ANNUAL REPORT 2017 2018

ACCELERATED SUCCESS
MEANINGFUL COLLABORATION
INSPIRED INNOVATION
STRONG FOUNDATIONS

Georgian

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MESSAGE FROM THE CHAIR, BOARD OF GOVERNORS AND THE PRESIDENT AND CEO

For 50 years, Georgian has been transforming lives, preparing students for meaningful employment, and strengthening the growth and development of our economy and the communities we serve. We boldly continue to live our mission, vision and values with an unwavering commitment to our students, graduates, donors and partners.

This annual report captures many highlights and successes from the past year. We are proud to share Georgian was designated the first changemaker college in Canada by Ashoka U, the world's largest network of social entrepreneurs. Our Henry Bernick Entrepreneurship Centre was also recognized as a top business accelerator and honoured with two major awards from UBI Global – a Swedish-based research and advisory firm. These achievements reflect the incredible work of our students and employees, and affirm our leadership as a trailblazer in entrepreneurship and social innovation education.

For the first time ever, Georgian students are now studying in Barrie's downtown core. We opened the Arch and Helen Brown Design and Digital Arts Centre in September, now home to students in all years of our Digital Video, Graphic Design, Graphic Design Production, and Photography programs. The new location is providing opportunities for work-integrated learning and exciting collaboration with experts in Barrie's creative community.

We also celebrated several outcomes of an unprecedented $7.2-million pledge the Georgian College Students' Association made to the college in 2015. Since that pledge, we have worked closely with student leaders to ensure funds are used to support important projects to improve student services at all campuses. This year we unveiled a new sports field and Student Services Centre at our Barrie Campus, as well as several upgrades to student spaces at the Orillia and Owen Sound campuses.

Our partnership with Lakehead University continues to grow and evolve. Together, we developed two more combined degree-diploma programs in the areas of applied life science and computer studies. Students experience the best of both worlds, earning two credentials in just four years. They'll graduate as innovative thinkers who can combine academic scholarship, applied skills and critical reasoning to meaningfully contribute to their workplace and community.

Our students, staff and partners eagerly anticipate the opening of our new Advanced Technology, Innovation and Research Centre (ATIRC) at our Barrie Campus. The centre will welcome students in September and will play an essential role in creating a powerful local entrepreneurship climate and in supporting diversification of our economy. Academia and industry will collaborate to innovate and create new opportunities for the future. A one-of-a-kind resource in central Ontario, ATIRC will be the go-to place to develop and incubate, test concepts and showcase groundbreaking research.

On behalf of the Board of Governors, we extend deep gratitude to the entire Georgian team for the outstanding successes outlined in this report. We look forward to another bright year ahead!

Jim Bertram
Chair, Georgian College Board of Governors

MaryLynn West-Moynes
President and CEO

SECTION 1: REPORT ON 2017-18 GOALS AND PERFORMANCE

ACCELERATED SUCCESS

COMMITMENT 1

Quality market-driven programs.

Strategies:

Create degree pathways in every diploma program.

Offer relevant curriculum for in-demand jobs.

Use the Program Assessment process to drive program sustainability.

2017-18 Actions	Outcomes
A1. Map remaining business programs to all BBA programs (12 pathways mapped so far).	All business diplomas mapped to all BBA programs.
A2. Use new protocol to facilitate mapping of all business diplomas to all BBA programs.	All business diplomas mapped to all BBA programs using new protocol.
A3. Integrate all OCQAS quality assessment metrics into a single dashboard. Implement Courseleaf's CiM (curriculum) and CAT (catalogue) software.	CiM and CAT tested and implemented. All OCQAS quality metrics integrated into a single dashboard.
A4. Develop a checklist for decision-making on program closure. Support and enhance Program Assessment tools on the intranet.	Checklist is in development; currently preparing program analysis by program clusters in combination with corridor enrolment funding. Program assessment tools enhanced on the intranet with the addition of a web form to capture qualitative metrics as well as course metrics reporting.

COMMITMENT 2

Experiential learning and employer guarantee.

Strategies:

Expand experiential learning opportunities in every program and offer a wide range of co-curricular activities to ensure students have the skills and capabilities to succeed.

Develop an employer guarantee for student job readiness.

2017-18 Actions	Outcomes
A5. Develop a framework for work integrated learning (WIL) at Georgian.	WIL Framework Committee established; framework in development.
A6. Analyze if co-op affects graduation rate; respond accordingly. Analyze success of international students acquiring and completing co-op; incorporate student feedback to make improvements to co-op.	Co-op analysis will be completed by academic year-end.
A7. Develop terms of the employer guarantee terms and a plan for implementation.	Employer guarantee will roll out with the 2018 graduating classes.

COMMITMENT 3:

Effective student supports and services.

Strategy:

Streamline delivery of student services through a unified online portal. Provide integrated student support through holistic advising.

2017-18 Actions	Outcomes
A8. Implement Phase 2 of the student portal and Georgian ONEcard system.	Phase 2 of the student portal and Georgian ONEcard system implemented.
A9. Review advising model and revise as required; identify metrics for program success.	Assessment plan drafted and metrics identified. In process of establishing assessment timelines; data collection under way.
A10. Implement Degree Works™, the Ellucian degree audit system to improve student retention.	DegreeWorks™ implemented; rollout delayed due to the fall 2017 work stoppage. To be completed on a rolling basis throughout 2018.

2017-18 Actions	Outcomes
A11. Implement Ministry's Net Tuition mandate to integrate Admissions and Financial Aid.	Net Tuition on track for implementation by August 2018.
A12. Analyze retention data for patterns in persistence to graduation.	Retention data analyzed; Deans are reviewing reports to determine strategies for improvement.

COMMITMENT 4:

Internationalized Georgian community.

Strategies:

Enhance cultural awareness and support greater international exchange and study abroad opportunities.

Expand and better integrate supports for international students.

2017-18 Actions	Outcomes
A13. Continue to enhance international exchange and study abroad opportunities for students.	Two additional opportunities finalized; international exchange and study abroad opportunities fostered and promoted. Two students (one international and one domestic) completed a social innovation co-op abroad experience. Eight nursing students participated in Phase 1 of the Global Network Learning pilot project; 16 participated in Phase 2.
A14. Continue to offer diversity training to all employees to support cultural awareness.	Eight cultural diversity sessions offered; others cancelled during academic work stoppage. Forty cultural diversity sessions held with 650 participants to date.
A15. Conduct review of recently implemented in-country placement testing – CaMLA – and revise as necessary. Review EAP Lab delivery. Develop EAP video series to support students' language acquisition.	CaMLA placement testing review completed; further testing scheduled for reliability for placement in postsecondary vocational programs. EAP lab delivery will be realigned fall 2018.
A16. Develop and implement international admissions module.	International admissions module implemented.
A17. Establish Diversity, Equity and Inclusion committee with cross-college representation.	Diversity, Equity and Inclusion committee and plan established. Joint initiative held with OPP and

2017-18 Actions	Outcomes
Include presentations on campus safety and security and continue outreach during International orientation.	several colleges to identify, track and report hate crime to reduce victimization. Specific training provided as part of student orientation to reduce vulnerability to fraud and exploitation.

COMMITMENT 5:

Enhanced Indigenization.

Strategies:

Enhance curriculum to reflect Indigenous culture and traditions.

Enrich the college community by engaging in Indigenous knowledge sharing.

2017-18 Actions	Outcomes
A18. Incorporate Indigenization learning objectives into twenty programs. A19. Offer 10 Indigenous knowledge-sharing sessions across the college. Establish smudging protocol to support ceremonial practices.	Indigenization of curriculum underway for a number of General Education courses. More than 10 knowledge-sharing sessions held in college- and campus-wide events, classroom sessions and team meetings. Smudging protocol implemented.

MEANINGFUL COLLABORATION

COMMITMENT 1:

Strong community and industry connections.

Strategy:

Proactively engage partners through well-established connections using our Community Engagement and Partner Relationship Management Committees.

2017-18 Actions	Outcomes
M1. Additional partners engaged for workforce development, research, innovation and employment services.	Partnership with Orillia Soldier's Memorial Hospital (OSMH) formalized; Georgian's Research Ethics Board established as OSMH's Research Ethics Board of Record. Faculty from Georgian's Nursing program engaged in a collaborative applied research project with colleagues from VIA Denmark. Centre for Applied Research and Innovation (CARI) secured letters of support from partners for its Competitive Smart Manufacturing applied research program which indicate multi-year partnership commitments. CARI projects in place with more than 10 new industry partners.

COMMITMENT 2:

Progressive degree delivery.

Strategy:

Develop a comprehensive degree strategy for central Ontario including Georgian degrees, integrated degree-diplomas and partner degrees.

2017-18 Actions	Outcomes
M2. Implement Lakehead-Georgian degree plan.	Georgian and Lakehead on track to launch between six and eight partnership degrees by 2020-21.
M3. Develop three degrees to launch in 2018-19.	Honours Bachelor of Counselling and Honours Bachelor of Industrial Design developed; ready for launch.
M4. Pursue ITAL status and/or consent for the University Partnership Centre.	University Partnership Centre (UPC) consent requested. Awaiting Ministry response to UPC and the consultation process regarding ITAL status.

COMMITMENT 3:

Learning for life.

Strategy:

Expand and evolve program offerings in response to shifting demands and demographics.

2017-18 Actions	Outcomes
M5. Secure additional corporate training clients through increased outreach and promotion.	Approximately 24 new corporate training contracts signed.
M6. Launch new part-time non-credit courses meeting market and community needs. Complete pilot of Phase 1 of Elevate and rollout to all corporate clients. Launch Phase 2 for part-time non-credit courses in summer 2017.	New leadership courses developed and offered. Elevate Phases 1 and 2 roll out complete.
M7. Increase visibility of part-time credit and non-credit courses through marketing and recruitment activities on and off campus.	Marketing and recruitment plans developed and tactics executed for part-time credit and non-credit courses, including paid media, web improvements and integration of part-time studies in all major recruitment activity.

INSPIRED INNOVATION

COMMITMENT 1:

Entrepreneurship and social innovation.

Strategies:

Graduate students with the skills and mindset to be innovative thinkers and change makers.

Foster growth and development of businesses and social enterprises to build the regional economy and address community-based issues.

2017-18 Actions	Outcomes
I1. Build awareness and participation in eCo-op beyond the Barrie campus; build towards a target of 10 students participating in eCo-op in each of the 3 terms.	Owen Sound and Orillia promotion initiated. Four students enrolled in eCo-op in the summer term and four in the fall term. Work stoppage impacted fall completion and winter promotion.
I2. Deliver events and programs to support the incremental investment by students pertaining to the Social Innovation Fee.	Ten additional Maker Nights and Weekend Blockchain Hackathon delivered and social innovation mentor support added. Centre for Applied Research and Innovation (CARI) seed fund established.
I3. Work with community partners to access training dollars. Continue Second Career Assistance Network (SCAN) and Prince's Operation Entrepreneur (POE) workshops for CFB Borden members. Work with CFB Borden to discuss further options for entrepreneurial training including online delivery.	Employers supported through the Canada-Ontario Job Grant and through cross-market activities. Second Career Assistance Network (SCAN) presentation delivered. Prince's Operation Entrepreneur (POE) workshop completed at CFB Borden. Marketing students delivered campaigns for CFB Borden tank restoration project. Online option for entrepreneurial course for CFB Borden launched. Second Career workshops delivered at CFB Borden.
I4. Expand community projects initiative to include new Social Entrepreneurship and Not for Profit programs.	Community projects initiative includes eight additional programs.
I5. Continue Ashoka application development; host site visit in Spring 2017.	Ashoka designation secured. Requirements associated with the designation in process of implementation.

COMMITMENT 2:

Enriched learning through meaningful research and scholarship.

Strategy:

Foster a culture of research, scholarship and collegiality that connects students, employees and the community.

2017-18 Actions	Outcomes
I6. Promote use of online inventory tool to track and report on all research and scholarly activity; encourage faculty and staff participating in research and scholarly activity to report their work through the online inventory tool.	Thirty faculty engaged in applied research or scholarship activities led by the Centre for Applied Research and Innovation.
I7. Expand faculty engagement in research activity and capacity building sessions.	220 students engaged in applied research and/or scholarship activities through the Centre for Applied Research and Innovation. Four students presented their applied research projects at the CICan Applied Research Symposium in Ottawa.
I8. Deliver second annual Research, Innovation and Scholarship Day; plan the third.	Research, Innovation and Scholarship Day successfully delivered and included 11 oral presentations, six book readings and 12 poster presentations.

COMMITMENT 3:

Flexible and technology-enabled learning.

Strategies:

Expand technology-enabled learning options including online learning, compressed and hybrid courses and better integrate full-time and part-time studies to maximize learning choices.

Empower faculty to select and use a variety of pedagogically appropriate technologies in the classroom to promote student engagement, communication and assessment.

2017-18 Actions	Outcomes
I9. Assess effectiveness and efficiency of online offerings including developing a model for programs, courses and technology to facilitate the implementation of online learning.	Technology Enabled Learning Environment Committee (TELEC) established. Process for submitting and approving technology-enabled learning options developed and implemented.

2017-18 Actions	Outcomes
	Increased online badging opportunities implemented.
I10. Pilot test a technology-enabled mobile strategy in one program area; develop metrics for determining success. Continue data analysis regarding proficiency of faculty in technology use.	Technology-enabled mobile strategy implemented in Hospitality and Tourism. Metrics; process for assessing faculty proficiency developed through TELEC.

STRONG FOUNDATIONS

COMMITMENT 1:

Exceptional people.

Strategies:

Value and invest in our faculty, support staff and administrators to support teaching excellence, deliver quality services and provide extraordinary experiences for our students.

Enhance opportunities for professional development in building excellence in teaching practice.

2017-18 Actions	Outcomes
S1. Pilot succession planning process; refine and implement college-wide.	Initiative delayed until arrival of new VP, HR.
S2. Complete employee engagement survey process; develop college and department action plans.	Employee Engagement Survey completed. Given the academic work stoppage, Employee Engagement Survey results were shared where deemed to be of value for department planning. Employee engagement will be a continuing priority in 2018-19.
S3. Continue to foster innovative teaching practices and curriculum design through orientation for all faculty. Deliver orientation using online formats for new non-full time faculty.	Eleven new workshops series (including four new fully online workshop series and one webinar series) developed and offered; eight workshops using videoconferencing offered. Videoconferencing used to facilitate participation of new faculty in Owen Sound. An eBinder for New Faculty Orientation implemented; Introduction to Blackboard training made available through a self-paced online module.

COMMITMENT 2:

Financial sustainability.

Strategies:

Streamline our business processes to ensure long-term financial and operational health.

Renew campus facilities to ensure they are modernized and updated.

Leverage the Power of Education campaign for funding projects aligned with strategic priorities.

Continue focused recruitment and marketing activities.

2017-18 Actions	Outcomes
S4. Conclude operations of Kempenfelt Conference Centre by October 31, 2017. Prepare property strategy.	Kempenfelt Conference Centre closed and prepared for transition.
S5. Meet revenue and efficiency strategies. Perform targeted zero-based budgeting reviews. Leverage systems to enhance planning and budget accountability.	Year-end budget impacted by work stoppage. Sustainability strategy will continue to be a priority in 2018-19.
S6. Integrate annual enrolment planning to maximize enrolment and seat allocation earlier in the budget cycle. Strategy in place to maximize corridor funding.	Enrolment Management Committee reviewed all semester intakes to maximize enrolment. Enrolment plan aligned within the corridor funding model for Georgian.
S7. Implement multi-year facilities renewal plan. Among items planned in 2017-18 are enhancements or renovations to the Orillia cafeteria; Barrie Student Services Centre; Georgian College Students Association office; and labs, equipment and furnishings; plus the relocation of selected programs from Design and Visual Arts to the new Downtown Barrie facility and construction of the Advanced Technology, Innovation and Research Centre (ATIRC).	Facilities projects funded for 2017-18 completed within timeframe. Planning initiated for new projects funded under the Greenhouse Gas Reduction Program (GGRP).
S8. Focus on the Advanced Technology, Innovation and Research Centre (ATIRC) campaign and scholarships.	Over $3 million raised for ATIRC with nearly $5 million in solicitations; building on track for fall 2018. Over $600,000 raised for awards and scholarships.
S9. Complete internal assessment of customer relationship management (CRM) system requirements. Develop business case, identifying	CRM project launched January 2018, with implementation to be completed by June 2018.

2017-18 Actions	Outcomes
system recommendation, timing, resources and cost. Implementation contingent on budget approval.	
S10. Build the reputation of our Owen Sound and Orillia campuses.	Reputation campaign launched in Owen Sound, Orillia and Barrie utilizing large outdoor billboards, print ads, buses and digital screens featuring proof points “#1 in Co-op” and “#1 in Graduate Employment”. Radio, social and digital media with campus-specific content promoting March Break tours and Spring Open House.

COMMITMENT 3:

Environmental responsibility.

Strategy:

Build on Georgian's strong record of sustainability by raising awareness on environmental issues and promoting energy efficiency in our operations.

2017-18 Actions	Outcomes
S11. Implement centralized garbage locations for office employees to help reduce garbage and increase recycling.	Centralized garbage locations implemented at the Barrie campus; remaining campuses to be implemented in 2018-19.
S12. Develop intuitive waste diversion signage.	New intuitive waste diversion signage in place at all campuses.
S13. Upgrade selected lighting, heating and cooling systems.	Lighting, heating and cooling systems projects completed.

COMMITMENT 4:

Operational excellence.

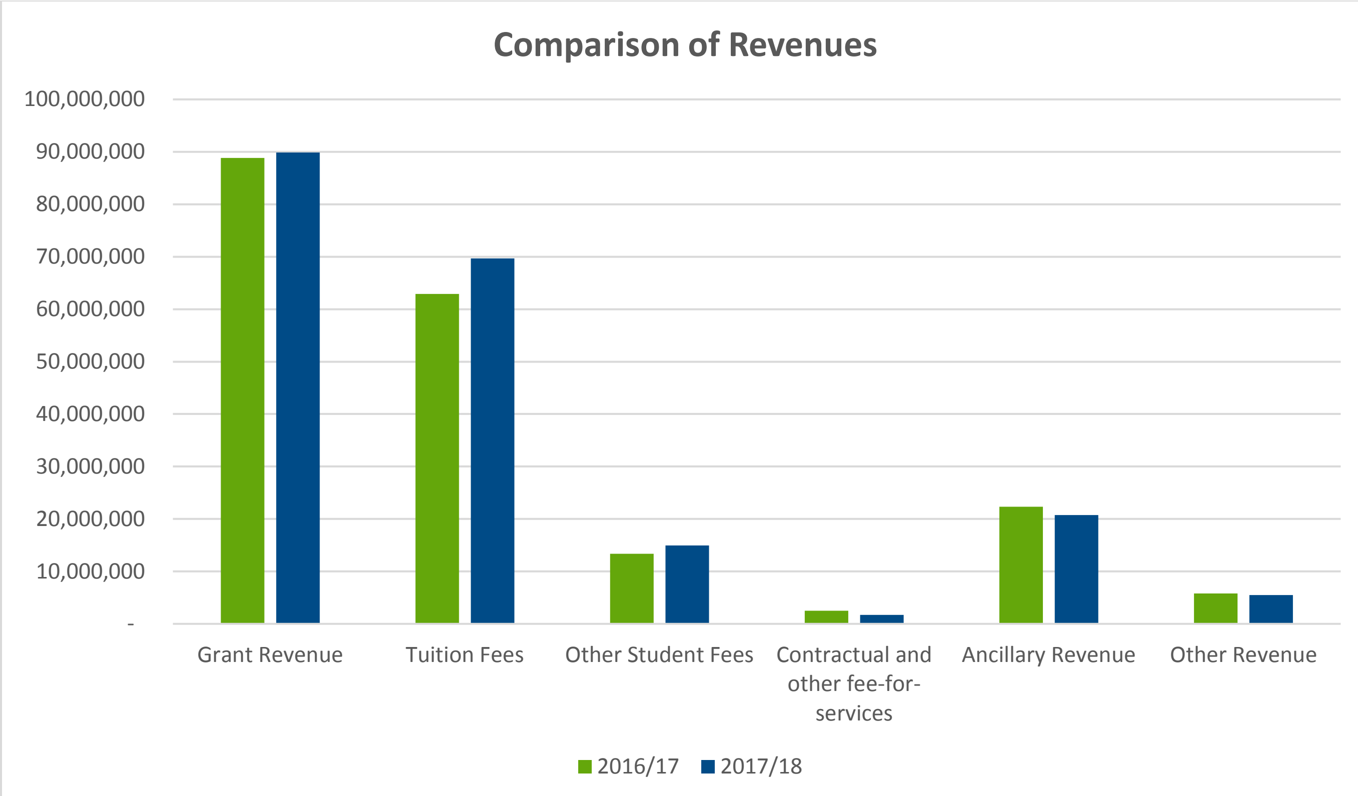
Strategy:

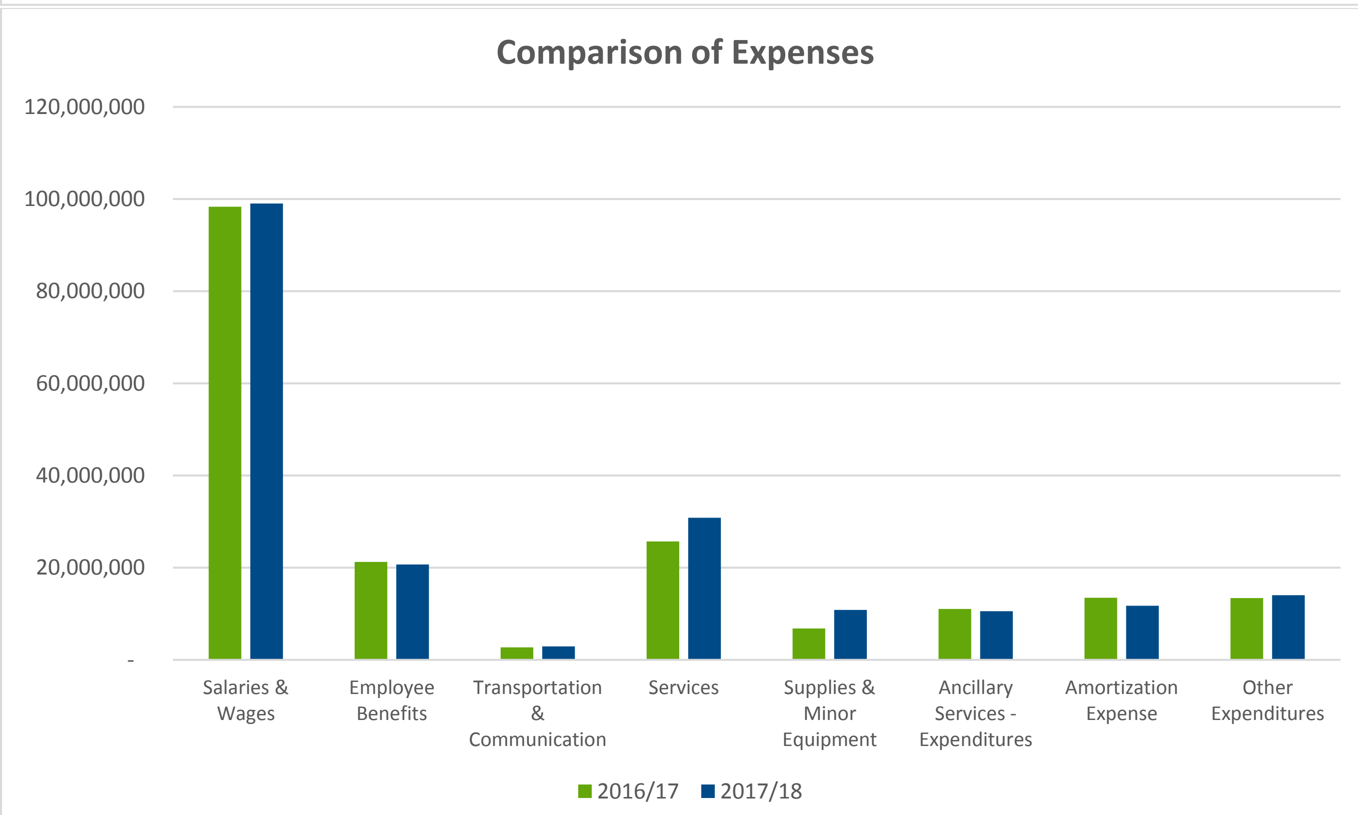
Continually improve our programs, services and operations to ensure maximum value is delivered.

2017-18 Actions	Outcomes
S14. Continue to conduct process improvement reviews in selected service areas across the college.	Service area process reviews completed for selected areas.
S15. Develop plan to enhance PeopleSoft HR and Finance capabilities and to streamline processes. Upgrade to Banner 9 to provide employees and students with a modern user interface and improved registration experience. Develop a new parking service delivery model.	PeopleSoft HR plans established; Finance plan in development. Banner 9 upgrade in progress.
S16. Review and document 10 academic administrative processes and place on SharePoint site.	One academic administrative process completed; several others in process.

SECTION 2: ANALYSIS OF COLLEGE'S FINANCIAL PERFORMANCE

		CFIS FINAL 13/14	CFIS FINAL 14/15	CFIS FINAL 15/16	CFIS FINAL 16/17	17/18 est CFIS at 04/24
	Revenues					
41	Grant Revenue	84,277,280	84,633,723	87,226,566	88,808,739	89,896,380
43	Tuition Fees	52,740,726	54,666,920	56,756,415	62,913,016	69,673,172
44	Other Student Fees	13,350,030	13,096,236	12,276,257	13,348,668	14,954,988
45	Contractual and other fee-for-services	3,643,213	2,898,130	2,842,387	2,487,303	1,676,237
46	Ancillary Revenue	20,252,489	19,867,702	21,611,768	22,334,202	20,737,797
49	Other Revenue	6,333,389	7,657,577	4,851,314	5,795,270	5,480,133
Total Revenue		**180,597,127**	**182,820,288**	**185,564,707**	**195,687,198**	**202,418,706**
	Expenditures					
51	Salaries & Wages	92,341,812	93,252,558	96,572,713	98,313,597	99,056,965
52	Employee Benefits	18,657,915	20,098,939	20,503,881	21,251,901	20,682,374
53	Transportation & Communication	2,665,103	2,838,225	2,676,686	2,686,399	2,922,493
54	Services	22,687,776	23,697,606	23,687,806	25,684,718	30,867,508
55	Supplies & Minor Equipment	9,732,784	8,903,026	7,446,515	6,832,769	10,869,437
56	Ancillary Services - Expenditures	10,669,680	11,344,831	11,214,576	11,014,905	10,548,964
57	Amortization Expense	10,058,372	9,746,776	10,315,392	13,496,974	11,737,172
59	Other Expenditures	10,330,377	11,369,514	12,994,453	13,393,019	14,041,692
Total Expenses		**177,143,819**	**181,251,475**	**185,412,022**	**192,674,284**	**200,726,605**
Surplus (Deficit)		**3,453,308**	**1,568,813**	**152,685**	**3,012,914**	**1,692,101**
Revised 14/15			**1,322,955**			
14/15 will have a prior period adjustment			**(245,858)**			


Comparison of Revenues
100,000,000
90,000,000
80,000,000
70,000,000
60,000,000
50,000,000
40,000,000
30,000,000
20,000,000
10,000,000
-
Grant Revenue
Tuition Fees
Other Student Fees
Contractual and other fee-for-services
Ancillary Revenue
Other Revenue
2016/17
2017/18


Comparison of Expenses
120,000,000
100,000,000
80,000,000
60,000,000
40,000,000
20,000,000
-
Salaries & Wages
Employee Benefits
Transportation & Communication
Services
Supplies & Minor Equipment
Ancillary Services - Expenditures
Amortization Expense
Other Expenditures
2016/17
2017/18

SECTION 3: SUBSIDIARIES AND FOUNDATIONS

IRDI Technologies Inc.: IRDI Technologies Inc. was involved in a contract with the National Research Council Canada to develop and modify a Nickel Vapour Deposition process to produce flexible thin wall tubes. This contract was completed as of June 30, 2006. To date there has been no additional activity in this subsidiary. There is $100 of common shares issued to the college.

The Georgian College Foundation: The Georgian College Foundation is a non-profit corporation without share capital incorporated by letters patent under The Corporations Act (Ontario) on July 25, 1991. Prior to April 1, 2007, the Georgian College Foundation was responsible for long-term fund raising for the Georgian College of Applied Arts and Technology. Effective April 1, 2007, motions were passed by the Board of Governors of the college and the Board of Directors of the Georgian College Foundation to assume the ongoing and future fundraising and philanthropic activities of the foundation. The college will assume all of the foundation’s existing and future property and assets, both realized and unrealized, in whole or in part, from time-to-time, when the assets, or any part of the assets can be transferred to the college without any adverse consequences to the foundation or the college. In return, the college will assume all of the foundation’s existing and future liabilities, both known and unknown. Also effective with this change, the Georgian College Foundation will be managed by a separate board under the control of the Board of Governors of the college. These financial statements will be consolidated with the statements of the college. The foundation continues to be active to capture any donations that may be bequeathed to the Georgian College Foundation instead of the Georgian College of Applied Arts and Technology.

Both the subsidiary and foundation are included in the Consolidated Financial Statements of Georgian College.

APPENDIX A: 2017-18 SMA REPORT BACK

To be filed November 2018 as per Ministry directive.

APPENDIX B: AUDITED FINANCIAL STATEMENTS

Consolidated Financial Statements of

The Georgian College of Applied Arts and Technology

Year Ended March 31, 2018

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Georgian

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June 21, 2018

Management's Responsibility For Financial Reporting

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board (PSAB). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the 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 Finance and Audit Committee is appointed by the Board of Governors and meets regularly with management, as well as the external auditors, to review matters relating to financial sustainability, controllership and auditing matters as well as financial reporting. The Committee vets matters of significance with regards to the budget, financial statements and the external auditor's report to ensure the Board is able to properly discharge its responsibilities.

The Finance and Audit Committee provided oversight and guidance as the college addressed these fiscal sustainability matters. The Committee reports its findings to the Board for consideration when making recommendations to the Board with financial implications.

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

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

MaryLynn West-Moynes	Angela Lockridge
President and CEO	Vice President, Corporate Services and Innovation

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Independent Auditor's Report

To the Board of Governors of The Georgian College of Applied Arts and Technology

We have audited the accompanying consolidated financial statements of The Georgian College of Applied Arts and Technology, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, changes in net assets, cash flows and remeasurement losses for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Georgian College of Applied Arts and Technology as at March 31, 2018, and the results of its operations, its cash flows and its remeasurement losses for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Mississauga, Ontario
June 25, 2018

The Georgian College of Applied Arts and Techonology
Consolidated Statement of Financial Position
As of: March 31, 2018

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 38,088,337	$ 16,988,039
Restricted Cash	8,959,356	13,726,645
Accounts and Grants Receivable (Note 2)	5,743,235	12,051,700
Inventory (Note 3)	2,110,074	1,772,634
Prepaid Expenses	3,186,690	2,969,734
Current Portion of Notes Receivable (Note 4)	979,951	972,011
Investments (Note 6)	9,926,160	9,579,071
Total Current Assets	68,993,803	58,059,834
Notes Receivable (Note 4)	3,876,033	4,674,873
Construction in Progress (Note 7)	18,187,846	3,410,618
Capital Assets (Note 8)	144,161,576	141,775,847
Service Concession Assets (Note 9)	17,279,444	17,368,838
TOTAL ASSETS	$ 252,498,702	$ 225,290,010
LIABILITIES		
Current Liabilities		
Accounts and Grants Payable and Accrued Liabilities (Note 11)	$ 34,988,467	$ 18,790,356
Current Portion of Capital Leases (Note 14)	2,019	14,644
Current Portion of Long Term Debt Payable (Note 15 A)	2,084,473	1,992,182
Deferred Revenue (Note 12)	14,881,043	16,471,799
Vacation Pay Payable	4,996,584	4,508,354
Due to Student Associations (Note 13)	5,766,467	4,587,151
Total Current Liabilities	62,719,053	46,364,486
Post-Employment Benefits and Compensated Absences (Note 19)	5,893,253	6,526,922
Long Term Capital Leases (Note 14)	--	2,020
Long Term Debt Payable (Note 15 A)	15,715,627	17,800,100
Long Term Service Concession Deferred Revenue (Note 9)	16,858,889	17,037,677
Deferred Capital Contributions (Note 16)	119,537,128	107,801,839
Deferred Contributions (Note 17)	10,313,438	9,438,075
Interest Rate Swaps (Note 15 B)	3,054,065	4,443,684
TOTAL LIABILITIES	234,091,453	209,414,803
NET ASSETS		
Unrestricted Net Assets		
Unrestricted Operating	2,517,186	49,302
Post-Employment Benefits and Compensated Absences (Note 19)	(5,893,253)	(6,526,922)
Vacation Pay Accrual	(4,996,584)	(4,508,354)
Total Unrestricted	(8,372,651)	(10,985,974)
Investment in Capital Assets (Note 18)	20,604,100	21,942,974
Internally Restricted Funds (Note 20)	444,991	24,991
Endowment Funds (Note 21)	8,784,874	9,336,901
	21,461,314	20,318,892
Accumulated Remeasurement Losses	(3,054,065)	(4,443,684)
TOTAL NET ASSETS	18,407,249	15,875,208
TOTAL LIABILITIES AND NET ASSETS	$ 252,498,702	$ 225,290,010

See accompanying notes to the consolidated financial statements.

Approved by the Board of Governors:

Chair

President

The Georgian College of Applied Arts and Technology
Consolidated Statement of Operations
For the Year Ended: March 31, 2018

	2018	2017
Revenue		
Grants and Reimbursements	$ 80,297,175	$ 79,619,906
Tuition Revenue	69,673,172	62,913,016
Ancillary Operations Revenue	20,737,797	22,334,202
Other Student Fees	14,954,988	13,348,668
Other Revenue	7,980,133	6,863,125
Amortization of Deferred Capital Contributions	7,099,205	8,197,862
Contractual and Other Fee-for-Serivce	1,676,237	2,487,303
Total Revenue	**202,418,707**	**195,764,082**
Expenditure		
Salaries and Benefits	119,772,744	119,565,499
Ancillary Operations Non Salary Expenditure	10,548,964	11,014,905
Services	16,385,908	13,147,338
Amortization of Capital Assets	11,737,172	13,496,974
Maintenance, Utilities, and Municipal Taxes	11,640,270	10,077,032
Supplies and Minor Equipment	10,869,437	6,832,769
Interest and Insurance Expenditures	5,568,169	5,630,191
Transportation and Communication	2,922,493	2,686,399
Rental Expenditures	2,841,330	2,537,232
Other Expenses	8,437,771	7,762,830
Total Expenditure	**200,724,258**	**192,751,169**
Excess Revenue over Expenditure	**$ 1,694,449**	**$ 3,012,913**

See accompanying notes to the consolidated financial statements.

The Georgian College of Applied Arts and Technology
Consolidated Statement of Changes in Net Assets
For the Year Ended: March 31, 2018

	Unrestricted	Capital	Restricted		
			Internally Restricted (Note 20)	Externally Restricted (Note 21)	Total
Balance - Beginning of Year	$ (10,985,974)	$ 21,942,974	$ 24,991	$ 9,336,901	$ 20,318,892
Endowments received during the year	-	-		85,285	85,285
Unrealized Loss on Endowments				(637,312)	(637,312)
Excess (Deficiency) of Revenue over Expenditure	5,823,022	(4,548,573)	420,000	-	1,694,449
Investment in Capital Assets	(3,209,699)	3,209,699	-	-	-
Balance - End of Year	$ (8,372,651)	$ 20,604,100	$ 444,991	$ 8,784,874	$ 21,461,314

For the Year Ended: March 31, 2017

	Unrestricted	Capital	Restricted		
			Internally Restricted (Note 20)	Externally Restricted (Note 21)	Total
Balance - Beginning of Year	$ (11,854,306)	$ 19,798,391	$ 24,991	$ 8,708,766	$ 16,677,842
Endowments received during the year	-	-	-	203,618	203,618
Unrealized Gain on Endowments				424,517	424,517
Excess (Deficiency) of Revenue over Expenditure	8,222,632	(5,209,718)	-	-	3,012,913
Investment in Capital Assets	(7,354,301)	7,354,301	-	-	-
Balance - End of Year	$ (10,985,974)	$ 21,942,974	$ 24,991	$ 9,336,901	$ 20,318,892

See accompanying notes to the consolidated financial statements.

The Georgian College of Applied Arts and Techonology
Consolidated Statement of Cash Flows
For the Year Ended: March 31, 2018

Increase (decrease) in cash	Current Year Actual	Prior Year Final
OPERATING ACTIVITIES		
Excess Revenue over Expenditure	$ 1,694,449	$ 3,012,913
Items not involving Cash		
Amortization of capital assets	11,737,172	13,496,974
Amortization of deferred capital contributions	(7,099,205)	(8,197,862)
Amortization of service concession assets	89,394	89,394
Amortization of service concession deferred revenue	(178,788)	(178,788)
Post-employment benefits and compensated absences	(633,669)	342,223
	5,609,353	8,564,854
Changes in Non-Cash Working Capital		
Accounts and Grants Receivable	6,308,465	(5,572,450)
Inventory	(337,440)	234,874
Prepaid Expenses	(216,953)	(726,496)
Accounts and grants payable and accrued liabilities	16,198,111	3,054,218
Deferred Revenue	(1,590,756)	8,069,234
Change in vacation pay payable	488,230	(127,685)
Due to Student Associations	1,179,316	(2,905,323)
	27,638,326	10,591,225
INVESTING ACTIVITIES		
Unrealized gain on investments	637,312	(284,627)
Repayment of notes receivable	790,900	773,411
	1,428,212	488,784
FINANCING ACTIVITIES		
Repayment of capital leases	(14,645)	(423,816)
Repayment of long term debt payable	(1,992,182)	(2,111,476)
	(2,006,827)	(2,535,293)
CAPITAL ACTIVITIES		
Contributions received for capital purposes	22,940,715	10,045,424
Invested in construction in progress	(14,777,228)	1,300,551
Proceeeds on capital assets disposed		
Purchase of capital assets	(14,122,902)	(15,169,387)
	(5,959,415)	(3,823,412)
Increase in cash	21,100,298	4,721,306
Cash, beginning of year	16,988,039	12,266,733
Cash, end of year	$ 38,088,337	$ 16,988,039

See accompanying notes to the consolidated financial statements.

The Georgian College of Applied Arts and Technology
Consolidated Statement of Remeasurement Losses
As of: March 31, 2018

		2018		2017
Accumulated Remeasurement Losses at beginning of year	$	4,443,684	$	5,715,955
Derivative - interest rate swap		(1,389,619)		(1,272,271)
Net remeasurement loss for the year		(1,389,619)		(1,272,271)
Accumulated Remeasurement Losses at end of year	$	3,054,065	$	4,443,684

See accompanying notes to the consolidated financial statements.

GENERAL

The Georgian College of Applied Arts and Technology (the "College") was established under the Ministry of Colleges and Universities Act as a corporation in 1967. Excellence in teaching and learning is at the heart of its mission. Georgian helps students achieve their career and life goals by delivering academic excellence in a uniquely nurturing environment.

The College is a registered charity and therefore is, under Section 149 of the Income Tax Act, exempt from payment of income tax.

1. SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements of the College have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs"). The most significant of which are as follows:

(A) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

(B) REVENUES

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

i) Grants received for operations from the Ministry of Advanced Education and Skills Development (MAESD) and other governmental agencies are recorded as revenue in the year to which they relate. Grants approved but not received at the end of the fiscal year are accrued. Where a portion of a grant relates to a future year, it is deferred and recognized in the subsequent year.

ii) Capital grants and contributions restricted for the purchase of capital assets are deferred when the monies are received, and subsequently amortized to revenue on a straight-line basis over the useful life of the related capital asset.

iii) Tuition fees are recorded in the accounts based on the academic period of the specific courses. Tuition fees are deferred to the extent that the courses extend beyond the fiscal year of the College.

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

v) Other operating revenues are deferred to the extent that related services provided, or goods sold are rendered/delivered subsequent to the end of the College's fiscal year.

(C) VALUATION OF INVENTORIES

Inventory consists of textbooks, stationery, giftware, computer hardware and software, food and liquor, metals, printed stationery and materials for maintenance. Inventories are valued at the lower of cost, determined on the first-in first-out basis and net realizable value. The cost includes all acquisition costs incurred in bringing inventory to its present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less any applicable expenses.

(D) CAPITAL ASSETS

Purchased assets are stated at cost. Donated assets are recorded at their fair market value at the date of donation.

When a capital asset no longer contributes to the College's ability to provide services or the value of future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value.

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Capital assets are amortized on a straight-line basis using the following estimate of useful lives:

ASSET	USEFUL LIFE
Land	n/a
Land Improvements	25 years
Buildings	40 years
Building Renovations & Enhancements	15 years
Portables	10 years
Site improvements	10 years
Leasehold improvements	1st term of the lease
Furniture and fixtures	5 years
Equipment and vehicles	5 years
Computers – Networking Equipment	5 years
Computers – Servers & Storage	4 years
Computers – AV Equipment	3 years
Major equipment & Enterprise Software	10 years
Non Enterprise Software	5 years
Leased equipment	Term of lease

Construction in progress is not recorded as a capital asset, or amortized until construction is complete and the asset is put into use.

(E) RETIREMENT AND POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES

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

(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. Any calculations relating to any contractual arrangements outside of the above noted circumstances have been determined by management using the same assumptions as the actuary.

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(ii) The costs of the multi-employer defined benefit pension are the employer's contributions due to the plan in the period.

(iii) The cost of vesting and non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.

(iv) Compensated absences are determined by management.

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

(F) RELATED ORGANIZATIONS

IRDI Technologies Inc. is a wholly-owned subsidiary of the College. It was acquired by the College effective April 1, 2004.

The Georgian College Foundation is a non-profit corporation without share capital incorporated by letters patent under The Corporations Act (Ontario) on July 25, 1991. Prior to April 1, 2007 it was responsible for the long-term fundraising for The Georgian College of Applied Arts and Technology. Effective April 1, 2007, the College assumed the ongoing and future fundraising and philanthropic activities of the Foundation. The College assumed all of the Foundation's existing and future property and assets both realized and unrealized, in whole or in part. With this change the management of the Board of the Georgian College Foundation now falls under the control of the Board of Governors of the College.

These consolidated financial statements include the assets, liabilities, and results of operations of IRDI Technologies Inc. and The Georgian College Foundation with those of the College. All inter-company balances have been eliminated upon consolidation.

(G) COST ALLOCATIONS

The expenditures are reported, as required, by the Ministry of Advanced Education and Skills Development "College Financial Information System" (CFIS), as per revised guidelines issued May 14, 1998. As well, the College has followed the cost allocation plan approved by the Committee of Finance Officers and the Committee of Presidents of the Colleges of Applied Arts and Technology and endorsed by the Ministry of Advanced Education and Skills Development.

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Accordingly, direct costs are charged to programs and courses on an actual basis wherever possible and elsewhere allocated on the basis of full-time equivalent students.

(H) MANAGEMENT ESTIMATES

The preparation of these consolidated financial statements in accordance with PSAB for Government NPOs requires College management to make estimates, and assumptions that affect the reported amounts of revenue and expenditure, assets and liabilities, and the disclosure of contingent assets and contingent liabilities at the date of the financial statements. Significant account estimates include allowance for doubtful accounts, useful life of capital assets, actuarial estimation of post-employment benefits and compensated absences liabilities, fair value of interest rate swap, payroll accrual and vacation pay. Actual results could differ from these estimates.

(I) GIFTS IN KIND

Contributed materials and services are recorded in the accounts at fair market value when such a value can reasonably be estimated. During the fiscal year, $202,615 (2017 - $57,171) of gifts in kind were received. Included in this amount, $83,000 relates to various equipment $25,000 in gemstones and $10,500 of artwork. The College has built up a permanent study collection of Canadian and International art whereby the value of these pieces has not been included in the books of the College.

(J) FINANCIAL INSTRUMENTS

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

FAIR VALUE
This category includes derivatives and equity instruments quoted in an active market. The College has designated its 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.

They are initially recognized at cost and subsequently carried at fair value. Unrealized changes in the fair value are recognized in the consolidated statement of remeasurement losses until they are realized. Once realized, they are transferred to the consolidated statement of operations, except for those gains and losses of a financial asset in the fair value category that is externally restricted. These gains and losses are recorded as deferred contributions until used for the purpose specified.

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

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

AMORTIZED COST

This category includes accounts and grants receivable, notes receivable from the student associations and the alumni association, accounts and grants payable and accrued liabilities, vacation pay payable, grants payable, due to student associations, and long term debt payable. They are initially recognized at fair value 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 in 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 statement of operations.

2. ACCOUNTS AND GRANTS RECEIVABLE

	2018	2017
Student Receivables	$2,257,751	$(67,300)
Staff	45,568	38,069
Trade and Other	2,745,648	2,411,654
Grants Receivable	694,448	9,669,277
	$5,743,235	$12,051,700

3. INVENTORY

	2018	2017
Beginning Inventory	$1,772,634	$2,007,508
Purchases	6,523,318	6,112,929
Goods Available	8,295,952	8,120,437
Cost of Goods Sold / Adjustments	6,185,878	6,347,803
Ending Inventory	$2,110,074	$1,772,634

4. NOTES RECEIVABLE

The Student Association in Barrie has committed to contribute the construction cost of the Student Centre completed in 1997/98 and an expansion to the athletic facilities, within the Student Centre, completed in September 2003. The Student Association will make annual minimum payments of $550,000, until the balance, including accrued interest is paid in full. The College has arranged financing to support this note receivable which is charged the same rate of interest as that paid by the College to the lending institution. (See Note 15).

The Student Association in Orillia has committed to contribute the construction cost of a Fitness Centre which was completed in 2004/05. The Student Association will make annual minimum payments of $130,000, until the balance, including accrued interest is paid in full. This portion of the note receivable is funded by the College from its own resources and bears interest at 1.00% (2017 - 1.00%). The interest charged was $5,699 (2017 - $7,000).

The Student Association in Barrie has committed to contribute $2,671,789 to the expansion cost of The Last Class-Barrie which was completed September 2012. The Student Association will make semi-annual minimum blended principal and interest payments of $138,286 until the balance is paid in full. The receivable bears an interest rate of 3.626%.

The Alumni Association has signed a note payable of $500,000 for the Power of Education Campaign on April 1, 2009. The Alumni Association will make annual minimum payments of $75,000 until this balance is reached. The current portion of the note outstanding at March 31, 2018 is $75,000 (2017 - $75,000), with the non-current portion being $67,037 (2017 - $134,263). This Note Receivable is non-interest bearing.

4. NOTES RECEIVABLE (cont'd)

Since the rate that the College charged the Alumni Association was not at market at inception, the carrying value of the instrument has been adjusted to fair value. The net unamortized balance at March 31, 2018 of the decrease to the financial asset resulting from this adjustment is $7,963 (2017 - $15,737).

Note Receivable	Barrie	Orillia	Barrie TLC	Alumni	Total
Balance, beginning of year	$3,099,771	$641,484	$1,696,367	$209,262	$5,646,884
Payments received	(550,000)	(130,000)	(276,572)	(75,000)	(1,031,572)
Interest charged	167,638	5,699	59,561	---	232,898
Amortization of Financial Instrument	---	---	---	7,774	7,774
Balance, end of year	2,717,410	517,181	1,479,356	142,037	4,855,984
Less Current Portion	550,000	130,000	224,951	75,000	979,951
	$2,167,410	$387,181	$1,254,405	$67,037	$3,876,033

5. FINANCIAL INSTRUMENT CLASSIFICATION

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

	2018		
	Fair Value	Amortized Cost	Total
Cash and Cash Equivalents	$38,088,337	$---	$38,088,337
Restricted Cash	8,959,356	---	8,959,356
Accounts and Grants Receivable	---	5,743,235	5,743,235
Notes Receivable	---	4,855,982	4,855,982
Investments	9,926,160	---	9,926,160
Accounts and Grants Payable and Accrued Liabilities	---	34,988,467	34,988,467
Long Term Debt Payable & Lease Liabilities	---	17,802,119	17,802,119
Interest Rate Swaps	3,054,065	---	3,054,065

5. FINANCIAL INSTRUMENT CLASSIFICATION (cont'd)

	2017		
	Fair Value	Amortized Cost	Total
Cash and Cash Equivalents	$16,988,039	$—	$16,988,039
Restricted Cash	13,726,645	—	13,726,645
Accounts and Grants Receivable	—	12,051,700	12,051,700
Notes Receivable	—	5,646,884	5,646,884
Investments	9,579,071	—	9,579,071
Accounts and Grants Payable and Accrued Liabilities	—	18,790,356	18,790,356
Long Term Debt Payable & Lease Liabilities	—	19,808,946	19,808,946
Interest Rate Swaps	4,443,684	—	4,443,684

Restricted investments are for endowment and bursary purposes. They consist of equity instruments in Canadian public companies, government and corporate bonds and guaranteed investment certificates.

Maturity profile of bonds held is as follows:

	2018				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying Value	$520,634	$3,912,541	$1,264,042	$808,666	$6,505,883
Percent of Total	8.00%	60.14%	19.43%	12.43%	100%

	2017				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying Value	$358,822	$3,687,639	$1,439,226	$678,094	$6,163,781
Percent of Total	5.82%	59.83%	23.35%	11.00%	100.00%

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

- Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset of liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

5. FINANCIAL INSTRUMENT CLASSIFICATION (cont'd)

	2018		
	Level 1	Level 2	Total
Cash and Cash Equivalents	$38,088,337	$—	$38,088,337
Restricted Cash	8,959,356	—	8,959,356
Investments	—	9,926,160	9,926,160
Interest Rate Swaps	—	3,054,065	3,054,065
Total	$47,047,693	$12,980,225	$60,027,918

	2017		
	Level 1	Level 2	Total
Cash and Cash Equivalents	$16,988,039	$—	$16,988,039
Restricted Cash	13,726,645	—	13,726,645
Investments	—	9,579,071	9,579,071
Interest Rate Swaps	—	4,443,684	4,443,684
Total	$30,714,684	$14,022,755	$44,737,439

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2018 and 2017. There are no Level 3 financial instruments in 2018 or 2017 and no transfers in or out of Level 3 in either year. For a sensitivity analysis of financial instruments recognized in Level 2, see Note 25 – Interest rate risk, as the prevailing interest rate is the most significant input in the fair value of the instrument.

6. INVESTMENTS

Long-term investments in the amount of $9,926,160 (2017 - $9,579,071) are restricted for Endowment purposes and are not available for general operations. Investments are comprised of the following:

	Fair Value	Cost
Cash	$29,112	$29,112
Fixed Income (Bonds)	6,472,171	6,667,711
Canadian Equity (Mutual Funds)	2,175,124	2,265,613
U.S. Equity (Mutual Funds)	627,342	625,234
International Equity (Mutual Funds)	622,411	550,513
	$9,926,160	$10,138,183

The total of restricted cash and investments is $29,185,467 (2017 - $23,305,716) representing the endowment funds and the deferred contributions.

7. CONSTRUCTION IN PROGRESS

Costs related to certain capital projects where the projects are not complete and therefore the assets have not begun their useful life, are recorded as deferred costs. These deferred costs will be amortized as capital assets in the year when the assets are put in use or expensed in the year when the projects are cancelled. Current projects that have been deferred in 2017/18 and their expected completion dates are as follows.

Project	Expected Completion	2018	2017
Advanced Technology Centre	Aug 2018	$17,391,481	$3,101,781
IT – CRM Salesforce	Jun 2018	445,116	—
GCSA Barrie Offices	Jun 2018	294,839	
Various Electrical projects	Sep 2018	56,410	—
Various Campus Renovations	Various 2017	—	299,566
Downtown Building	Aug 2017	—	9,271
		$18,187,846	$3,410,618

8. CAPITAL ASSETS

	2018		
ASSET	Cost	Accumulated Amortization	Net book Value
Land	$3,986,722	$—	$3,986,722
Buildings	196,816,862	81,553,984	115,262,878
Site Improvements	20,648,748	12,656,812	7,991,936
Furniture and Fixtures	1,168,965	428,226	740,739
Equipment and Vehicles	14,218,346	11,589,452	2,628,894
Computers – Network	2,883,317	1,352,789	1,530,528
Computers – Servers & Storage	850,107	268,109	581,998
Major Equipment & Enterprise Software	21,229,396	11,797,603	9,431,793
Leased Equipment	2,184,270	2,177,891	6,379
Computers - AV Equipment	2,237,508	1,541,604	695,904
Non Enterprise Software	1,673,504	369,699	1,303,805
	$267,897,745	$123,736,169	$144,161,576

8. CAPITAL ASSETS (cont'd)

	2017		
ASSET	Cost	Accumulated Amortization	Net book Value
Land	$3,986,722	$—	$3,986,722
Buildings	190,269,666	75,792,641	114,477,025
Site Improvements	19,500,702	10,978,972	8,521,730
Furniture and Fixtures	1,300,944	1,161,186	139,758
Equipment and Vehicles	12,953,357	10,987,557	1,965,800
Computers – Network	1,985,478	1,026,723	958,755
Computers – Servers & Storage	588,079	116,251	471,828
Major Equipment & Enterprise Software	19,103,044	9,950,332	9,152,712
Leased Equipment	2,314,645	2,190,410	124,235
Computers - AV Equipment	2,028,391	859,591	1,168,800
Non Enterprise Software	908,653	100,171	808,482
	$254,939,681	$113,163,834	$141,775,847

Amortization expense for the year is $11,737,172 (2017 - $13,496,974).

9. SERVICE CONCESSION ASSET AND DEFERRED REVENUE

The College has alternative financing arrangements with Campus Living Centres (the "Partner") for the construction and operation of student residence buildings on its Owen Sound and Orillia campuses. Under the terms of these agreements, the Partner is responsible for constructing, maintaining and operating the student residences in exchange for the right to collect student residence fees over the period of 99 years. At the end of the period, the legal title of the buildings will transfer to the College. The College has recorded these buildings as Service Concession Assets which are being amortized to their estimated residual values over their useful lives, which is the 99 year service concession period. The related deferred revenue, which is also being amortized over the service concession period of 99 years, represents the College granting the Partner the right to provide residence services to students of the College and receive rental fees in exchange for the Partner's capital investment.

At year-end, these buildings have a net book value of $17,279,444 (2017 - $17,368,838).

Included in other revenue is $178,788 (2017 - $178,788) representing the amortization of the service concession deferred revenue and included in other expenses is $89,394 (2017 - $89,394) representing the amortization of the service concession assets.

10. BANK INDEBTEDNESS

The College has arranged for an unsecured five million dollar revolving demand facility to finance general operating requirements. The interest rate is Royal Bank Prime minus .75%. The College had not drawn any funds at March 31, 2018. The College has $144,000 (2017 - $165,012) in letters of credit outstanding as of March 31, 2018.

11. ACCOUNTS AND GRANTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Trade Accounts Payables and Accruals	$16,927,081	$7,431,289
Student Deposits Payable	10,045,299	3,515,752
Accrued Payroll Liabilities	7,756,686	7,774,193
Grants Payable	259,401	69,122
	$34,988,467	$18,790,356

12. DEFERRED REVENUE

	2018	2017
Other Restricted Grants	$302,913	$8,000,908
Student Fees Collected	11,672,260	7,483,952
Contract Training & Other Projects	2,905,870	986,939
	$14,881,043	$16,471,799

13. DUE TO STUDENT ASSOCIATIONS

The monies owed to the student associations are unsecured and non-interest bearing and are payable on demand.

14. LEASE LIABILITIES AND COMMITMENTS

The College has entered into various agreements to lease equipment up to five (5) years. The capital leases for computer equipment have built-in options, whereby the College is able to purchase the equipment at the end of the lease, or to return the equipment to the lessor. The operating leases are financial obligations entered into by the College for the rental of equipment, building maintenance, and security. The anticipated annual payments for the next five (5) fiscal years, under current lease arrangements, are as follows:

	Capital Leases	Operating Leases	Total
2018/19	$2,037	$791,781	$793,818
2019/20	—	295,574	295,574
2020/21	—	57,737	57,737
2021/22	—	—	—
2022/23	—	—	—
2023/24 and after			
	$2,037	$1,145,092	$1,147,129
Less Interest	(18)	—	(18)
	$2,019	$1,145,092	$1,147,111
Less Current Portion	(2,019)	(791,781)	(783,800)
	$0	$353,311	$353,311

15. LONG-TERM DEBT PAYABLE AND FINANCIAL INSTRUMENTS

(A) LONG TERM DEBT

The College has entered into the following long-term debt agreements.

	2018	2017
Related to Capital Assets Acquisition:		
Residence loan being an Agreement for a series of three month Bankers Acceptances to be issued by the College at BA rate plus 0.3% having no security. The Bankers Acceptances will be issued in declining amounts for principal and interest amounts such that the obligation will be paid by September 2027.	$13,732,000	$14,744,000
Financing the capital portion for Regional Campus Enhancements, term loan from Ontario Financing Authority bearing interest at a fixed rate of 3.954%, having no security, repayable in blended semi-annually payments of $193,231, maturing March 2018.	191,946	377,683
Financing for the Owen Sound Marine Simulator, term loan from Ontario Financing Authority bearing interest at a fixed rate of 3.715%, having no security, repayable in blended semi-annually payments of $135,452, maturing March 2019.	263,539	517,554
Financing for the PeopleSoft Human Resources Information system, term loan from Ontario Financing Authority bearing interest at a fixed rate of 3.626%, having no security, repayable in blended semi-annual payments of $144,141 maturing March 2020.	551,349	812,515
	$14,738,834	$16,451,752
Not Related to Capital Assets Acquisition:		
Financing Note Receivable from Student Association (See Note 4) Non-revolving term facility through Bankers Acceptances to be issued by the College at BA rate plus 0.3% having no security. The Bankers Acceptances will be issued both quarterly and annually such that the obligation will be paid by September 2029.	3,036,000	3,288,000
Financing the non-capital portion for Regional Campus Enhancements, term loan from Ontario Financing Authority bearing interest at a fixed rate of 3.954%, having no security, repayable in blended semi-annual payments of $28,275, maturing March 2018.	25,266	52,530
	3,061,266	3,340,530
	17,800,100	19,792,282
Less current portion	2,084,473	1,992,182
	$15,715,627	$17,800,100

15. LONG-TERM DEBT PAYABLE AND FINANCIAL INSTRUMENTS (cont'd)

Future principal payments of total long-term debt over the next 5 years and thereafter are as follows:

	Total
2018/19	2,084,473
2019/20	1,685,627
2020/21	1,482,000
2021/22	1,564,000
2022/23	1,652,000
2023/24 and thereafter	9,332,000
Total	$17,800,100

(B) INTEREST RATE SWAPS

The College has entered into interest rate swap agreements to manage the volatility of interest rates. The residence financing has a notional value of $23,250,000 with a fixed interest rate of 6.315%, and the notional value of the residence financing of $6,000,000 (portion of the Financing of the Notes Receivable from the Student Association) has been converted to a fixed rate of 4.73% by entering into the interest rate swaps. Interest expense in respect of the residence financing for 2018 is $946,698 (2017 - $1,011,479) and in respect of the financing on the notes receivable for 2018 is $155,315 (2017 - $160,124). The maturity dates of the interest rate swaps are 2027 for the residence financing, and 2029 for financing of the Notes Receivable from the Student Association.

The fair value of the interest rate swap agreements is based on amounts quoted by the College's bank to realize favourable contracts or settle unfavourable contracts. The fair value of the interest rate swaps was in a net unfavorable position, representing a liability of $3,054,065 (2017 - $4,443,684) recorded in the consolidated statement of financial position with the fluctuations being recorded in the consolidated statement of remeasurement losses.

Future principal payments for the interest rate swaps over the next 5 years and thereafter are as follows:

	Total
2018/19	1,333,000
2019/20	1,405,000
2020/21	1,482,000
2021/22	1,564,000
2022/23	1,652,000
2023/24 and thereafter	9,332,000
Total	$16,768,000

16. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase of capital assets. Changes in the deferred capital contributions balance are as follows:

	2018	2017
Balance, beginning of year	$107,801,839	$101,848,056
Contributions received for capital assets		
- Government grants	16,325,555	10,642,981
- Other	2,508,939	3,508,664
Less: Amount amortized to revenue during the year		
- Government grants	(5,694,132)	(5,288,828)
- Other	(1,405,073)	(2,909,034)
Balance, end of year	$119,537,128	$107,801,839

The balance of deferred contributions related to capital assets consist of the following:

	2018	**2017**
Unamortized capital contributions	$109,237,178	$103,695,618
Add: Unspent capital contributions	10,299,950	4,106,221
Balance, end of year	$119,537,128	$107,801,839

17. DEFERRED CONTRIBUTIONS

These represent unspent externally restricted funds not available for regular College operations. They include donations, scholarships and bursaries, unspent endowment investment income, student emergency loan funds, employment stability funds and funds held on behalf of third parties. Effective April 1, 2007, Georgian College assumed the ongoing and future philanthropic activities of The Georgian College Foundation. Assets of the Foundation were transferred to the College, and due to the external restrictions of these funds, they are shown within Deferred Restricted Contributions.

	2018	2017
Balance, beginning of year	$9,438,075	$7,154,683
Add: Contributions Received	4,881,762	6,436,506
Restricted Investment Income	813,750	549,632
Funds Held by Georgian College Foundation	15	11
	5,695,527	6,986,149
Less: Amount Recognized as Revenue in year	841,814	564,548
Student Award Payments	863,983	778,734
Disbursement of Funds	20	40
Student Loans Recovered	—	480
Deferred Capital Contributions	3,114,347	3,177,857
Transferred to Endowed Funds	—	41,208
Change in Unrealized Market Gain	—	139,890
	4,820,164	4,702,757
Balance, end of year	$10,313,438	$9,438,075
Comprised of:		
Student Emergency Loan Funds	$49,886	$49,886
General Donations	31,466	29,567
Employment Stability Funds	375,791	370,699
Ontario College Staff Association	368	368
Special Projects	5,519,750	5,728,594
Annual Awards and Scholarships	1,138,079	1,069,467
Unspent Endowment Investment Income	2,223,420	1,566,622
Contributions and Fundraising	973,563	621,772
Funds Held by Georgian College Foundation	1115	1,100
	$10,313,438	$9,438,075

18. INVESTMENT IN CAPITAL ASSETS

In addition to capital grants, the College invests surplus operating funds in capital assets. This investment in capital assets is as follows:

	2018	2017
Net book value of capital assets (Note 8)	$144,161,576	$141,775,847
Net book value of service concession assets (Note 9)	17,279,444	17,368,838
Less: Deferred capital contributions (Note 16)	$109,237,178	$103,695,618
Service Concession Deferred Revenue (Note 9)	16,858,889	17,037,677
Long Term Debt Payable (Note 15 A)	14,738,834	16,451,752
Capital lease obligations (Note 14)	2,019	16,664
	$20,604,100	$21,942,974

19. POST-EMPLOYMENT 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.

	2018				
	Post-employment Benefits	Non-vesting sick leave	Vesting sick leave	Compensated Absences	Total Liability
Accrued employee future benefits obligations	$1,354,661	$3,863,000	$71,000	$239,592	$5,528,253
Value of plan assets	(240,000)				(240,000)
Unamortized actuarial gains (losses)	60,000	467,000	78,000		605,000
Total Liability	$1,174,661	$4,330,000	$149,000	$239,592	$5,893,253

	2017				
	Post-employment Benefits	Non-vesting sick leave	Vesting sick leave	Compensated Absences	Total Liability
Accrued employee future benefits obligations	$1,382,831	$4,106,000	$850,000	$697,091	$7,035,922
Value of plan assets	(159,000)				(159,000)
Unamortized actuarial gains	86,000	286,000	(722,000)		(350,000)
Total Liability	$1,309,831	$4,392,000	$128,000	$697,091	$6,526,922

19. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (cont'd)

	2018				
	Post-employment Benefits	Non-vesting sick leave	Vesting sick leave	Compensated Absences	Total Expense
Current year benefit cost (recovery)	$(120,170)	$209,000	$2,000	$(457,499)	$(366,669)
Interest on accrued benefit obligation	2,000	75,000	2,000		79,000
Amortized actuarial losses (gains)	(10,000)	(3,000)	50,000		37,000
Total Expense (recovery)	$(128,170)	$281,000	$54,000	$(457,499)	$(250,669)

	2017				
	Post-employment Benefits	Non-vesting sick leave	Vesting sick leave	Compensated Absences	Total Expense
Current year benefit cost (recovery)	$(28,109)	$221,000	$52,000	$430,333	$675,224
Interest on accrued benefit obligation	2,000	59,000	19,000		80,000
Amortized actuarial losses (gains)	(9,000)	(74,000)	99,000		16,000
Total Expense	$(35,109)	$206,000	$170,000	$430,333	$771,224

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

(A) RETIREMENT BENEFITS

CAAT Pension Plan

A majority of the College's employees are participants in the defined benefit contributory retirement pension plan of the Colleges of Applied Arts and Technology. The plan is a multi-employer plan and therefore the College's contributions are accounted for as if the plan were a defined contribution plan with the College's contributions being expensed in the period they come due. Any unfunded liability is to be paid directly by the MAESD. The most recent actuarial valuation filed with pension regulators as at January 1, 2018 indicated an actuarial surplus of $2.3b (2017 - $1.6 billion). The College made contributions to the Plan and its associated retirement compensation arrangement of $9,459,275 in 2018 ($9,528,955 in 2017), which has been included in the consolidated statement of operations in Salaries and Benefits.

19. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (cont'd)

(B) POST-EMPLOYMENT BENEFITS

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

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

a) Discount Rate

The present value as at March 31, 2018 of the future benefits was determined using a discount rate of 2.6 % (2017 – 2.0%).

b) Drug Costs

Drug costs were assumed to increase at an 8% rate for 2018 (2017 – 8.25%) and decrease proportionately thereafter to an ultimate rate of 4.0% in 2034 for fiscal 2018 (2017 – 4%).

c) Hospital and other medical

Hospital and other medical costs were assumed to increase at 4% per annum in 2018 (2017 – 4.00%). Medical premium increases were assumed to increase at 6.98% per annum in 2018 (2017 – 6.98%) and decrease proportionately thereafter to an ultimate rate of 4.00% in 2034 for the fiscal 2018 (2017 – 4.00%).

d) Dental costs

Dental costs were assumed to increase at 4% per annum in 2018 (2017 – 4.00%).

(C) 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.

19. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (cont'd)

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 the employment agreements. Accumulated days may be used in future years to the extent that the employees' illness or injury exceeds the current year's allocation of days. Sick days are paid out at the salary in effect at the time of usage. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

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

	2018	2017
Wage and salary escalation	.50%-2.0%	.50%-1.80%
Discount rate	2.6%	2.00%

The probability that employees will use more sick days than the annual accrual and the excess number of sick days used are within ranges of 0% to 23.7% and 0 to 48.0 days respectively for age groups ranging from 0 and under to 65 and over in bands of 5 years.

Compensated Absences

The College allocates to eligible employee groups a maximum of 130 days to be used as paid absences in the event of short-term disability. In addition, the College also allocates to eligible employees a sub-payment for short-term disability, maternity and parental leave.

20. INTERNALLY RESTRICTED FUNDS

The College restricts amounts from the net asset balance, as approved by the Board of Governors. Internally restricted net assets consists of the following:

	2018	2017
Future Capital Investments	$420,000	$---
Barrie Student Residence	24,991	24,991
Total	$444,991	$24,991

21. ENDOWMENT FUNDS

The College has the following endowment funds:

	2018	2017
Ontario Student Opportunity Trust Fund Phase 1	$624,746	$624,746
Ontario Student Opportunity Trust Fund Phase 2	54,024	54,024
Ontario Trust for Student Support	5,513,823	5,503,418
Other	2,805,076	2,730,196
Unrealized Gain (Loss)	(212,795)	424,517
Total	$8,784,874	$9,336,901

22. ONTARIO STUDENT OPPORTUNITY TRUST FUND (OSOTF) and ONTARIO TRUST FOR STUDENT SUPPORT (OTSS)

The College has created endowment funds subject to the Guidelines for Ontario Student Opportunity Trust Fund Phase I and Phase II and Guidelines for Ontario Trust for Student Support as issued by the MTCU.

OSOTF PHASE I	Endowment Fund Balance	Expendable Funds Available for Bursaries	2018 Total	2017 Total
Balance, beginning of year	$624,746	$86,779	$711,525	$694,817
Investment income, net of direct investment related expenses	---	47,919	47,919	34,389
Bursaries Awarded – 26 (2017 - 26)	---	(18,966)	(18,966)	(17,681)
Balance, end of year	$624,746	$115,732	$740,478	$711,525
The market value of the endowment as at March 31, 2018 was $637,798 (2017 - $633,295)				

OSOTF PHASE II	Endowment Fund Balance	Expendable Funds Available for Bursaries	2018 Total	2017 Total
Balance, beginning of year	$54,024	$12,165	$66,189	$62,631
Investment income, net of direct investment related expenses	---	6,193	6,193	3,958
Bursaries Awarded – 1 (2017 - 1)	---	(6,479)	(3,479)	(400)
Balance, end of year	$54,024	$11,879	$65,903	$66,189
The market value of the endowment as at March 31, 2018 was $53,863 (2017 - $52,518)				

OTSS	Endowment Fund Balance	Expendable Funds Available for Bursaries	2018 Total	2017 Total
Balance, beginning of year	$5,503,418	$695,283	$6,198,701	$6,004,404
Eligible cash donations received	10,405	---	10,405	77,187
Other cash donations received	---	38	38	9,277
Investment income, net of direct investment related expenses	---	348,036	348,036	266,833
Bursaries Awarded – 99 (2017 - 118)	---	(141,390)	(141,390)	(159,000)
Balance, end of year	$5,513,823	$901,967	$6,415,790	$6,198,701
The market value of the endowment as at March 31, 2018 was $5,661,731 (2017 - $5,658,829)				

23. ART COLLECTION HELD

The College, through its Design and Visual Arts programs, has built up a permanent study collection of Canadian and International art. Pieces have been received from guest lecturers in the Artist in Residency program and also through donations. The art is held for public exhibition, education and research.

Funds received through de-accessioning activities are to be used for the direct benefit of the Collection. The art collection at March 31, 2018 is comprised of approximately 4600 pieces with a value as per charitable receipts issued of $3,926,595 (2017 - $3,916,095).

24. REPORTING ENTITY PROJECT

The government announced in the 2004 Budget its plans to consolidate the financial information of Colleges in the Province's financial statements starting with its fiscal year ending March 31, 2006.

The Ministry of Advanced Education and Skills Development provided funding to the Colleges for eligible expenditures related to this initiative including audit and consulting costs, software costs, training costs and direct staff costs devoted to the project. The funding received for 2018 of $47,530 (2017 – $47,950) was spent on salaries and benefits.

25. FINANCIAL INSTRUMENT RISK MANAGEMENT

Credit Risk

Credit risk is the risk of financial loss to the College if a debtor fails to make payments of interest and principal when due. The College is exposed to this risk relating to its cash, debt holdings in its investment portfolio, notes receivable, grants receivable and accounts receivable. The College holds its cash accounts with federally regulated chartered banks who are insured up to $100,000 (2017 -$100,000).

The College's investment policy operates within the constraints of the investment guidelines issued by the MAESD and puts limits on the bond portfolio including portfolio composition limits, issuer type limits, bond quality limits, aggregate issuer limits, corporate sector limits and general guidelines for geographic exposure. All fixed income portfolios are measured for performance on a quarterly basis and monitored by management on a monthly basis. The guidelines permit the College's funds to be invested in bonds issued by the Government of Canada, a Canadian province or a Canadian municipality having a rating of A or better, or corporate investments have a rating of A (R-1) or better.

The maximum exposure to investment credit risk is outlined in Note 5.

25. FINANCIAL INSTRUMENT RISK MANAGEMENT (cont'd)

Accounts receivable and notes receivable are ultimately due from students. Credit risk of accounts receivable is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population. Credit risk of notes receivable is mitigated by the ability of the College to retain out of the Student Administration Fee the Semi-Annual Payment and any other monies due and owing by Student Administrative Council.

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:

	2018				
	Total	0-120 Days	121-240 Days	241-360 Days	361+ Days
Student Receivables	$2,257,571	$2,012,889	$132,827	$52,658	$59,197
Staff	45,568	45568	---	---	---
Residence	---	---	---	---	---
Trade Balances	2,745,648	2,745,648			
Grants Receivable	694,448	694,448	---	---	---
Net receivables	$5,743,235	$5,498,553	$132,827	$52,658	$59,197

	2017				
	Total	0-120 Days	121-240 Days	241-360 Days	361+ Days
Student Receivables	$(67,300)	$(79,180)	$(61,554)	$16,262	$57,172
Staff	38,069	38,069	---	---	---
Residence	---	---	---	---	---
Trade Balances	2,411,654	2,411,654			
Grants Receivable	9,669,277	9,669,277	---	---	---
Net receivables	$12,051,700	$12,039,820	$(61,554)	$16,262	$57,172

Student receivables not impaired are collectible based on the College's assessment and past experience regarding collection rates.

Grants receivable are due from the Ontario Government. Georgian College mitigates credit risk by ensuring that all grants are entered into by way of a contract.

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

25. FINANCIAL INSTRUMENT RISK MANAGEMENT (cont'd)

Market Risk

Market risk is the risk that the fair value of 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.

The College's investment policy operates within the constraints of the investment guidelines issued by MAESD. The policy's application is administered by an investment manager and monitored by management, an independent investment consultant and the Finance and Audit Committee. The Georgian College Endowment – College Fund's risk tolerance is considered low and the Georgian College Endowment – Special Purposes Fund's risk tolerance is considered moderate. Diversification techniques are utilized and appropriate restrictions are placed on the investment manager in terms of asset mix and individual security concentrations in the portfolio to minimize risk.

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

Currency Risk

Currency risk relates to the College operating in different currencies and converting non-Canadian earnings at different points in time at different College levels when adverse changes in foreign currency College rates occur. The College does not have any material transactions or financial instruments denominated in foreign currencies.

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

Interest Rate Risk

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

The College is exposed to this risk through its interest bearing investments, bank loans, and term debt.

The College mitigates interest rate risk on its term debt through a derivative financial instrument that exchanges the variable rate inherent in the term debt for a fixed rate (see Note 15 B). Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the term debt.

The College's bond portfolio has interest rates ranging from 1.66% to 5.50% (2017 – 1.66% to 5.50%) with maturities ranging from November 15, 2018 to August 14, 2027 (2017 – June 14, 2017 to June 2, 2026).

25. FINANCIAL INSTRUMENT RISK MANAGEMENT (cont'd)

At March 31, 2018 a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of bonds in the College and Special Purpose funds of $129,464 and $218,062 respectively, and an impact of $844,305 on the interest rate swap. A 1% fluctuation in interest rates would have an estimated impact on interest income related to the College's notes receivables of $2,176. The College's term debt as described in Note 15 A would not be impacted as the inherent variable rate of the debt has been fixed with the use of the aforementioned derivative interest rate swap.

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

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. At March 31, 2018, a 10% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the College's equities of $342,488.

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

Liquidity Risk

Liquidity risk is the risk that the College will not be able to meet all cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting analysis. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows of financial liabilities excluding interest):

	2018			
	Within 6 months	6 months to 1 year	1-5 years	>5 years
Accounts and grants payable and accrued liabilities	$34,988,467	$---	$---	$---
Lease Liabilities	2,020	---	---	---
Operating Leases	493,178	298,603	353,311	---
Current and Long-term debt	1,013,914	1,070,559	6,383,627	9,332,000
Total Liabilities	$36,497,579	$1,369,162	$6,736,938	$9,332,000

25. FINANCIAL INSTRUMENT RISK MANAGEMENT (cont'd)

	2017			
	Within 6 months	6 months to 1 year	1-5 years	>5 years
Accounts and grants payable and accrued liabilities	$18,790,356	$---	$---	$---
Lease Liabilities	14,644	---	2,020	---
Operating Leases	617,795	558,118	1,018,869	---
Current and Long-term debt	966,250	1,025,932	6,816,100	10,984,000
Total Liabilities	$20,389,045	$1,584,050	$7,836,989	$10,984,000

Financial liabilities mature as described in Note 15.

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

26. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the method of presentation adopted for the current year.

APPENDIX C: KPI PERFORMANCE REPORT

KPI data release date unknown at this time.

APPENDIX D: SUMMARY OF ADVERTISING AND MARKETING COMPLAINTS

No complaints were received in 2017-18.

APPENDIX E: UNIVERSITY PARTNERSHIP CENTRE REPORT

Georgian College's University Partnership Centre was established in 2001 and officially endorsed by the Ontario Ministry of Training, Colleges and Universities in 2003.

The University Partnership Centre's mission is to provide learners with multiple pathways to degree and graduate studies through partnering with select universities, offering our own degrees in niche areas as well as graduate certificate programs, and expediting transfer credit recognition through seamless pathways to degree completion and articulation agreements.

In 2017-18, partners included Central Michigan University, Lakehead University, University of Ontario Institute of Technology and York University. In addition, Georgian offered five college degrees in 2017-18 and as well as a Bachelor of Science in Nursing collaborative degree. The degree programs that accepted applications in 2017-18 are summarized below.

Institution	Program	Model
Central Michigan University	Master of Arts in Education – Community College concentration	All on campus; cohort model; part-time weekends.
Lakehead University	Bachelor of Engineering (Electrical) with Electrical Engineering Advanced Diploma Honours Bachelor of Arts and Science – Environmental Sustainability with Environmental Technician Diploma	Integrated. Integrated.
University of Ontario Institute of Technology	Registered Practical Nursing to Bachelor of Science in Nursing	On-site delivery 50 per cent, distance 50 per cent.
York University	Bachelor of Science in Nursing (Collaborative Program)	Years 1 and 2 at Georgian, Years 3 and 4 at York.
Georgian College	Honours Bachelor of Business Administration – Automotive Management Honours Bachelor of Business Administration – Management and Leadership Honours Bachelor of Business Administration – Golf Management Honours Bachelor of Police Studies Honours Bachelor of Interior Design Bachelor of Science in Nursing (Collaborative Program)	Four-year degree; all on campus. Four-year degree; all on campus. Four-year degree; all on campus. Four-year degree; all on campus. Four-year degree; all on campus. Years 1 and 2 at Georgian, Years 3 and 4 at York.

In 2017-18, Georgian had 780 articulation and transfer agreements with 59 institutions for 89 of our programs, as presented below:

Program	Number of Agreements
Aboriginal Community and Social Development	7
Addictions: Treatment and Prevention	1
Advanced Care Paramedic	1
Advertising and Marketing Communications	7
Anishnaabemowin Language Programming	1
Architectural Technician	2
Architectural Technology	11
Automotive Business	7
Automotive Business AND Business Administration	1
Aviation Management	7
Bachelor of Human Services - Police Studies	3
Business	22
Business - Accounting	18
Business – Accounting (non co-op)	14
Business - Entrepreneurship	9
Business – Marketing	18
Business – Marketing (non co-op)	13
Business (non co-op)	15
Business Administration	44
Business Administration - Accounting	37
Business Administration - Human Resources	26
Business Administration - Marketing	16
Business Administration AND Automotive Business	1
Child and Youth Care/Child and Youth Worker	18
Civil Engineering Technician - Construction	3
Civil Engineering Technology	9
Community and Justice Services	17
Computer Programmer	13
Computer Programmer Analyst	25
Computer and Network Systems Security	1
Computer Systems Technician - Networking	12
Culinary Management	4
Dental Hygiene	7
Developmental Services Worker	14
Digital Photography and Imaging	5
Early Childhood Education	19
Electrical Engineering Technician	2

Program	Number of Agreements
Electrical Engineering Technology	7
Environmental Technician	15
Environmental Technology	20
Esthetician	1
Event Management	3
Fine Arts	4
Fine Arts Advanced	17
Fitness and Health Promotion	9
Fundraising and Resource Development	1
General Arts and Science (2 year)	13
Golf Facilities Operation Management	7
Graphic Design	6
Graphic Design Production	4
Heating, Refrigeration & Air Conditioning Technician	1
Honours Bachelor of Business (Automotive Management)	1
Honours Bachelor of Business (Golf Management)	2
Hospitality Management – Hotel and Resort	14
Hospitality Administration – Hotel and Resort	14
Interactive Web Design and Development	5
Interior Decorating	1
Jewellery and Metals	3
Law Clerk	10
Marine Engineering Technology	4
Marine Technology – Navigation	4
Massage Therapy/Massage Therapy Fast Track	8
Mechanical Engineering Technology	8
Mechanical Engineering Technology – Automotive Manufacturing	12
Mechanical Engineering Technology – Automotive Products Design	8
Mechanical Technician – Precision Skills	2
Occupational Therapy Assistant/ Physiotherapy Assistant	4
Office Administration - Executive	3
Office Administration - Legal	3
Office Administration - Medical	4
Opticianry	5
Paramedic	5
Personal Support Worker	0
Pharmacy Technician	4
Police Foundations	22
Power Engineering Technician	1

Program	Number of Agreements
Power Engineering Technology	3
Practical Nursing	9
Protection, Security and Investigation	10
Recreation and Leisure Services	8
Snow Resort Operations	5
Social Service Worker	32
Tourism – Marketing and Product Development/Tourism and Travel	14
Tourism Management	13
Veterinary Technician	2
Web Animation and Design	6

Additional transfer pathways exist in Ontario for our students (includes all CAAT colleges) that are not program-specific; for example, graduates of any two- or three-year advanced Ontario college diploma with a minimum GPA of 75 per cent will be considered for direct entry into year 3 of UOIT's B COMM (Hons) program.

APPENDIX F: 2017-18 BOARD OF GOVERNORS

Board Members	Occupation	Location	Term of Office
Jim Bertram Chair	Security Consultant J. R. Bertram Ltd.	Town of the Blue Mountains	Sep 1/12 – Aug 31/18
Brian Davenport Vice Chair	Vice President, Portfolio Manager RBC Dominion Securities	Owen Sound	Sep 1/14 – Aug 31/20
Don Gordon Vice Chair	Retired, North American Sales Director CarbonCure Technologies	Midland	Sep 1/13 – Aug 31/19
Andrea Lovering (*faculty;* *elected position*)	Coordinator, College-Wide Communications Liberal Arts and Academic Quality Professor, Health & Wellness Georgian College	Barrie	Feb 21/17-Aug 31/20
David Johnson (*Administration;* *elected position*)	Executive Director, Enrolment Management and Information Technology Georgian College	Barrie	Sep 1/17 – Aug 31/20
Ali Khonsari	Owner Image Dental Lab	Barrie	Sep 1/17 – Aug 31/20
Paul Larche	Owner and President Larche Communications Inc.	Barrie	Sep 1/15 – Aug 31/18
Dianne Martin	Executive Director Registered Practical Nurses Association of Ontario	Barrie	Sep 1/15 – Aug 31/18
Rick Gauthier	Retired President and Chief Executive Officer Canadian Automobile Dealers Association	Sharon	Sep 1/17 – Aug 31/20
Teresa Snelgrove	Serial Entrepreneur	Shanty Bay	Sep 1/15 – Aug 31/18
Lyn McLeod	Retired, Elected Political Official Past Chair of the Board of Governors, Confederation College	Alliston	Sep 1/16 – Aug 31/19
Marilynn Booth	Retired Dean, School of Continuing Studies University of Toronto	Wasaga Beach	Sep 1/16 – Aug 31/19
Angelo Orsi	President Orsi Group	Orillia	Sep 1/17 – Aug 31/20
Hunter Markle (*Student;* *elected position*)	*Student resigned January 25, 2018; new student member elected April 1, 2018*	Barrie	Sep 1/17 – Jan 25/18
Kristin Taylor *(Support Staff;* *elected position)*	Communications Specialist, Marketing and Communications Georgian College	Barrie	Sep 1/15 – Aug 31/18
Kevin Wassegijig	Director of Sustainable Economic Development Mississaugas of the New Credit First Nation	Orillia	Sep 1/14 – Aug 31/17
Angela Lockridge *(ex-officio*; *Secretary-Treasurer to the Board)*	Vice President, Corporate Services and Innovation Georgian College	Barrie	Jan 1/14 – Present
MaryLynn West-Moynes	President and CEO Georgian College	Oro-Medonte	Jul 1/12 – Present

APPENDIX G: COLLEGE COUNCIL AND ACADEMIC COUNCIL

College Council

College Counil provides a means for students and staff members of the college to provide advice to the President on matters of importance to students and staff, which may include but are not limited to issues pertaining to the College's academics, student services, human resources and administration.

College Council met four times during fiscal 2017-18 (May, September, January and March). College Council approved procedures as appropriate and received, reviewed and provided feedback on reports concerning various operations and initiatives, including the following (list not inclusive):

- Temporary poster and semi-permenent graphic panel posting procedure
- Contractor procedure update
- Strategic enrolment management updates and enrolment reports
- Environmental sustainability reports
- Budget and financial reports
- Georgian Scorecard reports
- Technology updates (Customer Relationship Management project)
- New academic programs reports
- Ashoka U and Global Citizen updates
- KPI results report
- Advancement and community development reports
- Marketing and recruitment reports
- Academic Plan report

Georgian College By-law No. 15 presents the purpose, composition, meeting structure and chair role of College Council.

Academic Council

Academic Council provides academic leadership to support academic integrity; quality and relevancy of curriculum in programs and courses; consistency in program development, program implementation, and program renewal processes; and program quality assurance processes. Academic Council ensures that Georgian College curriculum conforms to the requirements set by the Ontario College Quality Assurance Service (OCQAS) and/or Postsecondary Education Quality Assessment Board (PEQAB) as well as internal approval processes. Academic Council approves new program development, renewal, and major program changes for recommendation to the Vice President, Academic. Academic Council develops and recommends policies, processes, and practices, consistent with institutional, governmental, and postsecondary sector norms that support effective teaching and learning to the Vice President, Academic. Academic Council reviews and helps determine academic priorities. Academic Council communicates its activities to ensure faculty and staff are informed and acts as a resource to provide direction and support to the academic community.

Academic Council met nine times during fiscal 2017-18 and reviewed, approved or deferred several items, as follows (list not inclusive):

- Program changes
- Program admission requirements
- New program development
- Committee terms of reference
- Alignment of strategic priorities with program learning outcomes
- Academic policy amendments