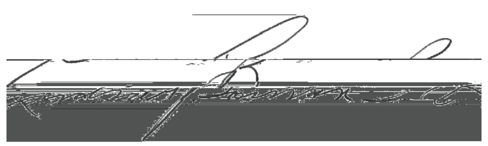
NBCC
COLLEGEWORKS

MESSAGE FROM
NBCC BOARD CHAIR

On behalf of NBCC's Board of Governors, I am pleased to present NBCC's 2019-2020 Annual Report. NBCC began 2019-2020 with a new President and passing the mid-way point of *Together We Rise*: *NBCC's 2017-2022 Strategic Plan*. The College was making significant progress towards its three strategic goals: welcoming more learners, enriching the NBCC Advantage, and building our capacity to grow.

As a Board of Governors, our governance continued to evolve as we engaged in many valuable strategic discussions to inform our outcom.n3 (e)4 (d t)187.4 (he)5.5 ng5.8 (u)7.5 (a)8.8 (b)3.8 (l)7.buTd[d)8 -nntluo(a)8.8 (n 25-1.8 ()8.8 (n 23)5.5,-15.4 2s a B)27.8 (u74.1 (a)8.8 C (u)8 n be)7.3 (10a)8.8 (k)3.r(e)10e seripa64 (o g)8.5 6.5 (ax0 Td1.2 (c)-4.8 ( )]TJ0 -1 (og)



FOCUSING FOR FUTURE GROWTH: 2019-2022 STRATEGIC INITIATIVE

To achieve our True North measure to welcome 11,000+ learners by 2022, NBCC will accelerate the transformation of our programs and services by reducing institutional, operational, and preparatory barriers.

ACCELERATE FLEXIBLE PROGRAMS AND COURSES

While maintaining quality, we will ACCELERATE the implementation of educational programs and courses that maximize flexibility in duration, content, entry requirements, methods of delivery, and instructional approaches. This initiative will identify 10 programs where NBCC can greatly increase the level of flexibility over the baseline established in 2019, and work to implement the required changes. This will help reduce institutional, operational, or preparatory barriers will lead to to greater student enrolment, success, and retention.

In 2019-2020, a baseline of flexibility across the five learning dimensions was established.

WELCOMING MORE LEARNERS

In 2017, NBCC set a True North goal of welcoming 11,000+ learners annually by 2022. This was essential to help address the looming labour and skills shortage caused by an aging workforce and technological disruption. In 2019-2020, NBCC exceeded our overall enrolment targets by nearly 400 learners, welcoming 9,531 learners to the college. With an eight per cent increase in learners in government-funded programs and an 11 per cent increase in learners in continuing education over the previous year, the college was on track to reach our True North goal.

The pandemic has resulted in a likely decline in enrolment in the coming year. However, it has also reinforced vulnerabilities in our labour force, particularly among those who are under-represented in post-secondary education. NBCC remains committed to accelerating the transformation of our programs and services by reducing institutional, operational, and preparatory barriers.

In 2020, NBCC moved to a One College, Six Schools approach which uses a proven post-secondary education organizational model to support greater flexibility for learners, enable us to better meet the needs of the labour marW,1l3 (i)7.8.8 (r)6(o)4.8 (715D.(t)c 0)8.8 (52q (c)3 (i)7.8.8 (00300 r)- (t)-8 .8 (b)-1.5 (o)8.8 (p)3.8 6h u)5 (s)1.7 (h u)5 2 (c)3 o, e9-0.7 (in)3.2 ((o)11o7 (r)-35.5 g)-8.8 (4d)-1.2 (u)-6.6

BUILDING OUR CAPACITY TO GROW

NBCC recognizes that aligning our people, processes, and resources is essential in building our capacity to grow. We have invested in professional development, initiated a college-wide continuous improvement program, and achieved ongoing budget savings to support one-time, non-recurring strategic investments.

NBCC remains committed to the development of our employees to align our talents to our strategic goals. The college continues to enjoy high levels of employee engagement and was named one of Atlantic Canada's Top Employers for the fifth year in a row in 2020.

While the COVID-19 pandemic is projected to lead to lower enrolment in 2020-21, NBCC's prudent fiscal management has resulted in an accumulated surplus which could, in conjunction with targeted in-year savings, help us weather short-term fiscal uncertainty.

BUILDING OUR CAPACITY TO GROW

Employee Engagement INDEX[1]

73.5%

2019-2020 Target: 74.9%

Student Satisfaction INDEX

80.2%

2019-2020 Target: 78.8%

38.7%

Non-grant revenue as a percentage of total revenue

2019-2020 Target 36.7%

0.6%

Investment in annual PD as percentage of salaries & related expense

2019-2020 Target 0.8%

79.7%

Industry and partner satisfaction

2019-2020 Target 80%

[1] In 2019-2020, NBCC introduced several performance indices. Results for the measures contained within these indices are detailed in Appendix A.

STRATEGIC & ACCOUNTABLE FINANCIAL MANAGEMENT

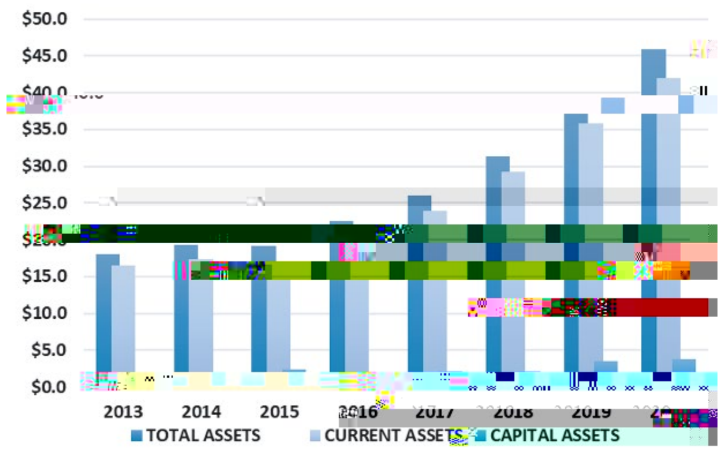
NBCC publishes annual, audited financial statements as part of our accountability as a publicly-funded Crown corporation. By managing our resources wisely and transparently, we are able to reinvest in

EXECUTIVE SUMMARY

For the fiscal year ended March 31, 2020, NBCC continued to demonstrate a strong record of

STATEMENT OF FINANCIAL POSITION

ASSETS ($ MILLIONS)



!ăăŜŭă increased by $6.5M (or 16.5%) in 2020. This is primarily attributed to increases in Current Assets (i.e. $6.1M) and Capital Assets (i.e. $0.3M).

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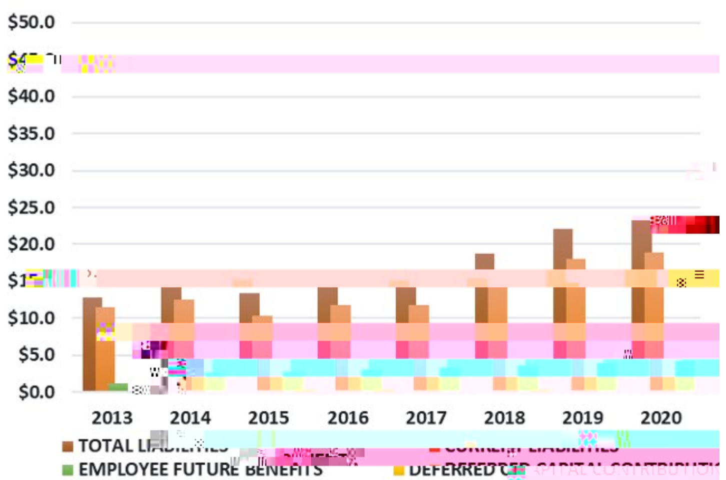
¢ŀŜyŘ !ăăŜŭă have increased consistently each year (i.e. from $18.0M in 2013 to $45.8M in 2020 representing an increase of $27.8M and 154.7%).

This is primarily attributed to cumulative increases in Due from Province ($24.1M or 167.4%) and Capital Assets ($2.3M or 151.3%) along with a decrease to Accounts receivable and accrued revenue ($1.0M or 84.7%).

LIABILITIES ($ MILLIONS)



[ŀŀ·ōŀŀŀŜă increased by $1.2M (or 5.6%) in 2020. This is primarily attributed to increases in Current Liabilities (i.iab5 (0).

EXCESS OF REVENUES OVER EXPENSES &

DEFERRED MAINTENANCE & REPAIRS

Maintenance and repairs are activities directed toward keeping capital assets in an acceptable operating condition. Such activities may include preventative maintenance, replacement of parts, systems, or major components as well as activities which preserve capital assets.

Deferred maintenance and repairs ('deferred maintenance') are those maintenance and repair activities which were not performed during prior fiscal periods as required or scheduled, usually due to financial constraints, but which remain outstanding in order to return capital assets to an acceptable operating condition. These outstanding activities have therefore been 'deferred' to a future period. NBCC's deferred maintenance refers primarily to maintenance and repair related to the buildings it occupies and major related systems.

NBCC does not own its buildings. NBCC occupies approximately 126,500 m2 within buildings owned by the Province of New Brunswick subject to a Memorandum of Agreement with the Departments, of

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To Chairperson and Board of Governors

Opinion

(the College) which comprise

of financial position as at March 31, 2020

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

NEW BRUNSWICK COMMUNITY COLLEGE | YEAR ENDED MARCH 31, 2020

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

NEW BRUNSWICK COMMUNITY COLLEGE | YEAR ENDED MARCH 31, 2020

STATEMENT OF OPERATIONS
AND CHANGES IN ACCUMULATED OPERATING SURPLUS

Grant from Province (Note 14)	$ 55,087,149	$ 55,367,645	$ 54,292,487
Tuition and fees	16,102,922	19,252,868	16,024,153
Sales	4,118,144	3,838,721	3,670,615
Apprenticeship and cost recoveries (Note 14)	5,091,455	6,120,410	5,835,956
Contract training	5,585,610	4,231,089	5,864,571
Applied research	800,973	926,613	745,766
Other grants	169,000	269,701	256,000
Amortization of deferred capital contributions (Note 7)	-	83,726	98,383
Other (Note 11)	73,215	174,133	227,114
	87,028,468	90,264,906	87,015,045

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NOTES TO FINANCIAL STATEMENTS

NEW BRUNSWICK COMMUNITY COLLEGE | YEAR ENDED MARCH 31, 2020

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NEW BRUNSWICK COMMUNITY COLLEGE | YEAR ENDED MARCH 31, 2020

NOTES TO FINANCIAL STATEMENTS

The College restricts a portion of its net assets for specific purposes. Restrictions are recorded to reflect funds that have been internally restricted for specific projects and purposes including one-time, non-recurring expenditures as approved by the Board of Governors. Amounts included in net assets internally restricted for specific purposes include the following categories:

NOTES TO FINANCIAL STATEMENTS

SUPPLEMENTARY INFORMATION SC[redacted] OPERATIONS BY TYPE

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APPENDIX

PERFORMANCE MEASUREMENT FRAMEWORK

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