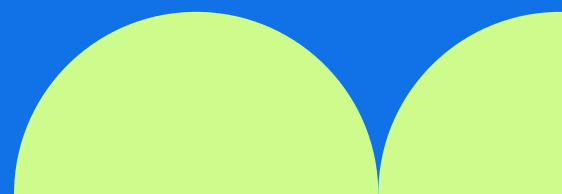


# LOYALiST COLLEGE

## ANNUAL REPORT

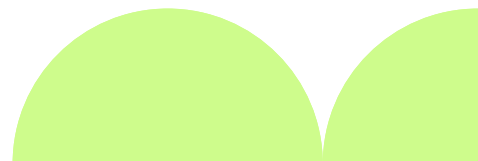
2023–2024

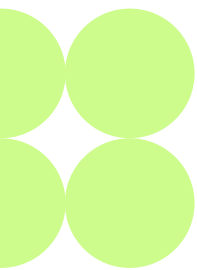


# LAND AFFIRMATION



Loyalist College is built upon the lands governed by the Dish with One Spoon wampum agreement. We affirm and thank the Haudenosaunee, Anishinaabeg, and Huron-Wendat nations for their continued caretaking of the land. We offer respect to Indigenous people from all nations who call this area home. We honour elders and traditional knowledge keepers, past, present, and future.





# TABLE OF CONTENTS

A Message from the Board Chair	<b>1</b>
A Message from the President & CEO	<b>2</b>
Vision/Mission/Values	<b>3</b>
Board of Governors	<b>4</b>
2023-24 College Achievements	<b>5</b>
Pillar 1: Becoming a Destination College	<b>6</b>
Pillar 2: Delivering an Outstanding Student Experience	<b>15</b>
Pillar 3: Strengthening Organizational Development	<b>23</b>
Summary of the College's Financial Results 2023–24	<b>28</b>
Analysis of Financial Performance	<b>29</b>
Appendices	<b>31</b>
Audited Financial Statements	<b>32</b>
Multi-Year Accountability Report: Loyalist College SMA3	<b>75</b>
College Council Report	<b>77</b>
Key Performance Indicators	<b>79</b>
Summary of Advertising/Marketing Complaints	<b>80</b>

# A MESSAGE FROM THE BOARD CHAIR

On behalf of the Loyalist Board of Governors, I congratulate the entire College community on another remarkable year. This past year was one of profound transformation and growth. As Chair of the Board, I have been honoured to witness and contribute to the extraordinary progress we made.

This 2023/24 Annual Report highlights a year of incredible achievements and speaks to the College's sound leadership, governance, financial stewardship, and strategic direction. This past year, we formally installed Loyalist's sixth President and CEO, Mark Kirkpatrick, and welcomed several new leaders to the executive team. Additionally, our Board gained new governors who bring with them an immense breadth of experience and knowledge.

The ongoing development of new facilities and learning spaces will continue to enhance the Loyalist College experience for our students, faculty, and staff for years to come. Moreover, these new spaces contribute significantly to our mission of offering experiential, labour market aligned programs, and industry-relevant applied research for the benefit of our graduates and our community.

On the governance level, we have built a Board of Governors with diverse expertise. Their commitment has been instrumental in initiating a forward-thinking strategic planning process that will guide Loyalist College well into the future, ensuring that we remain responsive to the evolving needs of our students and the broader community.



As I conclude my term as Chair and Governor, I am immensely proud of Loyalist's many accomplishments. The unwavering dedication of the entire Loyalist community has allowed us to realize many visionary goals, and I am confident that the future holds even greater promise for Loyalist College.

I know that the College's inspirational leaders, talented faculty and staff, and incredible students will continue to do great things, charting a path forward that will shape the future of our community and beyond. It has been a privilege to play a role in this incredible institution. I am excited to see what comes next.

Sincerely,

**Jennifer May-Anderson**

Chair

Loyalist College Board of Governors

# A MESSAGE FROM THE PRESIDENT AND CEO

The 2023–2024 fiscal year has been a defining period for Loyalist College, characterized by significant milestones and sustained growth. Our alignment with the Strategic Plan 2020–2025 and Strategic Mandate Agreement has propelled us towards our vision of becoming Ontario’s Destination College.

This year, we advanced our infrastructure, completing construction on our new campus restaurant, NOURiSH, and breaking ground on the Loyalist Entrance and Athletic Facility projects, bolstering our commitment to enhancing student spaces. We also celebrated our first cohort in Port Hope.

Despite construction delays, these students have thrived thanks to our adaptive, student-first approach to teaching and learning.

Another exciting development this year was the launch of Loyalist’s Centre for Healthy Communities. This new research centre underscores our commitment to addressing community challenges through academic and research partnerships. By focusing on pressing social issues such as mental health, addiction, and homelessness, we are actively taking steps to improve health equity and foster social innovation within our community.

Our connection to the community has further been strengthened through the continuation of our Speaker Series, which hosted three events in Belleville this year. These events have not only brought community members onto our campuses but also enriched the cultural and intellectual life of our college and surrounding areas.

Amid the past year’s economic fluctuations and regulatory changes, our strategic



investments have fortified the college’s financial stability and mission-driven focus. We have also strengthened our ties with the community through initiatives like the Summer Arts Experience and partnerships with local industries, enriching our students’ real-world experiences and career prospects.

As we develop our new strategic plan and prepare to navigate upcoming challenges and opportunities, I am grateful for the dedication of our staff and the support of our community. Together, we are laying the groundwork for a future that continues to empower our students and enhance our society – locally, nationally, and globally.

Sincerely,

**Mark Kirkpatrick**  
President and CEO  
Loyalist College

## VISION STATEMENT

Loyalist College will be Ontario's Destination College, known locally, nationally, and internationally as a deliberate choice of students, faculty, and staff, where their experiences are enabled by an engaged and supportive culture.

## MISSION

Loyalist College empowers students, faculty, staff, and partners through experiential, economic, applied programs and research that provide career-ready graduates for, and knowledge transfer to, industry and the community.

## VALUES



We attend to, and focus on the individual and collective success of our students, faculty, staff, and community by providing deep and broad supports.



We design customized solutions for the real-world challenges that face our students, faculty, staff, and industry and community partners.



We build relationships by using all relevant communication channels to listen and respond to our students, faculty, staff, and industry and community partners.

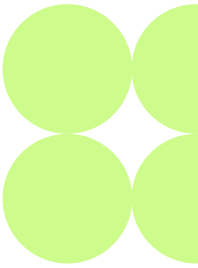


We eliminate barriers to the full and meaningful participation of all our students, faculty, staff, and industry and community partners, in the activities of the college.

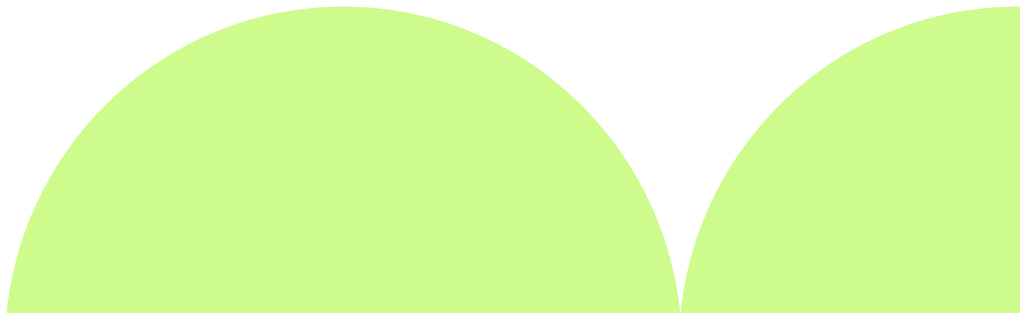


We are each responsible for our individual actions and for contributing to the collective success of the college.

# BOARD OF GOVERNORS



- Jennifer May-Anderson, Chair (2021–2024, second term)
- Pam Jolliffe, Past Chair (2021–2024, second term)
- Julie Lange, Vice-Chair (2021–2024, first term)
- Jennifer Moore, Vice-Chair (2021–2024, first term)
- Murray Angus, External Governor (2023–2026, first term)
- Jeremy Braithwaite, Internal Governor – Faculty (2023–2026, second term)
- George Brown, External Governor (2023–2026, first term)
- David Clazie, External Governor (2021–2024, first term)
- Jennifer Fry, Internal Governor – Administrative Staff (2021–2024, first term)
- Mario Girouard, External Governor (2022–2025, first term)
- Josh Hill, External Governor (2021–2024, first term)
- Fazeen Nazeer, Student Governor (2023–2024, first term)
- Melanie Paradis, External Governor (2023–2026, first term)
- Rick Phillips, External Governor (2023–2026, first term)
- Lina Rinaldi, External Governor (2022–2025, first term)
- Julie Sullivan, Internal Governor – Support Staff (2023–2026, first term)



# 2023–2024 COLLEGE ACHIEVEMENTS



This Annual Report outlines Loyalist's progress against the 2023–2024 Business Plan and the operational outcomes identified therein. It is structured to align with the college's three strategic pillars: becoming a destination college, delivering an outstanding student experience, and strengthening the institution's organizational capacity.

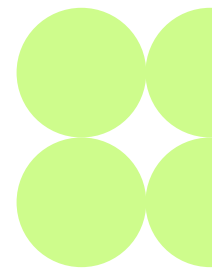


# 2023–2024 COLLEGE ACHIEVEMENTS

An aerial photograph of a college campus. The campus features several large, modern buildings with flat roofs, surrounded by green lawns and trees. A large parking lot filled with cars is visible in the foreground. In the background, a large body of water, likely a lake or reservoir, stretches across the horizon under a cloudy sky. The overall scene is a mix of urban development and natural greenery.

**PILLAR 1:  
BECOMING A  
DESTINATION  
COLLEGE**

# PILLAR 1: BECOMING A DESTINATION COLLEGE



To become a Destination College, Loyalist is committed to providing innovative educational programming that creates career-ready graduates and is responsive to market needs. Loyalist will create programs to pursue a differentiated, market-driven, regionally focused framework to learning and applied research that supports and enables student, faculty, staff and industry, and community growth and development. In support of this pillar, the following key initiatives were undertaken:

## **Open a New Campus in Port Hope**

A new Loyalist College campus in Port Hope was established to address several strategic and community needs, including the availability of more accessible education options for residents of the Northumberland region, the delivery of

postsecondary programming that aligns with regional labour market needs, the opportunity to contribute to the region's economic and social development, and the facilitation of new partnerships with local industries, municipalities, and community organizations.

For the 2023-2024 academic year, the college finalized enrolment strategies and offered programs in Business, Computer Systems, Global Project Management, Radiation Safety and General Arts & Science. In total, Loyalist welcomed 90 students across five academic programs for Fall 2023.

Unforeseen construction delays meant that the campus itself was not ready for occupancy in time for this year, however, renovations are well underway and will be completed for September 2024 and the new fall term. For 2023-2024, academic programs and student services were delivered offsite at a temporary location located in the heart of Port Hope and in proximity to the college's permanent campus location. Faculty and staff ensured that Loyalist's personalized, "student first" philosophy was maintained throughout our operations and that Port Hope students felt welcomed, supported, and prepared for their first year of studies. This approach prioritizes the needs, experiences, and success of all our students – in and outside the classroom. To help advance this approach at our new Port Hope location, a dedicated student engagement lead was





established who, in addition to general orientation and transition supports, helped students to navigate housing and accommodations, transportation, and part-time employment. This included working directly with those living in Loyalist's newly established student residence.

### **Renew Postsecondary Program Offerings at Bancroft Campus**

Loyalist College has secured preliminary endorsement for specialized academic profiles designed uniquely for each campus, laying a strategic groundwork across its locations. The renewal of postsecondary programming for the Bancroft Campus is still in development and will be refined in the year ahead. In support of this renewal, we are completing foundational research and analysis to ensure that future programming meets the needs of learners, the surrounding community, and regional employers. More specifically, we are: examining the workforce needs of Bancroft by engaging with local businesses, community organizations, and residents to identify skills gaps and in-demand fields; researching future job market demands to ensure that academic programming aligns; considering program design and delivery

to accommodate diverse student needs; actively completing environmental scans to help identify academic areas of opportunity; and developing strong partnerships with local employers and industries.

### **Create Academic Identities for All Campus Locations**

Loyalist College has developed distinct academic identities tailored to each of its locations, paving the way for a strategic educational framework. A comprehensive three-year development plan is being implemented, encompassing necessary upgrades to facilities, equipment, and the provision of adequate faculty and support services to enhance student experiences. New programs are slated for introduction, with early stages of program development leveraging institutional research to align with student demand, graduate outcomes, and labour market needs.

Given Loyalist College's strong performance in health-related programs, the government's current focus on improving healthcare, the community need for health human resources, and student interest in health and wellness programs, Loyalist College is working to expand academic

programming in Health and Wellness – programming that will underpin the Belleville campus identity.

In May 2023, the Board of Governors approved three new programs in health and wellness: Medical Radiation Technology (Ontario College Advanced Diploma), 911 and Public Safety Communications (Ontario College Certificate), and Advanced Care Paramedic (Ontario College Graduate Certificate). The Medical Radiation Technology program directly addresses regional healthcare demands identified by Quinte Health; it is designed to meet the critical need for medical radiation technologists and will launch in Fall 2024. The 911 and Public Safety Communications program will also launch in Fall 2024 and is an innovative program that will equip communications professionals, including public safety personnel, call centre agents, and dispatchers, with the skills necessary for managing emergency responses. The Advanced Care Paramedic graduate certificate builds on the college's demonstrated ability to develop paramedics. This program is awaiting external approval and is anticipated to be launched in the next year.

Over the last year, the college developed 10 additional health and wellness programs that are in various stages of development and approval. These programs will add to the established strength and reputation of Loyalist College in these fields and professions.

### **Harmonize the Successful, Integrated, and Flexible Academic Delivery Model of Virtual/In-Person/Hybrid**

Loyalist College is committed to providing flexible education of the highest quality. In 2023-2024, the Centre for Leadership, Learning and Academic Excellence (CLLAE) disseminated common definitions for

various delivery modalities, including face-to-face, hybrid, online, and HyFlex which denotes a focus on hybrid and flexible delivery. The Centre supported the work of a team of faculty to develop the first collaborative, fully online anatomy and physiology course using open access resources. They also consulted with our IT Services department on technological needs for HyFlex classrooms.

We continue to establish flexibility for students by ensuring options for online learning are embedded in our general education courses. For example, GNED1100: Becoming a Global Changemaker, which is a Loyalist-specific general education course focused on our graduate attributes, was developed as a fully online course. In addition, the new 911 and Public Safety Communications program was developed as a hybrid program, with the majority of learning delivered online and culminating in experiential learning face-to-face. This flexibility will enable students from across the province with complex and varied needs to access the program.



### Focus on Equity, Diversity, and Inclusion

Loyalist College is advancing its commitment to Equity, Diversity, and Inclusion (EDI) through a series of strategic actions aimed at institutional development and community engagement. These actions include the hiring of an inaugural Executive Director of EDI, conducting an institutional EDI audit, and developing focused programming for EDI and Truth and Reconciliation initiatives.

Following a review of policies from the audit, the EDI division partnered with Corporate Services to amend the college's expense reimbursement policy (FIN 504 Business Expense Reimbursements), ensuring that workers who are caregivers for children or elders have equitable access and support to participation in professional development. A Senior Manager of Human Rights was hired in January 2024 as a key resource to advance these policies and related programming priorities.

The EDI division soft-launched its inaugural EDI Committee in November 2023 to consult

and advise on a range of EDI-related issues and priorities. A partnership with the EDI committee and Facilities department has led to a comprehensive audit and survey of Belleville campus washrooms with the goal of ensuring everyone can have somewhere safe and accessible to use the washroom, particularly people who typically experience barriers. The audit will inform best practices for areas under construction and washrooms slated to be updated.

### Focus on Truth and Reconciliation

In 2023, the Director of Indigenous Services was promoted to Executive Director, Indigenous Initiatives and Reconciliation, with a direct reporting relationship to the president and membership on the college's executive team. This change reflects the importance of reconciliation to Loyalist and how critical Indigenous perspectives are to the leadership and strategic direction of the college.



In the last year, a number of policy and structural enhancements were implemented to further emphasize and enable decolonization and reconciliation actions, including:

- A new operational policy entitled, ADMIN 126 Including Indigenous Knowledge and Community Members in College Activities. The policy and associated guidelines affirm Loyalist’s commitment to reconciliation and provide educational resources and specific guidance to assist Loyalist College staff, faculty, and students with the ethical inclusion of Indigenous community members, Indigenous ways of knowing, and cultural traditions in College activities. This includes a protocol for using the A’norwa:ra Learning Circle.
- As part of the new policy’s associated guidelines, the college formally adopted a new Land Affirmation that honours the Indigenous nations who were, and continue to be, the original caretakers of the land and speaks to an ongoing relationship between Indigenous Peoples and local communities and agencies.
- In its pursuit of aligning with the Truth and Reconciliation Commission’s Calls to Action, Loyalist College launched the 4 Seasons of Reconciliation employee

education program. This initiative, developed in partnership with the First Nations University of Canada, equips Loyalist College employees with essential knowledge about the history of colonization and the ongoing relationship between Canada and Indigenous Peoples, deepening our institutional understanding and commitment to reconciliation.

- In June 2023, coincident with National Indigenous Peoples Day, the college’s Indigenous Centre was reimagined and renamed as Tsi Titewaya’taró:roks. The new name, which means, “we gather together as a community” in Mohawk was arrived at through consultation and conversation with Indigenous students and staff. The Centre also introduced a new logo designed by artist Kirk Brant of Kenhte:ke Tyendinaga Mohawk Territory. Brant designed each logo element to tell the story of Tsi Titewaya’taró:roks. The logo’s outer circle represents the Dish with One Spoon wampum agreement. Within that circle is a representation of the celestial dome, crowned with three loops signifying staff and students from the past, present, and future. Two spirals swirling in different directions symbolize the Haudenosaunee people and the Anishinaabeg people while the bottom of the logo includes representations of the land and water on which the College campus is located.
- A new operational policy and procedure, HR 121 Hiring for Indigenous Designated Positions, was established for the purpose of verifying Indigenous citizenship/membership for Indigenous designated positions at the college.

### **Deliver Campus Enhancements that Align with Our Destination College Goals**

Loyalist College is actively pursuing a series of campus enhancements that are in line with its strategic objectives to establish itself as a Destination College. These initiatives included: the completion of a new campus restaurant, NOURISH, which will provide an elevated and vibrant dining experience; the enhancement of the campus’s roadway entrance with distinct signage and other features to forge a lasting



first impression; renovations to upgrade classroom environments into premier teaching and learning spaces; and the development of outdoor sporting facilities to benefit Varsity Athletics and Recreation and enable campus and community programs.

Additionally, enhancements to fields and outdoor athletics facilities were successfully completed, adding valuable infrastructure for sports and recreational activities at our Belleville campus. The Loyalist Entrance and Athletic Facility (LEAF), a two-year capital construction program that encompasses a series of projects that will change the front-facing aspects of the Belleville campus, commenced and will create valuable indoor sports and gathering spaces. In line with its commitments to sustainability, the college completed green projects such as the installation of EV charging stations on the Belleville campus.

### **Develop an Enrolment Management Plan**

Over the last year, the college has increasingly adopted Strategic Enrolment Management (SEM) best practices to inform an enrolment management plan that is attuned to the financial health, academic vitality, and long-term success and sustainability of Loyalist College. Through our planning processes, we have articulated enrolment targets over a three-year horizon that will not only support longer-term financial planning and forecasting but will also help to drive academic program planning, student services requirements, and space/facilities planning. We have set specific, measurable goals for student enrolment, including overall targets by campus, program, and student demographics. These enrolment goals ensure that we continue to grow enrolment responsibly, enhance

international diversification, and integrate with our academic and campus identities.

While core enrolment management activities continue to live with the college's Recruitment, Enrolment, and Admissions teams, planning has become an increasingly enterprise-wide endeavour that involves the active and continued engagement of other key units such as Academic, Institutional Research, Students, Marketing and Communications, Indigenous Services, Facilities, and Finance.

As an example of this collaborative approach to enrolment management, the college adjusted its approach to new academic program development. Over the past year, members of the Academic division, including the Centre for Leadership, Learning, and Academic Excellence, Institutional Research, Recruitment and Enrolment, and the college's Industry Partnership Officers have worked collaboratively to explore future opportunities for programs that may be of interest to students and create career ready graduates for employers in the region. This process begins with the identification of an opportunity for new programming from a member of the team or through community consultation. Then, the Institutional Research team provides an environmental scan for consideration. Where the data suggests the program would be beneficial for future enrolment, the academic team prepares a proposal to the College Executive Team and the Board of Governors for their approval. Thirteen programs have gone through this process and are either launching in Fall 2024 or in development for the future. Additional programs are in various stages of development.

### **Increase Loyalist College's Presence in all the Communities it Serves**

Loyalist College completed a comprehensive market analysis in consultation with Economic Development Officers (EDOs) across all service regions to align its offerings with local economic needs. This engagement extended to local Chambers of Commerce and various

stakeholders such as angel investors, technology firms, and manufacturing organizations to advance a cohesive understanding of Loyalist’s value to industry. The collaboration focused on areas like applied research, workforce development, and start-up initiatives led by students. The college is advancing a “Living Lab Campus” model, which enhances community access and engagement with college resources, creating a dynamic environment for practical learning and innovation.

Additionally, Loyalist College forged new partnerships with the Quinte Arts Council to introduce the Summer Arts Experience program, and with Quinte West Transit to launch a rider-centric, on-demand app.

In a significant move towards promoting health equity and social innovation, Loyalist College, in collaboration with community leaders and local service organizations, recently inaugurated the Centre for Healthy Communities (CFHC). The launch event featured a panel discussion and marked the commencement of collaborative research initiatives directed at tackling pressing social issues such as mental health, addiction, homelessness, and more. This centre represents a strategic step by Loyalist College to address community challenges through academic and research partnerships, setting a precedent for future community-focused projects.

As a means of strengthening community ties, advancing our role as an educational institution, and bringing community members to campus, Loyalist launched a Speaker Series in late 2022. The Speaker Series is an ongoing initiative to inspire our community with stories and insights from the remarkable leaders, innovators and disruptors who shape our world. This past year, we welcomed celebrity chef,

Chuck Hughes; award-winning public speaker, author and social justice advocate, Dr. Pam Palmater; and bestselling author, comedian, and TV personality, Rick Mercer, to our Belleville campus for sold out events.

Students have played an important part of celebrating community life in the region. They have participated in regional Christmas and Pride parades, actively represented the College on local committees, at fundraising events, and numerous other engagement activities, numbering well over 200 events this past year. Their willingness to integrate into the local community fabric has only reinforced the far-reaching impact of Loyalist College.

### **Continue Implementation of the Accessibility Plan**

Loyalist College is actively advancing its Accessibility Plan through a series of targeted initiatives designed to enhance campus infrastructure. This ongoing commitment is evidenced through the enhancements and renovations being implemented across college facilities. These structural improvements are not only focused on modernization but are specifically focused on increasing accessibility for all college attendees, ensuring that the environment is welcoming and inclusive.





In conjunction with the physical upgrades, Loyalist College is also deeply invested in the professional development of its staff. This investment includes comprehensive training programs that are focused on accessibility best practices. The intention is to empower our staff with the knowledge and tools necessary to make informed, effective decisions about accessibility. This dual approach of physical upgrades and staff education underscores the college's dedication to creating an accessible, supportive learning environment that adheres to the highest standards of inclusivity.

### **Execute a New Advancement Strategy**

In 2023, Loyalist College embarked on a transformative journey within its institutional advancement framework by hiring a Director of Advancement. This strategic addition is poised to catalyze the college's development initiatives by crafting a forward-thinking plan for the upcoming fiscal year.

The plan will establish a robust Advancement team that will spearhead efforts to elevate the college's profile and resources through strategic engagement and fundraising.

Integral to this strategy is a planned reorganization of several key departments to enhance their alignment with the broader goals of college advancement. This reconfiguration will streamline the operations of the alumni relations, donor engagement, and the College Foundation departments. By doing so, the college seeks to cultivate a comprehensive, college-wide understanding of the pivotal role these entities play in securing financial support and establishing long-term relationships with stakeholders. This alignment is essential for the college to effectively leverage its network and resources, ensuring sustained growth and enhanced educational offerings in alignment with its strategic objectives.

### **Develop a Suite of Industry-Focused Micro-Credentials**

Loyalist College is actively developing a suite of industry-focused micro-credentials, designed to meet the specific needs of the job market and enhance employability for its graduates. The initiative is currently underpinned by a comprehensive market scan, led by the Industry Partnership Offices (IPOs), to ensure the relevance and demand for these credentials. This process involves compiling a rigorously vetted list of potential micro-credentials that are directly influenced by current industry demands, rather than being solely derived from internal proposals.

This strategic approach is geared towards aligning the college's offerings with real-world requirements, thereby enhancing the practical skills and competencies of students in specific sectors. This initiative not only positions the college as a responsive educational institution but also as a vital contributor to the workforce development in its community and beyond.



# 2023–2024 COLLEGE ACHIEVEMENTS



PILLAR 2:  
**DELIVERING AN  
OUTSTANDING  
STUDENT  
EXPERIENCE**

# PILLAR 2: DELIVERING AN OUTSTANDING STUDENT EXPERIENCE

Loyalist College will deliver an outstanding student experience by providing inspiring, well-rounded, and real-world student experiences that offer meaningful choices and opportunities within and beyond the classroom.

## **Develop a Strategic Vision for First Nations Students, Cultural Competency, and Indigeneity Content Into Program Areas**

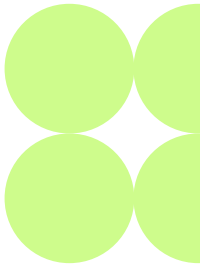
The college aims to foster a strategic vision tailored specifically to the needs of First Nations students, emphasizing cultural competency and the integration of Indigenous content across various program areas.

This vision encompasses the development of an operational plan anchored in

the Indigenous Education Protocols, facilitating the incorporation of Indigenous perspectives into the college's curriculum. Efforts also include the creation of non-credentialed modules accessible to all students, thereby broadening exposure to Indigenous knowledge and cultural understanding. Additionally, initiatives such as debriefing sessions for full-time faculty, Indigenous student recruitment strategies informed by OCAS statistics, and the creation of Open Educational Resources (OER) toolkits for faculty members underscore Loyalist College's commitment to advancing Indigenous education and inclusivity.

## **Create Programming that Fully Supports Varsity Athletics, On-/Off-Campus Recreational Programming and the Community**

Loyalist College has bolstered its support for Varsity Athletics, recreational programming, and community engagement, both on- and off-campus. Key initiatives include the recruitment of a Director of Athletics and Campus Recreation who provides strategic leadership and guidance to enhance the overall athletic experience for students. The establishment of community partnerships signifies the college's commitment to forging collaborative relationships that enrich athletic opportunities for its community.





The Varsity Athletics department expanded its activities to include academic competitions, such as Enactus and the Ontario Skills Competition. Transcending traditional academic activities, competitions such as these offer students a unique opportunity to demonstrate skill, knowledge and collaborate with peers. The values and team-based approach of varsity sport provides the ideal alignment for academic competitions, and leverages existing operational processes to provide support, consistency, and an excellent experience for student participants.

In alignment with its commitment to safety and inclusivity, the college launched a Safe Sport program, designed to cultivate an environment where athletics are accessible and welcoming to all individuals. Additionally, the reorganization of the athletics department will ensure that support services are efficiently allocated to address the diverse needs of athletes and participants.

Loyalist College demonstrated its dedication to promoting leadership and empowerment among its student body through initiatives such as the Leader Within conference,

which specifically targets female-identifying students in grades 10-11. This event, which includes students from neighbouring secondary schools in Belleville, Port Hope, and Bancroft, serves as a platform for nurturing personal growth and mentorship opportunities.

A recent sponsorship agreement with Skyhawks Football exemplifies the college's investment in competitive athletics programming within the Bay of Quinte region. This collaboration solidifies Loyalist's longstanding partnership with the Skyhawks and reflects a commitment to providing high-quality athletic experiences for aspiring student athletes. Since 2021, Loyalist College has served as the official home of the Skyhawks, offering young athletes aged 17 to 23 years in Southeastern Ontario a platform to compete at an advanced level of football.

The sponsorship agreement includes the establishment of a Skyhawks bursary fund that provides financial support to players pursuing postsecondary education while actively participating in football.

### **Execute a Programming Plan that Supports and Recognizes the Diversity of the Loyalist College Student Body**

To support an inclusive and diverse campus environment, Loyalist College implemented a comprehensive programming plan designed to support and acknowledge the richness of our student body's diversity. Central to this endeavour is the development and execution of multifaceted Student Life programming that embraces the multiculturalism inherent to the college community.

Interdepartmental partnerships such as the one between Student Life and Tsi Titewayá'taró:noks, facilitated collaborative programming efforts hosted within the Shark Tank venue. These joint initiatives serve to amplify the diversity dialogue on campus, providing platforms for discussion, engagement, and cultural exchange.

Loyalist College demonstrated its commitment to supporting the 2SLGBTQIA+ community through targeted programming initiatives that strengthen awareness, understanding, and celebration of diverse identities. This includes a series of events and celebrations strategically designed to underscore the significance of embracing and integrating the multitude of identities present within the campus community.

A further example of these efforts is the coordination of a weeklong series of events led by the Pride on Campus student club, in collaboration with Loyalist Student Government. This initiative culminated with the observance of the Transgender Day of Remembrance on November 20th, symbolizing the college's dedication to commemorating those impacted by anti-transgender violence

while concurrently advancing a culture characterized by empathy, respect, and inclusivity across campus. Through such concerted endeavours, we are cultivating an environment where all individuals feel valued, affirmed, and empowered to thrive within the collegiate community.

### **Restructure Ancillary Fees and Implement Processes to Ensure Accountability to Students**

To enhance transparency and accountability as it pertains to student ancillary fees, we reorganized fee structures and implemented robust oversight mechanisms to ensure adherence to student interests. The college also established a formalized Ancillary Fee Protocol Agreement in collaboration with student government bodies, thereby institutionalizing a framework for mutual understanding and collaboration in fee-related decision-making processes. This agreement serves as a foundational document defining the roles, responsibilities, and expectations of both parties, and demonstrates transparency and accountability in fee allocation and utilization.



To ensure equitable fee structures that are reflective of student needs and priorities, Loyalist College examined spending patterns over the preceding four years. Through this retrospective analysis, adjustments to fee allocations were made to better align with evolving student requirements and support needs to better optimize the allocation of financial resources to areas of greatest impact and relevance to students.

### **Enhance Student Support to Ensure the Health of All Students**

To enhance the provision of healthcare services to its diverse student body, including international students, Loyalist College has invested in the delivery of a novel clinician model. In this model, a Nurse Practitioner serves as the lead clinician and director of the health centre, to optimize healthcare delivery and support for all students within the collegiate community.

The college also completed a comprehensive review of its International Student Health Plan. The college and student government jointly agreed to support an enhanced plan for international students to better address their healthcare needs.

Loyalist proactively engaged with local health service providers to enhance the

accessibility and quality of healthcare services available to its student population. Notably, the establishment of partnerships with physicians specializing in areas such as Gender Affirming Care and Sexual & Reproductive Health underscores the institution's dedication to meeting the diverse healthcare needs of its students, including those belonging to marginalized communities such as the 2SLGBTQIA+ cohort and international students.

Recent collaborations with the Community Health Centres of Northumberland have enabled the college to provide primary care services to students enrolled at the Port Hope Campus. And partnerships with organizations such as the Canadian Mental Health Association of Hastings and Prince Edward provided staff and student training to better support students experiencing mental health struggles.

### **Ensure a Continued Safe Environment for our Students Engaged in Student Life Activities and Accessing Student Facilities**

Loyalist College has proactively implemented measures to enhance safety protocols across the institution.

The procurement of “Knowledge One” will see the college develop an online Sexual



Violence Prevention education module to further educate students about sexual violence and prevention. Alongside this training, the college is reviewing its sexual violence policy to ensure alignment with current best practices and regulatory standards, thereby reinforcing its commitment to preventing and addressing instances of sexual violence within the campus community.

Recognizing the integral role of athletics and recreational activities in student life, Loyalist College provided Safe Sport training to its athletics and recreation team, including players, coaches, and staff. Additionally, comprehensive safety training sessions will be provided to all student leaders and resident assistants, equipping them with the necessary knowledge and skills to effectively respond to safety-related incidents and emergencies.

A dedicated Student Support and Accountability Office was established this past year, facilitated by the appointment of a Student Conduct and Accountability Specialist. This office serves as a central hub for addressing student conduct issues through a restorative justice approach, emphasizing support, accountability,

and community engagement. Restorative justice principles also underpinned staff training and professional development.

As a means of leveraging technology to enhance campus safety, the college developed the Loyalist Safety App, providing students with a convenient platform to access emergency services, safety resources, and relevant campus information in real-time. Through these comprehensive and multifaceted initiatives, Loyalist College reaffirms its dedication to a safe, supportive, and inclusive campus environment conducive to student success and well-being.

### **Ensure all Programming is Developed to Align with Our Destination College Goals**

In recent academic discussions, a key recommendation concerning the delineation of the institution's academic identities across its various campus locations was proposed and tentatively endorsed. This recommendation represents a proactive step towards refining and clarifying the distinct academic profiles of each campus, to align them more closely with the overarching mission and strategic objectives of the institution.

As part of its strategic planning initiatives, the college embarked on the development of a comprehensive three-year program development plan. This strategic blueprint encompasses a thorough examination of the facility and equipment requirements, as well as the faculty and staff needs necessary to support the successful launch and sustained growth of new academic programs across the institution.

Through this strategic planning effort, Loyalist College will strengthen the coherence and effectiveness of its academic offerings, ensuring they remain responsive to the evolving needs and aspirations of its student body.





### Create and Provide Enhanced Work Integrated Learning (WIL) Opportunities for Students

Loyalist College is actively enhancing the provision of Work Integrated Learning (WIL) opportunities for its student body. These initiatives encompass the establishment of an Office of Work Integrated Learning. Loyalist College has formalized definitions for Work Integrated Learning across its academic landscape. This standardization serves to clarify the scope and nature of WIL initiatives within the institution. Additionally, the representation of responsibility for WIL initiatives and programming within the Academic division will ensure the seamless integration of experiential learning into academic curricula.

To oversee and drive these initiatives, the college appointed a new Director of Work Integrated Learning in February 2024. Through these concerted efforts, Loyalist College aspires to cultivate a robust and comprehensive WIL framework that empowers students to gain valuable real-world experience, bridging the gap between academic knowledge and professional practice.

### Expand Student Programming at all Campuses

Loyalist College expanded student programming across all its campuses to enrich and broaden the student experience beyond purely academic pursuits. In 2023-2024, a robust menu of offerings at the Belleville campus aligned to key programming themes, including: orientation and transition; engagement; educational; wellness; food and meal preparation; and cultural awareness. Programming ran the gamut from yoga and meditation classes, to educational sessions on CPR & First Aid and mental health, to events that contributed to an understanding of the college's diversity such as a Multi-Cultural Festival.

At the Port Hope campus, we offered weekly student programming that focused on engagement and wellness and arranged for transportation to facilitate the ability of Port Hope students to join in on Belleville programming. Likewise, students enrolled at LCIT (Loyalist College in Toronto) travelled to Belleville and took part in events such as Friday Night Lights and Holi. While LCIT curated and delivered their own campus-



specific suite of programming, the Student Life division worked collaboratively to ensure consistency of the student experience.

### **Expand Residence Life Programming and Processes to Foster Community and Student Retention**

Loyalist College launched several new initiatives to expand and enhance residence life programming and processes, with a primary focus on community engagement and student retention within its residential facilities. Key strategies include the integration of Residence Council Leaders with the Student Government, facilitating greater collaboration and alignment of objectives between these two important student leadership bodies. Additionally, as a means of providing direct and comprehensive support to students residing on campus, two new dedicated Residence Life Specialist positions were established.

A pivotal aspect of this expansion effort involves the development and implementation of a proactive and reactive program model tailored to address the evolving needs and cycles of residential students. This comprehensive approach helps to create a supportive and engaging living environment that nurtures student well-being and a sense of belonging within the residence community. The establishment of the Port Hope Community Leader position augments residence life initiatives in the Port Hope area, further enhancing the quality of the residential experience for students in that locale.

Effective communication is essential to the success of residence life programming, and to this end, Loyalist College devised a comprehensive residence communications plan. This plan ensures that upcoming programs and pertinent residence-related

issues are communicated thoroughly to residents, promoting active engagement and participation within the residence community. Additionally, the institution developed an admissions cycle strategy that emphasizes residence as a pivotal transition support for new students, highlighting the benefits of on-campus living as an integral part of the college experience.

Recognizing the importance of supporting students transitioning to off-campus living, a new Off-Campus Housing Coordinator role was also established this past year. This role is dedicated to developing and facilitating educational programming to better equip students with the necessary skills and resources for a successful transition to off campus living. Moreover, the Residence+ Program was implemented to provide additional transition support to students with specific needs, such as those enrolled in the Community Integration through Cooperative Education (CICE) program or international students, ensuring that all students have access to the support they need to thrive in their residential experience.

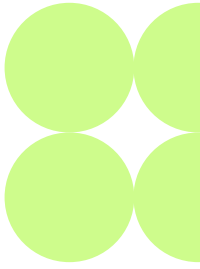


# 2023–2024 COLLEGE ACHIEVEMENTS



**PILLAR 3:  
STRENGTHEN  
ORGANIZATIONAL  
DEVELOPMENT**

# PILLAR 3: STRENGTHEN ORGANIZATIONAL DEVELOPMENT



Loyalist College is committed to fortifying its organizational development and capacity, ensuring that essential structures, resources, and funding are strategically aligned to effectively meet the diverse needs and expectations of students, faculty, staff, industry partners, community stakeholders, and the expanding college population. Notably, during the fiscal year of 2023-2024, significant investments were allocated to both capital projects and operational expenses, underscoring the institution's dedication to enhancing its infrastructure and operational capabilities.

## **Establish an EDI Division to Lead Loyalist College Toward Greater Equity, Diversity and Inclusion**

As noted previously, Loyalist College is advancing its commitment to equity, diversity, and inclusion (EDI) through a series of strategic actions that support institutional development and community engagement. These actions include the hiring of an Executive Director of EDI, conducting a comprehensive institutional EDI audit, and developing focused programming for EDI.



Further steps include promoting the Director of Indigenous Services to Executive Director, Indigenous Initiatives and Reconciliation, with a direct reporting relationship to the president and membership on the college's executive team.

### **Ensure That Deepening EDI Commitments Gain Community Partners to Build and Strengthen a Formal EDI Approach for Loyalist**

In its inaugural year, the Equity, Diversity, and Inclusion (EDI) division at Loyalist College has prioritized community engagement as a cornerstone of its strategic objectives. This commitment is exemplified through the intentional inclusion of community consultation in Loyalist's 2023/2024 EDI Audit, marking a significant step towards inclusivity and social equity within the institution.

Under the stewardship of the EDI division's leadership, active involvement in several community-based committees has been established, consolidating collaborative partnerships and leveraging collective expertise. These committees include the

Hastings Prince Edward Ontario Health Team (HPE OHT) EDI Committee, the City of Belleville EDI Committee, the Quinte Local Immigration Partnership (QLIP) Anti Racism Committee, and the Canadian Association for the Prevention of Discrimination and Harassment in Higher Education (CAPDHHE) Board.

### **Implement a New Mandatory Management-Training Program to Ensure that All Managers are Given the Skills to be Good Leaders**

This past year, Loyalist launched a mandatory management training program that provides essential skills to all managers, ensuring their ability to lead teams effectively. This initiative, known as the Leadership Development Program for managers, was introduced in the summer of 2023 and remains an ongoing and integral aspect of the college's professional development strategy. The program encompasses a comprehensive curriculum designed to enhance managerial competencies, including but not limited to communication, conflict resolution, team building, decision-making, and strategic planning.

Through a combination of workshops, seminars, and hands-on exercises, participants are equipped with the tools and knowledge necessary to navigate the complexities of leadership roles with confidence and proficiency. Moreover, the program supports a culture of continuous learning and growth among managers, empowering them to adapt to evolving challenges and opportunities within their respective departments and the broader organizational context. By investing in the professional development of its managerial staff, Loyalist College reaffirms its commitment to developing effective





leadership practices that contribute to the overall success and well-being of its workforce and the college community.

#### **Implement a New Human Resources Information System (HRIS)**

The implementation phase of the project commenced in January 2024. This phase is expected to take up to 12 months to complete, encompassing various stages such as planning, execution, monitoring, and evaluation.

During this period, careful coordination and collaboration with selected vendors will be paramount to ensure the seamless integration and deployment of the proposed solution or initiative. Robust project management methodologies will be employed to facilitate effective resource allocation, risk mitigation, and stakeholder engagement throughout the implementation lifecycle. Through meticulous planning and adherence to established timelines, the college endeavours to achieve the successful execution of the project, thereby realizing its strategic objectives and enhancing organizational capabilities.

#### **Establish New Revenue Streams Through Applied Research Opportunities that Fit Within our Identified Clusters and are Tied to Multidisciplinary Programs**

In December 2023, the federal government announced that Loyalist College had been awarded a \$2.1 million Mobilize grant from the Natural Sciences and Engineering Research Council of Canada (NSERC) to lead transformational research in health equity. The funding will be distributed over five years to establish Loyalist's Centre for Healthy Communities and represents a significant milestone for Applied Research at Loyalist College, marking a pivotal step towards achieving true revenue diversification and ensuring the long-term sustainability of applied research initiatives. This substantial investment not only signals the college's commitment to advancing impactful research but also positions it as a leader in impact investing and the cultivation of social impact entrepreneurship. The outcomes of this investment are poised to exert a lasting effect and positive influence on the college's service region, thereby reinforcing its role as a catalyst for socio-economic development and innovation.

### **Review Student Academic Policies and Procedures to Ensure that they Allow Due Process for Students and are Focused on Student Success**

An evaluation of student academic policies and procedures is currently underway to ensure alignment with principles of due process and a primary focus on student success. This comprehensive review encompasses six key academic policies.

### **Operationalize a New Program Development Unit**

The creation of a new program development unit was explored; however, it was determined that the best way forward would be to embed the program development support within the Centre for Leadership, Learning and Academic Excellence (CLLAE). A temporary position, Advisor, Quality Assurance and Program Advancement, has been created to support the proposal and approval process for new programs. This aligns well with the mandate of CLLAE, as their focus is on faculty development (including the advancement and use of educational technology) and quality assurance.

In addition, a comprehensive review of existing policies, procedures, and document storage practices related to program development is being undertaken. This review will streamline processes and ensure alignment with best practices in program management and implementation.

To support rapid development of new program proposals, consultants were hired to lead the development of new programming during the 2023-2024 academic year. In total, 10 new academic programs were proposed and approved by the Board of Governors in 2023-2024.

### **Create New Innovative Business Relationships that Align with the College's Mission**

Loyalist College is actively engaged in forging new and innovative business relationships that are in alignment with the institution's overarching mission and strategic objectives. Employing its Industry Partnership Officers (IPOs), the college is community-integrated and industry-aligned with deep relationships to local entrepreneurs and community services.

Through active community and industry engagement we have championed innovation and entrepreneurship throughout the various regions the College serves. We foster a culture of interdisciplinary applied research, we forge partnerships with industry to drive future economic prosperity and competitiveness, and we aim to build a robust start-up and scale-up ecosystem in Eastern Ontario.

Industry problems can be solved by embedding them in the classroom and accessing Loyalist faculty and researchers, examples include: PLC control systems, CAD optimization of complex geometries, LEAN audits, and mechanical/electrical system improvements including WASTE removal.

In addition, Loyalist Training and Knowledge Centre (LTKC) can develop specialized training courses to meet the specific needs of our partners in communities we serve, examples include: Leadership skills development, LEAN, Six Sigma, coaching, electrical and instrumentation, hydraulics, robotics.

# SUMMARY OF THE COLLEGE'S FINANCIAL RESULTS 2023–2024

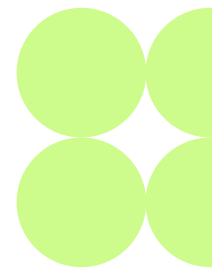


Loyalist College achieved a surplus of \$7,464,673 in 2023/24, compared to \$19,598,590 in the last fiscal year (2022/23). The \$7.5M surplus was 4.42% percent of total revenue in 2023/24. In fall 2023, Bill 124 was declared unconstitutional. This had a substantial impact on employee salaries & benefits and was a major factor in the significant increases to these expenses from 2022/23 to 2023/24. The increased salary and benefit expenses partially offset the year-over-year revenue increases the College generated due

to record full-time enrolment at the College's Belleville and Toronto campuses.

Liquidity remains strong for operating needs as well as in the event of unexpected requirements. Total debt levels were reduced by just over \$642K. Unrestricted net assets declined by \$8.9M, as the College undertook substantial investments in its facilities and academic equipment during the year by acquiring \$22.9M of capital assets.

# ANALYSIS OF FINANCIAL PERFORMANCE



Loyalist College ended the fiscal year 2023/24 with a net operating surplus of \$7,464,673 of revenue over expenses. Gross revenue increased over 2022/23 levels by approximately \$4.8 million.

Expenses increased over 2022/23 levels by approximately \$16.9 million.

## Revenues

- **Government operating grants (Ministry of Colleges and Universities or MCU):** Decreased by \$820K compared to 2022/23. While the College saw growth to its Nursing, Apprenticeship & SCWI grants in 2023/24, those increases were more than offset by the reductions to the College's ministry training programs, funded domestic enrolment, and Small, Northern & Rural (SNR) grant. The College received a one-time increase to its SNR grant in 2022/23.
- **Tuition fees/ nontuition incidental fees:** Increased by \$3.94M from 2022/23 levels due to record enrolment at the Belleville & Toronto campuses in the 2023/24 academic cycle.
- **Ancillary operations revenue:** Increased by \$331K due to increased full-time enrolment, particularly full-time international enrolment, which resulted

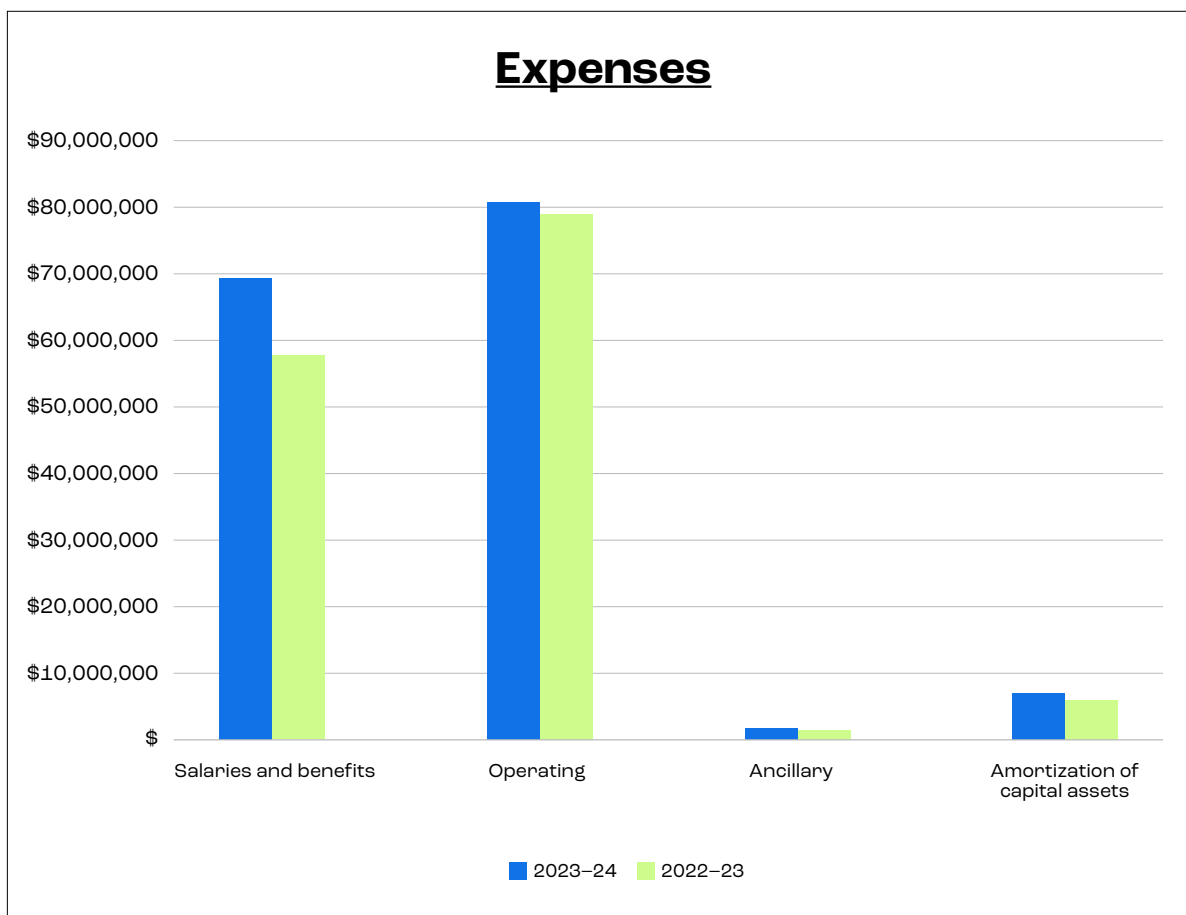
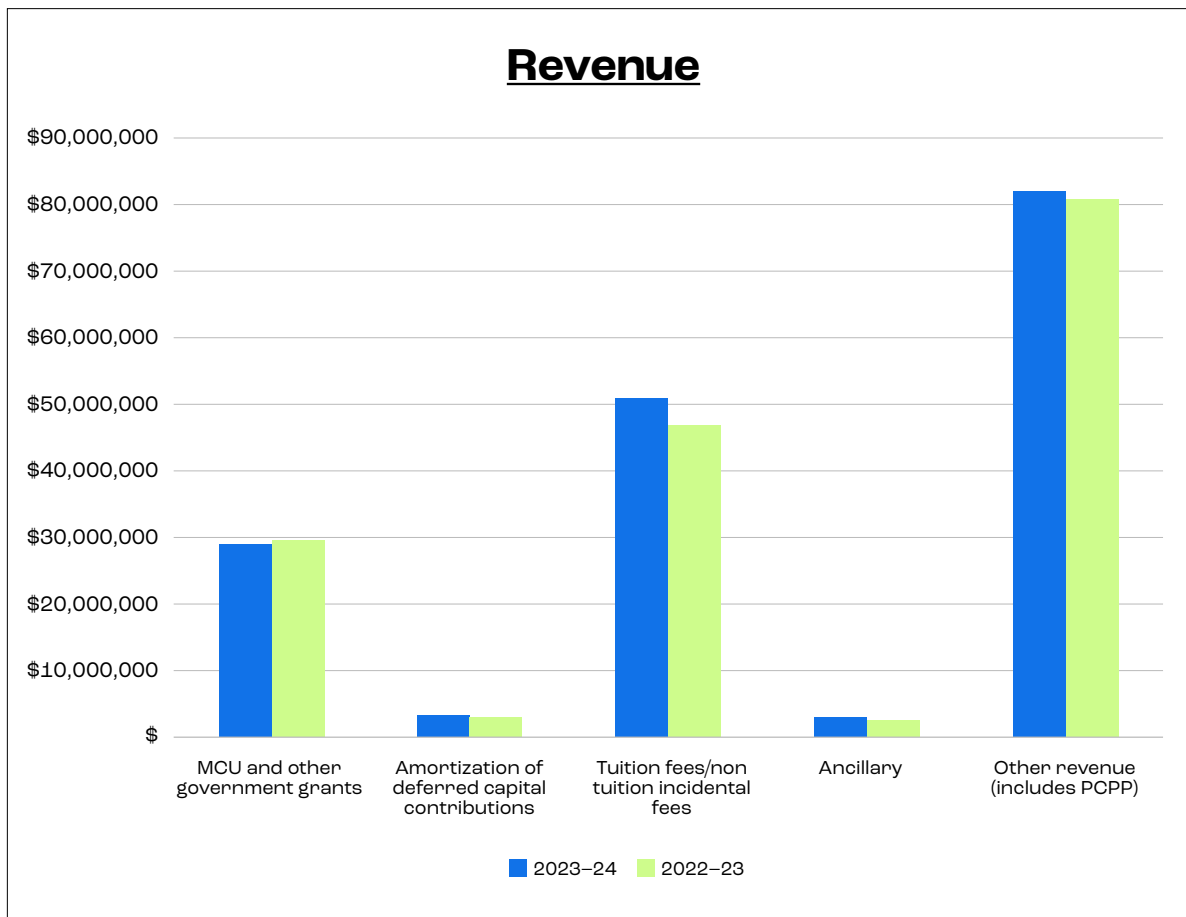
in increased on-campus activity & use of ancillary services.

- **Amortization of deferred capital contributions:** Increased by \$139K compared to 2022/23.
- **Other revenue:** Increased by \$1.17M compared to 2022/23 due to increased investment revenue.

## Expenditures

- **Salaries and benefits:** Increased by \$12.09M compared to 2022/23. The increase was due to 3 factors: 1) retro payments related to Bill 124; 2) increased wage rates across all employee groups; and 3) Record enrolment leading to higher salary costs to increase delivery of instruction and student services.
- **Operating:** Increased by \$3.5M, primarily because of costs related to the Loyalist College in Toronto partnership, which continued to increase operations in 2023/24.
- **Ancillary operations:** Increased by \$201K compared to 2022/23 due to increased activity and services delivered.
- **Amortization of capital assets:** Increased by \$1.1M compared to 2022/23.

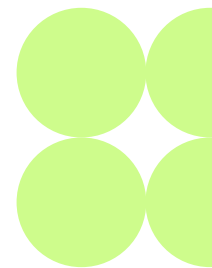




# APPENDICES



# AUDITED FINANCIAL STATEMENTS



Consolidated Financial Statements of

**LOYALIST COLLEGE  
OF APPLIED ARTS &  
TECHNOLOGY**

Year ended March 31, 2024

# LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

## Table of Contents

Year ended March 31, 2024

---

	Page
<b>Management's Responsibility for the Consolidated Financial Statements</b>	
<b>Independent Auditor's Report</b>	
<b>Consolidated Financial Statements</b>	
Consolidated Statement of Financial Position .....	1
Consolidated Statement of Operations .....	3
Consolidated Statement of Changes in Net Assets .....	4
Consolidated Statement of Cash Flows .....	5
Notes to Consolidated Financial Statements .....	6

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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. 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 judgments. 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 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 Risk Committee.

The Audit and Risk Committee is appointed by the Board 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 Audit and Risk Committee reports its findings to the Board for consideration when approving the consolidated financial statements. The Audit and Risk 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 KPMG LLP, the external auditors, in accordance with Canadian generally accepted auditing standards, on behalf of the Board. KPMG LLP has full and free access to the Audit and Risk Committee.



Mark Kirkpatrick  
President & Chief Executive Officer



John Pinsent, MBA, CPA, CGA  
Senior Vice President Corporate Services & Chief  
Financial Officer

May 30, 2024



**KPMG LLP**  
863 Princess Street, Suite 400  
Kingston, ON K7L 5N4  
Canada  
Telephone 613 549 1550  
Fax 613 549 6349

## INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of Loyalist College of Applied Arts & Technology

### **Opinion**

We have audited the consolidated financial statements of Loyalist College of Applied Arts & Technology (the College), which comprise:

- the consolidated statement of financial position as at March 31, 2024
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the College as at March 31, 2024, and its consolidated results of operations, and its consolidated cash flows 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 Financial Statements**" section of our auditor's report.

We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the Annual Report 2023-2024.



Page 2

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Annual Report 2023-2024 as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

***Other Matter – Comparative Information***

As part of the audit of the financial statements for the year ended March 31, 2024, we also audited the adjustments that were applied to recast certain comparative information presented for the year ended March 31, 2023. In our opinion, such adjustments are appropriate and have been appropriately applied.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 standards will always detect a material misstatement when it exists.





Page 3

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 financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.



Page 4

- Obtain sufficient appropriate regarding the financial information of the entities or business activities within the College to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

May 30, 2024

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Consolidated Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
		(Recast – note 21)
<b>Assets</b>		
Current assets:		
Cash	\$ 13,691,062	\$ 53,830,883
Short-term investments (note 6(a))	66,435,205	76,242,397
Accounts receivable	3,968,304	3,960,259
Grants receivable	3,150,325	2,652,152
Inventory	67,115	64,964
Prepaid expenses	6,511,594	6,362,121
	93,823,605	143,112,776
Tangible capital assets (note 5)	79,727,591	63,909,233
Investments, net (note 6(b))	14,803,363	13,642,750
	\$ 188,354,559	\$ 220,664,759

	2024	2023 (Recast – note 21)
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 9,119,013	\$ 7,416,736
Accrued vacation entitlement	3,927,301	3,262,555
Grants refundable	1,070,615	1,691,066
Deferred revenue (note 8(a))	66,973,495	107,563,692
Current portion of term loans payable (note 7)	509,593	642,340
	<u>81,600,017</u>	<u>120,576,389</u>
Term loans payable (note 7)	963,352	1,472,946
Accrued future employee benefits (note 15)	115,659	310,466
Accrued non-vested sick leave (note 15)	1,630,000	1,609,000
Accrued post-retirement benefits (note 15)	435,000	410,000
Accrued WSIB employment benefits (note 15)	278,800	284,300
Accrued asset retirement obligation (note 16)	5,231,576	5,896,745
Deferred capital contributions (note 8(b))	34,210,520	34,176,643
	<u>124,464,724</u>	<u>164,736,489</u>
<b>Net assets:</b>		
<b>Unrestricted:</b>		
Operating sufficiency	14,816,139	23,536,118
Unfunded asset retirement obligation	(5,231,576)	(5,896,745)
Post-employment benefits and compensated expenses	(2,459,259)	(2,613,766)
Vacation	(3,927,301)	(3,262,555)
Residences (note 10(b))	(724,950)	(287,178)
Parking lot	–	(65,398)
	<u>2,473,053</u>	<u>11,410,476</u>
Investment in capital assets (note 9(a))	44,970,322	28,590,522
Endowment (note 10(a))	12,741,529	12,244,637
Internally restricted (note 10(b))	3,704,931	3,682,635
	<u>63,889,835</u>	<u>55,928,270</u>
Commitments (notes 11 and 14)		
Contingencies (note 12)		
	<u>\$ 188,354,559</u>	<u>\$ 220,664,759</u>

See accompanying notes to consolidated financial statements.

On behalf of the Board:

 Chair

 President

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Consolidated Statement of Operations

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
<b>Revenue:</b>		
Ministry of Colleges and Universities and other government grants	\$ 28,834,063	\$ 29,653,690
Amortization of deferred capital contributions (note 9(b))	3,151,932	3,012,718
Tuition fees and non-tuition incidental fees	51,234,614	47,294,636
Ancillary	3,102,235	2,771,303
Contracted services and other	75,988,975	77,173,742
Interest, dividends and realized gains/losses on investments (note 6(e))	6,579,339	4,220,322
	<u>168,891,158</u>	<u>164,126,411</u>
<b>Expenses:</b>		
Contracted services and fees	63,514,604	61,742,954
Salaries and wages	55,590,314	46,651,718
Employee and other benefits	13,637,025	10,483,749
Amortization of tangible capital assets	7,073,634	5,966,697
Maintenance and utilities	5,101,222	4,596,123
Insurance and bank charges	4,250,461	4,432,201
Supplies and minor equipment	4,169,711	4,044,835
Ancillary	2,228,628	2,027,609
Transportation and communication	2,112,611	1,453,821
Other	1,387,163	893,444
Scholarships and bursaries	1,241,017	1,158,694
Student assistance	750,000	750,000
Property taxes	288,283	220,676
Interest on term loans payable	81,812	105,300
	<u>161,426,485</u>	<u>144,527,821</u>
<b>Excess of revenue over expenses</b>	<b>\$ 7,464,673</b>	<b>\$ 19,598,590</b>

See accompanying notes to consolidated financial statements.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Consolidated Statement of Changes in Net Assets

Year ended March 31, 2024, with comparative information for 2023

	Investment in capital assets (note 9)	Endowment (note 10(a))	Internally restricted (note 10(b))	Unrestricted	2024 Total	2023 Total (Recast – note 21)
Balance, beginning of year, as previously stated	\$ 28,590,522	\$ 12,244,637	\$ 3,682,635	\$ 11,410,476	\$ 55,928,270	\$ 39,854,073
Correction of an error (note 21)	-	-	-	-	-	(3,779,119)
Balance, beginning of year, as recast	28,590,522	12,244,637	3,682,635	11,410,476	55,928,270	36,074,954
Excess (deficiency) of revenue over expenses	(3,921,702)	-	(206,464)	11,592,839	7,464,673	19,598,590
Interfund transfers	-	-	228,760	(228,760)	-	-
Endowment contributions	-	496,892	-	-	496,892	254,726
Net change in investment in capital assets	20,301,502	-	-	(20,301,502)	-	-
<b>Balance, end of year</b>	<b>\$ 44,970,322</b>	<b>\$ 12,741,529</b>	<b>\$ 3,704,931</b>	<b>\$ 2,473,053</b>	<b>\$ 63,889,835</b>	<b>\$ 55,928,270</b>

See accompanying notes to consolidated financial statements.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

### Consolidated Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 7,464,673	\$ 19,598,590
Items not involving cash:		
Amortization of deferred capital contributions	(3,151,932)	(3,012,718)
Amortization of capital assets	7,073,634	5,966,697
Increase (decrease) in accrued future employee benefits	(194,807)	17,553
Increase (decrease) in accrued non-vested sick leave	21,000	(37,000)
Decrease in accrued vested sick leave	–	(124,000)
Increase in accrued post-retirement benefits	25,000	46,000
Increase (decrease) in accrued WSIB employment benefits	(5,700)	284,300
Net change in non-cash operating working capital (note 13)	(39,501,467)	17,469,477
	(28,269,599)	40,208,899
Investing activities:		
Decrease (increase) in investments	8,646,579	(26,100,791)
Decrease in pledges receivable	–	170
	8,646,579	(26,100,621)
Financing activities:		
Repayment of term loans payable	(642,341)	(618,721)
Capital activities:		
Endowment contributions	496,892	254,726
Receipt of contributions related to capital assets	3,185,809	4,862,266
Purchase of capital assets	(22,891,992)	(17,715,040)
Accrued asset retirement obligation, remediation costs incurred	(665,169)	–
	(19,874,460)	(12,798,048)
Increase (decrease) in cash	(40,139,821)	691,509
Cash, beginning of year	53,830,883	53,139,374
Cash, end of year	\$ 13,691,062	\$ 53,830,883

See accompanying notes to consolidated financial statements.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2024

---

Loyalist College of Applied Arts & Technology (the "College") operates as a community college, under its current mission to create learning opportunities leading to success in both employment and lifelong learning. The College was incorporated under the Department of Education Act in 1968 as a not-for-profit organization and is a registered charity. Accordingly, the College is exempt from the payment of income taxes provided certain criteria in the Income Tax Act (Canada) are met. Ontario Colleges are governed by the Ontario Colleges of Applied Arts and Technology Act, 2002 and regulations.

### 1. Significant accounting policies:

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations:

(a) Basis of consolidation:

The consolidated financial statements include the accounts of Loyalist College of Applied Arts & Technology and The Loyalist College Foundation, a registered charity controlled by the College. All intercompany balances and transactions have been eliminated upon consolidation.

(b) Use of estimates:

The preparation of consolidated financial statements 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 the consolidated financial statements, and the reported amounts of revenue and expenses during the year. Estimates relate to the fair value for investments, valuation of accounts receivables, useful estimated life of capital assets, actuarial estimation of employee future benefits, non-vested and vested sick leave, post-retirement benefits, and estimated costs and timing of asset retirement obligations. Actual results could differ from these estimates.

(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:

(i) Fair value:

This category includes cash and equity instruments quoted in an active market. The College has designated its bond portfolio 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.



## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 1. Significant accounting policies (continued):

#### (c) Financial instruments (continued):

##### (i) Fair value (continued):

These financial instruments are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value of externally restricted amounts are recognized in the Consolidated Statement of Financial Position as deferred revenue until they are realized, when they are transferred to the Consolidated Statement of Operations. A Statement of Remeasurement Gains and Losses has not been provided as there are no significant unrestricted unrealized gains or losses at March 31, 2024.

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

##### (ii) Amortized cost:

This category includes accounts receivable, grants receivable, accounts payable and accrued liabilities, accrued vacation entitlement, grants refundable, and term loans payable. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

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

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

#### (d) Revenue recognition:

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

Pledged contributions for the College are recognized when the related pledge documentation is received, less an allowance for estimated uncollectable amounts, giving consideration as to the source of pledges and any changed financial position.

Tuition fees and non-tuition incidental fees and ancillary fees are recognized as revenue based on the portion of the academic period that occurs within the fiscal year of the College. Fees received for courses that commence after the end of the fiscal year of the College are recorded as deferred revenue.

Fees that have been levied for a specific purpose have been internally restricted by the College for that purpose.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 1. Significant accounting policies (continued):

#### (d) Revenue recognition (continued):

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.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions, other than endowment contributions, are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

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

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.

Other operating revenues are recognized as the College satisfies the performance obligation by providing the promised goods or services.

#### (e) Capital assets:

Purchased capital assets are recorded at cost, which includes interest incurred before the commencement of commercial operations. Contributed capital assets are recorded at fair value at the date of contribution when fair value is reasonably determinable. Otherwise, contributed assets are recorded at a nominal amount. Repairs and maintenance costs are charged to expenses. Betterments, which extend the estimated life of an asset, are capitalized.

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

Asset	Useful life
Site improvements	10 years
Buildings	40 years
Building improvements	20 years
Furniture and equipment	3 to 5 years
Vehicles	5 years
Leasehold improvements	10 years

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 1. Significant accounting policies (continued):

(e) Capital assets (continued):

Costs of construction in progress are capitalized as incurred. Amortization is not recognized until project completion.

The carrying value of an item of capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount is not recoverable and exceeds its fair value. Capital assets have been reviewed for full or partial impairment. Management has determined there are none.

Where a legal obligation exists to remediate or otherwise retire a capital asset recognized by the College, the estimated cost of the asset retirement obligation is included in the cost of the related capital asset.

(f) Vacation pay:

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

(g) Accrued future employee benefits, non-vesting and vesting sick leave:

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 most recent actuarial valuation of the pension plan for funding purposes was as of January 1, 2024, and the next required valuation will be as of January 1, 2027. The most recent actuarial valuation dates of the other employee future benefit plans are disclosed in note 15.

The College has adopted the following policies with respect to accounting for these employee benefits:

(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 employee.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 1. Significant accounting policies (continued):

(g) Accrued future employee benefits, non-vesting and vesting sick leave (continued):

(iv) The discount used in the determination of the above-mentioned liabilities is equal to the College's internal rate of borrowing.

(h) Accrued benefit obligation Workplace Safety and Insurance Board (WSIB):

The College is a Schedule 2 employer under WSIB Act, and as such assumes the responsibility for financing its workplace safety insurance costs. An actuarial valuation was completed as of March 31, 2023 with the results extrapolated to March 31, 2024 to estimate the accrued benefit obligation for workplace safety.

(i) Accrued asset retirement obligations:

The College recognizes the fair value of an asset retirement obligation ("ARO") when all of the following criteria have been met:

- 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 made.

Actual remediation costs incurred are charged against the ARO to the extent of the liability recorded. Differences between the actual remediation costs incurred and the associated liability are recognized in the Consolidated Statement of Operations at the time of remediation.

### 2. Change in accounting policies:

On April 1, 2023, the College adopted the following accounting standards applicable for fiscal years beginning on or after April 1, 2023:

- PS 3400 Revenue establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions.
- PS 3160 Public Private Partnerships (P3s) provides specific guidance on the accounting and reporting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.

The College determined that the adoption of these new standards did not have any impact on the amounts presented in the consolidated financial statements.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 3. Financial instrument classification:

The following table provides classification of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below:

	Fair Value	Amortized cost	2024 Total
Cash	\$ 13,691,062	\$ –	\$ 13,691,062
Short-term investments	66,435,205	–	66,435,205
Accounts receivable	–	3,968,304	3,968,304
Grants receivable	–	3,150,325	3,150,325
Investments	14,803,363	–	14,803,363
Accounts payable and accrued liabilities	–	(9,119,013)	(9,119,013)
Accrued vacation entitlement	–	(3,927,301)	(3,927,301)
Grants refundable	–	(1,070,615)	(1,070,615)
Term loans payable	–	(1,472,945)	(1,472,945)
	\$ 94,929,630	\$ (8,471,245)	\$ 86,458,385

	Fair Value	Amortized cost	2023 Total
Cash	\$ 53,830,883	\$ –	\$ 53,830,883
Short-term investments	76,242,397	–	76,242,397
Accounts receivable	–	3,960,259	3,960,259
Grants receivable	–	2,652,152	2,652,152
Investments	13,642,750	–	13,642,750
Accounts payable and accrued liabilities	–	(7,416,736)	(7,416,736)
Accrued vacation entitlement	–	(3,262,555)	(3,262,555)
Grants refundable	–	(1,691,066)	(1,691,066)
Term loans payable	–	(2,115,286)	(2,115,286)
	\$ 143,716,030	\$ (7,873,232)	\$ 135,842,798

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 3. Financial instrument classification (continued):

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price; and
- 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).
- Level 3 fair value measurements are those derived from unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

	Level 1	Level 2	2024 Total (note 6(c))
Cash	\$ 13,691,062	\$ –	\$ 13,691,062
Short-term investments	66,435,205	–	66,435,205
Investments	9,886,772	4,916,591	14,803,363
	<b>\$ 90,013,039</b>	<b>\$ 4,916,591</b>	<b>\$ 94,929,630</b>

	Level 1	Level 2	2023 Total (note 6(c))
Cash	\$ 53,830,883	\$ –	\$ 53,830,883
Short-term investments	76,242,397	–	76,242,397
Investments	8,720,744	4,922,006	13,642,750
	<b>\$ 138,794,024</b>	<b>\$ 4,922,006</b>	<b>\$ 143,716,030</b>

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2024 and 2023. There were also no transfers in or out of Level 3.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 4. Employee notes receivable:

In order to complement the College's professional development policy, the College provides demand interest-free loans and loans at nominal interest rates to certain full-time staff for the purchase of specified computer equipment and credential studies. These loans in the amount of \$10,160 (2023 - \$Nil) have been included in accounts receivable on the Consolidated Statement of Financial Position.

### 5. Tangible capital assets:

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
				(Recast – note 21)
Land	\$ 411,550	\$ –	\$ 411,550	\$ 411,550
Artwork	254,870	–	254,870	254,870
Site improvements	13,252,460	5,478,671	7,773,789	5,020,246
Buildings and building improvements	108,523,392	54,933,303	53,590,089	50,199,585
Furniture and equipment	39,416,947	33,471,066	5,945,881	5,518,314
Vehicles	479,870	244,055	235,815	83,986
Leasehold improvements	539,629	289,077	250,552	194,993
Construction in progress	11,265,045	–	11,265,045	2,225,689
	<b>\$ 174,143,763</b>	<b>\$ 94,416,172</b>	<b>\$ 79,727,591</b>	<b>\$ 63,909,233</b>

Cost and accumulated amortization of capital assets at March 31, 2023 have been recast as disclosed in note 21 and amounted to \$152,313,040 and \$88,403,807, respectively.

### 6. Investments:

(a) Short-term investments are comprised of GICs with a fair market value of \$66,435,205 (2023 - \$76,242,397) and a cost of \$65,000,000 (2023 - \$75,000,000). The effective interest rates range from 5.60% to 5.65% (2023 - 4.00% to 5.05%) and will mature in July 2024 and January 2025 (2023 - July 2023 and January 2024).

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 6. Investments (continued):

- (b) As noted in note 1(c) to these consolidated financial statements, investments are recorded at fair value at the Consolidated Statement of Financial Position date. The fair market value of investments are as follows:

	2024	2023
Fixed-income securities:		
Federal	\$ 584,397	\$ 754,468
Provincial and provincial guaranteed	1,495,700	1,224,346
Municipal	324,366	259,014
Corporate - Rated A or better	2,512,128	2,684,177
	<u>4,916,591</u>	<u>4,922,005</u>
Pooled funds:		
Money market fund	1,005,355	450,005
Equity securities:		
Canadian	4,111,198	3,902,948
United States	2,454,557	2,252,961
International	2,315,662	2,114,831
	<u>8,881,417</u>	<u>8,270,740</u>
	<u>\$ 14,803,363</u>	<u>\$ 13,642,750</u>

The book value of investments at March 31, 2024 are \$13,425,148 (2023 - \$12,852,872).

- (c) The investments have varying maturity dates, but may be liquidated in the short-term, based on the College's needs. The effective interest rates range from 0.63% to 5.68% (2023 - 0.63% to 4.95%) for these investments.

- (d) The expected maturity dates for fixed-income securities are as follows:

	2024	2023
Maturing within one year	\$ 75,758	\$ 203,993
Maturing between one and five years	1,635,989	1,633,055
Maturing over five years	3,204,844	3,084,957
	<u>\$ 4,916,591</u>	<u>\$ 4,922,005</u>



## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 6. Investments (continued):

(e) Net investment income is comprised of the following:

	2024	2023
Interest income	\$ 6,423,977	\$ 4,065,103
Dividend income	296,275	265,738
Realized losses on disposition of investments	(64,047)	(35,572)
	6,656,205	4,295,269
Less: Interest and investment management fees	(76,866)	(74,947)
	\$ 6,579,339	\$ 4,220,322

### 7. Term loans payable:

Term loans payable consisting of the following unsecured amounts:

	2024	2023
Renovation loan – OFA loan bearing interest at 2.641% and repayable by semi-annual blended payments of principal and interest of \$157,355 payable on May 7 and November 7 until maturity on May 7, 2024.	\$ 155,305	\$ 459,869
Residence expansion – two residences plus commons building Part 1 – loan bearing interest at 4.83% and repayable by semi-annual blended payments of principal and interest of \$206,851 payable on August 28 and February 28 until maturity on August 28, 2027.	1,317,640	1,655,417
	1,472,945	2,115,286
Less current portion	509,593	642,340
	\$ 963,352	\$ 1,472,946

The principal portion of the term loans repayable over the next four years, based on terms and agreements in effect as at March 31, 2024, are as follows:

2025	\$ 509,593
2026	371,606
2027	389,772
2028	201,974
	\$ 1,472,945

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 8. Deferred contributions:

#### (a) Deferred revenue:

Deferred revenue is comprised of:

	2024	2023
Ministry of Colleges, Universities and other grants	\$ 872,594	\$ 837,332
Tuition fees	63,266,092	104,813,543
Externally restricted donations	592,946	326,721
Other	92,387	45,250
Restricted investment income	945,496	945,496
Unrealized gains on long-term investments	1,203,980	595,350
	<b>\$ 66,973,495</b>	<b>\$ 107,563,692</b>

#### (b) Deferred 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.

Deferred revenue relating to tangible capital assets is comprised of the following:

	2024	2023
Balance, beginning of year	\$ 34,176,643	\$ 32,527,095
Add amounts related to the following sources:		
Federal/Province of Ontario grants and capital campaign	3,185,809	4,662,266
Deduct amounts related to the following:		
Amounts recognized as revenue in the year	(3,151,932)	(3,012,718)
Balance, end of year	<b>\$ 34,210,520</b>	<b>\$ 34,176,643</b>

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 8. Deferred contributions (continued):

#### (b) Deferred capital contributions (continued):

The balance of deferred capital contributions consists of the following:

	2024	2023
Unamortized capital contributions	\$ 33,284,324	\$ 33,203,425
Unspent capital contributions	926,196	973,218
	<u>\$ 34,210,520</u>	<u>\$ 34,176,643</u>

### 9. Investment in capital assets:

#### (a) Investment in capital assets at March 31 represents the following:

	2024	2023
		(Recast – note 21)
Tangible capital assets, at cost	\$ 174,143,763	\$ 152,313,040
Accumulated amortization of tangible capital assets	(94,416,172)	(88,403,807)
Term loans payable - current portion	(509,593)	(642,340)
Term loans payable - long-term portion	(963,352)	(1,472,946)
Deferred capital contributions	(33,284,324)	(33,203,425)
	<u>\$ 44,970,322</u>	<u>\$ 28,590,522</u>

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

	2024	2023
Excess of expenses over revenue:		
Amortization of deferred contributions related to capital assets	\$ 3,151,932	\$ 3,012,718
Less amortization of capital assets	(7,073,634)	(5,966,697)
	<u>\$ (3,921,702)</u>	<u>\$ (2,953,979)</u>

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 9. Investment in capital assets (continued):

(b) (continued):

	2024	2023
Purchase of capital assets	\$ 22,891,992	\$ 17,715,040
Amounts funded by:		
Capital contributions	(3,232,831)	(4,951,069)
Repayment of term loans payable	642,341	618,721
	<u>\$ 20,301,502</u>	<u>\$ 13,382,692</u>

### 10. Restrictions on net assets:

(a) Endowment:

The externally restricted endowment contributions have been donated or received as grants from governments specifically for student assistance. Income earned is expendable to provide financial assistance to students.

(b) Internally restricted:

These funds have been restricted by the Board of Governors to be expended on the following:

	2024	2023
Work-integrated learning	\$ 1,132,472	\$ 928,799
Student government activity	879,347	1,046,204
Student government - health centre	640,996	640,996
Student centre	317,188	317,188
Information technology fee	261,192	261,192
Student facilities enhancement	253,794	33,092
Alumni	219,942	125,831
Student Office for Alternative Resources	–	329,333
	<u>\$ 3,704,931</u>	<u>\$ 3,682,635</u>

Residence funds have been set aside to deal with the costs of future major renovations and repairs for these areas. Residence is in a deficit position due to the reduction in 2023/24 revenue. The deficit of the Residence is therefore included against the unrestricted surplus in the current year. All other internally restricted funds represent net accumulated funds collected from students that the College has internally appropriated.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 11. Commitments:

- (a) The College has entered into three agreements which allow outside parties to use certain of the College's facilities as a bookstore, a cafeteria and for print and mail services, respectively. If the College prematurely terminates the contracts, the College is liable to pay the depreciated value of leasehold improvements paid for by the other parties to the agreements. It is not anticipated that any of the contracts will be terminated prior to the date anticipated in the respective contracts.
- (b) The College entered into an agreement with a third party for the construction and operation of student residences. The residences are owned and operated by the third party and the College has agreed to guarantee the residence occupancy at 96%. Management has assessed the likelihood of any actual guaranteed payments.
- (c) The College has entered into agreements for certain capital projects. The total value of these commitments at March 31, 2024 is \$24,941,764.

### 12. Contingencies:

#### (a) Litigation:

The nature of the College's activities is such that there is usually litigation pending or in prospect at any time. With respect to claims at March 31, 2024, management believes that the College has valid defenses and appropriate insurance coverages in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the College's financial position.

#### (b) Insurance:

The College is a member of the Canadian Universities Reciprocal Insurance Exchange (CURIE). CURIE pools the property damage and public insurance risks for some forty institutions. All members pay annual deposit premiums which are actuarially determined and are subject to further assessment in the event members' premiums are insufficient to cover losses and expenses.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 13. Net change in non-cash operating working capital:

Cash provided from (used in) non-cash operating working capital is compiled as follows:

	2024	2023
Accounts receivable	\$ (8,045)	\$ 1,247,393
Grants receivable	(498,173)	(975,933)
Inventory	(2,151)	(25,013)
Prepaid expenses	(149,473)	(964,801)
Accounts payable and accrued liabilities	1,702,277	(2,003,019)
Accrued vacation entitlement	664,746	29,575
Grants refundable	(620,451)	(1,549,684)
Deferred revenue	(40,590,197)	21,710,959
	<u>\$ (39,501,467)</u>	<u>\$ 17,469,477</u>

### 14. Lease commitments

The College leases certain premises and equipment for which the future minimum lease payment are as follows:

2025	\$ 835,790
2026	550,386
2027	404,243
2028	364,620
2029	309,383
2030	290,971
Total	<u>\$ 2,755,393</u>

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 15. Accrued future employee benefits and compensated absences liability:

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

	Employee future benefits	Non-vesting sick leave	Vesting sick leave	Accrued post- retirement benefits	2024 Accrued post- retirement benefits WSIB
Accrued employee future benefits obligations	\$ 115,659	\$ 2,105,000	\$ –	\$ 554,000	\$ 278,600
Fair value of plan assets	–	–	–	(133,000)	–
Unamortized actuarial gains (losses)	–	(475,000)	–	14,000	–
<b>Total liability</b>	<b>\$ 115,659</b>	<b>\$ 1,630,000</b>	<b>\$ –</b>	<b>\$ 435,000</b>	<b>\$ 278,600</b>

	Employee future benefits	Non-vesting sick leave	Vesting sick leave	Accrued post- retirement benefits	2023 Accrued post- retirement benefits WSIB
Accrued employee future benefits obligations	\$ 310,466	\$ 1,822,000	\$ –	\$ 513,000	\$ 284,300
Fair value of plan assets	–	–	–	(123,000)	–
Unamortized actuarial gains (losses)	–	(213,000)	–	20,000	–
<b>Total liability</b>	<b>\$ 310,466</b>	<b>\$ 1,609,000</b>	<b>\$ –</b>	<b>\$ 410,000</b>	<b>\$ 284,300</b>

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 15. Accrued future employee benefits and compensated absences liability (continued):

	Employee future benefits	Non-vesting sick leave	Vesting sick leave	Accrued post- retirement benefits	2024 Accrued post- retirement benefits WSIB
Current year benefit cost	\$ (194,807)	\$ 148,000	\$ –	\$ 34,000	\$ (5,700)
Interest on accrued benefit obligation	–	63,000	–	1,000	–
Benefit payments	–	(238,000)	–	(3,000)	–
Amortization of unamortized actuarial gains	–	48,000	–	(7,000)	–
Total expense (recovery)	\$ (194,807)	\$ 21,000	\$ –	\$ 25,000	\$ (5,700)

	Employee future benefits	Non-vesting sick leave	Vesting sick leave	Accrued post- retirement benefits	2023 Accrued post- retirement benefits WSIB
Current year benefit cost	\$ 17,533	\$ 97,000	\$ 1,000	\$ 56,000	\$ 284,300
Interest on accrued benefit obligation	–	41,000	1,000	1,000	–
Benefit payments	–	(175,000)	(126,000)	(7,000)	–
Amortization of unamortized actuarial gains	–	–	–	(4,000)	–
Total expense (recovery)	\$ 17,533	\$ (37,000)	\$ (124,000)	\$ 46,000	\$ 284,300

The above amounts are included in employee and other benefits on the Consolidated Statement of Operations.

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



## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 15. Accrued future employee benefits and compensated absences liability (continued):

#### Retirement benefits:

##### CAAT pension plan

Substantially all employees of the College 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 eligible employees of public colleges and related employers in Ontario. The College makes contributions to the Plan equal to those of the employees. Contribution rates are set by the Plan's governor's to ensure the long-term viability of the Plan.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates. 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 Plan's most recent actuarial valuation filed with pension regulators as at January 1, 2024 indicated an actuarial surplus of \$5.3 billion (January 1, 2023 - \$4.7 billion). The College made contributions to the Plan and its associated retirement compensation arrangement of \$5,574,233 (2023 - \$4,552,841), which has been included in employee and other benefits 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 most recent actuarial valuation of these employee future benefits was completed February 28, 2023 for the non-pension post-retirement plan, August 31, 2022 for the non-vesting cumulative sick leave benefit plans, and March 31, 2023 for the vested cumulative sick leave benefit plan. The results of these valuations have been extrapolated to March 31, 2024. The College recognizes these benefits as they are earned during the employees' tenure of service. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

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

##### (a) Discount Rate

The present value as at March 31, 2024 of the future benefits was determined using a discount rate of 3.5% (2023 - 3.4%).

##### (b) Medical

Medical premium increases were assumed to increase at 6.16% per annum in 2024 (2023 - 6.16%) and decrease proportionately thereafter to an ultimate rate of 4.0% in 2040.

##### (c) Dental Costs

Dental costs were assumed to increase at 4.0% per annum in 2024 (2023 - 4.0%).

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 15. Accrued future employee benefits and compensated absences liability (continued):

#### Compensated absences:

##### Vesting sick leave

The College has provided for vesting sick leave benefits during the year. Eligible employees, after 10 years of service, are entitled to receive 50% 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 significant actuarial assumptions used in the valuation of vesting and non-vesting sick leave are below.

##### *Wage and salary escalation:*

3.50% in 2023 and 3.00% in 2024, reducing to 2.50% thereafter for full-time and partial load academic staff. These increases are inclusive of the 1% per year that were previously in Kaplan award of September 2022.

3.50% in 2023 and 3.00% in 2024, reducing to 2.50% thereafter for part-time support staff.

3.00% in 2023 and 2024, reducing to 2.50% thereafter for full-time support staff.

3.50% in 2023 and 3.00% in 2024, reducing to 2.50% thereafter for administration staff.

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 days, respectively, for age groups ranging from 20 and under to 65 and over in bands of 5 years.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 15. Accrued future employee benefits and compensated absences liability (continued):

#### Compensated absences (continued):

##### Non-vesting sick leave (continued)

The unamortized actuarial gains and losses are amortized over the expected average remaining service life:

Accumulated sick leave benefit entitlements for 10.0 years (2023 - 10.0 years) for academic

Accumulated sick leave benefit entitlements for 10.2 years (2023 - 10.2 years) for support

Employee future benefits for 11.3 years (2023 - 11.3 years)

##### WSIB accrued benefit obligation

The actuarial valuation of the liabilities in the amount of \$278,600 represents the actuarial present value (discount rate 3.8%) as of March 31, 2024 of all pension payments to workers and survivors, temporary and long term loss of earning benefits, health care costs, rehabilitant costs and administration expenses expected to be made in future years which relate to claims that accrued on or before March 31, 2024, including latent occupational diseases that will be adjudicated after that, with respect to the college's employees. This is based on the College's self-insured arrangements in Ontario.

The related benefit liability was determined by an actuarial valuation study commissioned by LifeWorks as at March 31, 2023. The results of the valuation have been extrapolated to March 31, 2024.

### 16. Accrued asset retirement obligation:

The College's asset retirement obligations relate to the legally required removal or remediation of asbestos-containing materials in certain buildings. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation. As remediation plans are not defined, the full amount has been recognized as a long-term liability.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 16. Accrued asset retirement obligation (continued):

The change in the estimated obligation during the year consists of the following:

	2024	2023 (Recast – note 21)
Balance, beginning of year, as previously stated	\$ 5,896,745	\$ 2,117,626
Correction of an error (note 21)	–	3,779,119
Balance, beginning of year, as recast	5,896,745	5,896,745
Less: obligations settled during the year	665,169	–
Balance, end of year	\$ 5,231,576	\$ 5,896,745

### 17. Ontario student opportunity trust fund:

- (a) Year-End Report for Phase One of the Ontario Student Opportunity Trust Fund of Loyalist College of Applied Arts and Technology:

At the direction of the Ministry of Colleges & Universities (MCU), separate disclosure of the Ontario Student Opportunity Trust Fund of Loyalist College of Applied Arts and Technology which is included as part of the Foundation is required. As at March 31, 2024, the activity within the fund is summarized as follows:

- (i) Schedule of Changes in Endowment Fund Balance for the year ended March 31:

	2024	2023
Fund balance, beginning of year	\$ 2,051,571	\$ 2,027,993
Preservation of capital	40,525	23,578
Fund balance, end of year	\$ 2,092,096	\$ 2,051,571

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 17. Ontario student opportunity trust fund (continued):

(a) (Continued):

(ii) Details of Changes in Expendable Funds Available for Awards for the year ended March 31:

	2024	2023
Fund balance, beginning of year	\$ 100,097	\$ 114,366
Realized investment income net of direct investment related expenses and preservation of capital contributions	45,460	35,760
Bursaries awarded - 87 (2023 - 68)	(50,200)	(50,029)
<b>Fund balance, end of year</b>	<b>\$ 95,357</b>	<b>\$ 100,097</b>
<b>Endowment total based on book value</b>	<b>\$ 2,187,454</b>	<b>\$ 2,151,668</b>

The market value of the endowment as at March 31, 2024 was \$2,432,867 (2023 - \$2,273,974).

(b) Year-End Report for the Phase Two of the Ontario Student Opportunity Trust Fund of Loyalist College of Applied Arts and Technology:

(i) Schedule of Changes in Endowment Fund Balance for the year ended March 31:

	2024	2023
Fund balance, beginning of year	\$ 899,539	\$ 889,160
Preservation of capital	17,780	10,379
<b>Fund balance, end of year</b>	<b>\$ 917,319</b>	<b>\$ 899,539</b>

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 17. Ontario student opportunity trust fund (continued):

(b) (Continued):

(ii) Schedule of Changes in Expendable Funds Available for Awards for the year ended March 31:

	2024	2023
Fund balance, beginning of year	\$ 47,155	\$ 62,318
Realized investment income net of direct investment related expenses and preservation of capital contributions	19,944	15,742
Bursaries awarded - 31 (2023 - 14)	(24,640)	(30,905)
<b>Fund balance, end of year</b>	<b>\$ 42,459</b>	<b>\$ 47,155</b>
<b>Endowment total based on book value</b>	<b>\$ 959,779</b>	<b>\$ 946,694</b>

The market value of the endowment as at March 31, 2024 was \$1,067,457 (2023 - \$1,000,506).

### 18. Ontario trust for student support:

(a) Schedule of Changes in Endowment Fund Balance for the year ended March 31:

	2024	2023
Fund balance, beginning of year	\$ 5,073,212	\$ 5,014,392
Preservation of capital	100,723	58,820
<b>Fund balance, end of year</b>	<b>\$ 5,173,935</b>	<b>\$ 5,073,212</b>

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 18. Ontario trust for student support (continued):

- (b) Schedule of Changes in Expendable Funds Available for Awards for the year ended March 31:

	2024	2023
Fund balance, beginning of year	\$ 291,115	\$ 302,159
Realized investment income net of direct investment related expenses and preservation of capital contributions	112,987	89,210
Bursaries awarded - 145 (2023 - 94)	(141,658)	(100,254)
<b>Fund balance, end of year</b>	<b>\$ 262,444</b>	<b>\$ 291,115</b>
<b>Endowment total based on book value</b>	<b>\$ 5,436,378</b>	<b>\$ 5,364,327</b>

The market value of the endowment as at March 31, 2024 was \$6,046,294 (2023 - \$5,669,327).

Status of Recipients	OSAP Recipients		Non-OSAP Recipients		Total	
	Number	Amount	Number	Amount	Number	Amount
Full-time	129	\$ 138,126	50	\$ 3,533	179	\$ 141,659

- (c) Please see OTSS Directive May 31, 2009 for Ministry's position on spending of endowment principal.
- (d) In order to prevent erosion of capital due to inflation, the College has a preservation of capital policy that provides for a portion of the investment income to be added to the endowment capital. In this case, only the portion of investment income available for spending is reported under "investment income" in the schedule of changes in expendable funds available for awards.

### 19. Foundation award for student support:

- (a) Schedule of Changes in Endowment Fund for the year ended March 31:

	2024	2023
Fund balance, beginning of year	\$ 3,012,693	\$ 2,864,862
Cash donations received	168,640	113,362
Preservation of capital	64,208	34,469
<b>Fund balance, end of year</b>	<b>\$ 3,245,541</b>	<b>\$ 3,012,693</b>

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 19. Foundation award for student support (continued):

(b) Schedule of Changes in Expandable Funds for the year ended March 31, 2024:

	2024	2023
Fund balance, beginning of year	\$ 249,086	\$ 208,041
Realized investment income	72,026	52,278
Bursaries awarded	(39,226)	(11,233)
<b>Fund balance, end of year</b>	<b>\$ 281,886</b>	<b>\$ 249,086</b>
<b>Endowment total based on book value</b>	<b>\$ 3,527,427</b>	<b>\$ 3,261,779</b>

The market value of the endowment as at March 31, 2024 was \$3,923,175 (2023 - \$3,447,186).

### 20. Financial instrument risk management:

(a) Fair value:

Financial instruments consist of cash, accounts receivable, grants receivable, portfolio investments, accounts payable and accrued liabilities, vacation entitlement, grants refundable and long-term debt. The carrying amounts approximate their fair market value due to the immediate or short-term maturity of these financial instruments.

(b) Credit risk:

Credit risk is the risk of financial loss to the College if a debtor fails to make payments when due. The College is exposed to this risk relating to its cash, receivables and its debt holdings in its investment portfolio.

The College holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. The College has access to a \$2 million line of credit with a federal regulated chartered bank. As at March 31, 2024, \$Nil has been drawn on the line of credit (2023 - \$Nil).

Accounts receivable are short term in nature and are net of management's estimate of allowances for doubtful accounts. It is in management's opinion that they are not subject to material credit risk.

Accounts receivable are primarily due from students. Credit risk is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population.



## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

### 20. Financial instrument risk management (continued):

#### (b) Credit risk (continued):

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 were as follows:

	Current	Past Due		Total	Allowances	Net receivables
		> 90 days	> 1 year			
Accounts receivable	\$ 4,153,092	\$ 15,212	\$ –	\$ 4,168,304	\$ 200,000	\$ 3,968,304
Grants receivable	3,150,325	–	–	3,150,325	–	3,150,325
	\$ 7,303,417	\$ 15,212	\$ –	\$ 7,318,629	\$ 200,000	\$ 7,118,629

Amounts past due but not allowed for are deemed by management to be collectible based on historical experience regarding collections.

The College's investment policy and the Ministry's Banking, Investing and Borrowing Policy puts limits on the bond portfolio including portfolio composition limits, issuer type limits, bond quality limits, and aggregate issuer limits. The debt security portfolio remains very high quality with a weighted average of an A rating or better under the College's investment policy. All fixed income portfolios are measured for performance on a not less than semi-annual basis and monitored by management on a monthly basis.

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

#### (c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk.

An investment policy is in place and its application is monitored by the Finance & Investment Committee and the Board of Governors. Diversification techniques are utilized to minimize risk.

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

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 20. Financial instrument risk management (continued):

(c) Market risk (continued):

(i) Currency risk:

Currency risk relates to the College operating in different currencies and converting non-Canadian earnings at different points in time at different foreign exchange levels when adverse changes in foreign currency exchange rates occur.

The College records its operations in Canadian dollars. The College is exposed to currency fluctuations on some of its securities held in U.S. and international equity securities with a carrying value of \$2,454,557 (CAD) (2023 - \$2,252,961 (CAD)) and \$2,315,662 (CAD) (2023 - \$2,114,831 (CAD)), respectively, as they are denominated in U.S. dollars, and other foreign currencies. These potential currency fluctuations could have a significant impact on the market value of these securities.

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

(ii) Interest rate risk:

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

The College is exposed to risk through its interest-bearing investments (fixed-income securities and fixed-income pooled funds).

The College maintains an investment portfolio; containing both fixed-income securities complying with the MCU BIB policy equity securities.

The College maintains policies, procedures and methods used to measure the risk.

As prevailing interest rates increase or decrease, the market values of these interest-bearing investments change. If interest rates were to change by 1%, with all other variables being held constant, then the effect on the market value of the portfolio, with a carrying value of \$4,916,591 (2023 - \$4,922,006) would be approximately a 6.0% (2023 - 6.3%) change. The College has structured its portfolio in a manner as to be able to allow debt securities to be held to maturity to reduce any potential interest rate risk.

In addition to the above, the College is exposed to interest rate risk as it has term loans payable in the amount of \$1,472,945 (2023 - \$2,115,286) bearing interest at a fixed rate as described in note 7 to these consolidated financial statements. As prevailing interest rates fluctuate, the market value of these debts will fluctuate. Risk is mitigated by the College's intention and ability to hold the debt to maturity.

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

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 20. Financial instrument risk management (continued):

(c) Market risk (continued):

(iii) Equity risk:

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The College is exposed to this risk through its equity holdings within its investment portfolio.

The College's equity portfolio with a carrying value of \$8,881,417 (2023 - \$8,270,740), includes U.S., International and Canadian stocks with fair values that move with their respective Stock Exchange Composite Index. A 1% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the College's equity portfolio of approximately 0.59% (2023 - 0.61%).

For pooled equity funds that the College did not sell during the period, the change would be recognized in the asset value and in unrealized gain (loss) on held-for-trading financial instruments. For pooled equity funds that the College did sell during the period, the change during the period and changes prior to the period would be recognized as net realized gains in income during the period.

An investment policy is in place and its application is monitored by the Finance & Investment Committee of the Board of Directors of the Loyalist College Foundation. Diversification techniques are utilized to minimize risk. The policy limits the investment in Canadian equities, US equities and International equities to a maximum of 55%, 20% and 20% respectively and a minimum of 25%, 7% and 8%, respectively.

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

(d) 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, maintaining liquidity in their investment portfolios, and budgeting expenditures to meet cash needs. There are no material liabilities that can be called unexpectedly at the demand of a lender or client. There are no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business.

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

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

---

### 20. Financial instrument risk management (continued):

(e) Other risks:

On January 22, 2024, the Government of Canada (the "Government") announced an intake 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 across the country. At the end of 2024, the Government will re-assess the number of new study permits that will be processed in 2025.

In addition, as a result of these policy changes, international students who begin their studies at public-private partnership campuses in Ontario after May 15, 2024 will no longer be eligible for post-graduate work permits, which affects the sustainability of these partnerships.

A significant portion of the College's tuition revenues is derived from international students. The extent of the impact of the intake cap on the College's business, operational and financial performance for the upcoming year is manageable, but the long-term impacts of the federal government's decision is uncertain and difficult to assess at this time.

Management is incorporating the potential impacts of the intake cap on its approved capital and operating budget for the year ending March 31, 2025. Management has also assessed its operational and liquidity risks and believes there are no significant issues, given the College has a strong working capital base and access to liquid resources to support continued operations in the coming year.

### 21. Recast of comparative information:

On April 1, 2022, the College adopted Public Sector Accounting Standard 3280 Asset Retirement Obligations. The standard was adopted on the modified retrospective basis at the date of adoption. In accordance with the provisions of the standard, the College recorded an asset retirement obligation in the amount of \$2,117,626, representing the estimated cost of remediation as at the date, and a decrease to opening net assets of \$2,117,626, representing forty years of accumulated amortization expense on the related tangible capital assets.

During the year, management hired an external engineer to re-assess the extent of asbestos-containing materials in the buildings owned by the College. Through this process, management became aware that the accrued asset retirement obligation liability recorded on the date of adoption was understated by \$3,779,119. As no remediation work occurred during the year ended March 31, 2023, there is no impact on the Consolidated Statement of Operations.

## LOYALIST COLLEGE OF APPLIED ARTS & TECHNOLOGY

Notes to Consolidated Financial Statements (continued)

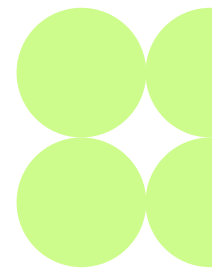
Year ended March 31, 2024

### 21. Recast of comparative information (continued):

The impact of this correction has been recorded retroactively in the March 31, 2023 comparative information, as follows:

	April 1, 2022		
Net assets, beginning of year, as previously stated			\$ 39,854,073
To correct error in relation to the understatement of accrued asset retirement obligations			(3,779,119)
<b>Net assets, beginning of year, as recast</b>			<b>\$ 36,074,954</b>
	March 31, 2023		
Net assets, beginning of year, as previously stated			\$ 59,707,389
To correct error in relation to the understatement of accrued asset retirement obligations			(3,779,119)
<b>Net assets, end of year, as recast</b>			<b>\$ 55,928,270</b>
	March 31, 2023		
Accrued asset retirement obligation, beginning and end of year, as previously stated			\$ 2,117,626
To correct error in relation to the understatement of accrued asset retirement obligations			3,779,119
<b>Accrued asset retirement obligation, beginning and end of year, as recast</b>			<b>\$ 5,896,745</b>
	Tangible capital assets, at cost	Accumulated amortization of tangible capital assets	Net book value, March 31, 2023
Balance, beginning of year, previously stated	\$ 148,533,921	\$ (84,624,688)	\$ 63,909,233
To correct error in relation to the understatement of accrued asset retirement obligations	3,779,119	(3,779,119)	–
<b>Balance, end of year, as recast</b>	<b>\$ 152,313,040</b>	<b>\$ (88,403,807)</b>	<b>\$ 63,909,233</b>

# MULTI-YEAR ACCOUNTABILITY REPORT: LOYALIST COLLEGE SMA3



The Strategic Mandate Agreement (SMA) between the Ministry of Colleges and Universities and Loyalist College is a key component of the Ontario government's accountability framework for the postsecondary education system. The

SMA3 represents performance targets and metrics for the fiscal period from April 1, 2020, to March 31, 2025. Annual evaluation occurs every year in the Fall-Winter and the updated results are made publicly available in the following Spring.

Table 1. Multi-Year Accountability Report – Loyalist College SMA3

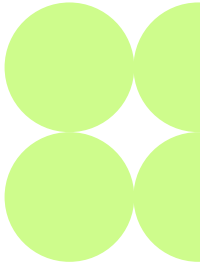
Metric	2016–17 Historical data	2017–18 Historical data	2018–19 His- torical Data	2020–21 Historical Data	2021–22 Allowable performance target	2021–22 Actual performance	2022–23 Allowable performance target	2022–23 Actual performance
1. Graduate employment rate in a related field	77.48%	77.81%	73.82%	74.77%	73.96%	70.14%	71.10%	68.97%
2. Institutional strength and focus	48.60%	48.10%	48.35%	45.75%	42.58%	42.29%	39.93%	46.90%
3. Graduate rate	67.29%	68.83%	68.50%	65.55%	66.33%	68.56%	67.35%	74.79%
4. Community and local impact of student enrolment	13.17%	12.94%	13.93%	13.89%	13.09%	12.19%	12.54%	11.32%
5. Economic impact (institution-specific)	\$61,100,000 (2015-16)	\$62,200,000 (2016-17)	\$66,900,000 (2017-18)	\$72,900,000	\$66,081,622	\$73,900,000	68,498,743	\$63,900,000
6. Graduate employment earnings	\$29,575	\$31,973	\$35,501	N/A	\$31,422	\$36,340	\$33,070	\$34,467

7. Experiential learning	99.45% (2017-18)	100% (2018-19)	100% (2019-20)	100%	98.82%	100%	99.00%	89.15%
8. Revenue attracted from private sector sources	\$1,144,720 (2017-18)	\$1,862,993 (2018-19)	\$2,522,108 (2019-21)	\$4,185,030	\$1,274,643	\$4,185,030	\$1,734,829	\$8,561,367
9. Apprenticeship related (institution-specific)	100.42% (2018-19)	101.52% (2019-20)	107.77% (2020-21)	N/A	N/A	N/A	100.56%	85.22%

Note: "2022-23 Actual" refers to the year in which the evaluation takes and not necessarily the data from that year.



# COLLEGE COUNCIL REPORT



In the Ministry Policy Binding Directive – Governance and Accountability Framework, under the Advisory College Council, the Board of Governors is responsible for establishing an Advisory College Council. The council creates a space for student and employee voices from across the College to advise the president on matters of importance to them. College Council is a unique committee, which includes representation from staff and faculty (part-time and full-time) as well as students and reflects the diverse and varied lived experiences, perspectives, knowledge, and expertise of Loyalist employees and the student body.

For the 2023–2024 year, the College Council maintained its dedicated focus on

sustainability, acknowledging Loyalist's commitment as a signatory to the [United Nations Sustainable Development Goals \(UN SDGs\) Accord](#). The Council prioritized three SDG goals for review, with the aim of providing the president with recommendations on areas where the College could implement impactful measures to support the College Community. The identified goals for this year were Zero Hunger, No Poverty, and Good Health and Well-being.

Chair Michael Stone (Manager, Construction, Ancillary & Outside Services Planning) coordinated the attendance of subject matter experts at the Council meetings. These experts shared their knowledge and resources relevant to the





identified goals. Notable guests included Becky Shillington, Director of Residences & Ancillary, who provided insights into student housing and identified student needs. Additionally, Jodie Russet, Director of Student Experience and Engagement, along with Olivia Millard, Manager of Student Experience and Engagement, offered perspectives on the College's current Food Cupboard program. Furthermore, Kristina Salomon, Lead Clinician for Student Health, provided detailed information on the health and wellness programming available to our students.

The recommendation proposals revolved around a common theme of establishing strategic external partnerships within our community to benefit both our internal

and external community members. It was recognized that aligning these partnerships with the SDGs would bring benefits and support to all stakeholders.

The proposals were presented to President and CEO Mark Kirkpatrick in April 2024 and will serve as foundational guidance for future directions and specific initiatives that the College undertakes in the coming years.



# KEY PERFORMANCE INDICATORS

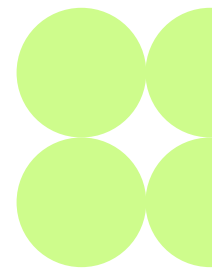


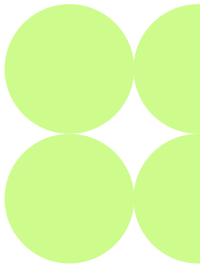
Table 2. Loyalist's KPI

Key Performance Indicator	Loyalist College	Provincial Average	Points Above Average
Graduate Employment	89.3	85.8	3.5
Employer Satisfaction	100	91.8	8.2
Graduate Satisfaction	80.5	76.8	3.7

The research shows that 89.3 percent of 2021-2022 Loyalist graduates were employed within six months of graduation, 3.5 points higher than the provincial average for Ontario's 24 public colleges. Loyalist satisfaction rates also received top marks, with 100 percent employer satisfaction (8.2 points above the provincial average), and 80.5 percent graduate satisfaction (3.7 points above the provincial average). Even as the College experiences record-setting enrolment, our small class sizes and highly personalized instruction continue to differentiate Loyalist College.



# SUMMARY OF ADVERTISING/MARKETING COMPLAINTS



For the period of April 1, 2023, to March 31, 2024, there were no advertising or marketing complaints received by the College.





# LOYALIST COLLEGE

## **Loyalist College**

376 Wallbridge-Loyalist Rd.  
Belleville, ON K8N 5B9

Email: [info@loyalistcollege.com](mailto:info@loyalistcollege.com)

Phone: 613-969-1913

Toll Free: 1-888-569-2547

TTY: 613-962-0633

[loyalistcollege.com](http://loyalistcollege.com)