Consolidated Financial Statements of

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

And Independent Auditors' Report Thereon

Year ended March 31, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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

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

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

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

Glenn Vollebregt, President & CEO	Dan McKerrall, Interim Vice-President Finance, Risk, Procurement and CFO

June 3, 2025

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Index of Consolidated Financial Statements and Supplementary Schedules
Year ended March 31, 2025

Statement/Schedule Number

KPMG LLP
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Kingston, ON K7L 5N4
Canada
Telephone 613 549 1550
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INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of St. Lawrence College of Applied Arts and Technology

Opinion

We have audited the consolidated financial statements of the St. Lawrence College of Applied Arts and Technology (the College), which comprise:

- the consolidated statement of financial position as at March 31, 2025
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2025, its results of operations, its cash flows and its remeasurement gains and losses for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

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

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

Other Information

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

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

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

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

Other Information

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

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

We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

June 3, 2025

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position — Statement 1

As at March 31, 2025, with comparative figures for 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	$ 125,453,152	$ 40,069,349
Investments (note 2)	18,331,940	97,310,247
Grants and accounts receivable (note 18(a))	14,803,753	16,127,981
Prepaid expenses	992,613	1,583,095
	159,581,458	155,090,672
Long-term receivables (note 3)	1,469,130	2,388,200
Long-term investments (note 2)	17,604,103	15,631,151
Capital assets (note 4)	102,458,218	98,852,709
	$ 281,112,909	$ 271,962,732
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 27,813,630	$ 25,406,518
Deferred revenue (note 5)	30,062,135	40,552,991
Trust funds for student enhancement fees (note 6)	796,803	1,010,799
Current portion of long-term debt (note 8)	1,868,451	1,826,501
	60,541,019	68,796,809
Bankers' acceptance loans due on demand (note 8)	1,673,137	2,303,251
	62,214,156	71,100,060
Employee future benefits (note 7(b))	963,000	786,000
Sick leave benefit entitlement (note 7(c))	3,107,000	2,756,000
Long-term debt (note 8)	6,224,904	7,463,241
Interest rate swaps (note 8(d))	560,734	384,130
Deferred capital contributions (note 9)	54,096,888	54,890,314
Asset retirement obligations (note 10)	1,517,214	1,376,435
Total liabilities	128,683,896	138,756,180
Net assets:		
Invested in capital assets (note 11)	39,249,170	33,373,946
Restricted for endowments (note 12)	13,551,147	13,081,658
Internally restricted (note 13)	9,571,409	6,743,526
Unrestricted (note 14)	84,518,429	74,824,097
	146,890,155	128,023,227
Accumulated remeasurement gains	5,538,858	5,183,325
Total net assets	152,429,013	133,206,552
Commitments (note 15)		
Contingent liabilities (note 16)		
	$ 281,112,909	$ 271,962,732

See accompanying notes to these consolidated financial statements.

Approved by the Board of Governors:

________________ Chair

________________ President

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Operations

Statement 2

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

	2025	2024
Revenue:		
Tuition and related fees	$ 111,234,994	$ 122,380,246
Grants and reimbursements (schedule 1)	53,636,025	47,181,051
Ancillary (schedule 1)	9,372,833	8,848,678
Contract educational services	2,250,766	2,185,493
Other	3,247,260	3,394,825
Amortization of deferred capital contributions (note 9)	5,958,578	5,262,139
Realized gain on sale of investments	118,419	1,598
Donations	415,016	496,156
Interest	6,957,289	8,272,115
Total revenue	193,191,180	198,022,301
Expenses:		
Salaries, wages and benefits (schedule 2)	117,945,968	114,628,893
Non-payroll (schedule 3)	45,531,549	49,432,305
Amortization of capital assets	11,013,630	9,775,812
Remeasurement of employee future benefits (note 7(b))	177,000	56,000
Remeasurement of sick leave benefit entitlements (note 7(c))	351,000	129,000
Remeasurement of other non-pension benefits	(225,406)	404,736
Total expenses	174,793,741	174,426,746
Excess of revenue over expenses	$ 18,397,439	$ 23,595,555

See accompanying notes to these consolidated financial statements.

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Changes in Net Assets

Statement 3

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

	Invested in capital assets	Restricted for endowments	Internally restricted	Unrestricted	Total
Balance, April 1, 2024	$ 33,373,946	$ 13,081,658	$ 6,743,526	$ 74,824,097	$ 128,023,227
Excess / (deficiency) of revenue over expenses (note 11)	(5,055,052)	-	-	23,452,491	18,397,439
Net change in investment in capital assets (note 11)	10,930,276	-	-	(10,930,276)	-
Transfer between funds (note 13)	-	-	2,827,883	(2,827,883)	-
Endowment contributions (note 12)	-	469,489	-	-	469,489
Balance, March 31, 2025	$ 39,249,170	$ 13,551,147	$ 9,571,409	$ 84,518,429	$ 146,890,155

	Invested in capital assets	Restricted for endowments	Internally restricted	Unrestricted	Total
Balance, April 1, 2023	$ 28,128,437	$ 12,857,250	$ 5,438,923	$ 57,778,654	$ 104,203,264
Excess / (deficiency) of revenue over expenses (note 11)	(4,513,673)	-	-	28,109,228	23,595,555
Net change in investment in capital assets (note 11)	9,759,182	-	-	(9,759,182)	-
Transfer between funds (note 13)	-	-	1,304,603	(1,304,603)	-
Endowment contributions (note 12)	-	224,408	-	-	224,408
Balance, March 31, 2024	$ 33,373,946	$ 13,081,658	$ 6,743,526	$ 74,824,097	$ 128,023,227

See accompanying notes to these consolidated financial statements.

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Cash Flows Statement 4

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

	2025	2024
Cash provided by / (used in):		
Operating activities:		
Excess of revenue over expenses	$ 18,397,439	$ 23,595,555
Adjustments for:		
Amortization of deferred capital contributions	(5,958,578)	(5,262,139)
Amortization of capital assets	11,013,630	9,775,812
Gain on sale of investments	(118,419)	(1,598)
(Gain) / loss on disposal of capital assets	(65,646)	12,826
Remeasurement of asset retirement obligations	140,779	18,363
Employee future benefits and sick leave benefit entitlement remeasurements	528,000	185,000
Changes in non-cash operating working capital:		
Decrease in grants and accounts receivable	1,324,228	2,141,605
Decrease in prepaid expenses	590,482	130,556
Increase / (decrease) in accounts payable and accrued liabilities	2,407,112	(2,384,342)
Decrease in deferred revenue	(10,490,856)	(8,482,120)
	17,768,171	19,729,518
Capital activities:		
Purchase of capital assets	(14,622,949)	(12,178,450)
Receipt of deferred capital contributions	5,515,364	4,128,527
Receipt of unspent deferred capital contributions	(350,212)	141,969
Proceeds on sale of capital assets	69,456	16,172
	(9,388,341)	(7,891,782)
Financing activities:		
Endowment contributions	469,489	224,408
(Decrease) / increase in trust funds for student enhancement fees	(213,996)	357,388
Principal payments on long-term debt and bankers' acceptance loans	(1,826,501)	(1,738,258)
	(1,571,008)	(1,156,462)
Investing activities:		
Decrease in long-term receivables	919,070	996,175
Decrease / (increase) in investments, net of remeasurement gains	77,655,911	(51,708,962)
	78,574,981	(50,712,787)
Decrease in cash and cash equivalents	85,383,803	(40,031,513)
Cash and cash equivalents, beginning of year	40,069,349	80,100,862
Cash and cash equivalents, end of year	$ 125,453,152	$ 40,069,349

See accompanying notes to these consolidated financial statements.

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Remeasurement Gains and Losses — Statement 5

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

	2025	2024
Accumulated remeasurement gains, beginning of year	$ 5,183,325	$ 4,854,871
Unrealized gains / (losses) attributable to:		
Investments designated at fair value	650,556	13,661
Derivatives – interest rate swaps (note 8(d))	(176,604)	316,391
	473,952	330,052
Realized gains reclassified to the statement of operations:		
Disposition of investments designated at fair value	(118,419)	(1,598)
Net remeasurement gains for the year	355,533	328,454
Accumulated remeasurement gains, end of year	$ 5,538,858	$ 5,183,325

See accompanying notes to these consolidated financial statements.

The St. Lawrence College of Applied Arts and Technology (the "College") was established as a community college in 1967 and operates under the authority of the Province of Ontario. The College offers full-time, post-secondary programs and part-time courses and certificate programs at campuses located in Kingston, Brockville and Cornwall. The College is a registered charity and is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

The St. Lawrence College Foundation (the "Foundation") is incorporated without share capital under the Ontario Corporations Act. The Foundation operates under a memorandum of understanding with the College's Board of Governors. Accordingly, the results and operations of the Foundation are included in the College's consolidated financial statements. The objectives of the Foundation are to solicit, receive, manage and distribute money and other funds to support the educational services provided by the College and its affiliated institutions.

1. Significant accounting policies:

(a) Basis of presentation:

These consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards, including the 4200 standards for government not-for-profit organizations. These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the College and its controlled not-for-profit Foundation. All significant intercompany balances and transactions have been eliminated upon consolidation.

(b) Revenue recognition:

(i) Contributions

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

Operating grants are recorded as revenue in the period to which they relate. Grants earned but not received by the end of the fiscal year are accrued. Where a portion of a grant received relates to a future year, that portion is deferred and recognized in the year to which it relates.

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

Externally restricted contributions other than endowment contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized as revenue on a straight-line basis over the useful life of the related capital assets.

Related restricted investment income is recognized as revenue in the year in which the related expenses are recognized.

1. Significant accounting policies (continued):

(b) Revenue recognition (continued):

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

Donations of assets are recorded at fair value when a fair value can be reasonably estimated. Pledges receivable are not recorded as an asset in the Consolidated Statement of Financial Position.

(ii) Other revenue

Tuition and related fees are recorded as revenue based on the academic period of the related courses. Fees are recognized as income based on the proportion of the academic period that occurs within the fiscal year of the College. Fees received for courses that commence after the end of the fiscal year of the College are recorded as deferred revenue. The portion of tuition and fees received from students enrolled at a private career college partner of the College are recognized as revenue based on the proportion of the academic period that occurs within the fiscal year of the College.

Revenues from contract educational services, federal training and ancillary operations are recognized when the related products are delivered or services are provided by the College.

Unrestricted investment income is recognized as revenue when earned.

Revenues from administrative fees are recorded as revenue when the related transaction or event has occurred and the collection of the fee is reasonably certain.

(c) Cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

(d) Capital assets:

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

Construction in progress costs are capitalized as incurred and represent the cost of capital assets currently under construction. Amortization is not recognized until construction is complete and the assets are ready for productive use.

1. Significant accounting policies (continued):

(d) Capital assets (continued):

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

Capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	10, 20 and 40 years
Site improvements and parking	10 years
Equipment	2 to 10 years

(e) Employee future benefits and sick leave benefit entitlement:

The College is a member of the Colleges of Applied Arts and Technology ("CAAT") Pension Plan, which is a multi-employer, defined benefit plan. The College also provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental and non-vesting sick leave. The actuarial determination of the accrued benefit obligations for pensions and other retirement benefits uses the projected benefit method prorated on service. The most recent actuarial valuation of the pension plan for funding purposes was as of January 1, 2025, and the next required valuation will be as of January 1, 2028. The most recent actuarial valuation dates of the other employee future benefit plans are disclosed in notes 7(b) and 7(c).

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

(i) The costs of post-employment future benefits are actuarially determined using management's best estimate of health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight-line basis.

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

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

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

1. Significant accounting policies (continued):

(f) 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, equity instruments and mutual funds quoted in an active market. The College has designated its fixed income portfolio that would otherwise be classified into the amortized cost category as fair value as the College manages and reports performance of it on a fair value basis.

Financial instruments classified as fair value are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized, when they are transferred to the Consolidated Statement of Operations. Changes in fair value on restricted investments are recognized as deferred revenue until the restriction on its use is realized, at which time the balance is transferred to the Consolidated Statement of Operations.

Transaction costs related to financial instruments classified as fair value are expensed as incurred.

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

Amortized cost

This category includes accounts receivable, long-term receivables, accounts payable and accrued liabilities, bankers' acceptance loans and long-term debt.

Financial instruments classified as amortized cost are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets, except for contributions, which are initially recognized at fair value.

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

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

1. Significant accounting policies (continued):

(g) Management estimates:

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards, including the 4200 standards for government not-for-profit organizations, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. Areas of key estimation include determination of fair value for investments and interest rate swaps, allowance for doubtful accounts, amortization of capital assets and deferred capital contributions, estimated costs and timing of asset retirement obligations and actuarial estimation of employee future benefits and sick leave benefit entitlement liabilities.

Financial instruments are classified into value hierarchy levels 1, 2 or 3 for the purposes of describing the basis of inputs used to determine the fair market value of those amounts recorded at fair value as described below:

- Level 1 – Fair value measurements are those derived from unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 – Fair value measurements are those derived from observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 – Fair value measurements are those derived from unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

(h) Foreign currency:

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Assets and liabilities denominated in foreign currencies are recorded at fair value using the exchange rate at the financial statement date. Realized foreign exchange gains and losses are recognized in the Consolidated Statement of Operations.

(i) Student organizations:

These consolidated financial statements do not reflect the assets, liabilities, revenues or expenses of the various student organizations at the College.

1. Significant accounting policies (continued):

(j) Private career colleges:

The College has entered into a contractual agreement that enables international students of the College to pursue a St. Lawrence College credential at an Ontario private career college ("PCC"). The PCC receives payment of tuition and fees directly from the enrolled students, and the College receives a portion of the tuition and fees from the PCC in return for providing agreed-upon materials and services. The College has determined that it is acting as an agent in the provision of academic delivery to international students enrolled with the PCC, and accordingly the College recognizes revenue from the PCC agreement on a net basis in accordance with Canadian Public Sector Accounting Standards. The amount of tuition and fees received by the College from the PCC is recorded within tuition and related fees in the Consolidated Statement of Operations. Expenses incurred by the College in fulfilling its obligations to the PCC are included in the Consolidated Statement of Operations based on the nature of the expense. Expenses incurred by the PCC in fulfilling its contractual obligations are not included in the consolidated financial statements of the College.

(k) Asset retirement obligations:

The College recognizes the fair value of an Asset Retirement Obligation ("ARO") when all of the following criteria have been met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

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

2. Investments:

Investments reported under current assets represent excess operating funds that are comprised of the following:

	Level	2025	2024
Cash	1	$ 36,508	$ 99,466
Fixed income	2	18,295,432	97,210,781
		$ 18,331,940	$ 97,310,247

Long-term investments include $13,551,147 (2024 - $13,053,521) of investments externally restricted for endowments as described in note 12 and $4,052,956 of deferred restricted investment income (2024 - $2,577,630) as described in note 5(c). Long term investments are comprised of the following:

	Level	2025	2024
Mutual funds	1	$ 17,604,103	$ 15,631,151

During the year there were no transfers between fair value hierarchy levels.

Fixed income investments have interest rates from 2.44% to 3.22% (2024 – 3.51% to 5.19%) and mature between 2025 and 2029 (2024 – 2024 and 2028). The fixed income investments are fixed rate with a weighted average effective interest rate of 2.80% (2024 – 4.68%).

The maturity profile of fixed income investments held is as follows:

As at March 31, 2025	Within 1 year	1 - 5 years	Total
Carrying value	$ 8,119,111	$ 10,176,321	$ 18,295,432
Percentage of total	44.4%	55.6%	100.0%

As at March 31, 2024	Within 1 year	1 - 5 years	Total
Carrying value	$ 86,738,219	$ 10,472,562	$ 97,210,781
Percentage of total	89.2%	10.8%	100.0%

3. Long-term receivables:

Long-term receivables are comprised of the following:

(a) Student levies for Student Life & Innovation Centre:

The student levies receivable represent the students' contribution towards the construction of the Student Life & Innovation Centre on the Kingston campus. The student levies will be charged to full-time students of the Kingston campus until April 2032 in accordance with the fee protocol agreements jointly agreed to by the College and its student governments.

	2025	2024
Long-term accounts receivable	$ 1,902,500	$ 2,742,276
Less: Current portion included in grants and accounts receivable	(779,250)	(748,819)
	$ 1,123,250	$ 1,993,457

(b) Receivable from Kingston Student Association for Student Life & Innovation Centre:

The receivable from the Kingston Student Association represents the outstanding balance of the Kingston Student Association's pledge to contribute approximately $1,300,000 to partially fund the construction of the Student Life & Innovation Centre on the Kingston campus. The balance of the pledge is an unsecured, interest-free receivable, due in annual instalments of approximately $60,000 until March 2032.

	2025	2024
Long-term accounts receivable	$ 401,880	$ 450,743
Less: Current portion included in grants and accounts receivable	(56,000)	(56,000)
	$ 345,880	$ 394,743

4. Capital assets:

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Land	$ 745,393	$ -	$ 745,393	$ 745,393
Buildings, including asset retirement costs	208,799,148	130,002,936	78,796,212	79,254,901
Construction in progress	10,226,813	-	10,226,813	5,212,596
Site improvements and parking	10,071,187	7,656,805	2,414,382	2,573,898
Equipment	75,400,113	65,124,695	10,275,418	11,065,921
	$ 305,242,654	$ 202,784,436	$ 102,458,218	$ 98,852,709

Cost and accumulated amortization at March 31, 2024 amounted to $293,645,099 and $194,792,390 respectively.

5. Deferred revenue:

	2025	2024
Tuition and related fees	$ 17,692,187	$ 29,952,090
Externally restricted donations	2,768,995	2,300,694
Expenses of future periods	9,600,953	8,300,207
	$ 30,062,135	$ 40,552,991

(a) Tuition and related fees

Deferred revenue related to student tuition fees represents fees collected by the College for which the term of the program or course extends beyond the fiscal year of the College.

5. Deferred revenue (continued):

(b) Externally restricted donations:

Deferred contributions related to externally restricted donations represent unspent donations restricted by the donors for special projects, student bursaries and other financial assistance.

	2025	2024
Donations	$ 830,450	$ 789,244
Restricted investment income, net of fees	129,754	132,591
	960,204	921,835
Amount recognized as revenue in the year	(447,027)	(593,902)
	513,177	327,933
Donations utilized for additions to capital assets	-	(100,000)
Donations permanently endowed and transferred to net assets	(44,876)	-
Net increase	468,301	227,933
Balance, beginning of year	2,300,694	2,072,761
Balance, end of year	$ 2,768,995	$ 2,300,694
Represented by:		
Foundation fund for bursaries and special projects	$ 645,130	$ 566,678
Funds for bursaries	2,123,865	1,734,016
	$ 2,768,995	$ 2,300,694

(c) Expenses of future periods:

Deferred revenues related to expenses of future periods represent amounts collected by the College where the related products or services have not yet been provided by the College, or where related expenses have not yet been incurred.

	2025	2024
Balance, beginning of year	$ 8,300,207	$ 7,304,964
Amount recognized as revenue in the year	(4,094,895)	(4,396,001)
Amount received related to future years	4,450,089	4,520,760
Restricted investment income (note 12)	1,155,582	773,394
Unrealized gain / (loss) on long-term investments	459,042	688,796
Amount permanently endowed and moved to net assets	(97,865)	(63,339)
Investment income used to pay bursaries (note 12)	(571,207)	(528,367)
Balance, end of year	$ 9,600,953	$ 8,300,207

5. Deferred revenue (continued):

(c) Expenses of future periods (continued):

	2025	2024
Represented by:		
Tuition and related fees	$ 3,834,380	$ 3,800,604
Grants and reimbursements	298,039	370,521
Ancillary revenue	1,536,280	972,180
Contract educational services	79,891	283,306
Employment stability funds	302,570	288,602
Restricted investment income (note 12)	1,916,624	1,430,114
Unrealized gains on long-term investments	1,587,186	1,128,144
Other	45,983	26,736
	$ 9,600,953	$ 8,300,207

6. Trust funds for student enhancement fees:

The College holds student enhancement fees on behalf of student associations. Representatives of the student associations determine the disbursement of the funds.

	2025	2024
Student enhancement fees collected	$ 1,924,158	$ 2,020,168
Enhancement fees paid to student associations	(2,136,154)	(1,660,780)
Enhancement fees utilized for student approved activities and recognized as revenue	(2,000)	(2,000)
Net increase	(213,996)	357,388
Balance, beginning of year	1,010,799	653,411
Balance, end of year	$ 796,803	$ 1,010,799

7. Employee future benefits and sick leave benefit entitlement:

(a) Pension plan:

All full-time employees of the College, and any part-time employees who opt to participate, are members of the Colleges of Applied Arts and Technology (“CAAT”) Pension Plan (the “Plan”), which is a contributory, multi-employer jointly-sponsored defined benefit pension plan for public Colleges in Ontario and select other employers in Ontario. Plan members will receive benefits based on the length of service and on the average of annualized earnings during the highest five consecutive years prior to retirement, termination or death.

7. Employee future benefits and sick leave benefit entitlement (continued):

(a) Pension plan (continued):

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by the Plan and by placing Plan assets in trust and through the Plan investment policy.

The College makes contributions to the Plan equal to those of its employees. Contribution rates are set by the Plan's governors to ensure the long-term viability of the Plan. Since the Plan is a multi-employer plan, the College's contributions are accounted for as if the plan were a defined contribution plan, with the College's contributions being expensed in the period they come due.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension assets and liabilities. The most recent actuarial valuation filed with pension regulators as at January 1, 2025 indicated an actuarial surplus on a going concern basis of $6.1 billion (January 1, 2024 - $5.3 billion). Contributions to the Plan and its associated retirement compensation arrangements made during the year by the College amounted to $8,694,608 (2024 - $8,653,010) and are included as an expense in the Consolidated Statement of Operations.

(b) Employee future benefits:

The College provides extended health care, dental insurance and life insurance benefits to certain of its employees under a contributory multi-employer plan under CAAT. This coverage may be extended to the post-employment period. The most recent actuarial valuation of these employee future benefits was completed February 28, 2023 for the non-pension post-retirement plan and February 1, 2025 for the continuation of medical and dental benefits and the life waiver of premium benefit for employees currently on long-term disability. The results of these valuations have been extrapolated to March 31, 2025. The related benefit liability was determined by independent actuaries on behalf of the college system as a whole.

Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The College recognizes as expense for current services the amount of its required contribution in a given year and the remeasurement of the accrued benefit liability in the year.

7. Employee future benefits and sick leave benefit entitlement (continued):

(b) Employee future benefits (continued):

The following tables outline the components of the College's employee future benefits liability and the related remeasurement losses (gains):

	2025	2024
Accrued benefit obligations	$ 1,092,000	$ 887,000
Fair value of plan assets	(222,000)	(216,000)
Funded status – plan deficit	870,000	671,000
Unamortized actuarial gains	93,000	115,000
Employee future benefits liability	$ 963,000	$ 786,000

	2025	2024
Current service cost	$ 3,000	$ 3,000
Interest on accrued benefit obligation	2,000	2,000
Experience loss	197,000	64,000
Benefit payments	(4,000)	(4,000)
Amortized actuarial gains	(21,000)	(9,000)
Net remeasurement of employee future benefits liability	$ 177,000	$ 56,000

The significant actuarial assumptions adopted in estimating the College's accrued benefit liability are as follows:

	2025	2024
Discount rate	3.20%	3.50%
Dental benefit cost escalation	4.00%	4.00%
Medical benefits cost escalation:		
Hospital and other medical	5.91%%, decreasing to 4.00% in 2040	6.16%, decreasing to 4.00% in 2040

7. Employee future benefits and sick leave benefit entitlement (continued):

(c) Sick leave benefit entitlement:

The College allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employees' illness or injury exceeds the current year's allocation of days. Sick leave is paid out at the salary in effect at the time of usage. The most recent actuarial valuation of these sick leave benefits was completed August 31, 2022 and the results of this valuation have been extrapolated to March 31, 2025. The related benefit liability was determined by independent actuaries on behalf of the college system as a whole.

The following tables outline the components of the College's sick leave benefit entitlement:

	2025	2024
Accrued benefit obligation	$ 3,533,000	$ 3,307,000
Unamortized actuarial losses	(426,000)	(551,000)
Sick leave benefit entitlement liability	$ 3,107,000	$ 2,756,000

	2025	2024
Current service cost	$ 430,000	$ 350,000
Interest on accrued benefit obligation	124,000	100,000
Benefit payments	(383,000)	(396,000)
Amortized actuarial losses	180,000	75,000
Net remeasurement of sick leave benefit entitlement	$ 351,000	$ 129,000

The probability that the employee will use more sick days than the annual accrual and the excess number of sick days used are within ranges of 0% to 23.5% (2024 – 0% to 23.5%) and 0 to 54 days (2024 – 0 to 54.0 days) respectively for age groups ranging from 20 and under to 65 and over in bands of 5 years.

7. Employee future benefits and sick leave benefit entitlement (continued):

(c) Sick leave benefit entitlement (continued):

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

		2025	2024
Accumulated sick leave	Academic	10.3 years	10.3 years
benefit entitlements	Academic Partial-Load	4.6 years	4.6 years
	Support	9.5 years	9.5 years
Employee future benefits		11.7 years	11.7 years

The significant actuarial assumptions adopted in estimating the College's accrued benefit liability are as follows:

	2025	2024
Discount rate	3.2%	3.50%
Salary escalation - Academic	2.50% in 2026 and thereafter	2.50% in 2025 and thereafter
Salary escalation - Support	2.50% in 2026 and thereafter	2.50% in 2025 and thereafter

8. Long-term debt:

(a) Long-term debt is comprised of the following:

	2025	2024
6.01%, repayable approximately $28,000 monthly including interest, maturing July 4, 2028	1,026,260	1,296,227
6.02%, repayable approximately $21,000 monthly including interest, maturing August 1, 2028	787,649	989,227
6.06%, repayable approximately $13,000 monthly including interest, maturing September 1, 2028	489,341	611,165
Fixed rate term loans (note 8(c)):		
5.12%, repayable $9,466 monthly including interest, maturing February 1, 2030	492,801	578,756
5.29%, repayable $15,522 monthly including interest, maturing November 1, 2030	910,239	1,044,468
5.35%, repayable $67,895 monthly including interest, maturing March 1, 2031	4,173,602	4,748,269
2.94%, repayable $251,663 semi-annually including interest, maturing February 15, 2029	1,886,600	2,324,881
	9,766,492	11,592,993
Current portion	(1,868,451)	(1,826,501)
Bankers' acceptance loans due on demand	(1,673,137)	(2,303,251)
	$ 6,224,904	$ 7,463,241

8. Long-term debt (continued):

(b) The 6.01% bankers' acceptance loan due on demand was used to finance the construction of the student residence on the Kingston campus. The 6.02% and 6.06% bankers' acceptance loans due on demand were used to finance the construction of a fitness facility and the expansion of the cafeteria, respectively, on the Kingston campus. It is the intention of the College to repay these loans based on the payment schedules in note 8(a), unless payment is required earlier by the lender. These loans are economically hedged through interest rate swaps to the fixed interest rates noted above. The College also incurs a bank stamping fee of 0.30% (2024 – 0.30%) on the outstanding principal balance of each loan which is paid monthly. No specific security has been pledged for these loans.

Based on a detailed analysis and feasibility study it is expected that operational costs of the student residence, including the principal and interest payments on the related bankers' acceptance loan, will be financed from operational revenue generated by the residence as required by the Ministry of Colleges and Universities ("MCURES"). If an operating deficit is incurred, it will be financed by the excess of revenue over expenses from other ancillary operations.

It is expected that the management fees, utilities and other costs of the fitness facility, including the principal and interest payments on the related bankers' acceptance loan, will be financed from student fees.

Assuming early repayment of the bankers' acceptance loans is not required by the lender, principal due on the bankers' acceptance loans in each of the next five years is as follows:

2026	$	630,114
2027		669,136
2028		710,571
2029		293,429
Total	$	2,303,250

Loan interest and stamping fees totalling $142,900 (2024 - $188,715) have been recorded as interest on long-term debt in the Consolidated Statement of Operations.

(c) The 5.12% fixed rate term loan was used to finance the construction of the Cornwall student residence, the 5.29% loan was used to finance the construction of the Brockville student residence, the 5.35% loan was used to finance the construction of an addition to the Kingston student residence and the 2.94% loan was used to finance construction related to the College's Hello Future project in Kingston. The College incurs a monthly bank stamping fee of 0.80% (2024 – 0.80%) on the outstanding principal balance of the student residence loans which have been economically hedged through interest rate swaps to the fixed interest rates noted above.

8. Long-term debt (continued):

(c) (continued):

Based on a detailed analysis and feasibility study it is expected that operational costs of the student residences, including the principal and interest payments on the related loans, will be financed from operational revenue generated by the residences as required by the MCURES. If an operating deficit is incurred, it will be financed by the excess of revenue over expenses from other ancillary operations.

No specific security has been pledged for these loans.

Principal due on the fixed rate term loans in each of the next five years and thereafter is as follows:

2026	$	1,289,382
2027		1,348,372
2028		1,410,243
2029		1,475,143
2030		1,148,485
Thereafter		791,617
Total	$	7,463,242

Loan interest and stamping fees totalling $427,208 (2024 - $487,097) have been recorded as interest on long-term debt in the Consolidated Statement of Operations.

(d) The College is party to interest rate swap contracts to manage interest rate exposures for economic hedging and risk management purposes.

The interest rate swap contracts convert the floating rate interest obligations of certain loans into fixed rate obligations and thus manage the College's exposure to interest rate risk. The specific loans with interest rate swaps and the fixed rates payable under those interest rate swaps are disclosed in notes 8(b) and 8(c). The maturity dates of the interest rate swaps are the same as the maturity dates of the associated long-term debt, ranging from 2028 to 2031. The fair value of the interest rate swaps will vary based on prevailing market interest rates and the remaining term to maturity. The change in fair value of the interest rate swaps was an unrealized loss of $176,604 (2024 – unrealized gain of $316,391) for the year ended March 31, 2025.

The interest rate swaps are level 3 financial instruments and are measured at fair value using a valuation technique, taking into account market interest rates. The fair value of interest rate swaps is based on broker quotes.

9. Deferred capital contributions:

Deferred capital contributions represent the unamortized amount of contributions, enhancement fees and donations utilized for additions to capital assets. The amortization of capital contributions is recorded as revenue in the Consolidated Statement of Operations.

	2025	2024
Balance, beginning of year	$ 54,890,314	$ 55,881,957
Amounts used for capital purposes:		
Contributions from MCURES	4,191,451	3,152,513
Contributions from MLITSD	312,386	782,976
Donations	449,502	322,411
Other contributions	211,813	5,919
Contributions from federal government	-	6,677
Amortization of deferred capital contributions	(5,958,578)	(5,262,139)
Balance, end of year	$ 54,096,888	$ 54,890,314

The balance of deferred capital contributions consists of the following:

	2025	2024
Unamortized capital contributions	$ 53,442,556	$ 53,885,770
Unspent capital contributions	654,332	1,004,544
	$ 54,096,888	$ 54,890,314

10. Asset retirement obligations:

The College's asset retirement obligations relate to the legally required removal or remediation of asbestos-containing materials in certain buildings. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation.

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

	2025	2024
Balance, beginning of year	$ 1,376,435	$ 1,358,072
Obligations identified during the year	22,080	155,558
Obligations settled during the year	(63,059)	(137,195)
Remeasurement impact of changes in assumptions	181,758	-
Balance, end of year	$ 1,517,214	$ 1,376,435

11. Invested in capital assets:

(a) The College's investment in capital assets is calculated as follows:

	2025	2024
Capital assets	$ 102,458,218	$ 98,852,709
Less amounts financed by:		
Bankers' acceptance loans	(2,303,250)	(2,896,619)
Term bank loans	(7,463,242)	(8,696,374)
Deferred capital contributions	(53,442,556)	(53,885,770)
	$ 39,249,170	$ 33,373,946

(b) The change in net assets invested in capital assets is calculated as follows:

	2025	2024
Excess of expenses over revenue:		
Amortization of deferred capital contributions	$ 5,958,578	$ 5,262,139
Amortization of capital assets	(11,013,630)	(9,775,812)
	$ (5,055,052)	$ (4,513,673)
Net change in investment in capital assets:		
Additions to capital assets	$ 14,622,949	$ 12,178,450
Disposal of capital assets	(3,810)	(28,999)
Amount funded by deferred capital contributions	(5,515,364)	(4,128,527)
Repayment of:		
Bankers' acceptance loans	593,369	558,766
Term bank loans	1,233,132	1,179,492
	$ 10,930,276	$ 9,759,182

12. Net assets restricted for endowments:

	2025	2024
Ontario Student Opportunity Trust Fund (OSOTF):		
Phase I	$ 1,001,818	$ 994,364
Phase II	1,235,434	1,213,492
Ontario Trust for Student Support (OTSS)	5,214,356	5,178,977
Endowed Bursaries	6,099,539	5,694,825
	$ 13,551,147	$ 13,081,658

Ontario Student Opportunity Trust Fund:

The externally restricted endowments include monies provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund matching program to award student aid as a result of raising an equal amount of endowed donations. The College has recorded the following amounts under the program:

(a) Phase I:

Schedule of Changes in Endowment Fund Balance for the year ended March 31, 2025

Fund balance, beginning of year	$ 994,364
Cash donations received	-
Permanent endowment of amounts previously deferred (note 5(c))	7,454
Fund balance, end of year (A)	$ 1,001,818

Schedule of Changes in Expendable Funds Available for Awards for the year ended March 31, 2025

Balance, beginning of year	$ 106,397
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	86,598
Permanent endowment of amounts previously deferred (note 5(c))	(7,454)
Bursaries awarded (total number 88, 66 OSAP recipients)	(37,875)
Balance, end of year (B)	$ 147,666
Endowment total based on book value (A+B)	$ 1,149,484

The fair value of this endowment as at March 31, 2025 is $1,268,473 (2024 - $1,185,376).

12. Net assets restricted for endowments (continued):

Ontario Student Opportunity Trust Fund (continued):

(b) Phase II:

Schedule of Changes in Endowment Fund Balance for the year ended March 31, 2025

Fund balance, beginning of year	$ 1,213,492
Cash donations received	-
Permanent endowment of amounts previously deferred (note 5(c))	21,942
Fund balance, end of year (A)	$ 1,235,434

Schedule of Changes in Expendable Funds Available for Awards for the year ended March 31, 2025

Balance, beginning of year	214,265
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	116,138
Permanent endowment of amounts previously deferred (note 5(c))	(21,942)
Bursaries awarded (total number 46, 31 OSAP recipients)	(59,688)
Balance, end of year (B)	$ 248,773
Endowment total based on book value (A+B)	$ 1,484,207

The fair value of this endowment as at March 31, 2025 is $1,656,571 (2024 - $1,557,225).

12. Net assets restricted for endowments (continued):

Ontario Student Opportunity Trust Fund (continued):

(c) Ontario Trust for Student Support:

Schedule of Changes in Endowment Fund Balance for the year ended March 31, 2025

Fund balance, beginning of year	$ 5,178,977
Cash donations received	-
Permanent endowment of amounts previously deferred (note 5(c))	35,379
Fund balance, end of year (A)	$ 5,214,356

Schedule of Changes in Expendable Funds Available for Awards for the year ended March 31, 2025

Balance, beginning of year	$ 572,782
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	479,086
Permanent endowment of amounts previously deferred (note 5(c))	(35,379)
Bursaries awarded (total number 147, 104 OSAP recipients)	(222,390)
Balance, end of year (B)	$ 794,099
Endowment total based on book value (A+B)	$ 6,008,455

The fair value of this endowment as at March 31, 2025 is $6,620,650 (2024 - $6,206,399).

13. Net assets internally restricted:

	Funds for student assistance	College residences	Pay parking	Strategic Initiatives	2025 Total
Balance, beginning of year	$ 9,911	$ 2,046,476	$ 1,078,302	$ 3,608,837	$ 6,743,526
Transfer from / (to) unrestricted surplus	-	1,264,479	(28,243)	1,591,647	2,827,883
Balance, end of year	$ 9,911	$ 3,310,955	$ 1,050,059	$ 5,200,484	$ 9,571,409

13. Net assets internally restricted (continued):

	Funds for student assistance	College residences	Pay parking	Strategic Initiatives	2024 Total
Balance, beginning of year	$ 9,911	$ 1,480,335	$ 1,095,354	$ 2,853,323	$ 5,438,923
Transfer from / (to) unrestricted surplus	-	566,141	(17,052)	755,514	1,304,603
Balance, end of year	$ 9,911	$ 2,046,476	$ 1,078,302	$ 3,608,837	$ 6,743,526

14. Unrestricted net assets:

	2025	2024
Unrestricted net assets:		
Operating	$ 94,165,195	$ 85,546,085
Vacation pay accrued liability	(5,576,766)	(7,179,988)
Sick leave entitlement	(3,107,000)	(2,756,000)
Employee future benefits	(963,000)	(786,000)
	$ 84,518,429	$ 74,824,097

15. Commitments:

(a) The College rents equipment and premises under long-term operating leases expiring up to the March 31, 2028 fiscal year. Future minimum payments, by year and in aggregate, under these operating leases as at March 31, 2025 are as follows:

2026	$ 117,944
2027	44,926
2028	3,313
	$ 166,183

16. Contingent liabilities

(a) Letters of credit:

The College is contingently liable under letters of credit amounting to $26,500 (2024 - $26,500), which have been issued in the normal course of business.

(b) Contingencies:

i. The College is involved with outstanding and pending litigation and claims which arise in the normal course of operations, primarily as a result of grievances filed under the provisions of the union collective agreements. In management's opinion any liability that may arise from such contingencies would not have a significant adverse effect on the consolidated financial statements of the College. Expenses in excess of the provision recorded in the consolidated financial statements, if any, arising from these contingencies will be accounted for in the year in which they are determined.

ii. The College has been served notice by a third-party contractor that they have initiated legal proceedings related to a construction project on the Brockville campus. The contractor alleges that the contract value exceeds the amount that the College has agreed to pay, and that the College is liable for costs, damages, interest and other amounts related to breach of contract and construction delays that were the fault of the College.

The College disagrees with the contractor's claim and vigorously denies that it was at fault and is intending to defend itself against any such action. In the event that the College is found to be liable, the amount owing is not able to be estimated at this time but would not have a significant adverse impact on the consolidated financial statements

iii. The College Employer Council and OPSEU, the union representing certain College employee groups, are currently involved in collective bargaining as the most recent collective agreements between the parties expired on September 30, 2024 (full-time and partial load faculty, librarians and counsellors) and January 31, 2024 (part-time support staff). The ratification of the new collective bargaining agreements are anticipated to be completed by June 30, 2025. In management's opinion any liability that may arise from the ratification of the new collective agreements would not have a significant adverse effect on the consolidated financial statements of the College.

17. Financial risks and concentration of risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. The College is exposed to credit risk relating to its cash and cash equivalents, grants and accounts receivable and current and long-term investments. The College holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the College's cash accounts are insured up to $300,000 (2024 - $300,000).

Accounts receivable are comprised of government, student receivables, the current portion of long-term receivables and other receivables. Student receivables are ultimately due from students, and credit risk is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population. Government receivables are ultimately due primarily from MCURES, as well as other government entities, and credit risk is mitigated by the governmental nature of the funding source. Other receivables arise during the course of the College's normal operations and are due from a diverse customer base. 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.

Student and other receivables not impaired are collectible based on the College's assessment and past experience regarding collection rates. The maximum exposure to credit risk of the College at March 31, 2025 is the carrying value of these assets.

17. Financial risks and concentration of risk (continued):

(a) Credit risk (continued):

The amounts outstanding at year end were as follows:

As at March 31, 2025	Current	1 - 30 days	31 - 60 days	61 - 90 days	91+ days	Total
Government receivables	$ 3,458,103	$ -	$ -	$ -	$ -	$ 3,458,103
Student receivables	4,113	19,718	23,321	1,514,920	685,952	2,248,024
Current portion of long-term receivables	835,250	-	-	-	-	835,250
Other receivables	8,876,961	9,246	81,615	1,109	497,124	9,466,055
Gross receivables	13,174,427	28,964	104,936	1,516,029	1,183,076	16,007,432
Impairment allowances	-	-	-	(435,499)	(768,180)	(1,203,679)
Net receivables	$ 13,174,427	$ 28,964	$ 104,936	$1,080,530	$ 414,896	$14,803,753

As at March 31, 2024	Current	1 - 30 days	31 - 60 days	61 - 90 days	91+ days	Total
Government receivables	$ 4,754,200	$ -	$ -	$ -	$ -	$ 4,754,200
Student receivables	-	11,366	30,317	988,015	293,697	1,323,395
Current portion of long-term receivables	804,819	-	-	-	-	804,819
Other receivables	8,806,843	859,056	41,573	36,776	229,139	9,973,387
Gross receivables	14,365,862	870,422	71,890	1,024,791	522,836	16,855,801
Impairment allowances	-	-	-	(434,672)	(293,148)	(727,820)
Net receivables	$ 14,365,862	$ 870,422	$ 71,890	$ 590,119	$ 229,688	$16,127,981

17. Financial risks and concentration of risk (continued):

(a) Credit risk (continued):

The maximum exposure to investment credit risk is outlined in note 2.

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

(b) Market risk:

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

The investment policies of the College and the Foundation operate within the constraints of the investment guidelines issued by the MCURES. The policies' application is monitored by management, the investment managers and the Board of Governors. Diversification techniques are utilized to minimize risk.

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

(i) Currency risk:

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

(ii) Interest rate risk:

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The College is exposed to this risk through its interest-bearing investments, bankers' acceptance loans and long-term debt.

The College mitigates interest rate risk on its long-term debt through derivative financial instruments (interest rate swaps) that exchange the variable rate inherent in the bankers' acceptance loans and long-term debt for a fixed rate as described in note 8(d). Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the long-term debt.

The College's fixed income portfolio has interest rates ranging from 2.44% to 3.22% with maturities ranging from 2025 to 2029. The fixed income investments are fixed rate with a weighted average effective interest rate of 2.80% (2024 – 4.68%). At March 31, 2025 a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of fixed income investments of $182,955 (2024 - $971,003).

17. Financial risks and concentration of risk (continued):

(b) Market risk (continued):

(iii) Equity risk:

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The College is exposed to this risk through its mutual fund holdings within its investment portfolio. At March 31, 2025, 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 mutual fund holdings of $1,760,410 (2024 - $1,563,115).

(c) Liquidity risk:

Liquidity risk is the risk that the College will not be able to meet all of its cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. The College also maintains an unsecured line of credit with a Canadian chartered bank in the amount of $3,500,000 (2024 - $3,500,000) to cover short-term funding needs. There was no balance outstanding on the line of credit at March 31, 2025 (2024 – $nil). Accounts payable are all current and the terms of the long-term debt are disclosed in note 8.

Derivative financial liabilities mature as described in note 8(d).

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

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities, assuming early repayment of the bankers' acceptance loans is not required by the lender:

As at March 31, 2025	Within 6 months	6 - 12 months	1 - 5 years	5+ years	Total
Accounts payable and accrued liabilities	$ 27,813,630	$ -	$ -	$ -	$ 27,813,630
Bankers' acceptance loans	310,325	319,789	1,673,136	-	2,303,250
Long-term debt	637,491	651,890	5,382,247	791,614	7,463,242
Lease commitments	60,493	57,450	48,240	-	166,183
	$ 28,821,939	$ 1,029,129	$ 7,103,623	$ 791,614	$ 37,746,305

17. Financial risks and concentration of risk (continued):

(c) Liquidity risk (continued):

As at March 31, 2024	Within 6 months	6 - 12 months	1 - 5 years	5+ years	Total
Accounts payable and accrued liabilities	$ 25,406,518	$ -	$ -	$ -	$ 25,406,518
Bankers' acceptance loans	292,228	301,140	2,303,251	-	2,896,619
Long-term debt	609,702	623,432	5,523,140	1,940,100	8,696,374
Lease commitments	199,453	156,815	390,107	-	746,375
	$ 26,507,901	$ 1,081,387	$ 8,216,498	$ 1,940,100	$ 37,745,886

(d) Other risks:

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

On September 18, 2024, the Government announced a further reduction to the intake cap on international student study permits for 2025 of 10% from the approved 2024 target and their intention to maintain the same level for 2026. Also included in this announcement was a change to Post-Graduation Work Permits ("PGWPs"), aligning work permit eligibility to labour market needs. Further details on the implementation of this change were released throughout fall 2024, resulting in a significant reduction of the programs eligible for PGWPs

As a result of these policy changes, students pursuing a College credential at it's private career college partner will no longer be eligible for post-graduate work permits, which affects the sustainability of this partnership. The last planned enrolment will be in 2025/26, which represents the flow-through enrolment from the last intake in spring 2024.

A significant portion of the College's tuition revenues is derived from international students and the College continues to monitor the regulatory landscape and assess the financial impact of these changes on its ability to earn revenue from international students and on it's approved capital and operating budget for the year ending March 31, 2026.

18. Fundraising campaigns:

The College is not currently engaged in any active campaigns but continues to fundraise for ongoing College priorities.

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Analysis of Revenue

Schedule 1

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

	2025	2024
Grants and reimbursements:		
Provincially funded grants and reimbursements:		
Post-secondary activity	$ 44,000,128	$ 37,785,247
Employment services and skills training programs	1,416,751	1,762,828
Apprenticeship training programs	3,750,052	3,081,443
Other grants and reimbursements	4,469,094	4,551,533
	$ 53,636,025	$ 47,181,051

	2025	2024
Ancillary operations:		
Residences	$ 6,408,460	$ 5,327,488
Parking lots	1,403,416	1,297,934
Event and banquet services	616,964	1,304,608
Food services commission	492,633	430,237
Facilities rent	346,523	389,186
Bookstores commission	104,837	99,225
	$ 9,372,833	$ 8,848,678

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Analysis of Salaries, Wages and Benefits Expenses

Schedule 2

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

	2025	2024
Salaries:		
Academic:		
Full-time	$ 27,123,497	$ 26,817,554
Partial load and part-time	19,797,581	21,543,071
Excluded/sessional	117,202	200,663
Coordinators' allowance	527,664	479,206
Bonus/overtime	117,820	225,054
Administrative	21,565,279	19,558,468
Support:		
Full-time	19,648,819	18,110,525
Part-time	6,123,356	6,035,930
Bonus/overtime	79,127	182,979
Professional development leave	246,591	288,767
Benefits:		
Academic	10,343,841	10,016,018
Administrative	5,243,213	4,938,177
Support	7,011,978	6,232,481
	$ 117,945,968	$ 114,628,893

THE ST. LAWRENCE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Analysis of Non-Payroll Expenses — Schedule 3

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

	2025	2024
Other contract services	$ 14,129,739	$ 16,582,118
Software licenses and maintenance	3,864,752	3,702,188
Scholarships, bursaries and student assistance	3,325,330	3,827,531
Building and ground maintenance	2,794,891	2,946,546
Instructional supplies and equipment	2,792,299	2,788,902
Utilities	2,557,214	2,687,169
Contracted cleaning and garbage removal services	2,439,158	2,380,690
Other supplies	1,860,460	1,952,012
Promotion/public relations	1,768,082	2,355,405
Professional fees	1,654,290	1,100,792
Contracted security services	1,184,197	1,154,485
Bad debts	1,056,250	751,758
Contract teaching services	948,996	795,529
Travel	655,476	962,247
Insurance	620,983	625,086
Taxes	600,892	504,980
Equipment purchase and rental	596,274	998,027
Equipment maintenance	580,376	701,835
Interest on long-term debt	570,108	675,812
Participant wages, benefits and support allowances	438,343	588,466
Professional development	283,770	354,543
Telecommunications	236,475	289,695
Rent	186,238	283,510
Other interest and bank charges	159,812	161,762
Membership fees and dues	142,347	140,129
Staff employment	62,673	104,126
Cost of sales	22,124	16,962
	$ 45,531,549	$ 49,432,305