



College of the North Atlantic

Annual Report 2015-2016

September 2016

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Message from the Board of Governors

August 31, 2016

On behalf of the Board of Governors, I am very pleased to present the 2015-16 Annual Report for College of the North Atlantic. Our 2015-16 initiatives reflect continued emphasis towards a publicly-funded one-college system for the Province focused on student and employer needs and expectations. Our stakeholders spoke very clearly on what they view as our most critical priorities. Their expectation for the future is one that we fully share....that of a strong, dynamic and cohesive college delivering the kind of education and training needed in a globally connected world.

This report outlines the second year of progress we have made toward the goal of bringing a consistent and superior learning experience to students across our programs and campuses. We are also building capacity with our employer and community partners who are seeking flexible, real-time solutions to their future workforce requirements. We will be working with our faculty and staff to find ways, in a time of fiscal restraint, to provide the supports, tools and resources they need to excel.

Our focus on student engagement continued with the launch of our college-wide student-led orientation program a full year ahead of its original schedule. We also ramped up our work with faculty identifying better teaching supports and technologies for application across our programs.

In closing, I wish to acknowledge all of the volunteer members of the Board of Governors for their work in 2015-16 and for their ongoing contribution as we move into the third and final year of the strategic plan. The board has continued to reinforce accountability, efficiency and good, governance at the College and has remained focused on providing valuable oversight of the institutions ongoing development. Ensuring operational effectiveness will continue to be a priority in 2016-17 along with appropriate planning and risk management of College undertakings.

College of the North Atlantic is a category one public body under the Transparency and Accountability Act. This annual report was prepared in accordance with requirements under the Act. As the Board of Governors, we are accountable for the actual results contained herein.

A handwritten signature in black ink that reads 'Cheryl Stagg'.

Cheryl Stagg, Chair
Board of Governors, College of the North Atlantic

College Overview

In 1963 post-secondary education in Newfoundland and Labrador expanded with the opening of Trades and Vocational School campuses throughout the Province. Over the last 50+ years, college education has evolved and responded to the education and training needs of this Province. Today, College of the North Atlantic (CNA) has multiple campuses and delivers programs and services to almost 30,000 students a year here and abroad. Its geographic reach includes a significant number of students taking its courses and programs in China and Qatar. The College also recently ramped up its educational development outreach partnering with other institutions to bring Canadian standards, curriculum and instructional approaches in trades education to developing countries in both hemispheres.

Our Programs

Within the Province, CNA offers more than 100 full-time programs and more than 300 part-time courses across five schools: Engineering Technology and Natural Resources; Industrial Trades; Business and Information Technology; Academics, Applied Arts and Tourism; and Health Sciences.

Our Students

The College graduates between 2,600 – 2,700 individuals annually from its certificate, diploma and advanced diploma offerings in the Province in 2015-16. In addition, CNA served nearly 2,000 apprentices, providing block training that enables them to advance through their apprenticeship and prepare to write their journeyman certification examination.

CNA's international development projects and education partnerships currently span several regions - China, the Middle East, South America, and South East Asia. The College's largest international presence is in Qatar where it provides the CNA brand of technical, trades, English as a second language training, access and related programming through the State Technical College in Doha.

The College served over 3,700 students of international origin in 2014-15, 67 at its campuses in Newfoundland and Labrador, and the remainder abroad. (2014-15 is the latest academic year for which annual statistics are available).

Our Campus Locations

- Baie Verte
- Bay St. George
- Bonavista
- Burin
- Carbonear
- Clareville
- Corner Brook
- Gander
- Grand Falls-Windsor
- Happy Valley-Goose Bay
- Labrador West
- Placentia
- Port aux Basques
- Prince Philip Drive
- Ridge Road
- Seal Cove
- St. Anthony

Newfoundland and Labrador



International

- Doha, Qatar

For campus and headquarters contact information see page 43 of the appendices.

Key Statistics

2014-15 Annual Enrolment - NL Campuses

Final Data - Regular Programming¹

School	Number Registered			Female	Male
	Full-Time	Part-Time	Total		
Academics, Applied Arts & Tourism	862	848	1,710	1,218	492
Business & Information Technology	1,253	361	1,614	1,199	415
Engineering Technology & Natural Resources	1,243	97	1,340	429	911
Health Sciences	484	76	560	468	92
Industrial Trades	3,776	116	3,892	682	3,210
College Total	7,618	1,498	9,116	3,996	5,120

Final Data - Contract Training & Continuing Education²

Continuing Education	Course Registrations	Total Number of Hours
Non-credit Courses & Contracts	15,515	207,915
Credit Courses	68	239
College Total	15,583	208,154

1. Inclusive of students registered between September 1, 2014 and August 31, 2015. The 2015-16 academic year is not complete until August 2016; therefore, 2014-15 enrolment data is provided for this report.

2. Gender breakdown is not available.

2014-15 Annual Enrolment - College of the North Atlantic - Qatar

Final Data - Full-time Registrations

CNA-Q Enrolment	Female	Male	Total
Registered	1,055	1,949	3,004

Inclusive of all Schools, Industrial Trades, Language Studies and Access program registrants in full-time programs only.

2015-16 Employee Data by Gender and Position Type

Final Data - Fiscal Year 2015-16

Newfoundland & Labrador					
	Support Staff	Faculty	Management	Non Union Non Management	Total
Females	335	315	52	13	715
Males	124	386	40	1	551
Sub-Total	459	701	92	14	1,266
Qatar					
	Support Staff	Faculty	Management	Non Union Non Management	Total
Females	22	150	8	0	180
Males	23	222	14	0	259
Sub-Total	45	372	22	0	439
College Total	504	1,073	114	14	1,705

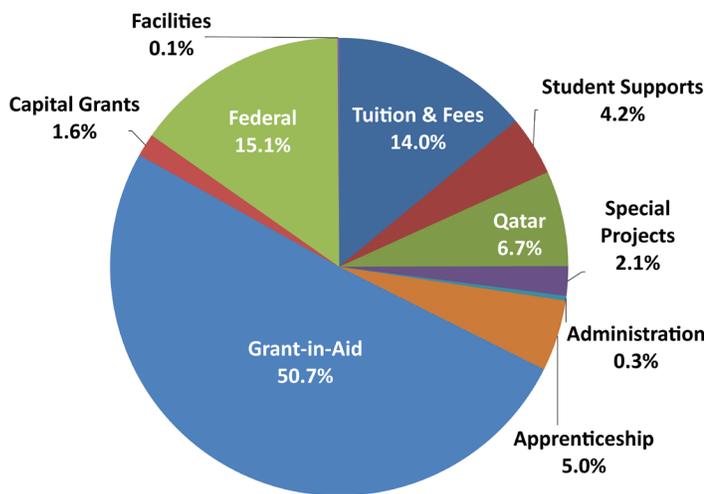
Inclusive of active employees, employees on leave; **Not Included:** Continuous Education instructors, student employees, invigilators, casual workers.

Financial Summary

College of the North Atlantic recorded gross expenditures of \$135.2 million in 2015-16, the majority (\$82.9 million, 61.3 per cent) in support of instructional programs, followed by Student Supports (\$17.9 million, 13.2 per cent) and Administration (\$16.8 million, 12.4 per cent). The largest source of revenue (\$65.1 million, 50.7 per cent) was the annual grant-in-aid provided by the Provincial Government, with the next three main sources consisting of Federal (\$19.4 million, 15.1 per cent), Tuition and Fees (\$18 million, 14.0 per cent), and International/Projects (\$11.3 million, 8.8 per cent).

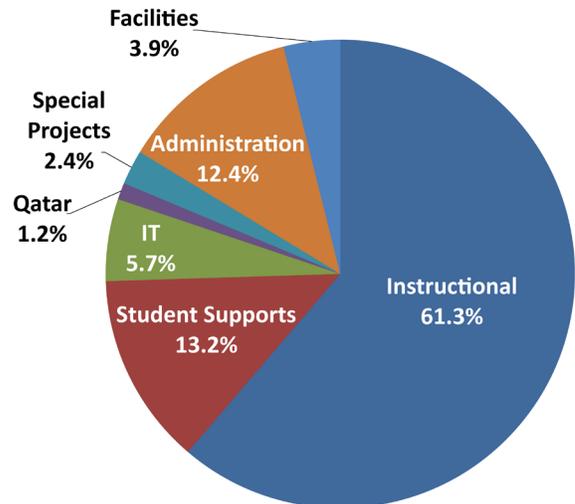
Compared to the previous year, revenues declined one per cent, primarily due to reductions in external-generated revenues, while expenditures rose 1.7 per cent due mainly to salary increases under the Collective Agreements. Details on the College's 2015-16 finances are provided in the Audited Financial Statements (appendix 1, pages 23-42).

2015-16 Revenues



Total: \$128,285,877

2015-16 Expenditures



Total: \$135,246,124

Note: charts do not add up to 100 per cent due to rounding.

Mandate

College of the North Atlantic (CNA) is a community and technical college that exists to advance the labour force, industry and training needs of Newfoundland and Labrador, both at home and abroad. The College fulfills its mandate through the development and delivery of introductory and advanced educational programs, through partaking in applied research and technology activities that benefit communities and industry, and through operating as both a student-responsive and labour market results-oriented institution.

The College operates under the *College Act, 1996* and is responsible for carrying out those duties prescribed by section 15 (1) of the *Act*. These responsibilities span academic, administrative and governance functions, including the power to identify the educational needs of persons in the Province as well as the education and training requirements of the labour market, and, subject to budget approval, provide the courses and programs to meet those needs.

Lines of Business

The College operates three lines of business:

1. Teaching and Learning – encompassing academic, contract training and continuing education programs and learner services provided to individual students, including international students studying here and abroad. This line of business supports the personal and career development of our learners, creates a positive environment for effective learning and engagement, and is characterized by knowledgeable, dedicated faculty building on strategies matched to learner and labour market needs.
2. Industry and Community Engagement – focused on external partnerships and the effective development, management and delivery of college projects (local, national and international). This line of business is inclusive of international business contracts, community and business partnership development, college foundation activities, and alumni relations. It is through these activities that College of the North Atlantic's reach truly spans the globe, although it is at home in Canada's youngest province that our roots are most firmly planted.
3. Applied Research and Innovation – encompassing industry and university research partnerships and locally focused applied research and technology transfer activities. College of the North Atlantic is committed to promoting a research and innovation culture in the province by supporting groundbreaking research at the stage where innovative products and services are created. Applied research at College of the North Atlantic contributes to the learning environment, supports student engagement and complements local business investment and development. Delivery of the lines of business is a shared responsibility of the organization with academic, partnership and campus operations supported by two central functions: Corporate Services responsible for effective business operations; and College Development responsible for strategic management and progressive development of the institution.

Vision

The vision of College of the North Atlantic is of a community of life-long learners who are driving the social and economic growth of Newfoundland and Labrador, and who contribute to their community through their knowledge, skills, and innovative and entrepreneurial spirits.

Mission

By March 31st, 2017 College of the North Atlantic will have begun to transform into a seamless and connected one-college system, capable of delivering the highest quality programs and supporting the success of learners, industry and communities.

Shared Commitments

Progress toward the strategic goals and objectives of College of the North Atlantic does not occur in isolation. The College counts on the involvement of its many stakeholders, and gratefully acknowledges the contribution of its public and private partners, who together help support student focused initiatives and ensure the delivery of high quality education and training services.

CNA's commitment to education through experiential and service learning helps communities and their organizations by building capacity locally and within its participating student and faculty volunteers. A typical example is the 2015 Housing Build Agreement created with Habitat for Humanity NL that will see students from across the College participating in the development of affordable home ownership for lower income, working families in this province, among other initiatives.

Government, community organizations, employers, and industry and professional associations all play an important role in our delivery of accessible, responsive and quality program offerings in support of the goals and objectives of the Department of Advanced Education and Skills. The College's continuing relationship with the Province's Office of Immigration and Multiculturalism, as well as federal and provincial trade agencies, is integral to the attraction, promotion and integration of international students, who upon graduation, may choose to live, work and contribute their skills to building a competitive provincial economy. Furthermore, the College works with the Department Advanced Education and Skills on development of Provincial Plans of Training for Apprentices and continues to support many other departments with their provincial initiatives, including early learning and child care as well as health services workforce development. All of this takes place in facilities provided by another College partner, the Department of Transportation and Works.

Highlights and Accomplishments

Individual Achievements

College of the North Atlantic students and alumni walked away from the Skills Canada National Competition (SCNC) 2015 with two gold medals, one silver and three bronze representing at least the 12th consecutive year the College has medaled at this prestigious event. This follows a very successful Provincial Skills Competition where CNA participants collected 38 medals including 15 gold.



Stephanie Ciz (Port aux Basques Campus) completes an intricate cut during her competition.

National medal winners are Brandon Drover (Prince Phillip Drive campus) gold in Photography; Myles Burry (Ridge Road campus) silver in Architectural Technology and Design; Jonathon Hann (Corner Brook campus) bronze in Electronics; Ashley Bent (Clareville campus) bronze in Masonry; and Ryan Parsons (Prince Phillip Drive campus) bronze in Car Painting. Brandon Drover also received the Best in Region Award for having the highest competition score on Team Newfoundland and Labrador. The competition was held in Saskatoon with more than 500 competitors from the 10 provinces and three territories. Twenty-four of the Team Newfoundland and Labrador competitors were from CNA.

CNA students and alumni continued to excel in the creative, business and entrepreneurial fields during 2015 representing the province at the provincial, national and international level:

- *Daniel Shears'* entry to the screenwriting competition at the St. John's International Women's Film Festival took top honors in 2015. "*A Sense of Identity*" is currently being filmed for debut in 2016.

- Digital Animation graduate *Jim Connors'* film feature "*Fish Fatale*" was selected for showcasing at nine international events including those in Greece, Romania, Spain, India and the USA.



Scene from *Jim Connors'* animated short "*Fish Fatale*."

- *Alex Hennifert*, CNA student and entrepreneur owner of clothing brand VOLT FUSE took second place at the Global Student Entrepreneurship Awards in Halifax in January 2016 and was chosen to represent Newfoundland and Labrador at the Enactus Atlantic Canada Regionals.
- *College of the North Atlantic Business Teams* (two from CNA-NL and one from CNA-Qatar) placed 2nd, 3rd and 4th in the International Al Ruwad Regional Business Case Competition in April 2015. Teams included Fujairah College, Jubail Industrial College, Jubail University College, Sharjah Women's College, Stenden University, Carnegie Mellon University, and Texas A&M University.
- *Karly Baker, Shawnray Massey, and Chelsy Lynn Greene* were presented with a total of seven awards at the International Association of Business Communicators (IABC) Pinnacle Awards in June.
- Journalism students *Chris Lewis, Rudy Downey* and *Nathan Barns* were award recipients at the Atlantic Journalism Awards hosted in Halifax.

- Accolades received by College staff in 2015-16 included:
 - *Katie Hayes* (Instructor, Culinary Arts) recipient NLOWE Visionary Award for outstanding leadership.
 - *Greg Ryan* (Instructor, Heavy Equipment Operator program) recipient CIGan Teaching Excellence Award.
 - *Roger Andrews* (Instructor, Marine Cooking) – winner 2015 Provincial Gold Medal Plates Competition and winner Chopped Canada.
 - *Scott Hammond* (Instructor, Sound Recording and Production) selected to attend the international "Mix with the Masters" industry event in Provence, France.
 - *Tanya Alexander* (Public Relations Specialist) recipient Pinnacle Award of Excellence for the magazine article "*Breathless No More.*"
 - Staff of the *Marketing and Communications Department* Pinnacle Award of Merit for the College's *50th Anniversary Video*. The Pinnacle Awards are presented by the Newfoundland and Labrador Chapter of the International Association of Business Communicators



Katie Hayes (NLOWE Visionary Award).

In addition to celebrating individual excellence and achievement, these awards demonstrate the caliber of CNA's staff and faculty and the emphasis they place on not just being exceptionally skilled, but also effective in transferring their skills and knowledge to others.

Along with these award winners, the College salutes the achievements of all students, faculty and staff in 2015-16 – may you continue to find growth and success in all your endeavors.



Roger Andrews (Provincial Gold Medal Plate Champion and winner of *Chopped Canada*).

College Highlights

College of the North Atlantic announced in 2015-16 the latest step in its continued growth and development with the establishment of two Centres of Excellence: one in Heavy Equipment Industrial Trades located at its Bay St. George Campus on the province's west coast, and the second, the Centre for Media Arts Programming, located at the College's Prince Phillip Drive Campus in St. John's.

CNA was very pleased to sign its first 3+1 block transfer agreement with Grenfell College of Memorial University. Under this agreement graduates of College of the North Atlantic's three-year business management program will be able to complete a bachelor of business administration either full-time in 12 months at Grenfell Campus or part-time over an extended period.

The College received two national awards during 2015-16 from Colleges and Institutes Canada (CICan) for excellence and innovation in programs and for exemplary teaching - areas central to the College's strategic focus on excellence in teaching and learning, and a testament to the leadership and skills of the faculty members involved. CNA was also recognized with a National Employer Support Award by the Canadian Forces Liaison Council for longstanding support to the military reserves, and was named an Employer of Distinction by the Newfoundland and Labrador Employers Council. The College has been acknowledged by the health services sector for responding to critical demand in the province's home and health care occupations and is continuing to partner with Memorial University to advance interprofessional education for health professionals-both pre- and post- licensure.

The College continued to action recommendations from various efficiency reviews in response to Government's call for improvement within the province's public sector agencies. The changes have allowed CNA to find efficiency improvements and also continue to align programs and academic planning decisions with student interests and labour market demand, while managing budget challenges as strategically as possible. For example, CNA's strategic enrolment management (SEM) initiative continued to demonstrate exceptional results recording a collective 14.5 per cent increase in enrolment over the last three years, outpacing most institutions across Canada. Enrolment growth was a result of two key initiatives: (1) re-allocation of any cost savings in college resources to support delivery of extra program sections in areas identified as high labour market demand; and (2) implementation of process improvements to the admissions function including centralized review of application data, addition of extra seats or evening offerings where student numbers and interests warranted, early tracking and reporting of applications, targeted marketing and recruitment activity based on application progress, and creation of a Strategic Enrolment Management Team to fast-track application decisions and share information across campuses and schools.

The College's restructuring also continued in 2015-16 with a focus on leadership and management changes at those campuses where attrition allowed the changes to proceed. The new scalable campus model is designed to reflect the different resource and management requirements of CNA's small, medium and large campuses across the province.

Report on Performance

Strategic Issue 1: Superior and Engaged Learning

Student expectations now are vastly different from what they were at the College's creation. Technology has fundamentally changed how people act, interact, engage with and expect to access services including education and training. Today's students connect with each other and the world, through new forms of interaction in a fast-paced, ever changing environment. Today's communities and industries compete for workers in a labour market that is globally connected and increasingly competitive. The pace of change is now so rapid, that what is current today will likely be replaced by next generation technology 12 months from now. People all live in an "on demand" world where College operations are being continually tested to adapt. The College recognizes it is part of a global network of citizens, industries and communities and that, to remain relevant, CNA's programs and services will have to keep pace if graduates are going to be ready for the world that awaits them. Research into the learning process has consistently demonstrated that students who are challenged, engaged, motivated

and supported to achieve, will almost always meet with success in their studies. College of the North Atlantic believes student success is a product of faculty and student engagement supported by a teaching and learning framework that creates the optimum environment for the transfer of skills and knowledge. Embedded in this belief is a continuing commitment to maintaining accessibility for students who are ready and prepared to succeed, as well as a commitment to ensuring that those who need to upgrade their marks or add prerequisite credits to meet eligibility requirements can do so. CNA has enjoyed significant success in many program areas as indicated by graduate results in national occupational examinations over the years. The challenge now is enhancing the conditions for superior and engaged learning to occur across all programs. Under this strategic plan, teaching and learning improvement efforts are being focused in two areas: enhancing student engagement, retention and success to form a true student-centered learning experience; and improving the planning, structures and technology supporting exemplary teaching and learning. In this way the College will address priority areas of post-secondary programming and post-secondary infrastructure.

Performance Reporting

Goal 1: By March 31, 2017 College of the North Atlantic will have the components in place to support a superior and engaged learning experience.

Objective: By March 31, 2016, the College, in conjunction with teaching and learning strategy development, will have created programs to support exemplary teaching and learning.

Measure: Created programs to support exemplary teaching and learning.

Indicators (Planned for 2015-16)	Actual Performance for 2015-16
<p>Exemplary faculty teaching and learning initiatives/programs are developed</p>	<p>The College developed the following exemplary faculty teaching and learning initiatives during 2015-16:</p> <ul style="list-style-type: none"> • Reviewed and recommended an alternative instructional development program focused on teaching and learning for CNA faculty to enhance their classroom and instructional skills. The program is ready for implementation and has been submitted to Government for consideration for provincial certification purposes as the current Faculty Collective Agreement identifies an instructional development program as approved by the Minister. • Partnered with Memorial University as co-leaders in developing and planning for the 2016 Experiential Learning Institute. Scheduled for June 2016, this development program provides faculty and other education professionals with training in experiential leadership and techniques that can be immediately employed on their campuses to support student engagement and contribute to improved learning outcomes. • Undertook initiatives to continue educational technology adoption and integration in support of teaching and learning excellence as follows: <ul style="list-style-type: none"> • CNA engineering faculty developed and successfully completed migration of their main programs to the College’s D2L platform supporting exemplary teaching and learning by enabling students and faculty to access course materials and supplementary learning resources on demand, using their choice of device. The move to the education technology platform is expected to contribute to overall improvement in student success by also enhancing access to a wide variety of remedial materials, among other resources. • Faculty with the School of Industrial Trades continued their development of exemplary initiatives through identifying and recommending common learning and teaching resources for first-year trades programs, including welder, millwright and power line technician. By establishing communities of best practice, ensuring students have ready access to optimum learning materials and mandating those materials for use at all program locations, faculty are sharing best teaching practices and contributing to program quality and consistency – two factors that are important to

Indicators (Planned for 2015-16)	Actual Performance for 2015-16
<p>Exemplary faculty initiatives cont'd</p>	<p>teaching and learning excellence. Faculty also piloted CDX software in 2015-16 to support multi-site delivery of automotive and heavy equipment programs. This multi-media learning resource greatly supplements existing teaching and learning resources and provides faculty and students with online materials allowing for an enhanced blended learning experience.</p> <ul style="list-style-type: none"> • Faculty with the School of Academics, Applied Arts and Tourism contributed to teaching and learning excellence by developing expanded on-line offerings to include the first year of Video Game Art and Design, Journalism Post Diploma, and Comprehensive Arts and Science Transition programs. Faculty teaching in these areas received professional development support and have created a forum for sharing and for testing ideas and innovations, as well as identifying and applying best practices. • The outcomes assessment initiative developed by the School of Business, a system-wide tool to enhance the teaching and learning process through immediate feedback and sharing of information with faculty on student performance, was cited as an exemplary continuous improvement practice during the recent accreditation review conducted by the international Accreditation Council for Business Schools and Programs (ACBSP).
<p>Student leadership and engagement activities are piloted to support excellence in learning</p>	<p>2015-16 saw the College continue to emphasize development of student engagement initiatives in recognition of the importance early and continuous engagement has on effective learning. Key activities for the year included:</p> <ul style="list-style-type: none"> • The College launched its new student-driven first-year orientation program college-wide in Fall 2015. Program events touched all CNA locations with participation ranging between 15-20 per cent of on-campus students per event. The main change in this year's orientation approach was including faculty/staff pre-orientation at all campuses. Feedback from students and faculty was once again very positive with both groups indicating the benefit of the broadened approach. Recommendations for next year are to expand the program to include welcome back events for returning students as well as piloting orientation activities for evening and distance learning students, according to leading experts in the field, the first six weeks of a student's experience in post-secondary has a direct correlation to student retention. Early and continuing engagement in campus-life activities has been shown to be positively correlated with student persistence and success. Engagement activities such as college orientation allow new students to establish relationships with peers, faculty and staff, and to gain information on supports and services that will be fundamental to their college success. CNA's orientation strategy includes elements targeting student health and well-being, information provision and social development. • CNA students engaged with other college and university participants to problem solve a real life issue for Anaconda Mines at the Engaging Youth in Business Innovation Working Session conducted, as part of the Qualipu Aboriginal Business Forum. As a result of the students work, Anaconda Mines is now partnering with CNA's Industry Engagement Unit, Grenfell College (MUN), and CNA's Corner Brook Campus to pursue the best student ideas via a joint applied research project. Five student participants have agreed to remain involved with the initiative potentially leading to a new business start-up for these young entrepreneurs as well as providing valuable direct industry experiential learning. • Students also engaged in a number of successful experiential learning pilot projects with volunteer organizations including: <ul style="list-style-type: none"> • Design and production of a public eye safety campaign for CNIB-NL by CNA's Graphic Design students;

Indicators (Planned for 2015-16)	Actual Performance for 2015-16
<p>Student leadership and engagement cont'd</p>	<ul style="list-style-type: none"> • Implementation of a pilot initiative with the City of St. John's to raise the level of "physical literacy" as well as health and well-being within city schools. The initiative was led by faculty and students of the Community Recreation Leadership program; • Revamp, by a team of Business (Marketing) students, of Habitat for Humanity's (HFH-NL) marketing campaign for the year. Based on this success, faculty are working with HFH-NL and the College's experiential learning leader to plan additional initiatives for students of the cabinetmaking, architectural engineering technology, and construction industrial electrician programs in 2016-17. <p>These types of projects support excellence in learning by challenging and engaging students to apply their skills and knowledge in real life situations and are a powerful teacher and motivator. Projects are the responsibility of student teams with faculty providing guidance and support, further building the leadership and engagement of those involved as well as enhancing students' community stewardship and pride.</p> <ul style="list-style-type: none"> • The College launched its Skills Canada Scholarships, the first of its kind in Canada, offering Skills Canada high school participants in Newfoundland and Labrador tuition support and entry into their program of choice upon graduation. The program provides for early engagement with students who have already shown an interest in business, trades and technology. • The School of Industrial Trades engaged current apprentices and recent grads in a pilot to design alternate delivery options for block training in the plumber and electrician trades, resulting in the creation of new virtual environments including worksite simulations and practice tasks completion. The focus is on enhancing the learning experience while also addressing accessibility challenges, especially in rural and northern locations.

Discussion of Results

Over the 2015-16 reporting period, College of the North Atlantic worked with the five schools to develop and support exemplary teaching and learning initiatives with faculty, and continued to work through the CNASU to implement an early engagement strategy with first-year students across the College system.

A highlight of the year was the special mention by the Accreditation Council for Business Schools and Programs of the exemplary engagement initiatives and continuous improvement practices employed by the School of Business in support of program excellence. In recognition of the critical role active and experiential learning plays in supporting excellence in the teaching and learning experience, CNA added a full-time position within the student services division to develop innovative activities and practices and expand options for students to engage in new experiential opportunities. Focused on strengthening student leadership and increasing student engagement, the position is working with campus representatives to develop and launch relevant activities across programs and campuses. In addition to increasing opportunities for engagement, activities will emphasize competencies in the softer skills valued by today's employers including teamwork, facilitation, and self-reflection and growth.

Looking to the future, the approach taken by the School of Industrial Trades to engage current apprentices and recent graduates to design alternatives for delivery of block training that better fit the employment environment is positioning College of the North Atlantic as a leader in technical training innovation. In addition, CNA's commitment to leadership in experiential learning will help to continue its development as a trainer of choice for students in Newfoundland and Labrador and abroad.

2016-17 Objective

Objective: By March 31, 2017, the College will have created diverse engagement opportunities with students and faculty as per the teaching and learning strategy framework.

Measure: Created diverse engagement opportunities with learners and faculty.

Indicators:

- Introduced new and enhanced learning engagement opportunities for students and faculty.
- Improved the support environment for students and faculty through the creation of a wider teaching and learning support function within the College.

Strategic Issue 2: Industry and Community Engagement

The public, as well as students, expect the College to be able to respond to the economic changes in this Province and elsewhere, and the implications for the institution are enormous. The challenge of staying in front of industry developments including technology changes; forecasting and matching program offerings to a constantly shifting labour market, responding to globalization and the increased competition for employees (including CNA faculty and staff), and supporting the business community through innovation in applied research and technology adaptation, are necessitating fundamental shifts in many aspects of the College's operations.

CNA's partners, including provincial and Atlantic region employers, are telling the College its role is not just to meet their current needs, but also to help them look into and prepare three to five years into the future. The College has responded by creating flexible capacity to address training priorities and by implementing a new structure to lead industry and community engagement. The Office of the Vice President, Industry and Community Engagement, will also provide strategic guidance to the College's external revenue generating activities, including contract research, international education and development, and fundraising with a focus on improving financial sustainability in the long-term. In this way, the College is supporting the province's call for fiscal responsibility, while also supporting the goals and objectives of the Department of Advanced Education and Skills.

Performance Reporting

Goal 2: By March 31, 2017 College of the North Atlantic will have established an industry and community engagement function to lead international development activities and industry and community partnerships.

Objective: By March 31, 2016, the College will have an engagement strategy in place to support industry and community partners.

Measure: Engagement strategy is in place.

Indicators (Planned for 2015-16)	Actual Performance for 2015-16
<p>Engagement models are defined</p>	<p>The following review and development activities were undertaken in 2015-16 to support model development for CNA's renewed engagement approach:</p> <ul style="list-style-type: none"> • The College completed an extensive review and realignment process to ensure its engagement models are supportive of community and agency priorities and working in concert with key economic drivers at the industry and community level. One result is the emergence of Centres of Excellence. These are virtual and physical sites that cluster key resources (knowledge, equipment, facilities and programs) to better engage with industry to support growth and development.

<p>Engagement models cont'd</p>	<ul style="list-style-type: none"> • To better inform the College of engagement models used in other jurisdictions the Vice President, Industry and Community Engagement, met with representatives and exchanged information on approaches in place in colleges and universities in Ireland. • CNA has, for the first time, developed a college-wide model for supporting innovation and entrepreneurship at the community and campus level. • Relationships were strengthened with the provincial Research Development Corporation and implementation of alumni engagement and fundraising strategies are underway. • At the operational level, the College piloted development of its first engagement-focused strategic and operational plan with the School of Business. The result is a two-pronged model linking school-specific engagement activities with college-wide engagement objectives.
<p>Resources are identified to implement strategy</p>	<ul style="list-style-type: none"> • Organization of the Office of Vice President, was finalized in 2015-16 with completion of the unit's organizational structure, incorporating key leadership positions responsible for entrepreneurship and innovation, strategic partnerships, international education, and major business development projects. • A budget has been allocated to support engagement strategy implementation. • Existing staff, transitioned to the Engagement Unit from the previous college structure, have been assigned duties in support of college engagement – specifically in applied research, international education, and business development.
<p>Engagement is initiated with target groups</p>	<p>The following engagement initiatives were conducted in 2015-16:</p> <ul style="list-style-type: none"> • Discussions initiated by the province's public health sector employers resulted in initiatives that increased CNA's health science program enrollments by 53 per cent in 2015-16. Graduates are expected to be recruited by regional health authorities and private operators across the province and especially in Eastern Newfoundland. • The CNA-NL mining sector partnership continued to develop over 2015-16 with participants sharing resources and information to inform an industry workforce analysis which was presented early in the Fall of 2015. Based on the results, work was initiated on a feasibility study and training model to support future industry development. Participants in the work included mining firms, industry association Mining NL, the Atlantic Canada Opportunities Agency, and the departments of Natural Resources and Advanced Education and Skills. • The College created an Industry Engagement Unit (IEU) to serve as a single point of contact for manufacturing firms seeking CNA involvement in their innovation initiatives. In 2015-16, the IEU became a member of the province's SME Support Network, linking the College's resources with those of the National Research Council, ACOA, the NL Research Development Corporation, BTCRD and Canadian Manufacturers and Exporters-NL Division. • A three-year development strategy was launched to enhance access by the province's manufacturing firms, and in particular rural-based small enterprise, to applied research and development resources. The strategy matches firms seeking help with product, process and organizational innovations with the College's engineering technology expertise, equipment and other resources. Since January 2015 over 30 industry support projects have been completed involving 18 different companies province-wide and supporting the placement of over 30 co-op students as IEU researchers. • The College engaged with Bombardier and the Department of Business, Tourism, Culture and Rural Development on opportunities to grow the existing CNA-Bombardier partnership. Options explored include new/expanded training programs, applied research, innovation support and equipment support.

Indicators (Planned for 2015-16)	Actual Performance for 2015-16
Engagement is initiated cont'd	<ul style="list-style-type: none"> • With the announcement of CNA's new Centre of Excellence in Media Arts, the College initiated industry discussions designed to strengthen local and national connections, identify practical partnership opportunities, gain insight and industry guidance for the Centre's continued development and ensure robust participation in program review and development activities into the future. • Community discussions were initiated focused on aligning College programming and other related decisions with community opportunities and regional priorities. 2015-16 discussions were as follows: <ul style="list-style-type: none"> • Bay St. George – centre of excellence for Heavy Equipment Trades • Gander – program priorities for Aerospace Training • Labrador West Regional Task Force – regional training strategy • Bonavista – regional training needs
Projects are under development with industry and community partners	<p>Projects initiated/ongoing with industry and community partners in 2015-16 included:</p> <ul style="list-style-type: none"> • The College initiated discussions for the next potential Aboriginal training development project – Vale's underground mine operation in Voisey's Bay — while also completing the final stage of training for the Muskrat Falls Hydroelectric development project. In partnership with the Labrador Aboriginal Training program (LATP), an offering of the Powerline Technician program was successfully delivered at Happy Valley - Goose Bay campus and two offerings of Housekeeping Training were provided in the communities of Natuashish and Sheshatshiu amounting to 1,140 hours of instruction for training of future employees. As of March 31, 26 of the 37 participants had successfully completed their certification. • Following the completion of the Mining Sector Workforce Analysis study the College is participating with industry and government partners to develop a funding proposal for the establishment of a Mining Centre of Excellence to support industry training and development in the province. • Twenty-seven applied research projects valued at \$1.7 million were ongoing in 2015-16 utilizing external research funding from federal, provincial and private sources. Projects were located across the province and ranged in size from relatively small (\$5,000) to mid-range (\$70,000), and larger (\$225,000+). Industry partners included Vale, Dynamic Air Shelters, Spinario Orthotics, Chatman's, Pennecon Energy, Halliburton, and SubC Imaging, among others. Examples of the diversity of projects undertaken include: research into wave pump energy for shore-based aquaculture applications (\$606,000, Lord's Cove), establishment of an NSERC Research Chair in Mining with Labrador-based partner VALE and targeted research funding (\$546,000), work on manufacturing process solutions with Charlottetown NL-based Chatman's Bakery (\$11,374), and design reviews conducted for the oil and gas sector with Mount Pearl-based partner Halliburton to validate quality assurance processes and practices (\$5,571). Several applied research projects are multi-year initiatives ranging from three to five years in duration. • The College developed a multi-phase NSERC submission with local and international partners-Flight Data Systems Ltd, Egret Consulting and Shoal Point Exploration. If approved, the project would see up to \$3 million invested in the Province enhancing and testing UAV platforms, payload configurations and remote deployed sensors for use in on-shore/near shore resource exploration. • A project was initiated with the Department of Advanced Education and Skills to develop and pilot on-line delivery of apprenticeship training for some of the Province's highest demand occupations. The pilot, involving several industry partners, will extend CNA's award winning blended training model for Heavy Equipment Technician to additional trades significantly reducing the time apprentices have to spend away from their employment (and often their homes) to complete their training modules.

Indicators (Planned for 2015-16)	Actual Performance for 2015-16
<p>Projects are under development cont'd</p>	<ul style="list-style-type: none"> • The College partnered with the Newfoundland and Labrador Association of Technology Industries to host the NATI Youth in Technology Conference at the College's Prince Phillip Drive Campus for 370 Grade 9 students from around the region. • A two-year agreement was signed with Habitat for Humanity (NL Division) for the development of affordable housing for individuals in need across the Province. The College is partnering with the provincial organization as a means to provide experiential learning opportunities for students by planning and participating in local building projects across the province. Several projects are in development for 2016-17. • The College worked with a number of community groups throughout the year on small scale projects and joint initiatives including local foodbanks, Homelessness Network, Council on the Status of Women, West Coast Correctional Centre, Trinity Conception Health Foundation, Special Olympics, and Seniors Resource Centres, among others. • In alignment with the College's new model for entrepreneurship and innovation, CNA partnered with Start-up NL to help grow the community-based small business support network created by young Newfoundland and Labrador entrepreneurs. The partnership will facilitate Start-up NL working more closely with CNA students to promote and support entrepreneurship on all campuses. • Students of the Aboriginal Bridging Program worked with the Labrador Aboriginal communities on a variety of initiatives designed to raise awareness of the culture, traditions, opportunities and challenges of Aboriginal groups in Labrador.

Discussion of Results

Over the 2015-16 reporting period, College of the North Atlantic was able to build on strengthened connections made last year to engage with industry and community partners in projects and initiatives including industry responsive training and applied research and development. The value of applied research initiatives under contract with the College, after slowing in 2014-15, regained a growth trajectory reaching \$1.7 million for the period January 2015 to March 2016. Industry-focused training maintained its momentum for most of the reporting period with graduates expected to fill projected vacancies in the Health Sciences as well as select business, trades and technical occupations. CNA also continued to support the goals of the Newfoundland and Labrador Childcare Strategy in 2015-16, including the ongoing development of early childhood educators, and participation in the province's Early Learning Framework.

2016-17 Objective

Objective: By March 31, 2017, the College will have a comprehensive international strategy designed.

Measure: International strategy is designed.

Indicators:

- Analyzed and identified markets for international student recruitment
- Identified opportunities for revenue-generating international projects
- Completed design of the international strategy

Opportunities and Challenges

Typical challenges on the horizon for most public post-secondary educational institutions include:

- keeping up with technology advancement;
- predicting and matching programs and services to student needs and labour market requirements;
- accommodating the demand for seamless transfer among different PSE certifications (credit based, competency-based, college-or university-provided);
- finding effective models for student recruitment, engagement and retention;
- ensuring funding sources are in place to effectively support delivery of programming; and
- ensuring the College's physical infrastructure supports the needs of the institution.

Furthermore, these challenges, which are occurring at the same time as shifting student, labour market and population trends, are putting high pressure on some campuses and programs while reducing demand in other locations.

Part of CNA's response to the challenges will come from a provincial review of college programs and operations. In addition to a look at its program mix, CNA will work to identify new sources of funds, manage costs and direct resources to areas that will deliver direct impact for programs, services and students. The College will also be taking this opportunity to refocus on the quality of its programs and services to keep pace with student and industry expectations.

Economic shifts, including a resource sector slowdown, increase the importance of maintaining close industry connections to ensure programming is responsive to demand in both the medium-and long-term. Changing project and employer plans means the College's academic planning must incorporate effective short-term reductions for 2015-17 without compromising workforce development for the medium-to long-term when employment for several industries and occupations is projected to return to high demand conditions. It also means CNA's model of replicating programming across campuses is no longer sustainable. In response, the College is structuring its delivery options to reflect a mix of core offerings, flexible extra sections and special rotating programs to better match training capacity to client and market needs.

Student expectations for reasonable access, flexible modes of delivery, appropriate pacing, and timely exit and transition into the workforce means CNA will proactively manage the program and delivery mix across the College to maximize enrolment and graduate numbers. As indicated last year, the College will be using the next few years to enhance the teaching and learning experience college-wide. The 2016-17 academic year will see the College focus on completing multiple elements of its teaching and learning strategy in preparation for beginning implementation in 2017-18. As part of this process CNA's learning support professionals will be coming together with faculty and school and campus leaders to further support student success. And finally, public demand that CNA be a vibrant part of the communities and regions that its campuses serve, means there is an opportunity to rethink what the College does.

In compliance with the goals and objectives of our three-year plan, as well as the goals of Government, the next year will see effort placed in the following areas:

- maintaining flexibility to respond to student and labour market demand;
- doing more to support student engagement and improve retention and success;
- delivering consistent, quality programs and services within a framework that supports excellence in teaching and learning;
- moving forward with models for effective engagement with communities and regions;
- leveraging college resources in areas and locations where CNA can truly excel; and
- ensuring the right program and service delivery approach throughout the Province.

APPENDICES

1. College of the North Atlantic 2014-15 Financial Statements
2. Campus and Headquarters Contact Numbers



Financial Statements of

COLLEGE OF THE NORTH ATLANTIC

Year ended March 31, 2016

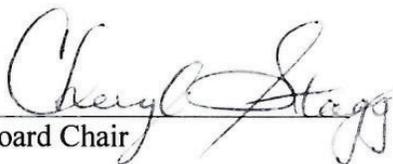
Statement of responsibility

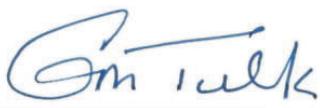
The accompanying financial statements are the responsibility of the management of the College of the North Atlantic (the "College") and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Board of Governors met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized financial statements.

KPMG LLP as the College's appointed external auditors, have audited the financial statements. The auditor's report is addressed to the Board of Governors and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the College in accordance with Canadian public sector accounting standards.


Board Chair


Acting Vice-President
Corporate Services



KPMG LLP
Toronto Dominion Place
140 Water St, Suite 1001
St. John's NL
A1C 6H6

Telephone (709) 733-5000
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INDEPENDENT AUDITORS' REPORT

To the Board of Governors of the College of the North Atlantic,

We have audited the accompanying financial statements of the College of the North Atlantic, which comprise the statement of financial position as at March 31, 2016, the statements of operations, change in net financial assets (debt) and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the College of the North Atlantic as at March 31, 2016, and its results of operations, its change in net financial assets (debt), and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements of the College of the North Atlantic as at and for the year ended March 31, 2015 were audited by another auditor.

Chartered Professional Accountants

June 13, 2016
St. John's, Canada

College of the North Atlantic
Statement of Financial Position
Year Ended March 31, 2016

	<u>March 31</u> <u>2016</u>	<u>March 31</u> <u>2015</u>
Financial Assets		
Cash	\$ 27,889,948	\$ 22,748,110
Receivables (Note 4)	5,411,721	14,529,473
Inventories for resale	1,320,913	1,698,337
Trust funds on deposit (Note 5)	5,810,662	5,524,267
	<u>\$ 40,433,244</u>	<u>\$ 44,500,187</u>
Liabilities		
Accounts payable & accrued liabilities (Note 6)	\$ 10,114,413	\$ 9,125,256
Vacation pay accrual	8,238,895	8,256,953
Post-employment benefits (Note 7)	15,998,441	15,032,935
Compensated absences (Note 7)	11,176,148	11,109,127
Due to Qatar Campus (Note 8)	9,598,583	9,417,747
Deferred contributions - operating (Note 9)	2,950,840	4,559,764
Trust funds payable (Note 5)	5,810,662	5,524,267
	<u>\$ 63,887,982</u>	<u>\$ 63,026,049</u>
Net Debt	<u>\$ (23,454,738)</u>	<u>\$ (18,525,862)</u>
Non-Financial Assets		
Tangible capital assets (Schedule 1)	\$ 23,328,504	\$ 24,974,652
Inventories held for use	100,478	89,718
Prepaid expenses	1,122,052	1,518,035
	<u>24,551,034</u>	<u>26,582,405</u>
Accumulated surplus	<u>\$ 1,096,296</u>	<u>\$ 8,056,543</u>

Commitments (Note 10)
Contingent liabilities (Note 11)

Approved:

Board Chair

Board Member

College of the North Atlantic
Statement of Operations
Year Ended March 31, 2016

	2016 Budget (Note 15)	2016	2015
Revenue (Schedule 2)			
Grants and reimbursements	\$ 67,217,523	\$ 67,207,197	\$ 68,333,197
Subsidy	23,200,000	19,398,447	17,071,932
Tuition	12,871,169	12,356,433	11,813,183
Classroom/video rental	15,000	15,000	15,000
Interest	250,000	287,432	304,553
Fees	701,186	738,082	704,372
Apprenticeship	5,696,239	6,442,180	5,982,803
Bookstore	2,655,000	2,870,054	2,681,782
Corporate	3,267,731	2,231,045	4,727,513
Daycare	495,255	523,516	502,947
Equipment and materials	1,998,877	1,882,151	1,666,597
Food services	1,257,400	1,324,574	1,156,088
International	789,856	894,259	783,480
Parking	4,170	3,206	4,167
Residence	339,700	347,321	334,804
Special projects	3,906,616	2,667,006	3,723,046
Qatar project	9,289,524	8,638,321	9,730,670
Other	278,775	459,653	266,882
Total revenue	<u>134,234,021</u>	<u>128,285,877</u>	<u>129,803,016</u>
Expenditures (Schedules 3 to 15)			
Facilities	5,065,103	5,266,698	5,192,080
Administration	19,002,313	15,702,806	16,579,484
Instructional	76,269,085	66,549,040	64,910,389
Student services	12,193,322	12,023,131	10,756,922
Information technology	7,209,093	7,668,995	6,817,913
Resale	5,188,979	5,888,561	5,403,337
Apprenticeship	4,684,122	4,716,888	4,598,272
Continuing education	674,988	731,350	690,707
Contracts	4,751,216	3,549,324	5,134,403
International	576,473	675,887	595,761
Special projects	3,762,318	3,212,992	2,830,012
Qatar project	2,154,480	1,559,828	1,813,575
Total expenditures	<u>141,531,492</u>	<u>127,545,500</u>	<u>125,322,855</u>
Annual Surplus (Deficit) before adjustments:	<u>(7,297,471)</u>	<u>740,377</u>	<u>4,480,161</u>
Less adjustments for undernoted items:			
Amortization of tangible capital assets	7,051,221	6,629,764	6,951,623
Accrued post-employment benefits	600,000	894,002	576,070
Accrued compensated absences	300,000	67,021	133,718
Accrued annual leave	300,000	109,837	(120,690)
Total adjustment for above noted items	<u>8,251,221</u>	<u>7,700,624</u>	<u>7,540,721</u>
Annual Deficit	(15,548,692)	(6,960,247)	(3,060,560)
Accumulated surplus, beginning of year	<u>8,056,543</u>	<u>8,056,543</u>	<u>11,117,103</u>
Accumulated surplus, end of year	<u>\$ (7,492,149)</u>	<u>\$ 1,096,296</u>	<u>\$ 8,056,543</u>

College of the North Atlantic
Statement of Change in Net Financial Assets (Debt)
Year Ended March 31, 2016

	2016 Budget (Note 15)	2016 Total	2015 Total
Annual deficit	<u>\$ (15,548,692)</u>	<u>\$ (6,960,247)</u>	<u>\$ (3,060,560)</u>
Changes in tangible capital assets			
Acquisition of tangible capital assets	(7,405,079)	(4,985,104)	(4,390,644)
Write-downs on tangible capital assets	-	-	-
Loss on sale of tangible capital assets	-	1,488	-
Amortization of tangible capital assets	<u>7,051,221</u>	<u>6,629,764</u>	<u>6,951,623</u>
Decrease in net book value of tangible capital assets	<u>(353,858)</u>	<u>1,646,148</u>	<u>2,560,979</u>
Changes in other non-financial assets			
Acquisition of prepaid expenses (net of usage)	-	395,983	125,026
Acquisition of inventory of supplies (net of usage)	<u>-</u>	<u>(10,760)</u>	<u>(22)</u>
Increase in other non-financial assets	<u>-</u>	<u>385,223</u>	<u>125,004</u>
Increase in net financial debt	(15,902,550)	(4,928,876)	(374,577)
Net financial debt at beginning of year	<u>(18,525,862)</u>	<u>(18,525,862)</u>	<u>(18,151,285)</u>
Net financial debt at end of year	<u><u>\$ (34,428,412)</u></u>	<u><u>\$ (23,454,738)</u></u>	<u><u>\$ (18,525,862)</u></u>

See accompanying notes.

College of the North Atlantic
Statement of Cash Flow
Year Ended March 31, 2016

	2016	2015
Operating		
Annual deficit	\$ (6,960,247)	\$ (3,060,560)
Add non-cash items:		
Amortization of capital assets	6,629,764	6,951,623
Accrued post-employment benefits - increase (decrease)	965,506	547,895
Accrued compensated absences - increase (decrease)	67,021	133,718
	702,044	4,572,676
Changes in:		
Receivables	9,117,752	5,554,861
Inventories held for use or resale	366,664	(138,369)
Prepaid expenses	395,983	125,026
Deferred contributions - operating	(1,608,924)	278,734
Accounts payable and accrued liabilities	989,157	(723,868)
Vacation pay accrual	(18,058)	(370,801)
Due to Qatar campus	180,836	(1,377,866)
Net cash provided by operating transactions	10,125,454	7,920,393
Capital		
Acquisitions of tangible capital assets	(4,985,104)	(4,390,644)
Write-downs on tangible capital assets	-	-
Proceeds on sale of tangible capital assets	1,488	-
Net cash applied to capital transactions	(4,983,616)	(4,390,644)
Net cash provided	5,141,838	3,529,749
Cash, beginning of year	22,748,110	19,218,361
Cash, ending of year	\$ 27,889,948	\$ 22,748,110

See accompanying notes.

College of the North Atlantic
Tangible Capital Assets
March 31, 2016

	Artwork	Capital improvements	Computer and peripherals	Furnishings	Instructional equipment	Other electronic equipment	Software	ERP - Peoplesoft	Vehicles	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost										
At March 31, 2015	5,500	30,367,861	6,299,629	720,084	44,625,788	897,405	591,224	6,779,292	10,006,614	100,293,397
Additions	-	345,248	445,203	5,586	1,507,759	19,632	-	-	2,661,676	4,985,104
Disposals	-	-	849,678	14,783	1,256,897	12,538	-	-	315,096	2,448,992
Other Adjustments	-	-	-	-	164,508	-	-	-	(130,629)	33,879
At March 31, 2016	5,500	30,713,109	5,895,154	710,887	45,041,158	904,499	591,224	6,779,292	12,222,565	102,863,388
Accumulated Amortization										
At March 31, 2015	-	15,803,650	5,836,584	687,625	39,580,895	812,665	571,099	4,195,458	7,830,769	75,318,745
Amortization	-	2,566,217	306,487	18,299	2,276,284	38,719	12,022	298,933	1,112,803	6,629,764
Disposals	-	-	849,678	14,783	1,255,409	12,538	-	-	315,096	2,447,504
Other Adjustments	-	-	-	-	164,508	-	-	-	(130,629)	33,879
At March 31, 2016	-	18,369,867	5,293,393	691,141	40,766,278	838,846	583,121	4,494,391	8,497,847	79,534,884
Net Book Value:										
At March 31, 2015	5,500	14,564,211	463,045	32,459	5,044,893	84,740	20,125	2,583,834	2,175,845	24,974,652
At March 31, 2016	5,500	12,343,242	601,761	19,746	4,274,880	65,653	8,103	2,284,901	3,724,718	23,328,504

College of the North Atlantic
Summary of Expenditures
Year Ended March 31, 2016

	2016 Budget (Note 14)	2016	2015
Salaries and benefits	\$ 110,059,802	\$ 102,551,434	\$ 99,058,895
Professional development	428,960	325,695	295,900
Employee recognition and wellness	36,457	26,440	26,928
Professional fees	2,102,368	2,159,590	1,899,098
Travel	1,755,912	1,314,858	1,423,784
Recruitment and relocation	160,841	166,710	139,460
Insurance	242,858	247,700	212,149
Bank charges	182,000	186,848	221,744
Photocopying/printing	663,348	662,314	599,033
Office related supplies	597,173	453,282	506,779
Membership fees	164,868	102,490	116,303
General advertising	1,195,403	448,749	741,260
Doubtful receivables	59,000	55,660	92,270
Freight and customs	323,851	185,403	260,402
Telephone	761,806	735,576	691,805
Utilities	1,642,213	1,399,636	1,596,406
Repairs and maintenance	1,869,697	2,469,686	2,748,870
Vehicle operations	777,551	569,558	651,861
Equipment rentals	152,047	66,785	123,040
Facilities rentals	293,236	292,142	279,597
Protective clothing	93,392	73,253	68,090
Food cost	972,335	1,007,463	984,875
Laundry and drycleaning	29,529	17,072	24,002
Textbooks and supplies	2,134,556	2,745,988	2,174,857
Computer supplies	2,242,271	2,013,045	1,987,329
Contracted services	894,134	642,652	1,253,285
Educational materials	1,086,692	648,858	546,464
Daycare operations	109,810	84,351	89,718
Student related	1,091,708	1,173,606	1,295,263
Minor equipment and tools	718,220	671,643	860,933
Minor computer equipment	403,830	1,406,327	1,262,350
Materials and supplies	8,285,624	2,640,686	3,090,105
	\$ 141,531,492	\$ 127,545,500	\$ 125,322,855

College of the North Atlantic
Notes to Financial Statements
For the twelve months ending March 31, 2016

1 Nature of operations

The College of the North Atlantic (the College) operates under the authority of the College Act, 1996, Province of Newfoundland and Labrador. In accordance with Section 6 of the College Act, 1996, the College is a statutory crown corporation and as such is not subject to either Federal or Provincial income taxes and is exempt from Municipal taxes. The College is Newfoundland and Labrador's public college. The College is committed to providing accessible, responsive, quality learning opportunities which prepare people to become self-sufficient contributors to social and economic development both in a provincial and global context.

2 Future adoption of accounting policies

Assets

Section PS 3210, Assets, was issued during 2015 and provides additional guidance on the definition of assets. Assets are defined as: Economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained.

This new Section provides additional guidance on what is meant by economic resources, control, past transactions or events, and future economic benefits. This guidance will be helpful in determining whether an item meet the definition of an asset upon adoption of this Section. Section PS 3210 requires public sector entities to disclose major categories of assets that are not recognized in their financial statements (i.e. intangibles, crown lands, heritage assets, etc.).

This Section is effective for fiscal years beginning on or after April 1, 2017, but earlier adoption is permitted.

Contingent Assets

During 2015, Section PS 3320, Contingent Assets, was issued in the PSA Handbook. Prior to this the PSA Handbook included a definition of contingent liabilities, but did not include a definition of contingent assets. This new Section provides a definition of contingent assets as: Possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one of more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.

Section PD 3320 requires disclosure of contingent assets in the financial statements when the occurrence of a confirming future event is likely. This new Section may result in public sector entities performing a reassessment of items that meet the definition of a contingent asset and additional information being disclosed upon adoption of this Section.

Section PS 3320 is effective for fiscal years beginning on or after April 1, 2017, but earlier adoption is permitted.

Contractual Rights

Before Section 3380, Contractual Rights, was issues in 2015 the PSA Handbook included a definition of contractual obligations, but did not define contractual rights. This new Section provides a definition of contractual rights as: Rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. This Section also requires that information about a public sector entity's contractual rights be disclosed in the financial statements. This disclosure would include a description about the nature, extent and timing of the contractual rights. Since an entity may have many contractual rights, professional judgement will be required in determining what to disclose. Factors to consider include, but are not limited to, contractual rights to revenue that is abnormal in relation to the financial position or usual business operations of the entity and contractual rights that will govern the level of a certain type of revenue for a considerable period into the future.

This Section is effective for fiscal years beginning on or after April 1, 2017, but earlier adoption is permitted.

Related Party Disclosures

The College is currently in the process of gathering information for the adoption of PS 2200 - Related Party Disclosures, which is applicable to year ends beginning on or after April 1, 2017. This new standard defines a related party and establishes disclosures required for related party transactions.

Inter-entity Transactions

The College is currently in the process of gathering information for the adoption of PS 3420 - Inter-entity Transactions, which is applicable to year ends beginning on or after April 1, 2017. This new standard established standards on how to account for and report transactions between public sector entities that comprise a government reporting entity from both a provider and a recipient perspective.

It is not anticipated that any material changes will result from adoption of these standards.

College of the North Atlantic
Notes to Financial Statements
For the twelve months ending March 31, 2016

3 Summary of significant accounting policies

The financial statements of the College have been prepared within the framework of Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

(a) *Revenue recognition*

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenses are incurred, services are performed or when stipulations are met. Federal and provincial revenues for operating and capital purposes are recognized in the period in which all eligibility criteria or stipulations have been met. When revenue is received without eligibility criteria or stipulations, it is recognized when the transfer from the applicable Government is authorized.

Tuition fees and contract training revenues are recognized as income to the extent that the related courses and services are provided within the fiscal year of the college. Ancillary revenues including parking, bookstore, residence and other sundry revenues are recognized when products are delivered or services are provided to the student or client, the sales price is fixed and determinable, and collection is reasonably assured.

Management fees for operating and administering a College in the State of Qatar are recognized as earned.

(b) *Asset Classification*

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not to be consumed in the normal course of operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities, but are employed to deliver education services, may be consumer in normal operations and are not.

(c) *Inventories for resale*

Inventory which consists mainly of books and food supplies is recorded at the lower of cost or net realizable value. The amount of any write-downs of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurred. For the year ended March 31, 2016, the write-down of inventory was \$75,846 (2015 -\$107,596). An additional write-down of unsold bookstore inventory of \$459,458 has also been recognized.

(d) *Tangible Capital Assets*

Tangible capital assets recorded prior to the April 1, 1997 amalgamation of the former Colleges are recorded at either cost, nominal, or approximate fair value. Tangible capital assets acquired after April 1, 1997 are recorded at cost.

Amortization is recorded on a straight line basis using the following estimated useful lives:

Artwork	No amortization
Capital improvements	10 years
ERP - PeopleSoft	10 years
Computer and peripherals	3 years
Furnishings	5 years
Instructional equipment	5 years
Other electronic equipment	5 years
Software	3 years
Vehicles	5 years

One half year's amortization is taken in the year of acquisition. No amortization is recorded for assets under development.

The value of donated artwork has not been recorded in these financial statements. An accurate valuation of donated artwork has not been obtained at March 31, 2016.

College of the North Atlantic
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Contributed tangible 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 tangible capital asset no longer contributes to the college's ability to provide service, and the value of future economic benefits associated with the tangible capital asset is less than the net book value, the carrying value of the tangible capital asset is reduced to reflect the decline in the asset's value.

The land and buildings being used by the College, with the exception of some rental property, are the properties of the Province of Newfoundland and Labrador. Expenditures for repairs and maintenance of these buildings, paid by the Province, are not recorded in the financial statements of the College.

(e) *Post-employment benefits and compensated absences*

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

- (i) Upon termination, retirement or death, the organization provides their employees, with at least nine years of service with severance benefits equal to one week of pay per year of services up to a maximum of 20 weeks. An actuarially determined accrued liability for severance has been recorded in the statements. This liability has been determined using management's best estimate of employee retention, salary escalation, long term inflation and discount rates.
- (ii) The College provides their employees with sick leave benefits that accumulate but do not vest. The benefits provided to employees vary based upon classification within the various negotiated agreements. An actuarially determined accrued liability has been recorded on the statements for non-vesting sick leave benefits. The cost of non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, long term inflation rates and discount rates.

(f) *Vacation pay liability*

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

(g) *Foreign Currencies*

Transactions in foreign currencies are recorded in Canadian dollars at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the Statement of Financial Position date. Exchange gains or losses arising from the translations are included in the Statement of Operations in the amount of a \$6,891 gain (2015 - \$11,568 gain).

(h) *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 cash and trust accounts and are classified as held for trading.

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

Amortized cost

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

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

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

There were no embedded derivatives in any contracts that require special accounting treatment.

College of the North Atlantic
Notes to Financial Statements
For the twelve months ending March 31, 2016

(i) *Pensions*

College staff are subject to either the Public Service Pension Plan (PSPP), or the Government Money Purchase Pension Plan (GMPP).

The primary plan, PSPP, is a multi-employer plan and a defined benefit pension plan. Staff contributions are matched by the College and then remitted to the province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to employees when they retire. The costs of the multi-employer plan are the College's contributions to the plan in the period. PSPP members must have at least 5 years of pensionable service to obtain a pension benefit. Normal retirement age under the Plan is 65 however early retirement options are available. Members of the PSPP are required to make contributions toward the funding of their pension benefits as follows:

- (i) 10.75% of earnings up to the Year's Basic Exemption, the portion of earnings upon which no CPP contributions are required;
- (ii) 8.95% of earnings in excess of the Year's Basic Exemption up to and including the Year's Maximum Pensionable Earnings ("YMPE"); and
- (iii) 11.85% of earnings in excess of the YMPE.

Pensions paid under the PSPP are indexed annually. Indexing is applied at the rate of 60% of the increase in the Consumer Price Index (CPI), with the increase in the CPI capped at 2%. Indexing applies to benefits of pensioners who have attained age 65 prior to October 1 of each year.

The lifetime pension benefit is determined as 1.4% of the best six year average salary (up to the three year average YMPE) multiplied by the years of pensionable service, plus 2% of the best six year average salary (in excess of the average YMPE) multiplied by the years of pensionable service.

Staff shall participate in the GMPP only if they are ineligible for the PSPP. Payments are made to a private investment firm from which pensions will be paid to employees when they retire. The GMPP is a defined contribution plan.

The annual contributions for pensions are recognized as an expenditure in the accounts on a current basis.

During the year 2016 the College contributed \$8,075,100 to the PSPP and \$784,683 to the GMPP. In 2015 the College contributed \$6,289,908 to the PSPP and \$727,546 to the GMPP.

(j) *Measurement uncertainty*

The preparation of financial statements in conformity with Canadian public sector accounting standards, requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of tangible capital assets, accrued severance, accrued sick leave, impairment of assets and allowance for doubtful accounts.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

(k) *Inventories held for use*

Inventories held for use include fuel and supplies for the heavy equipment program, and are recorded at the lower of historical cost and replacement cost.

College of the North Atlantic
Notes to Financial Statements
For the twelve months ending March 31, 2016

4 Receivables

	<u>2016</u>	<u>2015</u>
Government of Newfoundland	\$ 2,671,948	\$ 4,829,402
LMDA Subsidy	0	6,941,981
Students	1,056,941	998,349
Government agencies and other	<u>2,030,722</u>	<u>2,090,883</u>
	5,759,611	14,860,615
Less allowance for doubtful accounts	<u>347,890</u>	<u>331,142</u>
	<u>\$ 5,411,721</u>	<u>\$ 14,529,473</u>

5 Trust funds on deposit

Trust accounts represent donations and related interest restricted for scholarships, awards and other specified purposes. Changes in the trust account balance are as follows:

	<u>2016</u>	<u>2015</u>
Opening balance	\$ 5,524,267	\$ 3,468,390
Net deposits and payments	188,730	1,975,777
Interest	<u>97,665</u>	<u>80,100</u>
Closing balance	<u>\$ 5,810,662</u>	<u>\$ 5,524,267</u>

6 Accounts payable & accrued liabilities

	<u>2016</u>	<u>2015</u>
Trade liabilities	\$ 2,504,532	\$ 2,164,860
Accrued wages and benefits	6,488,302	5,455,047
End of service compensation	35,621	35,621
Other	<u>1,085,958</u>	<u>1,469,728</u>
	<u>\$ 10,114,413</u>	<u>\$ 9,125,256</u>

College of the North Atlantic
Notes to Financial Statements
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7 Post-employment benefits and compensated absences

The actuarial valuation date for the sick leave accrual was March 31, 2015 and has been extrapolated for March 31, 2016. The actuarial valuation date for severance pay accrual was March 31, 2015 and has been extrapolated for March 31, 2016. The assumptions are based on future events. The economic assumptions used in the valuation are the College's best estimates of expected rates as follows:

	<u>2016</u>	<u>2015</u>
Wages and salary escalation	3.75%	2.75%
Discount rate	3.70%	2.90%

The sick leave accrual as at March 31 are as follows:

Accrued sick pay benefit obligation		
beginning of year	\$ 11,556,488	\$ 11,190,004
Current period benefit cost	961,003	1,208,847
Benefit payments	(1,108,457)	(1,528,647)
Interest on the accrued benefit		
sick leave obligations	291,289	430,174
Actuarial gains / losses	<u>(2,093,079)</u>	<u>256,110</u>
Accrued sick pay benefit obligation		
end of year	9,607,244	11,556,488
Unamortized actuarial experience loss (gain)	<u>(1,568,904)</u>	<u>447,361</u>
Accrued benefit liability, end of year	<u>\$ 11,176,148</u>	<u>\$ 11,109,127</u>

	<u>2016</u>	<u>2015</u>
The severance pay accrual as at March 31 are as follows:		
Accrued severance benefit obligation		
beginning of year	\$ 17,015,853	\$ 15,511,178
Current period benefit cost	1,358,803	1,242,986
Benefit payments	(1,035,877)	(1,389,377)
Interest on the accrued benefit		
severance obligation	491,055	602,081
Actuarial (gains) / losses	<u>(1,747,661)</u>	<u>1,048,985</u>
Accrued severance benefit obligation		
end of year	16,082,173	17,015,853
Unamortized actuarial experience loss	<u>83,732</u>	<u>1,982,918</u>
Accrued benefit liability, end of year	<u>\$ 15,998,441</u>	<u>\$ 15,032,935</u>
Total post-employment benefits		
and compensated absences		
end of year	<u>\$ 27,174,589</u>	<u>\$ 26,142,062</u>

College of the North Atlantic
Notes to Financial Statements
For the twelve months ending March 31, 2016

8 Comprehensive Agreement with the State of Qatar

The College has a comprehensive agreement with the State of Qatar to establish, operate and administer a College of Applied Arts and Technology in Doha, Qatar for a period, September 30, 2001 to August 31, 2012. It was extended to August 31, 2013, and subsequently further extended to August 31, 2016. The agreement is funded by the State of Qatar. For its services, the College is paid an annual Management Fee of 10% of base salaries. The College receives quarterly advances to cover cash flow requirements.

Due to Qatar

	<u>2016</u>	<u>2015</u>
Cash on Deposit	\$ 11,033,898	\$ 10,767,248
Payables (accruals)	<u>(1,435,315)</u>	<u>(1,349,501)</u>
Net Liability	<u>\$ 9,598,583</u>	<u>\$ 9,417,747</u>

Results of Operations

	<u>2016</u>	<u>2015</u>
Gross Proceeds	\$ 8,638,321	\$ 9,730,670
Management Costs	<u>(1,559,828)</u>	<u>(1,813,575)</u>
Net Proceeds	<u>\$ 7,078,493</u>	<u>\$ 7,917,095</u>

As of March 31, 2016, the College and the State of Qatar are in negotiations for continuation of the Comprehensive Agreement beyond August 31, 2016. No provision has been made for the cessation of the contract, as an estimate of costs, if any, is not determinable at this time.

9 Deferred contributions - operating

Deferred contributions represent unspent externally restricted funding that has been received and relates to a subsequent year. Changes in the contributions deferred to future periods are as follows:

	<u>2016</u>	<u>2015</u>
Balance, beginning of year	\$ 4,559,764	\$ 4,281,030
Less amounts recognized as revenue in the year	<u>(20,378,215)</u>	<u>(23,048,623)</u>
Add amounts received during the year	<u>18,769,291</u>	<u>23,327,357</u>
Balance, end of year	<u>\$ 2,950,840</u>	<u>\$ 4,559,764</u>

Deferred contributions -operating are comprised of:

	<u>2016</u>	<u>2015</u>
Residence and program fees	\$ 71,496	\$ 93,139
Tuition	925,988	1,139,232
Contract training and special projects	<u>1,953,356</u>	<u>3,327,393</u>
	<u>\$ 2,950,840</u>	<u>\$ 4,559,764</u>

College of the North Atlantic
Notes to Financial Statements
For the twelve months ending March 31, 2016

10 Commitments

Lease Commitment

The College leases some equipment and facilities under long-term operating leases. Lease payments for the next five years, committed under operating leases extending beyond one year, are as follows:

2016-2017	\$	1,006,135
2017-2018		366,589
2018-2019		93,762
2019-2020		35,509
2020-2021		5,047

11 Contingent liabilities

(a) The College has received notices of claim for damages. No provision has been made for these claims because management does not expect the College to incur any material liability, or because an estimate of loss, if any, is not determinable at this time.

(b) A compliance audit on compensation and billings of the Comprehensive Agreement with the State of Qatar as required per section 4.6 is currently in progress, therefore, the results are unknown at this time. The College is currently not aware of any material findings or outcomes of this compliance audit.

12 Financial instruments risk management

Classification

The following table provides cost and fair value information of financial instruments by category.

	2016		
	Fair Value	Amortized Cost	Total
Cash	\$ 27,889,948	\$ -	\$ 27,889,948
Trust funds on deposit	5,810,662	-	5,810,662
Accounts receivable		5,411,721	5,411,721
	<u>\$ 33,700,610</u>	<u>\$ 5,411,721</u>	<u>\$ 39,112,331</u>
Accounts payable and accrued liabilities	-	10,114,413	10,114,413
Vacation pay accrual	-	8,238,895	8,238,895
Due to Qatar Campus	-	9,598,583	9,598,583
Trust funds payable	-	5,810,662	5,810,662
	<u>\$ -</u>	<u>\$ 33,762,553</u>	<u>\$ 33,762,553</u>

Fair value hierarchy

The College uses the following hierarchy for determining and disclosing the measurement subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degrees to which the fair value is observable:

- a) Level 1 fair value measurements are those derived from quote prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- b) Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable from the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and;
- c) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents and trust funds on deposit are classified in the level 1 hierarchy.

College of the North Atlantic
Notes to Financial Statements
For the twelve months ending March 31, 2016

13 Financial instruments risk management (cont'd)

Risk management

a) Credit risk

Credit risk is the risk of financial loss to the College if a debtor fails to make payments of interest and principal when due. The College is exposed to this risk relating to its cash and accounts receivable. The College holds

Accounts receivable from federal and provincial governments pose minimal credit risk. Credit risk from accounts receivable due from students is mitigated by financial approval processes before a student is enrolled. Miscellaneous receivables from various other corporate entities are monitored on a regular basis.

The College measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the College's historical experience regarding collections. The amounts outstanding at year end were as follows:

	Total	Current	30-60 days	> 61 days
Government receivables	\$ 3,113,388	\$ 3,017,397	\$ 5,211	\$ 90,780
Student receivables	1,056,941	636,947	51,771	368,223
Other receivables	1,589,282	1,242,655	69,770	276,857
Gross receivables	5,759,611	4,896,999	126,752	735,860
Less: impairment allowances	(347,890)	-	-	-
Net receivables	\$ 5,411,721	\$ 4,896,999	\$ 126,752	\$ 735,860

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

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, equity risk.

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

(i) Currency Risk

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

During the year the College had the following foreign currency transactions:

	2016	2015
Receipts		
US dollar (USD)	\$ 131,758	\$ 260,618
Payment		
US dollar (USD)	513,289	1,159,936
Euros (EUR)	174,874	185,609

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

College of the North Atlantic
Notes to Financial Statements
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13 Financial instruments risk management (cont'd)

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.

Management believes that the interest rate risk of the College is not material.

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

iii) Equity risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets.

Management believes that the equity risk of the College is not material.

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

c) Liquidity risk

Liquidity risk is the risk that the College will not be able to meet all cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the nearest term if unexpected cash outflows arise. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows of financial liabilities):

	2016		
	Within 6 Months	6 Months to 1 year	> 1 year
Accounts payable and accrued liabilities	\$ 8,776,186	\$ 1,338,227	\$ -
	\$ 8,776,186	\$ 1,338,227	\$ -

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

14 Comparative figures

Certain of the 2015 comparative figures have been reclassified to conform to the financial presentation adopted in 2016.

15 Budget

The budget amount included in these financial statements are the amounts approved by the College's board for the current fiscal year. The budget would include all known service and program changes and enhancements for the coming year. Additional changes to services and programs that are initiated during the year would be funded through budget adjustments and have been adjusted in the opening budget accordingly.

College of the North Atlantic
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16 Related party transactions

The College had the following transactions with the government and other government controlled organizations:

	<u>2016</u>	<u>2015</u>
Grants from the province	\$ 93,343,301	\$ 92,256,272
Transfer from Dept of Business	224,125	265,658
Transfer from Dept of Education	6,825	121,179
Transfer from Nalcor	121,460	107,987
Transfer from Research & Development Corp	113,494	165,952
Transfer to AES	579,890	-
Transfer to Memorial University	299,831	533,125

17 Economic dependance

The College is dependent on Provincial Government to provide sufficient funds to continue operation, replace essential equipment and complete capital projects.

CONTACT INFORMATION

College of the North Atlantic

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Twitter: [@CNA_News](https://twitter.com/CNA_News)
Google+: www.cna.nl.ca/plus
LinkedIn: www.cna.nl.ca/linkedin

Office of the Registrar: Telephone: 709-643-7950 or visit the admissions webpage
www.cna.nl.ca/Admissions/

Campuses:

Baie Verte 709-532-8066
Bay St. George 709-643-7730
Bonavista 709-468-1700
Burin 709-891-5600
Carbonear 709-596-6139
Clareville 709-466-6900
Corner Brook 709-637-8530
Gander 709-651-4800
Grand Falls-Windsor 709-292-5600
Happy Valley-Goose Bay 709-896-6300
Labrador West 709-944-5787
Placentia 709-227-2037
Port aux Basques 709-695-3343
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China Project Office: Webpage: www.cna.nl.ca/china Telephone: 1-709-758-7040

Office of Distributed Learning: Webpage: www.dls.cna.nl.ca Email: dls-help@cna.nl.ca

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