

Keyano College

ANNUAL REPORT 2003





Mission Statement

Keyano College is committed to providing excellent education, training and services that will prepare people for the challenges of work and enhance individual growth. Keyano College holds the fundamental belief that its purpose is to enable students to meet the challenges of the future through accessible programming that maximizes the potential of students and promotes individual and community development, which will improve the quality of life in our region and throughout Alberta.

Accountability Statement

Keyano College's Annual Report for the year ended June 30, 2003 was prepared under the Board's direction in accordance with the Government Accountability Act and ministerial guidelines established pursuant to the Accountability Act. All material economic, environmental or fiscal implications of which we are aware have been considered in preparation of this report.

Board of Governors 2002–2003

Chair – Pam MacGillivray

Keyano College President – Jim Foote

Public Members – Robert Campbell, Jim Carbery, William Gendreau, Rick Nilson, Carol Reid, Karen Towsley

Faculty Members – Doug Abel

Support Staff Members – Brendan Clarke, Claude Melanson

Student Members – Kory Walsh, Shawn Williamson

Senior Executive

President – Jim Foote

Vice President of Finance & Administration – Larry Hickey

Vice President of Instruction – Marylea Jarvis

Executive Director of Communications & Development – Patrick Machacek

Executive Director of Student Services – Carol Theberge

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Message from the Board Chair



The Keyano College Board of Governors recognizes that the success of our institution is dependent on the faculty and staff who contribute to the growth and development of our programs and our students.

However, like other post-secondary institutions in the province of Alberta, attrition is one of the main challenges facing Keyano College. As our employee population ages, many people are preparing for retirement or moving on to new challenges. Yet at the same time, we are very fortunate that new leaders are emerging from within our organization with dynamic ideas and a renewed sense of commitment to Keyano's mandate of providing excellent education, training and services.

Jim Foote, Keyano's former Dean of Academic and Career Programs, was appointed President of Keyano College by the Board of Governors in September. Not only does Jim have an impressive and proven track record in leadership throughout the post-secondary education system, he also has a solid history with Keyano College and the community of Fort McMurray. His experience with our institution, relationship with College staff and ability

to collaborate with business and industry, made him the ideal candidate for the position.

Future leaders of our College are also emerging from the newly launched Leadership Development Program, which prepares current employees to move into managerial or supervisory roles. This program, in addition to a new salary grid for support staff, are just two initiatives Keyano launched over the past year to maintain its reputation as an employer of choice in our community.

As you read through the pages of our 2002-2003 Annual Report, you will discover a diverse community college that is well-managed and positioned to take advantage of the opportunities that lie ahead. Keyano College is building on the success of our faculty and staff and will continue to meet the educational needs of the communities and students of northeastern Alberta.

A handwritten signature in black ink, reading 'P. MacGillivray'.

Pam MacGillivray
*Chair, Board of Governors
Keyano College*

President's Report



Keyano College's 2002-2003 academic year reflected many of the opportunities and challenges that continue to shape the economy and social landscape of northeastern Alberta.

One of the major developments at Keyano College during the past year was the substantial completion of the Syncrude Technology Centre. The \$10 million facility features seven classrooms, four computer labs, an information commons with 40 computers, an environmental technology lab, and 38 instructor offices. Even while crews and contractors were putting the finishing touches to the building, faculty and staff were able to move into their new office space before the summer break to guarantee a smooth transition for the start of classes in the fall.

At 36,000 square feet, the Syncrude Technology Centre addresses the growing demand for high-tech education services and training required as the region of Wood Buffalo continues to grow alongside the oilsands industry.

As construction on the Syncrude Technology Centre wound down this

past summer, the Investment In The Future Campaign also successfully came to a close. The Keyano College Foundation has a proud history of partnering with individuals and corporations, such as Syncrude Canada Ltd., to enhance the delivery of education services and employment training at Keyano College. The Investment In The Future Campaign not only exceeded its goal by raising \$4 million for capital projects, scholarships, and education programs, but the campaign also demonstrated that Keyano College continues to develop and maintain strong relationships with stakeholders in business, industry and the community at large.

The Process Operator Program at Keyano College, created in partnership with the Suncor Energy Foundation, is arguably one of the most successful and innovative industry-supported programs in Alberta. The program and curriculum

President's Report

was designed to meet the employment and training needs of industry partners in the oilsands sector and continues to be fully enrolled with intakes totalling 48 students per year.

Another unique partnership between Keyano College and RBC Financial Group has resulted in the development and implementation of the Aboriginal Entrepreneurship Certificate Program. This program allows individuals working in Aboriginal and non-Aboriginal business settings to acquire entrepreneurial skills. The result has been an exciting, one-of-a-kind, educational initiative that improves business knowledge within an environment that is supportive and sensitive to the needs of Aboriginal people.

One of the newest players in the oilsands industry has taken a leadership role in the College's Environmental Technology Program. Albian Sands Energy Inc. has contributed vital program funding to ensure that students have access to state-of-the-art lab equipment and resources. In addition, representatives from Albian Sands actively participate in the program's Advisory Committee to ensure that Keyano continues to develop and deliver relevant curriculum and course offerings.

While we have had many achievements to celebrate this past year, Keyano College is keeping our focus firmly directed toward the future of our region, and one project that is in the forefront for both the community and the College is a Sport and Wellness Centre.

This \$28 million facility will meet the recreation and athletic training needs of residents and students throughout our region and will be designed to include an aquatics park, indoor running track, field house, as well as fitness and wellness facilities.

A major step forward on this project occurred when the Regional Municipality of Wood Buffalo and Keyano College agreed to the concept of forming a collaborative partnership to construct and operate the community-based facility. In addition, the business case and funding request for the Sport and Wellness Centre was submitted to the Province of Alberta for consideration.

The partnership between the Regional Municipality of Wood Buffalo and Keyano College demonstrates a solid commitment between levels of government and public institutions to work collaboratively for the betterment of everyone involved. The Sport and Wellness Centre is a wonderful example of how a Private-Public-Partnership (P3 Partnership) can enhance the economic and social environment in our community and help make Fort McMurray a destination of choice for skilled employees, students and their families.

The unprecedented growth in the oilsands industry during the past decade has generated a rapidly changing economic and social environment in the Wood Buffalo Region. Local industry and business are constantly integrating leading-edge technologies and practices in order to maximize the cost effectiveness of their products and services. Keyano College has responded

President's Report



to these environmental shifts by continuously evaluating and adapting its programs and course offerings to reflect the needs and interests of our industry partners and our students.

This past year, Keyano College took proactive steps to ensure the continued relevance of our programs and services by adding 80 seats to the Apprenticeship Program in the areas of Welding (12), Electrical (32), Heavy Equipment Service Technician (24) and Millwright (12). In addition, the College suspended the Automotive Service Technician Apprenticeship Program for a period of three years due to decreased enrolment. Even with these significant adjustments, the demand for Trades and Apprenticeship training continues to outpace Keyano College's capacity to house additional programs and students within our current facilities. In order to address this issue, the College is formalizing a plan that will facilitate the expansion of our Trades programs to meet the tremendous growth in the Wood Buffalo Region.

University Studies continues to be an exciting area of growth and opportunity for Keyano College. With an enrolment increase of 26 per cent last year, University Studies is clearly servicing a market demand within our community. Ninety five per cent of students enrolled in Keyano's University Studies Program are from Fort McMurray and the surrounding area, demonstrating that more and more local students are recognizing the value of beginning their degree close to home in a learning environment that is focused on quality instruction and personalized service.

The growth in enrolment within our University Studies Program also reflects a need to provide local students with more degree-granting opportunities in addition to the Nursing Degree, which is currently offered at Keyano College. Specifically, local educators have identified the need to offer a Bachelor of Education Degree at Keyano in order to fill the growing demand for elementary and secondary school teachers in northeastern Alberta.

One of the primary challenges of delivering value-added education services at a comprehensive community college in the province of Alberta is recruiting and retaining qualified, talented employees. This issue is compounded by Fort McMurray's geographic remoteness and wage competition from private sector employers within the region of Wood Buffalo. Keyano has addressed this issue in our 2002-2007 Strategic Plan with a goal to develop innovative approaches to ensure the College continues to be an employer of choice.

This past year saw a number of management changes at Keyano College beginning with the appointment of Marylea Jarvis as the Vice-President of Instruction. Marylea joined Keyano in 1985 as the User and Information Services Librarian and has played an integral role in the College's development over the past 18 years. Our focus at Keyano College continues to be centered directly on students, and Marylea has the management and leadership qualities to ensure the College continues to meet the educational needs of the communities we serve.

President's Report

Keyano College was also pleased to welcome Patrick Machacek as the Executive Director of Communications and Development. Stakeholder relations are pivotal to the success and development of Keyano College; Patrick has a proven track record in the field of post-secondary advancement and the skills to lead the Keyano College Foundation and our Communications and Recruitment team.

The recruitment of senior team members reaffirmed Keyano's focus on business continuity and a commitment to provide the institution with a clear direction and solid leadership.

On the technical front, Keyano College initiated the KITE project (Keyano Information Technology Engine) in 2002-2003 to ensure the College has a reliable technology infrastructure to support quality program and service delivery. Key outcomes for the year included major upgrades to our network hardware, fibre optic cabling, and computer upgrades throughout the institution for both students and faculty.

Providing a stable, reliable and cost effective computer information technology service in support of the instructional mandate and administrative functions, is one of eight primary goals identified in Keyano College's 2002-2007 Strategic Plan "Building Upon Success". In an effort to communicate the implementation of each strategic goal, Keyano College held follow-up meetings with internal and external stakeholders and published a Report Card that lists actions completed and priorities that are being addressed.

The future looks very promising for Keyano College. We are firmly situated in a region that is expected to grow in population by more than 36 per cent during the next seven-year period; an additional \$50 billion in oilsands investment is projected during that same timeframe. Clearly, the demand for Keyano's services and expertise will continue to grow in the coming decade and we must position the institution to take advantage of opportunities that lie ahead.

At the same time, Keyano must address budget challenges that are compounded by escalating costs, rapidly changing technology and aging infrastructure. We are looking to maximize alternative revenues in areas such as Workforce Development and private donation support in order to enhance our financial position. In addition, Keyano met with other institutions such as Aurora College in Fort Smith and Portage College in Lac La Biche to investigate areas of collaboration and common interest. The College will also continue to work closely with the Province of Alberta in order to deliver comprehensive, cost-effective education service to the residents of northeastern Alberta.



Jim Foote

President, Keyano College

Goals, Expected Outcomes and Performance Measures

The Keyano College Board of Governors defined eight strategic goals for the organization in its 2002-2006 Business Plan:

Goal 1

Continue to expand program

offerings and program

diversification based on regional

needs and demands.

In response to demands from the community and industry, Keyano increased student capacity in four apprenticeships including Welding (12), Electrical (32), Heavy Equipment Service Technician (24) and Millwright (12).

Additionally, Keyano College launched the Process Operator Program in partnership with the Suncor Energy Foundation. The program and curriculum is designed to meet the employment and training needs of industry partners in the oilsands sector. Annual intakes total 48 students per year.

Trades and heavy industrial training was not the only program area experiencing unprecedented growth. Keyano College's success with the Entrance Awards and recruitment program resulted in increased demand for the University Studies and Nursing Programs. A number of new courses were introduced in University Studies (psychology, earth sciences and sociology) resulting in a 26 per cent increase; the Nursing Program increased its student intake; and, a number of academic and career programs were restructured to better meet demands.

Keyano also continues to develop successful partnerships with the community, industry and other post-secondary institutions to offer exceptional educational opportunities to students.

One such example is the unique partnership between Keyano College and RBC Financial Group, which resulted in the development and implementation of the Aboriginal Entrepreneurship Certificate Program. The program allows individuals working in Aboriginal and non-Aboriginal business settings to acquire entrepreneurial business skills in an environment that is supportive and sensitive to the needs of Aboriginal people.

Keyano also brokered the EMT-A and EMT-P Programs from Portage College and is investigating degree completion opportunities such as Bachelor of Education with other universities. Keyano currently offers a Bachelor of Science in Nursing Degree in partnership with the University of Alberta.

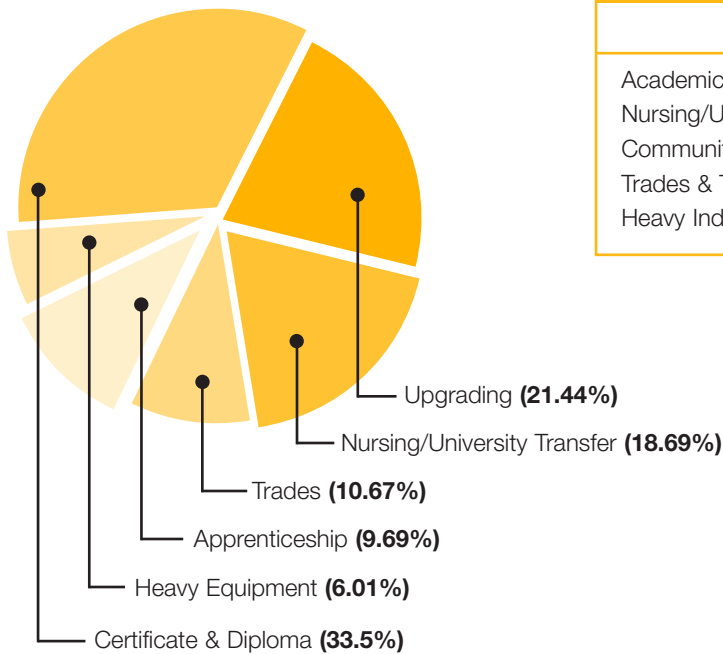
ACCESSIBILITY

2002 Enrolment Increase: **0.8%**
 2001 Enrolment Increase: **-9.34%**
 2000 Enrolment Increase: **6.22%**

FULL LOAD EQUIVALENT

	2001-2002	2002-2003
Certificate & Diploma	375	379
Nursing/University Transfer	201	230
Community & Upgrading Education	365	332
Trades & Technology	240	260
Heavy Industrial	87	77

ENROLMENT BY PROGRAM



ENROLMENT/REGISTRATION

	2001-2002	2002-2003
Academics	1293	1323
Nursing/University Transfer	562	630
Community & Upgrading Education	912	841
Trades & Technology	904	984
Heavy Industrial	197	217

Goals, Expected Outcomes and Performance Measures

Goal 2

Identify and implement strategies to ensure the provision of quality education and enhance learner success.

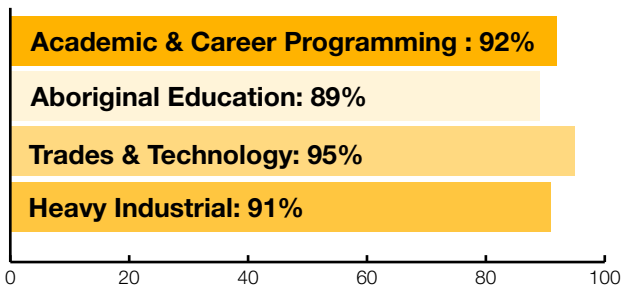
During the 2002-2003 academic year, Keyano College expanded its campus facilities to ensure that students were exposed to a learning environment that nurtured intellectual and personal growth. To achieve this goal, Keyano embarked on a campus expansion plan in 2002 that would result in much-needed classroom and laboratory space for students, office space for instructors and an information technology hub for the community.

Substantial completion of the Syncrude Technology Centre was reached in the Spring of 2003. The \$10-million facility features seven classrooms, four computer labs, an information commons with 40 computers, an environmental

technology lab and 38 instructor offices. The 36,000 square-foot technology centre addresses the growing demand for high-tech education services and training required as the region of Wood Buffalo continues to grow alongside the oilsands industry.

Keyano College's commitment to providing quality education requires the institution to create an environment supportive of teaching excellence and student development. Keyano's success is evident in responses given by students during the College's Graduate Follow-up Survey and in the scores given by Alberta Learning in its Key Performance Indicators assessment.

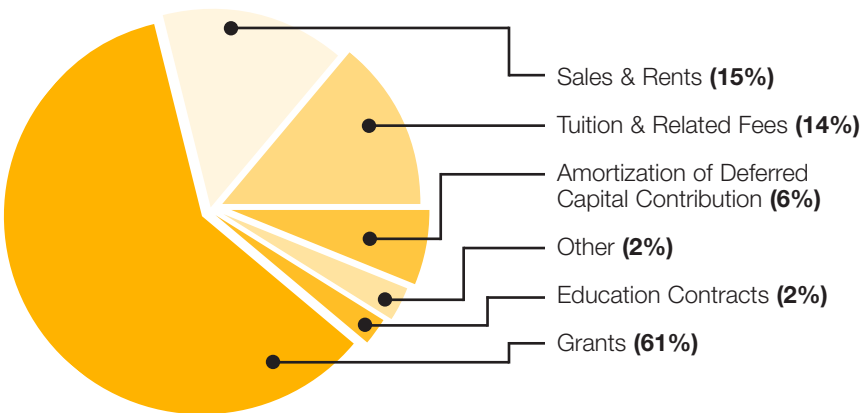
EMPLOYMENT RATES BY PROGRAM



GRADUATE SURVEY HIGHLIGHTS

	2000	2001	2002
Employment Rate:	89.3%	91.8%	92.0%
Graduate Satisfaction:	96.8%	97.0%	95.6%

REVENUE SOURCES: \$33.72 MILLION



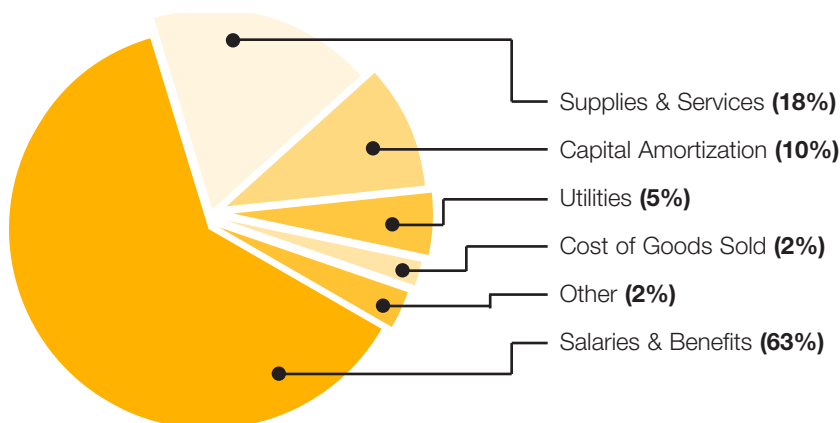
AFFORDABILITY

The system will provide learning opportunities to the greatest number of Albertans at a reasonable cost to the students and the taxpayer.

ADMINISTRATION EXPENDITURES: 13%

Administration expenditures as a percentage of total expenditures less ancillary expenditures

EXPENDITURES: \$34.25 MILLION



ENTERPRISE REVENUE: 24.7%

Revenues less all government grants, tuition fees under policy, sponsored research (universities), ancillary services and earned capital contributions as a percentage of Alberta Learning grants.

Goals, Expected Outcomes and Performance Measures

Goal 3

Become a community destination of choice for recreation and culture by forming partnerships with community groups to build new recreation facilities and expand programming and services.

Sport and wellness facilities have not kept pace with the growth and demand at Keyano College or the Regional Municipality of Wood Buffalo. The construction of a Sport and Wellness Centre will meet the increasing recreation needs of our students and the growing population of our community. Keyano College has serviced land available, adequate parking, and vehicle and transit access that serve as a central location for the community, which supports urban redevelopment initiatives and the municipal development plan.

The Regional Municipality of Wood Buffalo and Keyano College have agreed to the concept of forming a collaborative partnership to construct and operate a community-based facility that will serve the recreation and athletic needs of residents and students throughout the region. The College presented a

business case to Alberta Learning in the Fall of 2003 asking the Province of Alberta to support the Sport and Wellness Centre by contributing \$17.4 million towards the construction of the project. The business case for the Centre identifies that the Municipality provide \$5 million of the capital costs and Keyano College together with its donors contribute \$5 million. The Keyano College Foundation has developed a capital campaign plan and case statement in support of the project.

Support from the Province of Alberta will ensure that the College is able to proceed with strategies (as outlined in the 2003-2007 Business Plan) to construct a Sport and Wellness Centre as well as provide enhanced recreational programs and services for students and the community.

Goal 4

Develop and implement innovative alternative delivery models to serve the varied needs of learners.

With stability and reliability being restored in Keyano's information technology through the KITE (Keyano Information Technology Engine) initiative, as well as the merger of the Library and Media Services with the Suncor Educational Technology Centre, faculty and staff now have the resources to use instructional technology and alternative delivery methods.

Keyano faculty are now integrating multimedia presentations including Flash and Dreamweaver along with video

streaming, PowerPoint presentations, WebCT, modularized study components, e-mail, and Internet research techniques into traditional classroom based courses and developing web-based courseware and programming for the virtual classroom.

Keyano College also participates in provincial initiatives, such as Alberta North, SuperNet and is utilizing the eCampus Alberta delivery portal to expand and compliment our current course offerings.

Goal 5

Continue to build partnerships with Aboriginal communities in order to expand programs and services offered in the regional communities.

Aboriginal people across the region are engaged in community based capacity building along with pursuing job and business opportunities created by the regional economy. The College is working together with government, business and industry to support individual and community goals. To foster better communication and collaboration between Keyano and the regional communities, the College appointed a Chairperson of Aboriginal Education who works with Keyano's

Aboriginal counselors to cooperatively liaise with the regions in order to deliver more comprehensive service for each community.

The Department of Human and Community Services also developed partnerships with Aboriginal communities. Keyano College partnered with the Little Shuswap Indian Band to offer the Aboriginal Child and Family Services Program in Shuswap, British Columbia.

Goals, Expected Outcomes and Performance Measures

Goal 6

Assess the effectiveness of strategies used to communicate Keyano's programs and devise and implement the next generation of strategies.

In 2002-2003 Keyano College amalgamated its Public Relations department and the Keyano College Foundation to form the Communications and Development division as a means of more effectively communicating with external and internal stakeholders. Led by Patrick Machacek, Keyano's new Executive Director of Communications and Development, and complemented by the addition of a recruitment officer and a full time Webmaster, the division is poised to evaluate current

communication and recruitment strategies as well as implement new strategies. The division is currently working towards branding and developing a new visual identity for Keyano College.

Goal 7

Continue to develop innovative approaches to ensure the College is an employer of choice.

In order to ensure the College remains an employer of choice, Keyano implemented a number of programs and services in 2003. Succession planning, which was one of the items outlined in the College's 2002-2007 Strategic Plan, is underway with the implementation of the Keyano College Leadership Development Program. The program consists of a series of 20-30 courses, which can be completed over a two or three year period. Courses include leadership styles, conflict management and planning a workable budget.

Additional initiatives implemented include information/orientation sessions for new support staff, the promotion of

tuition waivers for staff and their families, recreational activities and new College facilities, as well as enhanced professional educators' orientation for new faculty.

With the thriving oilsands industry in our backyard, recruiting and retaining permanent employees continues to be a challenge. However, the College was able to reach an agreement with employees in March on a new salary grid, which ensures the College is able to offer wages that are relative to comparable employers. As a result, Keyano College continues to attract qualified employees and staff turnover has decreased.

Goal 8

Provide stable, reliable and cost effective computer information technology service in support of the College's instructional mandate and administrative functions.

Early in 2003, Keyano College initiated KITE (Keyano Information Technology Engine) to rejuvenate the information technology network infrastructure throughout the institution. KITE's goal is to identify a means of providing stable, reliable and cost-effective computer information technology service in support of the College's instructional mandate and administrative functions.

The College contracted Western Management Consultants to review the current state of computer technology at Keyano and provide an independent assessment, recommendation and roadmap for future development. Upon the review, a number of changes took place. A new server was installed to build stability and reliability in the e-mail system; the Internet bandwidth was

upgraded; a help desk system was put in place; new twisted pair fiber optic cable was installed; and, the College switched from a hub to a local area network (LAN).

In addition, the College is planning to replace its administration systems within the next year (Finance, Human Resources, Student Services). The College's current Administration System, POISE, is 20 years old and is no longer supported by its vendor. A selection committee was established to investigate possible options and ensure that the new system not only provides a stable interface with Alberta Learning, and AHRE, but also provides the College with the information systems required to support academic and administrative demands.

Operational Overview

Mandate Statement

[Approved by the Minister of Learning, July 8, 1992]

Keyano College is a Board-governed, comprehensive community college that offers educational and training programs, courses and services to the residents of northeast Alberta. The College does so in accordance with the Colleges Act.

Keyano College continues to expand program offerings and program diversification based on the needs and demands of the Wood Buffalo Region.

The College is dedicated to providing program excellence through utilizing a highly qualified, dynamic faculty and staff.

CORE PROGRAMS

Academic Upgrading

Academic Foundations
College Preparation
Connecting to College and Careers
Preparation for Academic and Career Education
Transitional Program

Career Certificate and Diploma

Aboriginal Addictions Services
Aboriginal Child and Family Services
Aboriginal Entrepreneurship
Business Administration

- Accounting
- Business
- Human Resources Management

Community Wellness
Computer Information Systems
Early Childhood Development
Educational Assistant
Emergency Medical Technologist

- Paramedic

Engineering Technology

- Chemical
- Electrical
- Industrial Instrumentation

Licensed Practical Nurse

Environmental Technology
Office Administration
Office Clerk
Visual and Performing Arts

- Drama
- Music
- Musical Instrument Repair
- Technical Theatre
- Visual Art and Design

Trades and Heavy Industrial

Apprenticeship Trades Programs

- Carpentry
- Electrician
- Heavy Equipment Service Technician
- Millwright
- Welder

Gas Field Operator
Heavy Construction

- Equipment Operations

Mechanical and Construction

- Trades Preparation

Mine Operations
Power Engineering
Process Operator
Truck Transport Training

- Class 1, 2 and 3

University Studies

First- and second-year University Studies courses offered in:

- Arts
- Commerce
- Education
- Engineering
- Fine Arts
- Science

Pre-professional transfer University Studies courses offered in:

- Pre-Architecture
- Pre-Chiropractic
- Pre-Dental Hygiene
- Pre-Journalism
- Pre-Medicine
- Pre-Medical Lab Science
- Pre-Optometry
- Pre-Pharmacy
- Pre-Rehabilitation
- Pre-Social Work
- Pre-Veterinary

Collaborative Degree Programs

Keyano College/Athabasca University

- Administration
- Arts
- General Studies

Keyano College/University of Alberta

- Bachelor of Science in Nursing (BScN)

Keyano College/University of Calgary

- Bachelor of Social Work (BSW)

Community Education

Offering a wide variety of educational, cultural and social enrichment opportunities to more than 8,000 people annually.

Workforce Development

Custom-designed training programs, courses and consulting services for business and industry are offered.

ENROLMENT

Total credit students: **3995**
 Full-load equivalent: **1278**
 Total non-credit students: **7919**

FACILITIES

Keyano College has three campuses and five learning centres. The main campus – the Clearwater Campus – is in downtown Fort McMurray. The majority of our programs, from Upgrading to Career Programs to University Studies to the Trades, are taught here. The Suncor Energy Industrial Campus is located in the MacKenzie Industrial Park on the south end of Fort McMurray. This Campus is home to our Heavy Industrial Programs and some Trades. The Fort Chipewyan Campus offers Upgrading courses and career-related programming. Learning Centres are located in four other Wood Buffalo hamlets – Gregoire Lake, Janvier, Conklin and Fort McKay – where distance learning opportunities are provided.

STAFFING

Keyano College employed 118 full-time and 20 part-time faculty, 39 full-time and two part-time administration and 117 full-time and 37 part-time support staff in 2002-03. In total, 333 people worked for the College in that period.

TUITION FEE POLICY COMPLIANCE

Total Tuition Fee Revenue
(from programs under the Tuition Fee Policy): **\$ 3,641,283**

Net Operating
 Expenditures: **\$ 22,133,929**

Tuition Fee Revenue as
 a percentage of Net
 Operating Expenditures: **16.45%**

The information shown above provides a calculation of the ratio of institution tuition fee revenue to net operating expenditures, and demonstrates institution performance with respect to the 30 per cent tuition fee ceiling. The information was prepared in accordance with Section 3 of the Tuition Fee Regulation. It has been submitted to Alberta Learning and has been verified by Ministry staff.

Keyano College Financial Statements June 30, 2003

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Auditor's Report

To the Board of Governors of Keyano College

I have audited the statement of financial position of Keyano College as at June 30, 2003 and the statements of revenue and expense, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures

in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Auditor General
Edmonton, Alberta
August 29, 2003



Keyano College

Statement of Financial Position



As at June 30, 2003	2003	2002
ASSETS		
Current:		
Cash	\$ 523,717	\$ 1,664,296
Short-term investments (Note 3)	-	1,224,475
Accounts receivable	1,159,702	1,511,735
Inventories (Note 4)	184,775	187,553
Prepaid expenses	126,280	109,536
	1,994,474	4,697,595
Long-term investments (Note 3)	7,620,721	14,472,677
Long-term accounts receivable (Note 5)	80,620	-
Capital assets (Note 6)	63,217,232	56,892,314
	\$ 72,913,047	\$ 76,062,586
LIABILITIES AND NET ASSETS		
Current:		
Accounts payable and accrued liabilities	\$ 1,834,740	\$ 2,954,756
Accrued vacation pay	1,706,636	1,539,653
Unearned revenue (Note 7)	471,840	503,939
Long-term debt due within one year (Note 10)	179,754	150,183
Deferred contributions (Note 8)	1,992,801	4,068,955
	6,185,771	9,217,486
Long-term:		
Deferred contributions for capital purposes (Note 9)	-	4,111,471
Long-term debt (Note 10)	5,450,747	5,357,907
Unamortized deferred capital contributions (Note 12)	33,750,368	29,393,459
	39,201,115	38,862,837
Net assets:		
Endowments (Note 13)	1,191,565	1,118,798
Investment in capital assets (Note 15)	23,836,363	21,990,765
Unrestricted net assets	2,498,233	4,872,700
	27,526,161	27,982,263
	\$ 72,913,047	\$ 76,062,586

The accompanying notes are part of these financial statements.

Keyano College

Statement of Revenue & Expense

For the year ended June 30, 2003	2003	2002
Revenue:		
Grants (Note 21)	\$ 20,432,767	\$ 20,021,176
Sales, rentals and services	4,925,163	4,645,219
Tuition	4,712,587	3,847,345
Education contracts	794,626	970,196
Investment income (Note 3)	224,575	545,296
Donations	697,689	605,491
Amortization of deferred capital contributions (Note 12)	1,930,990	1,800,937
	33,718,397	32,435,660
Expense (Note 16):		
Salaries and benefits	21,553,765	19,486,819
Supplies and services	6,219,131	5,511,836
Scholarships and awards	326,881	287,113
Utilities	1,745,201	1,442,457
Cost of goods sold	557,302	563,400
Amortization	3,279,740	2,788,116
Interest expense: long term debt	375,177	372,000
Loss on disposal of capital assets	34,559	130,717
Transfer to Keyano Foundation	155,510	136,000
	34,247,266	30,718,458
Excess (deficiency) of revenue over expense	\$ (528,869)	\$ 1,717,202

Keyano College

Statement of Changes in Net Assets



For the year ended June 30, 2003	2003				2002
	Endowments <i>(Note 13)</i>	Investment in Capital Assets <i>(Note 15)</i>	Unrestricted Net Assets	Total	Total
Beginning of year	\$ 1,118,798	\$ 21,990,765	\$ 4,872,700	\$ 27,982,263	\$ 26,193,790
Excess of revenue over expense	-	-	(528,869)	(528,869)	1,717,202
Endowments received	72,767	-	-	72,767	71,271
Capital assets acquired from internal funds	-	3,147,687	(3,147,687)	-	-
Amortization of internally funded capital assets	-	(1,348,750)	1,348,750	-	-
Net book value of disposals	-	(160,159)	160,159	-	-
Principal repayment of long-term debt	-	155,960	(155,960)	-	-
Repayment of capital lease obligations	-	50,860	(50,860)	-	-
	\$ 1,191,565	\$ 23,836,363	\$ 2,498,233	\$ 27,526,161	\$ 27,982,263

Keyano College

Statement of Cash Flows

For the year ended June 30, 2003	2003	2002
Cash provided from operating activities:		
Excess of revenue over expense	\$ (528,869)	\$ 1,717,202
Non-cash transactions:		
Amortization of capital assets	3,279,740	2,788,116
Amortization of deferred capital contributions	(1,930,990)	(1,800,937)
Loss on disposal of capital assets	34,559	130,717
	854,440	2,835,098
Changes in non-cash working capital (Note 19)	(1,579,362)	3,766,825
Cash generated from (used in) operating activities	(724,922)	6,601,923
Cash provided from (used in) investing activities:		
Purchase of capital assets:		
Internally funded	(3,147,687)	(2,174,680)
Externally funded through contributions and debt	(6,617,131)	(5,365,245)
Proceeds on disposals of capital assets	125,599	114,631
Purchase of long term investments - net	6,851,956	(1,628,871)
Cash used in investing activities	(2,787,263)	(9,054,165)
Cash provided from financing activities:		
Capital contributions received	2,176,428	1,677,652
Endowment contributions	72,767	71,271
Long-term debt (net)	122,411	(136,479)
Cash generated from financing activities	2,371,606	1,612,444
Decrease in cash	(1,140,579)	(839,798)
Cash at beginning of year	1,664,296	2,504,094
Cash at end of year	\$ 523,717	\$ 1,664,296

Keyano College

Notes to Financial Statements

June 30, 2003



Note 1 Authority and Purpose

Keyano College operates under the authority of the Colleges Act, RSA 2000, Chapter C-19. The College is a comprehensive community college serving primarily the north-eastern region of Alberta. The College is exempt from payment of income tax under Section 149 of the Income Tax Act.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

(a) General

The financial statements of the College have been prepared in accordance with Canadian generally accepted accounting principles. The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results.

(b) Revenue Recognition

Operating grants are recognized as revenue in the period when receivable. Operating grants received for a future period are deferred until that future period and are reflected as deferred contributions.

Amounts received for tuition fees and sales of goods and services are recognized as revenue at the time the goods are delivered or the services are provided.

Externally restricted non-capital contributions are deferred and recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for purposes designated by the contributors. Any externally restricted contributions containing stipulations that the amounts should be retained as net assets or that the contributions should not be expended are recorded as direct increases in net assets. Such stipulations would include contributions made for endowment purposes or to be used to acquire non-amortizable property. Investment income earned on external endowments is recorded as a direct increase in net assets where the donor has stipulated that the economic value of endowments must be protected.

Externally restricted capital contributions are recorded as deferred contributions until the amount is invested to acquire capital assets. Amounts invested representing externally funded capital assets are then transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as revenue in the periods in which the related amortization expense of the funded capital asset is recorded.

Contributions of materials and services that would otherwise have been purchased are recorded at fair value when a fair value can be reasonably determined.

Keyano College

Notes to Financial Statements

June 30, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Inventories

Inventories held for resale are valued at the lower of cost and net realizable value. Inventories held for consumption are valued at the lower of cost and replacement value.

(d) Investments

Long-term investments are recorded at cost. Gains or losses on long-term investments are recognized at liquidation or when the impairment in the value of an investment is other than temporary.

(e) Capital Assets

Capital assets acquisitions are recorded at cost except for donated assets which are recorded at fair market value at the time of receipt. Capital assets are amortized on a straight-line basis over the following estimated average useful lives:

	Years
Land improvements	40
Buildings and renovations	40
Furnishings and equipment	10-25
Automotive and heavy equipment	5-25
Library materials	10
Audio-visual equipment	10
Computer hardware and software	5-10

(f) Employee Future Benefits

The College participates in the Local Authorities Pension Plan. This pension plan is a multi-employer defined benefit pension plan that provides pensions for the College's participating employees, based on years of service and earnings.

Pension costs included in these financial statements comprise the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the pension plan. The College's portion of the pension plan's deficit is not recorded by the College.

(g) Expenses

Instruction encompasses all formal educational and instructional program elements. Institutional support includes all activities that provide institution-wide support to other programs. Academic support includes all activities that directly support the educational and instructional elements such as academic administration, library and audio-visual services. Student services includes all activities or services to the student body of the institution including scholarships and bursaries.

Keyano College

Notes to Financial Statements

June 30, 2003



Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(h) Translation of foreign currencies

Monetary assets are translated into Canadian dollars at the rate of exchange at Statement of Financial Position date. Non-monetary items are translated at historical exchange rates. Revenue and expense items are translated at the rate of exchange in effect on the dates they occur.

Note 3 Investments

	2003				2002
	Short- term Investments	Long-term Investments	Total Cost	Market Value	Total Cost
Money market investments	\$ -	-	-	-	\$ 6,202,574
Bonds	-	4,795,020	4,795,020	5,105,301	5,922,807
Equities	-	2,825,701	2,825,701	2,933,947	3,571,771
	\$ -	7,620,721	7,620,721	8,039,248	\$ 15,697,152

Restricted:

For endowments **\$ 1,191,565**

Total restricted investments \$ 1,191,565

The Board of Governors has approved an investment strategy creating two portfolios for investments. The first portfolio encompasses operating funds designated for expenditures within one year. The primary objective of the short-term portfolio is liquidity with security of capital. Risk levels will be kept low and securities will be liquid.

The first portfolio is restricted as follows:

- Quality constraint of "R1-Mid" or better for money market securities.
- All Corporate and Provincial bonds will be rated "A" or higher.
- No more than 10% of cash and equivalents will be invested in any one issuer, other than investments guaranteed by the Government of Canada or any province.
- No more than 5% of the portfolio will be invested in any one corporate bond issue.

Keyano College

Notes to Financial Statements

June 30, 2003

Note 3 Investments (continued)

The second portfolio is designated for long-term working capital and restricted funds. The objective of the long-term portfolio is preservation of capital and generation of a competitive total return.

The second portfolio is restricted as follows:

- Quality constraint of "R1" or "A1" or higher for money market securities.
- All Corporate and Provincial bonds will be rated "A" or higher.
- No money market or fixed income single position, other than Government of Canada or Province of Alberta credits, at more than 10% of the portfolio.
- The cash and equivalents category of the portfolio shall be a maximum of 15% of the portfolio.
- The fixed income category of the portfolio shall be a minimum of 30% and a maximum of 70% of the portfolio.
- The equity category of the portfolio shall be a minimum of 20% and a maximum of 50% of the portfolio.
- No more than a maximum of 5% of the equity component, at market, will be invested in any one equity issue.

The effective yield for the portfolio on the bond investment is 4.34 %. The bond investments mature as follows:

	1-5 years	6-10 years	over 10 years	Total
Bonds	\$ 2,271,555	\$ 2,038,031	\$ 485,434	\$ 4,795,020

Investment Income	2003	2002
Interest earned on investments	\$ 150,826	\$ 351,417
Interest earned on operating funds	76,284	241,366
Total interest earned	227,110	592,783
Transferred to deferred contributions	(2,535)	(47,487)
	\$ 224,575	\$ 545,296

Note 4 Inventories

	2003	2002
Bookstore	\$ 148,078	\$ 149,872
Maintenance supplies	36,697	37,681
	\$ 184,775	\$ 187,553

Keyano College

Notes to Financial Statements

June 30, 2003



Note 5 Long-term Accounts Receivable

The College entered into an agreement to allow corporations to rent certain student residences for a period of five years. The long-term account receivable is GST that is recoverable from the Federal Government once these residences revert to College student use.

Note 6 Capital Assets

Capital assets are summarized as follows:

	2003			2002
	Cost and Appraised Value	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 11,679,586	\$ -	\$ 11,679,586	\$11,679,586
Land improvements	463,183	23,159	440,024	433,628
Buildings and renovations	72,440,158	30,672,367	41,767,791	37,192,945
Furnishings and equipment	8,288,398	3,791,964	4,496,434	3,196,631
Automotive and heavy equipment	6,359,826	3,646,382	2,713,444	2,468,408
Library materials	1,879,709	1,610,381	269,328	285,906
Audio-visual equipment	791,561	396,045	395,516	382,960
Computer hardware and software	3,745,897	2,290,788	1,455,109	1,252,250
	\$105,648,318	\$ 42,431,086	\$ 63,217,232	\$ 56,892,314

The Province of Alberta has been granted an option to purchase the whole or any part of the land, buildings and improvements transferred to the College in 1984, at value of \$47,534,300, for the nominal amount of \$1 per purchase.

Note 7 Unearned Revenue

	2003	2002
Tuition fees	\$ 316,827	\$ 292,847
Contract programs	155,013	211,092
	\$ 471,840	\$ 503,939

Keyano College

Notes to Financial Statements

June 30, 2003

Note 8 Deferred Contributions

Deferred contributions represent unspent amounts externally restricted for non-capital purposes.

	2003	2002
Contributions:		
Grants	\$ 2,134,470	\$ 3,701,783
Donations	246,163	190,224
Investment income	2,535	47,487
	2,383,168	3,939,494
Transferred to revenue:		
Grants	(2,538,646)	(2,219,247)
Donations and investment income	(199,032)	(165,003)
	(2,737,678)	(2,384,250)
Transferred to deferred contributions for capital purposes (Note 9)	(1,648,877)	-
Transferred to endowments	(72,767)	(71,271)
Increase (decrease) during the year	(2,076,154)	1,483,973
Balance at beginning of year	4,068,955	2,584,982
Balance at end of year	\$ 1,992,801	\$ 4,068,955
The balance consists of funds restricted for:		
Scholarships and bursaries	\$ 213,439	\$ 236,540
New program start-up funds	332,180	1,626,266
	545,619	1,862,806
Deferred contributions for maintenance	1,447,182	2,206,149
	\$ 1,992,801	\$ 4,068,955

Keyano College

Notes to Financial Statements

June 30, 2003



Note 9 Deferred Contributions for Capital Purposes

	2003	2002
Contributions:		
Grants (Note 8)	\$ 1,648,877	\$ -
Donations	527,551	1,677,652
	2,176,428	1,677,652
Transferred to unamortized deferred capital contributions (Note 12)	(6,287,899)	(2,566,181)
Decrease during the year	(4,111,471)	(888,529)
Balance, beginning of year	4,111,471	5,000,000
Balance, end of year	\$ -	\$ 4,111,471

Note 10 Long-term Debt

	2003	2002
Alberta Capital Finance Authority Debenture, interest at 6.5% per annum. Repayment is 25 consecutive annual installments of \$450,898, principal and interest combined. Maturity June 15, 2026	\$ 5,307,133	\$ 5,406,602
Obligations under Capital Lease Interest at varying rates of 2.5% to 8.3%. Payments of \$43,929 annually principal and interest combined. Maturity December 2003 to August 2006	323,368	101,488
	5,630,501	5,508,090
Current portion	179,754	150,183
	\$ 5,450,747	\$ 5,357,907

Keyano College

Notes to Financial Statements

June 30, 2003

Note 10 Long-term Debt (continued)

Repayment of principal in each of the next five fiscal years will be as follows:

2004	\$ 179,754
2005	188,291
2006	197,783
2007	204,765
2008 to maturity	4,859,908
	\$ 5,630,501

All acquired intangibles, accounts, monies, accounts receivables, instruments, claims or rights, choices in action and insurance proceeds derived directly or indirectly from the operations of the student residence have been pledged as security on the Alberta Capital Finance Authority debenture.

Note 11 Funds Held on Behalf of Others

The College has \$50,669 (2002 - \$51,316) in funds held in trust for other parties. These amounts are not included in these financial statements.

Note 12 Unamortized Deferred Capital Contributions

Unamortized deferred capital contributions represent the external funding of capital assets which will be recognized as revenue in future periods.

	2003	2002
Balance at beginning of year	\$ 29,393,459	\$ 28,628,215
Add amount transferred from deferred capital contributions (Note 9)	6,287,899	2,566,181
Less amount amortized to revenue	(1,930,990)	(1,800,937)
Balance at end of year	\$ 33,750,368	\$ 29,393,459

Note 13 Endowments

Endowments are comprised of externally restricted amounts which are required to be maintained intact.

Keyano College

Notes to Financial Statements

June 30, 2003



Note 14 Planned Expenditures

The Board of Governors has approved the following planned expenditures as future funds become available.

	2003	2002
Professional development		
Admin staff	\$ 51,916	\$ 56,131
Support staff	25,423	27,916
Faculty	60,181	59,000
Employee safety	4,941	4,941
Employee assistance program	12,110	12,360
Industry Education Centre	389,168	253,303
Research and development	21,023	21,023
Management information system	470,111	425,000
Aboriginal Entrepreneurship	58,631	59,099
Program development	271,650	175,456
Musical instruments	54,495	46,230
Trades program	101,374	119,884
Family welfare worker program	-	70,639
Innovative instruction	-	2,964
Native education training	20,140	20,140
Environmental worker diploma	-	20,842
Academic development	96,549	80,141
Community and upgrading education development	171,297	123,102
Student housing	261,602	166,210
Bookstore	162,858	129,144
Computer training	-	6,406
Parking	125,038	190,908
Theatre operating	71,364	41,054
Equipment replacement	545,991	904,552
Site and renovations	854,713	941,751
Food services centre equipment	27,669	31,922
Theatre capital	-	21,071
Capital Campaign Planning	614,893	726,760
Computer services	32,472	-
New construction	147,827	-
Recreation and athletic reserve	75,790	17,330
Shift worker initiative	142,784	133,344
	\$ 4,872,010	\$ 4,888,623

Keyano College

Notes to Financial Statements

June 30, 2003

Note 15 Net Assets Invested in Capital Assets

	2003	2002
Capital assets	\$ 63,217,232	\$ 56,892,314
Less Debt	(5,630,501)	(5,508,090)
Unamortized deferred capital contributions	(33,750,368)	(29,393,459)
Balance at end of year	\$ 23,836,363	\$ 21,990,765

Note 16 Supplementary Expense Information

Expense is summarized by object as follows:

	2003	2002
Academic support	\$ 2,770,916	\$ 2,084,191
Amortization	3,279,740	2,788,116
Ancillary operations	2,824,681	2,356,263
Computing services	633,465	534,868
Institutional support	7,933,431	7,756,964
Instruction	14,285,245	12,618,855
Interest expenses	375,178	372,000
Loss on disposal	34,559	130,717
Student services	1,954,541	1,940,484
Transfer to Foundation	155,510	136,000
	\$ 34,247,266	\$ 30,718,458

Keyano College

Notes to Financial Statements

June 30, 2003



Note 17 Ancillary Operations

The College's ancillary operations revenue included in sales, rentals and services and ancillary operations direct expense are summarized as follows:

	2003	2002
Revenue:		
Student residence	\$ 1,758,063	\$ 1,539,763
Food services facility rental contract	34,737	30,117
Bookstore	635,670	615,084
Theatre	538,180	421,840
Parking	145,112	141,763
	\$ 3,111,762	\$ 2,748,567
Expense:		
Student residence	\$ 1,186,134	\$ 919,927
Food services facility maintenance	2,433	1,971
Bookstore	595,516	583,101
Theatre	902,004	768,472
Parking	138,594	82,792
	\$ 2,824,681	\$ 2,356,263

Keyano College

Notes to Financial Statements

June 30, 2003

Note 18 Salaries and Benefits

	2003			2002
	Salary (Note 1)	Benefits and Allowances (Note 2)	Total	Total (Restated Note 6)
Board Chairman	\$ 4,510	\$ 175	\$ 4,685	\$ 4,826
Board members - 9	25,091	676	25,767	28,328
President (Note 3)	161,968	31,368	193,336	168,722
Vice President - Instruction (Note 4)	106,203	20,742	126,945	117,196
Vice President - Finance and Administration	100,000	16,000	116,000	117,477
Executive Director of Student Services	90,256	10,980	101,236	87,449
Dean, Academic and Career Programs (Note 5)	85,382	10,506	95,888	97,833

Notes:

- 1) Salary includes regular base pay, merit awards, performance bonus, overtime, vacation payouts, honoraria, and any other direct cash remuneration.
- 2) Employer share of all employee benefits and contributions or payments made on behalf of employees including pension, automobile allowances, health care, dental, vision, group life insurance, accidental death and dismemberment insurance and long and short-term disability plans.
- 3) Three different individuals occupied the position for twelve months.
- 4) Two different individuals occupied the position for twelve months.
- 5) Two different individuals occupied the position for twelve months.
- 6) The comparative figures have been restated to include automobile allowances.

Keyano College

Notes to Financial Statements

June 30, 2003



Note 19 Changes in Non-Cash Working Capital

	2003	2002
Accounts receivable	\$ 271,413	\$ (373,754)
Inventories	2,779	46,117
Prepaid expenses	(16,744)	5,359
Short-term investments	1,224,475	2,145,871
Accounts payable and accrued liabilities	(1,120,015)	394,196
Accrued vacation pay	166,983	15,988
Unearned revenue	(32,099)	49,075
Deferred contributions	(2,076,154)	1,483,973
	\$ (1,579,362)	\$ 3,766,825

Note 20 Commitments and Contractual Obligations

(a) Minimum annual operating lease commitments required under the terms of various office space leases are as follows:

2004	\$ 123,841
2005	123,841
2006	90,505
Total	\$ 338,188

Keyano College

Notes to Financial Statements

June 30, 2003

Note 21 Related Party Transactions

- (a) Related Party Transactions – Keyano College Foundation ("the Foundation")

The Keyano College Foundation is a registered charitable organization, and receives donations from various sources for the advancement of Keyano College.

The Foundation financial statements (which are prepared using the Restricted Fund method of revenue recognition) are not consolidated in the College's financial statements. The financial summaries of the unconsolidated entity as at June 30, 2003 and 2002 are as follows:

	2003	2002
Financial Position		
Total assets	\$ 786,233	\$ 1,262,905
Total liabilities	\$ 36,451	\$ 141,920
Net assets	\$ 749,782	\$ 1,120,985
Results of Operating Activities and change in Operating Net Assets		
Revenue	\$ 189,550	\$ 156,736
Expense	(312,050)	(331,909)
Net operating deficit for the year	(122,500)	(175,173)
Operating fund net assets, beginning of year	-	-
Transfer from events and gaming	122,500	175,173
Operating fund net assets, end of year	\$ -	\$ -
Results of Fund Raising Activities and surplus and change in Restricted Fund Net Assets		
Revenue	\$ 1,169,975	\$ 3,170,790
Expense	(261,764)	(144,351)
Net fundraising for the year	908,211	3,026,439
Contribution to Keyano College	(1,156,914)	(2,215,323)
Excess of revenue over expense	(248,703)	811,116
Restricted fund net assets beginning of year	1,120,985	485,042
Transfer to general operations	(122,500)	(175,173)
Restricted fund net assets end of year	\$ 749,782	\$ 1,120,985

Keyano College

Notes to Financial Statements

June 30, 2003



Note 21 Related Party Transactions (continued)

- (a) Related Party Transactions – Keyano College Foundation ("the Foundation") (continued)

The College contributed \$155,510 (2002 - \$136,000) toward salaries and other operating costs of the Foundation. In addition, the College provided certain administrative services and accommodations at no cost to the Foundation.

The Foundation does not hold investments and capital assets. At June 30, 2003, the Foundation had net assets of \$749,782 available for transfer to the College.

- (b) The College is a Provincial corporation as all the members of the Board of Governors are appointed either by the College Act or by a combination of orders by the Lieutenant Governor in Council and the Minister of Learning.
- (c) Transactions between the College and Province and other related parties are disclosed in the Statement of Revenue and Expense and/or are recorded in the following balances as at June 30, 2003:

	Revenue	Deferred Contributions	Unamortized Deferred Capital Contributions
Operating grant	\$ 18,509,176	\$ 77,804	\$
Infrastructure grant	227,052	1,447,182	469,723
Access grant	954,471		
Other grants	742,068	254,376	5,290,625
Total	\$ 20,432,767	\$ 1,779,362	\$ 5,760,348

During the year, the College had business transactions with entities controlled by members of the Board. These transactions were at market prices on normal terms of purchase and sale.

Keyano College

Notes to Financial Statements

June 30, 2003

Note 22 Budget

The College's Board of Governors approved the revenue and expense budgets on April 2002 as follows.

Revenue	
Grants	\$ 20,057,339
Sales, rentals and services	4,440,247
Tuition and fees	4,247,782
Educational contracts	688,277
Investment	141,500
Amortized deferred capital contributions	2,396,302
Donations	509,960
	\$ 32,481,407
Expenses	
Instruction	\$ 13,478,921
Institutional support	7,293,793
Academic support	1,943,387
Student services	1,672,717
Computing services	597,962
Ancillary operations	4,275,031
Amortization	2,763,290
	\$ 32,025,101
Excess of revenue over expenses	\$ 456,306

The approved budget does not contain amounts for losses or gains on disposal of assets, scholarships and bursaries.

Keyano College

Notes to Financial Statements

June 30, 2003



Note 23 Pension Costs

The pension expense recorded in these financial statements is equivalent to the College's annual contributions payable of \$900,425 for the year ended June 30, 2003 (2002 - \$776,284). At December 31, 2002, the Local Authorities Pension Plan reported a deficit of \$444,980,000 (2001 - surplus of \$634,960,000).

Note 24 Comparative figures

Certain of the 2002 comparative figures have been reclassified, where necessary, to conform to the current year's statement presentation.

Note 25 Approval of Financial Statements

The Board of Governors approved these financial statements.



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COLLEGE

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