entrepreneurship (ORSIE) opened its doors for the [ORSIE Impact Expo](#), a celebration of the innovative research work happening at DC. Another highlight was the [AI in Action event](#), hosted by DC's AI Hub, that welcomed business leaders, tech enthusiasts and community leaders to discuss the technological and cultural impact of artificial intelligence and the myriad of possibilities it presents.

DC welcomed [Ontario's Minister of Colleges, Universities, Research Excellence and Security, Nolan Quinn, to the Whitby campus](#) in January to explore our leading-edge culinary and hospitality programs. Joined by MPPs Todd McCarthy, Lorne Coe, and Patrice Barnes, Minister Quinn toured the W. Galen Weston Centre for Food, interacted with students, and took part in a hands-on cooking demonstration. The visit highlighted DC's contributions to the local economy, our commitment to sustainability, and our role in training talent for the agri-food and hospitality sectors.

Also in January, DC hosted the [2025 FIRST LEGO League Challenge Ontario Provincial Championships](#), welcoming more than 400 students from Grades 4 to 8 to the Oshawa campus. They participated in the two-day event, which blended science, technology, engineering and math with innovation and sustainability in a fun, competitive environment.

Throughout the year, we opened the doors of our state-of-the-art facilities for a number of special events that welcomed elementary and high school students to expand their knowledge and get an early look at what college has to offer. [The Cypher: Black Male Empowerment Conference and the Empower Her](#)



[conference for Black females](#), hosted with the Durham District School Board, gave students in Grades 7 to 10 the opportunity to connect with entrepreneurs, community leaders and organizations through interactive workshops, engaging discussions and networking sessions to help inspire and educate them.

The [Young Women in Science, Technology and Trades Conference \(YWSTT\)](#) gave hundreds of local girls the chance to explore careers in science, tech and skilled trades. The [Skills Ontario Summer Camp](#) was another invaluable opportunity for youth to pick up practical life skills while exploring careers in the trades.

[We partnered with Community Care Durham](#) to deliver a seven-week workplace training program for Personal Support Workers (PSWs), focusing on digital literacy and document use. This initiative, supported by the Literacy Network of Durham Region, marked DC Academic Upgrading's first workplace training delivered directly to community professionals. The program enhanced essential communication and documentation skills, boosting PSW effectiveness and engagement. Due to its success, the partnership will expand in fall 2025 to offer further training for PSWs and Care Coordinators.

[DC showcased our research and development expertise at HANNOVER MESSE](#), a major international tradeshow in Germany. Represented by leaders in innovation and corporate training, we highlighted services such as AI advisory, VR training, cybersecurity, and 3D video production. The event opened doors for DC to participate in EU-funded research through the Horizon Europe initiative, following a new Canada-EU agreement.

[D.G. Biddle & Associates Limited visited the Whitby campus](#) to celebrate their \$50,000 donation in support of the Civil Engineering Technician and Technology programs. The gift funded the purchase of a Universal Testing Machine, enhancing hands-on learning for students by allowing material strength testing.

Students in the Communicative Disorders Assistant (CDA) graduate certificate program will benefit from a \$50,000 donation, contributed over the next five years, made by Harmonize for Speech (H4S), an official charity of the Ontario District of the Barbershop Harmony Society International. To recognize this generous gift, the [program's lab has been named in their honour, the Harmonize for Speech Communicative Disorders Lab](#).

DC has continued to demonstrate our commitment to environmental sustainability through various initiatives, including a glove recycling program and a reusable container program at the Oshawa campus Marketplace, and the Whitby campus Café. Flow Water has been introduced as an alternative to bottled water on campus to reduce the number of plastic water bottles used.

The First Peoples Indigenous Centre (FPIC), named Suswaaning Endaajig or "a nest away from home," continued to be a welcoming space that supports Indigenous students while promoting reconciliation and cultural awareness across campus. Students can visit FPIC every day for academic support, cultural programming, and a sense of community.

ALUMNI HIGHLIGHTS

With a growing network of over 116,000 alumni, the stories of success are unlimited. Our alumni's remarkable achievements inspire us every day, reflecting the lasting impact of their time at Durham College (DC). We take great pride in maintaining strong connections with our alumni, knowing that their journeys continue to be shaped by the foundation they built on our campuses—no matter where life takes them.

Soon-to-be grads and alumni participated in [Career Launch](#), a series of events to help them develop confidence and smoothly transition from college to the workplace. Activities included a LinkedIn Mastery Seminar, Financial Literacy Session, Etiquette Dinner, Campus Job Fairs, Student Leadership Summit, and International DC Talks. The Career Launch program was organized by the Office of Advancement and Alumni Relations, Career Development, Student Development and the International Education office.

The focus of several of DC's alumni stories in 2024-2025 was family.



[Brenda Lynch is a Business Administration – Accounting \(1986\)](#) graduate who attended DC as a mature student when her youngest child was in kindergarten and her eldest children were 10 and 13. Almost a decade after Brenda took her first steps in the halls at DC, her eldest child, Paul Smale, graduated from the college's Business – Marketing program, closely followed by her daughter, Melissa Petty, who graduated from the Early Childhood Education program. The youngest of the family, Sarah Smale, graduated from DC's Paralegal program in 2008. After working in the federal government for 10 years, Sarah returned to Durham Region and enrolled in DC's Victim Justice and Interventions graduate certificate program.

[Attila Kovacs, originally from Hungary](#), holds a high school teaching diploma and a mechanical engineering degree. When he decided that it was time to pursue a new career path, he took inspiration from his wife, a nurse for three decades. He opted for the weekend-delivery Practical Nursing – Flex Program at DC, graduating in 2021. After graduating, he enrolled in the RPN to RN Bridging program at Ontario Tech University and is due to complete his Bachelor of Science in Nursing this spring, all while working at two long-term care facilities in Cobourg and Port Hope. He's an example for his kids, who are all finding their career paths at DC. Matthew is in his second year in the Welding Engineering Technician program, Adam is in his first year of Culinary Management, and Szandra is a first-year Paramedic student.

When [Carter Graham began his studies](#) in the General Arts and Science program last fall, he carried on a family tradition. Both his parents are alumni of the program. His father, Andrew, graduated in 2006, while his mother, Michelle, followed in 2008. So, when Carter was considering his post-secondary options, the path was clear.

DC named Shelby Nelson (Sport Administration, 2000) and Adam Ruppel (Business – Human Resources, 1997) as 2024's Alumni of Distinction recipients. These individuals are making meaningful impacts in their fields and communities. We also nominated Shelby, alongside Chris Cull (Heating Ventilation and Air Conditioning Technician, 2007), Paula Sujo (Video Production, 2024) and Jeremy Burns (Law and Security Administration, 2004 and Penology and Youth, 2005) and Aaron Dale (Police Foundations, 2005) for a Premier's Award in 2024.

DC alumnus Kyle Douglas was named the 2024 G.W. McLaughlin Award recipient by the Greater Oshawa Chamber of Commerce, recognizing the profound impact he has made in his community. Selected by the Chamber's Board President, this award is given to an individual who displays exceptional dedication to the community, outstanding career achievement, civic pride and mentorship, both in business and in life, to the Board President.

Mary Dunn, a Communicative Disorders Assistant grad (2015) who went on to study at Te Whare Wananga o Waitaha | University of Canterbury (UC) in Aotearoa New Zealand, has returned to Canada after a long educational journey. Equipped with a Master of Speech and Language Pathology, Mary looks forward to completing her final certification to become a fully qualified speech therapist in Canada. Now back in Toronto, she applies her education to support children recovering from catastrophic medical events, including vocal fold damage due to intubation.



ATHLETICS HIGHLIGHTS

The commitment, teamwork, and resilience of Durham College (DC) athletes shine across every field, court, diamond, and link—qualities that mirror their pursuit of excellence in our classrooms, labs, shops, and studios. Year after year, their dedication inspires a deep sense of pride within our college community.

This season, once again, saw some friendly competition between DC and Ontario Tech University (Ontario Tech) through three of our four annual campus matches. For the first time in Campus Cup history, the DC men's and women's soccer teams both claimed the title against the Ontario Tech Ridgebacks. At the second annual Campus Clash, the men's basketball team also took home the hardware for DC for the first time. On the women's side, it was a close match, but ultimately Ontario Tech defeated the Lords.

DC returned to the varsity curling scene for the first time since 1996, fielding a men's team and a mixed doubles squad. After defeating Ontario Tech and the University of Guelph in the fall, they participated in two collegiate competitions this winter. They competed in the Mountaineers Bonspiel, hosted by Mohawk College, in preparation for the Ontario Colleges Athletics Association (OCAA) Championship.

The Durham Lords had an incredible 2024-2025 season, receiving more than 65 athletic awards from the OCAA and Canadian Collegiate Athletic Association, including:

- » 33 OCAA All-Stars
- » 10 Championship All-Stars
- » 7 All-Rookie Team
- » 4 Championship MVPs
- » 3 Rookies of the Year
- » 3 Defensive Players of the Year
- » 2 Players of the Year
- » A coach of the Year
- » A batting champion
- » A fair play award winner
- » A Sixth Man of the Year
- » A CCAA All-Canadian
- » OCAA Overall Female Rookie of the Year





Academically, our athletes also impressed with 71 total academic awards earned for the 2024-25 school year.

Several of our athletes have extended their athletic careers beyond DC. We are proud that some of our current and former varsity rugby players have been named to both Canadian national teams this spring, while Shay Morris competed with the Jamaican national rugby team in the winter. Alexis Bayley from our women's soccer team received a call-up from the Guyana U20 National Team.

The Campus Recreation and Wellness Centre continued to expand its competitive sport club programming, with a focus on female athletes. A ringette program was launched with bi-weekly training sessions at the Campus Ice Centre, while the competitive dance team, which boasted its largest roster to date with 28 members, participated in three events and hosted its first on-campus dance showcase.

INTERNATIONAL HIGHLIGHTS

We are proud to be a vibrant, diverse, and globally connected community, welcoming students from 76 countries to Durham College (DC). Our commitment to internationalization is reflected in education abroad opportunities, international collaborations, and initiatives that enrich global perspectives right here on campus. As the post-secondary landscape continues to shift, we are prioritizing the recruitment and support of international students, ensuring they feel empowered and valued as part of our learning environment. Hand in hand with that, we remain dedicated to fostering intercultural awareness and global engagement among our students and employees.

In the face of the policy shifts affecting international student recruitment, our efforts have remained focused on bringing students to DC. With an eye to those who are already studying with us, the International Education office introduced new touchpoints to share program information for those seeking options to earn a second, or even third, credential by hosting two events on campus this year. This approach has yielded an increase in applications from this group of students.

To support the applicant experience, DC delivers excellent support and oversight to our educational agent partners. We have also enhanced our in-country recruitment communication and expertise and developed a comprehensive agent training program. The program, consisting of seven modules, provides new agent partners with detailed information about DC. It also outlines our expectations of them, acting as a representative of the college. The program emphasizes the ethical expectations and compliance mechanisms by which all agency partners are measured. In addition to these modules, a monthly newsletter was published to ensure our agents remain well informed about everything DC.

DC further expanded its global reach by onboarding a representative in Africa and one in China. These individuals are tasked with overseeing agent activities and strengthening student recruitment efforts in their respective regions. Their roles further enhance DC's ability to attract and support international students.

This year, the International Education office, with the support of the Durham College Student Association's Media Hub, launched [Global Ed Chat](#), a podcast showcasing stories about learning without boundaries with DC. In the first season of the podcast, we heard from international students who moved to Canada, making DC their home away from home; domestic students who travelled abroad, deepening their hands-on learning experiences; and faculty and staff who support international capacity building around the world.

Seven [Faculty-led Classrooms Abroad](#) were organized and executed in 2024-2025. Destinations included:

Barbados: The Business of Field Hockey Abroad

- » Students came together to provide business consultation services for Cat's International Sports, a local sports company in Barbados.

Costa Rica: Behavioural Sciences

- » Students visited schools, special education centers, and health care facilities in Costa Rica to gain insight into the teaching methods and types of therapy used within a broader global context.

Costa Rica: Dental Hygiene

- » Students witnessed firsthand the challenges that marginalized groups face in accessing dental care in Costa Rica. They gained valuable insight into these disparities and contributed to efforts aimed at making a meaningful impact on these communities.

Denmark: Strengthening Student Advocacy for Elder Care Excellence

- » Students from the Personal Support Worker, Journalism, and Video Production programs explored Denmark's novel approach to dementia care by immersing themselves in the model to enhance their classroom learning.

Guatemala: Media, Art and Design

- » Connecting with Indigenous and traditional communities in Guatemala, students exchanged knowledge and skills, developing a foundation for reconciliation at home. Working with local Mayan youth, they helped create and tell stories about Indigenous rights in Canada, Guatemala, and around the world.

Italy: Architectural Technology

- » Students travelled to Italy to study art and architecture in Rome, Pompeii, and Foligno, where they engaged with the Bibliotheca Orientalis.

Peru: Culinary Management – Peruvian Gastronomy Tour

- » Chosen because Peru is one of the top culinary destinations in the world, students travelled to Lima and learned traditional Peruvian cuisine techniques, and used and applied traditional Peruvian.





At DC, we welcome collaborative international projects, especially those addressing global priorities like the UN Sustainable Development Goals. Throughout the year, we engaged in [several international projects](#):

- » Led the successful delivery of a three-day training with Technical and Vocational Education and Training (TVET) education leaders in six Caribbean countries as part of the Skills to Access a Green Economy (SAGE 08) project, funded by Global Affairs Canada.
- » Designed and delivered a strategic planning session with SAGE 08 partners and Caribbean Association of National Training Authorities (CANTA) representatives. One of the key objectives was to create a draft competency framework for educators in online teaching and learning. This event served as a foundational step that could lead to the development of a multi-national CARICOM competency recognition framework and quality assurance methodology for online teaching and learning educators.
- » The International Education office was the first team to successfully launch the Entrepreneurship, Financial Literacy, Horticultural, and Tailoring programs under the Empowerment Through Skills Program (ESP 06) at two community-based organizations and two folk development colleges in Tanzania, which are specifically designed to reach young girls.
- » Awarded a new project entitled South Africa Skills Training Enhancement Program (SASTEP 01), which will see DC work with the Marine Institute, Fanshawe College and 15 TVET colleges to support online and blended learning training for educators across South Africa, along with training for support services.

DC's internationalization successes and expertise in international student support and education abroad were profiled at conferences hosted by the Canadian Bureau for International Education in November 2024 and the Forum for Education Abroad in March 2025.

OFFICE OF RESEARCH SERVICES, INNOVATION AND ENTREPRENEURSHIP HIGHLIGHTS

Durham College's (DC) Office of Research Services, Innovation and Entrepreneurship creates valuable real-world learning opportunities by engaging students in meaningful research projects with industry partners. Through applied research and collaboration, we drive innovation to address complex industry and social challenges, reinforcing our role as a leader in fostering impactful solutions that prepare students and businesses for future success.

DC's AI Hub was [given the Tri-Pillar Excellence Award](#) for our ongoing work helping businesses conduct research and development, adopt new technologies and education and training. The award came from the national non-profit Tech-Access Canada, which supports a network of Technology Access Centres (TAC) across the country, including the AI Hub, which became a TAC in 2023.

With the goal of enhancing cybersecurity in Ontario's agri-tech and agri-food sectors, the [Centre for Cybersecurity Innovation collaborated with the Grow Ontario Accelerator Hub](#) through Bioenterprise Canada's Food & Agri-Tech Engine. This partnership provides start-ups and small to medium-sized enterprises with robust cybersecurity measures to protect their digital assets and foster innovation.

To ensure that businesses don't miss out on the transformative power of artificial intelligence, the AI Hub partnered with the Council of Canadian Innovators to [launch the AI Guide Program](#). This innovative program is a six-week intensive executive development program for non-technical professionals in Canada's business and innovation sectors, including leaders in human resources, sales, operations and public affairs.

The college also [expanded the capacity](#) of its AI Hub, thanks to a \$172,000 grant. The funding, announced by the Natural Sciences and Engineering Research Council (NSERC), enables DC to provide tangible and transformative solutions to real-life business challenges by supporting the purchase of two high-performance servers specifically optimized for Generative AI, performance graphics and analytics.

The Mixed-Reality Capture Studio and AI Hub [made a splash at a virtual reality conference](#), where DC students and employees showed off their applied research work at the VRTO Spatial Media World Conference & Expo, displaying their talent and ingenuity and making connections in the tech industry.

DC marked the National Day of Work-Integrated Learning on March 26 by [sharing Ritika's story](#). This Developmental Services Worker student combined her passion for helping people with her commitment to learning, turning her field placement into a life-changing experience. The international student from India embraced her program's opportunities for work-integrated learning, including a 260-hour full-time position in a group home from October to December. There she worked with four clients, including a non-verbal individual. Faced with the unique challenge of supporting someone who couldn't speak to her, Ritika learned American Sign Language (ASL), and created a video to help others learn basic ASL signs. In addition to setting her up for career success, her work has gained national recognition. She was nominated for the Co-operative Education and Work-Integrated Learning Canada and Emery-Dufault Student of the Year Awards for 2024 and was one of only four recipients of an Honourable Mention.





UPDATES FROM COLLEGE ADVISORY COUNCIL

The College Advisory Council (CAC) met six times, and the President attended two meetings, in accordance with Board By-Law No. 3. Various updates from across the college were shared for awareness and discussion at each council meeting. Topics included:

- » An overview of Board of Governors' By-law No. 3.
- » Updates regarding CourseDog, Durham College's new curriculum management and course outline tool, which included information about the system's benefits, features and launch plan.
- » Policies and procedures presented to the council:
 - » Academic Grading Framework
 - » Academic Integrity
 - » Assessment and Evaluation
 - » Assessment and Evaluation of Student Learning
 - » Co-operative Education
 - » Course Outlines
 - » Credit Transfer and Letter of Permission
 - » Domestic Admissions
 - » International Admissions
 - » Learning Management System Course Retention
 - » Learning Management System Usage
 - » Prior Learning Assessment and Recognition
 - » Responsible Conduct of Research
 - » Student Housing
 - » Student Mental Health
 - » Student out of Province Travel and Activities
 - » Wearing a Kirpan
- » Comprehensive Program Review presentations:
 - » Developmental Services Worker Program
 - » Finance Program
 - » Mechanical Technician – Elevating Devices Program
 - » Photography Program
 - » Personal Support Worker Program
 - » Video Production Program
- » An overview of the employee guide to support student mental health was provided. Highlights of the guide, such as outlining the "four Rs," providing on-campus and community resources, information on additional training available, guidance on when to call 911, and how to respond to concerning communications from students, were shared.
- » Various updates from the International Education office were provided, including information on Immigration, Refugees and Citizenship Canada caps on international student study permits, Post-Graduation Work Permit allocations, and the requirement that students must now obtain a new study permit before transferring to a new Designated Learning Institution.
- » Regular updates regarding the new Strategic Plan development process were shared, including opportunities to get involved.
- » Several updates from the Durham College Student Association were provided.

SUMMARY OF ADVERTISING/MARKETING COMPLAINTS RECEIVED

DC has not received any advertising or marketing complaints for the fiscal year 2024-2025.

FINANCIALS

**DURHAM COLLEGE OF
APPLIED ARTS
AND TECHNOLOGY**

Year ended March 31, 2025

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 11, 2025

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, 2025, and the consolidated statement of operations, consolidated statement of changes in net assets, consolidated statement of cash flows and consolidated statement of remeasurement gains and losses for the year ended March 31, 2025, 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, 2025, and its consolidated results of its operations, its consolidated cash flows, and its consolidated remeasurement 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
June 12, 2025

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position

Year ended March 31, 2025, with comparative figures for year ending March 31, 2024

	March 31, 2025	March 31, 2024
ASSETS		
Current assets:		
Cash	\$ 50,409,841	\$ 80,259,124
Short-term investments (note 3)	37,624,606	25,982,745
Accounts receivable (note 3)	19,052,130	14,400,618
Current portion of long-term receivables (note 4)	687,958	653,628
Inventories	631,226	977,297
Prepaid expenses	625,735	517,572
	109,031,496	122,790,984
Long-term investments (note 3)	24,858,681	21,517,347
Long-term receivables (note 4)	5,607,267	6,295,225
Capital assets (note 5)	231,420,223	238,956,440
	\$ 370,917,667	\$ 389,559,996
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 54,503,087	\$ 79,266,949
Accrued vacation	9,671,289	8,905,249
Deferred revenue (note 6(a))	28,472,727	27,311,502
Current portion of debt (note 7)	1,261,401	17,198,095
Term debt due on demand (note 7)	5,607,266	6,295,225
	99,515,770	138,977,020
Deferred contributions (note 6(b))	138,613,007	138,329,089
Long-term debt (note 7)	17,872,790	18,446,232
Derivative liability (note 7)	581,598	365,550
Long-term asset retirement obligation liability (note 2)	7,986,566	7,723,952
Long-term liability relating to public private partnership (note 8)	7,453,367	7,308,136
Post-employment, retirement benefits and compensated absences (note 9)	4,886,116	4,254,995
	276,909,214	315,404,974
Net assets:		
Unrestricted		
Operating	11,138,932	(10,686,073)
Post-employment, retirement benefits, and compensated absences	(4,886,116)	(4,254,995)
Vacation pay	(9,671,289)	(8,905,249)
	(3,418,473)	(23,846,317)
Invested in capital assets (note 13)	73,291,561	62,512,320
Internally restricted (note 10)	1,112,045	14,043,386
Endowments (note 10)	19,557,734	17,763,999
	90,542,867	70,473,388
Accumulated remeasurement gains	3,465,586	3,681,634
	94,008,453	74,155,022
Commitments (note 15)		
Related Party (note 16)		
Guarantees (note 17)		
	\$ 370,917,667	\$ 389,559,996

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, 2025, with comparative figures for year ending March 31, 2024

	March 31, 2025	March 31, 2024
Revenue:		
Grants and reimbursements	\$ 85,061,900	\$ 83,217,577
Student tuition fees	125,857,431	118,346,452
Ancillary operations	12,164,725	11,582,308
Rental income	12,332,449	11,717,657
Other income	41,271,003	38,393,952
Amortization of deferred capital contributions (note 6(b)(i))	10,087,001	10,114,058
Total revenue	286,774,509	273,372,004
Expenditures:		
Salaries and benefits	171,631,383	158,989,159
Instructional supplies	4,737,055	5,262,317
Contracted services	12,815,800	12,369,127
Utilities, maintenance and taxes	15,888,712	15,753,504
Interest and bank charges	2,786,317	3,206,525
Scholarships and bursaries	3,314,745	4,358,379
Supplies and other expenses	36,118,108	34,581,925
Accretion expense on Asset Retirement Liability (ARO)	262,614	253,979
Amortization of capital assets (note 13(b))	20,944,031	20,747,236
Total expenditures	268,498,765	255,522,151
Excess of revenue over expenditures	\$ 18,275,744	\$ 17,849,853

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Statement of Changes in Net Assets
Year ended March 31, 2025, with comparative figures for year ending March 31, 2024

	Internally restricted net assets					March 31, 2025
	Unrestricted	Invested in capital assets (note 13)	Internally Restricted (note 10)	Foundation	Total internally restricted net assets (note 10)	Total
Balance, beginning of year	\$ (23,846,317)	\$ 62,512,320	\$ 13,816,880	\$ 226,506	\$ 14,043,386	\$ 70,473,388
Excess (deficiency) of revenue over expenditures	28,995,321	(10,758,681)	39,104	-	39,104	18,275,744
Invested in capital assets (note 13(b))	(21,537,922)	21,537,922	-	-	-	-
Endowment contributions	-	-	-	-	-	1,793,735
Transfer (note 10)	12,970,445	-	(12,743,939)	(226,506)	(12,970,445)	-
Net changes during the year	20,427,844	10,779,241	(12,704,835)	(226,506)	(12,931,341)	20,069,479
Balance, end of year	\$ (3,418,473)	\$ 73,291,561	\$ 1,112,045	\$ -	\$ 1,112,045	\$ 90,542,867

	Internally restricted net assets					March 31, 2024
	Unrestricted	Invested in capital assets (note 13)	Internally Restricted (note 10)	Foundation	Total internally restricted net assets (note 10)	Total
Balance, beginning of year as previously stated	\$ (38,385,099)	\$ 59,225,386	\$ 13,816,880	\$ 202,369	\$ 14,019,249	\$ 52,136,421
Excess (deficiency) of revenue over expenditures	28,360,593	(10,534,877)	-	24,137	24,137	17,849,853
Invested in capital assets (note 13(b))	(13,821,811)	13,821,811	-	-	-	-
Endowment contributions	-	-	-	-	-	487,114
Transfer (note 10)	-	-	-	-	-	-
Net changes during the year	14,538,782	3,286,934	-	24,137	24,137	18,336,967
Balance, end of year	\$ (23,846,317)	\$ 62,512,320	\$ 13,816,880	\$ 226,506	\$ 14,043,386	\$ 70,473,388

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Cash Flows

Year ended March 31, 2025, with comparative figures for year ending March 31, 2024

	March 31, 2025	March 31, 2024
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	\$ 18,275,744	\$ 17,849,853
Items not affecting cash:		
Amortization of capital assets	20,944,031	20,747,236
Amortization of deferred capital contributions	(10,087,001)	(10,114,058)
Accretion Expense on Asset Retirement Obligation	262,614	253,979
Change in non-cash working capital:		
Accounts receivable	(4,651,512)	1,161,466
Inventories	346,071	77,232
Prepaid expenses	(108,163)	(149,453)
Accounts payable and accrued liabilities	(24,763,862)	(3,533,167)
Interest on Public Private Partnership	145,233	142,631
Accrued vacation	766,040	784,715
Post-employment, retirement benefits and compensated absences	631,121	(450,511)
Deferred revenue	1,161,225	4,002,558
	2,921,541	30,772,481
Financing activities:		
Endowment contributions	1,793,735	487,114
Repayment of long-term debt	(17,198,095)	(3,856,967)
	(15,404,360)	(3,369,853)
Capital activities:		
Contributions received for capital purposes (net of fair market value adjustment)	10,370,918	7,796,877
Purchase of capital assets	(13,407,815)	(17,192,396)
	(3,036,897)	(9,395,519)
Investing activities:		
Decrease in long-term receivables	653,628	621,010
(Increase) in investments	(14,983,195)	(13,105,753)
	(14,329,567)	(12,484,743)
(Decrease) Increase in cash	(29,849,283)	5,522,366
Cash, beginning of year	80,259,124	74,736,758
Cash, end of year	\$ 50,409,841	\$ 80,259,124
Supplemental cash flow information:		
Interest paid	\$ 1,098,727	\$ 1,535,408

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, 2025, with comparative figures for year ending March 31, 2024

	March 31, 2025	March 31, 2024
Accumulated remeasurement gains at beginning of year	\$ 3,681,634	\$ 3,427,769
Unrealized (losses) gains attributable to:		
Derivative - interest rate swap	(216,048)	253,865
Net remeasurement gains for the year	(216,048)	253,865
Accumulated remeasurement gains at end of year	\$ 3,465,586	\$ 3,681,634

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

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 intercompany balances and transactions have been eliminated upon consolidation. Effective March 31, 2025 the Durham College Foundation became inactive and legally transferred its assets to Durham College (Note 19).

(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, 2025

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, 2025

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.

Writedowns 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 writedown 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, 2025

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, 2025

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 PSAS 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, 2025

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 certain buildings. The related asset retirement costs are being amortized on a straight line basis over the estimated remaining useful lives of the related buildings. The liability has been estimated using a net present value technique with a discount rate of 3.40% (2024 - 3.40%). The estimated total undiscounted future expenditures are \$14,579,068 (2024 - \$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, 2024	\$ 7,723,952
Increase due to liability incurred during the current year	-
(Decrease) due to liability settled during the current year	-
Increase due to accretion expense	262,614
Increase / (decrease) due to revisions in estimated cash flows	-
Asset retirement obligation as at, March 31, 2025	<u>\$ 7,986,566</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, 2025

3. 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.

	2025		
	Fair Value	Amortized Cost	Total
Cash	\$ 50,409,841	\$ -	\$ 50,409,841
Accounts receivable	-	19,052,130	19,052,130
Current portion of long-term receivables	-	687,958	687,958
Short-term investments	37,624,606	-	37,624,606
Long-term investments	24,858,681	-	24,858,681
Long-term receivable	-	5,607,267	5,607,267
Accounts payable and accrued liabilities	-	54,503,087	54,503,087
Accrued vacation	-	9,671,289	9,671,289
Current portion of debt	-	1,261,401	1,261,401
Term debt due on demand	-	5,607,266	5,607,266
Long-term debt	-	17,872,790	17,872,790
Derivative liability	581,598	-	581,598

	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

Investments consist of equity instruments in public companies (2025 - \$24,590,702, 2024 - \$21,254,819), fixed income instruments (2025 - \$380,716, 2024 - \$379,746) and Guaranteed Investment Certificates (2025 - \$37,511,869, 2024 - \$25,865,527). Investments include \$24,621,269 (2024 - \$21,315,537) of investments externally restricted for endowment purposes (see Note 10).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

3. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

Maturity profile of fixed income instruments held is as follows:

	2025				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying value	\$ 112,737	\$ 228,965	\$ 39,014	\$ -	\$ 380,716
Percentage of Total	30%	60%	10%	0%	

	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%	

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).

	2025			
	Level 1	Level 2	Level 3	Total
Cash	\$ 50,409,841	\$ -	\$ -	\$ 50,409,841
Investments	62,102,571	380,716	-	62,483,287
Derivative liability	-	-	581,598	581,598
Total	\$ 112,512,412	\$ 380,716	\$ 581,598	\$ 113,474,726

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

3. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

	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

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2025 and 2024. 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.

(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, 2025, 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 \$1,415,211 (2024 - \$1,230,573).

(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 (2024 - \$100,000).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

3. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

The College's investment policy complies with the Trustees Act, which imposes restrictions on the composition of the investment portfolio. All other College funds not required for daily operations are managed in accordance with the Ministry's Binding Directive on Banking, Investments, and Borrowing. This directive sets limits on the bond portfolio, including constraints on portfolio composition, issuer types, bond quality, aggregate issuer exposure, corporate sector allocation, 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.

The amounts outstanding at year-end are as follows:

		2025					
				<i>Past Due</i>			
	Total	Current	1-30 days	31-60 days	61-90 days	91 - 120 days	
Government receivables	\$ 2,260,439	\$ 2,260,439	\$ -	\$ -	\$ -	\$ -	
Student receivables	6,907,598	-	740,799	209,216	629,426	5,328,157	
Other receivables	14,682,547	10,950,110	2,250,254	718,628	735,706	27,849	
Gross receivables	23,850,584	13,210,549	2,991,053	927,844	1,365,132	5,356,006	
Less: impairment allowances	(4,798,454)	-	-	-	-	(4,798,454)	
Net receivables	\$ 19,052,130	\$ 13,210,549	\$ 2,991,053	\$ 927,844	\$ 1,365,132	\$ 557,552	

		2024					
				<i>Past Due</i>			
	Total	Current	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	

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.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

3. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

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 7). 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 1.25% to 5.72% (2024 – 0.70% to 4.60%) with maturities ranging from June 12, 2025 to October 6, 2033 (2024 – April 1, 2024 to September 17, 2029).

At March 31, 2025, 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 \$249,300 (2024 - \$296,400). The College's term debt as described in Note 7 would 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.

(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, 2025 were approximately \$nil (2024 - \$nil) 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):

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

3. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

		2025			
		Within 6 months	6 months to 1 year	1 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$	54,503,087	\$ -	\$ -	\$ -
Accrued vacation		7,253,467	2,417,822	-	-
Debt		623,863	637,538	7,199,868	16,280,188
	\$	62,380,417	\$ 3,055,360	\$ 7,199,868	\$ 16,280,188

		2024			
		Within 6 months	6 months to 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

Derivative financial liabilities mature as described in Note 7.

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.

4. 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 \$5,607,267 (2024 - \$6,295,225) and a current portion of \$687,958 (2024 - \$653,628) 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 7). The receivable is secured by the variable rate mortgage due on demand with underlying swap on the Centre.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

5. CAPITAL ASSETS

	2025			2024
	Ending Cost	Accumulated Amortization	Net book Value	Net book Value
Land	\$ 4,521,201	\$ -	\$ 4,521,201	\$ 4,521,201
Buildings	296,143,884	141,168,715	154,975,169	160,925,471
Whitby Residence - (P3)	6,630,762	463,573	6,167,189	6,226,824
Building improvements	129,406,276	84,951,677	44,454,599	45,781,260
Asset Retirement Obligation (ARO) - Building	2,167,999	1,509,855	658,144	696,858
Equipment and furniture	114,525,272	98,260,480	16,264,792	15,335,216
Computer equipment	53,769,464	49,691,220	4,078,244	5,131,666
Construction-in-progress	300,885	-	300,885	337,944
	\$607,465,743	\$376,045,520	\$231,420,223	\$238,956,440

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

6. DEFERRED CONTRIBUTIONS

(a) *Deferred revenue*

Deferred revenue represents grants - \$4,938,597 (2024 - \$5,164,289), tuition fees - \$12,959,694 (2024 - \$12,555,577) and other revenue - \$10,574,436 (2024 - \$9,591,636) 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.

	2025		2024	
Balance, beginning of year	\$	134,550,062	\$	138,079,813
Contributions received		8,414,360		6,584,307
Less amounts amortized to revenue		(10,087,001)		(10,114,058)
Balance, end of year	\$	132,877,421	\$	134,550,062

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

6. DEFERRED CONTRIBUTIONS (continued)

(ii) Foundation

		2025		2024
Balance, beginning of year	\$	3,713,075	\$	2,480,505
Net investment income and deferred contributions		2,701,182		2,040,220
Scholarships & Bursaries		(670,085)		(601,550)
Transfer to Durham College		(5,744,172)		(206,100)
Balance, end of year	\$	-	\$	3,713,075

(iii) Expenses of future periods

Deferred contributions represent unspent restricted donations for scholarships, bursaries and student experience fund.

		2025		2024
Balance, beginning of year	\$	65,952	\$	85,952
Transfer from Foundation		5,744,172		0
Disbursements		(74,538)		(20,000)
Balance, end of year	\$	5,735,586	\$	65,952
Total deferred contributions	\$	138,613,007	\$	138,329,089

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

7. DEBT

	2025	2024
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. Fully repaid in June 2024.	\$ -	\$ 15,990,184
Variable rate unsecured 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.	6,295,226	6,948,853
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.	18,446,231	19,000,515
	24,741,457	41,939,552
Less current portion	1,261,401	17,198,095
Less term debt due on demand	5,607,266	6,295,225
	\$ 17,872,790	\$ 18,446,232

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

2026	\$ 1,261,401
2027	1,317,355
2028	1,375,893
2029	1,437,137
2030	1,501,216
Thereafter	17,848,455
	\$ 24,741,457

Interest expense on long-term debt of \$1,098,727 (2024 - \$1,535,408) 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 Campus Recreation and Wellness 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, is \$581,598 (2024 - \$365,550)

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

7. DEBT (continued)

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, 2025, the College had utilized \$nil (2024 - \$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, 2025.

8. 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 5 – 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 installments, \$36,678 (2024 – \$35,906, 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 \$581,509 (2024 - \$570,158).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

9. 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:

	2025				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 1,587,000	\$ 195,116	\$ 5,451,000	\$ -	\$ 7,233,116
Value of plan assets	(319,000)	-	-	-	(319,000)
Unamortized actuarial gains/(losses)	(6,000)	-	(2,022,000)	-	(2,028,000)
Total liability	\$ 1,262,000	\$ 195,116	\$ 3,429,000	\$ -	\$ 4,886,116

	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, 2025

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

	2025				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ 335,000	\$ -	\$ 374,000	\$ 1,000	\$ 710,000
Interest on accrued benefit obligation	3,000	5,530	190,000	-	198,530
Amortized actuarial (gains)/losses	-	-	277,000	31,000	308,000
Total expense	\$ 338,000	\$ 5,530	\$ 841,000	\$ 32,000	\$ 1,216,530

	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

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

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

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

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, 2025 indicated an actuarial surplus on a going concern basis of \$6.1 billion. The College made contributions to the Plan and its associated retirement compensation arrangement of \$13,580,114 in 2025 (2024 - \$13,099,575), which has been included in the consolidated statement of operations.

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, 2025 of the future benefits was determined using a discount rate of 3.20% (2024 – 3.50%).

b) *Drug Costs*

Drug costs were assumed to increase at a 5.91% (2024 - 6.16%) and decrease proportionately thereafter to an ultimate rate of 4.00% in 2040.

c) *Medical Costs*

Medical premium increases were assumed to increase at 5.91% per annum (2024 – 6.16%) and decrease proportionately thereafter to an ultimate rate of 4.00% in 2040.

d) *Dental costs*

For the fiscal 2025 disclosure, dental costs and premiums were assumed to increase at 4.00% per annum (2024 – 4.00%).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

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

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.

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:

	2025	2024
Wage and salary escalation	2.00% - 4.25%	2.00%-4.25%
Discount Rate	3.20%	3.50%

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, 2025

10. 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.

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

Foundation: The expendable funds were transferred to the College following the legal transfer of the assets and liabilities of the Foundation to the College on March 31, 2025.

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

2025				
	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	-	90,505	846,435
Expendable Donations	-	-	265,610	265,610
Foundation	226,506	39,104	(265,610)	-
	\$ 14,043,386	\$ 39,104	\$ (12,970,445)	\$ 1,112,045

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

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

10. RESTRICTED NET ASSETS (continued)

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.

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:

	2025	2024
OSOTF (Note 12)	\$ 5,581,458	\$ 5,576,850
OTSS (Note 13)	6,863,147	6,857,481
Externally Restricted Donations	7,113,129	5,329,668
	\$ 19,557,734	\$ 17,763,999

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

11. 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:

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

11. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS (continued)

(a) OSOTF I:

	2025	2024
Schedule of Changes in Endowment Fund Balance		
Endowment fund balance, beginning of year	\$ 2,790,446	\$ 2,729,512
Preservation of capital	2,306	60,934
Endowment fund balance, end of year	\$ 2,792,752	\$ 2,790,446
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 747,901	\$ 542,133
Realized investment income	338,657	284,302
Bursaries awarded	(99,898)	(78,534)
Expendable balance, end of year	\$ 986,660	\$ 747,901
Number of bursaries awarded	78	63
Market value of endowment	\$ 4,633,350	\$ 4,245,858

(b) OSOTF II:

	2025	2024
Schedule of Changes in Endowment Fund Balance		
Endowment fund balance, beginning of year	\$ 2,786,404	\$ 2,725,558
Preservation of capital	2,302	60,846
Endowment fund balance, end of year	\$ 2,788,706	\$ 2,786,404
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 747,043	\$ 541,573
Realized investment income	338,166	283,890
Bursaries awarded	(99,753)	(78,420)
Expendable balance, end of year	\$ 985,456	\$ 747,043
Number of bursaries awarded	78	63
Market value of endowment	\$ 4,639,851	\$ 4,239,929

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

12. 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:

	2025	2024
Schedule of Changes in Endowment Fund Balance		
Endowment balance, beginning of year	\$ 6,857,481	\$ 6,707,736
Preservation of capital	5,666	149,745
Endowment fund balance, end of year	\$ 6,863,147	\$ 6,857,481
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 1,891,825	\$ 1,380,806
Realized Investment income	838,272	704,015
Bursaries awarded	(245,498)	(192,996)
Expendable balance, end of year	\$ 2,484,599	\$ 1,891,825
Number of Bursaries awarded	192	154
Market value of endowment	\$ 11,462,253	\$ 10,487,995

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

13. INVESTED IN CAPITAL ASSETS

(a) Investment in capital assets represents the following:

	2025	2024
Capital assets - net book value	\$ 231,420,223	\$ 238,956,440
Less amounts financed by deferred capital contributions (Note 7(b)(i))	(132,877,421)	(134,550,062)
Add unspent deferred capital contributions	20,323	20,323
Less amount financed by debt and lease	(18,446,231)	(34,990,699)
Less net book value of P3 - Building	(6,167,189)	(6,226,824)
Less net book value of capitalized ARO - Building	(658,144)	(696,858)
Investment in capital assets	\$ 73,291,561	\$ 62,512,320

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

	2025	2024
Amortization of deferred capital contributions	\$ 10,087,001	\$ 10,114,058
Amortization of capital assets	(20,944,031)	(20,747,236)
Amortization of capitalized P3 - Building	59,635	59,587
Amortization of capitalized ARO - Building	38,714	38,714
	\$ (10,758,681)	\$ (10,534,877)
Net change in investment in capital assets:		
Purchase of capital assets	\$ 13,407,815	\$ 17,192,396
Amounts funded by:		
Deferred capital contributions (Note 7(b)(i))	(8,414,360)	(6,584,307)
(Spent)/Unspent deferred capital contributions	-	(22,233)
Repayment of debt	16,544,467	3,235,955
	\$ 21,537,922	\$ 13,821,811
	\$ 10,779,241	\$ 3,286,934

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

14. 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.

15. COMMITMENTS

Premises and equipment

Future minimum lease payments, exclusive of taxes and operating costs, for premises and equipment under operating leases at March 31, 2025 are as follows:

2026	\$	517,788
2027		465,065
2028		425,544
2029		434,054
2030		442,735
Thereafter		1,255,665
	\$	3,540,851

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, 2025

15. COMMITMENTS (continued)

2026	\$	170,141
2027		173,799
2028		177,536
2029		181,353
2030		185,252
Thereafter		20,788,751
	\$	21,676,832

16. 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. The related purchases were conducted on an arm's-length basis and were insignificant in terms of overall expense.

17. 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 counterparties for losses incurred by the counterparties 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, 2025

17. 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, 2025 was \$120,778,436 (2024 - \$129,205,319).

On August 12, 2011, an agreement was signed between the University and Ministry of Colleges, Universities, Research Excellence and Security (the "MCURES") whereby the MCURES 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.

18. INTERNATIONAL STUDY PERMITS

On January 22, 2024, the Government of Canada (the "Government") announced a cap on international student permit applications for a period of two years, resulting in a reduction of approximately 35% of approved study permits from 2023.

On September 18, 2024, the Government announced further reforms to the International Student Program which included a further reduction on the cap of international student study permits for 2025 by 10% over the approved 2024 target, a change to the Post-Graduation Work Permit ("PGWP") eligibility and defining the list of eligible programs.

A portion of the College's tuition revenue continues to be derived from international students. The financial impact of the federal directives related to international student enrolment is reflected on the 2024-25 financial statements. For the 2025-26 fiscal year, the College addressed the impact of the international student cap by implementing cost savings measures and workforce reductions to balance the budget.

Looking ahead to future years, the College anticipates a further decline in international student tuition revenues driven primarily by a further decline in international student numbers resulting from the federal policy changes. Management is actively monitoring the regulatory landscape and assessing its financial impact.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2025

19. SIGNIFICANT EVENT

The Foundation is inactive but meeting its legal governance requirements by appointing three directors being the President of Durham College, the Chair, and Vice-Chair of the Durham College Board of Governors Audit and Finance Committee. An agreement was executed between Durham College and the Foundation on March 31, 2025 legally transferring the assets and liabilities to the College. Since the Foundation is controlled by the College and has been consolidated in these financial statements, the transfer of assets had no impact on the consolidated financial statements.



W. GALEN WESTON
CENTRE FOR THE ARTS



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