



TABLE OF CONTENTS

Letter of Transmittal

Message from the Chairperson of the Board of Governors

Message from the President

Corporate Overview

Vision, Mission and Values

Our Principles

Board of Governors

Employment Summary by Category

Strategic Link to Katujjiluta

NAC Highlights

Nunavut Research Institute

Nunavut Arctic College-Memorial University of Newfoundland
and Labrador Partnership

Audited Financial Statements

LETTER OF TRANSMITTAL

September 30th, 2022
Minister Responsible for Nunavut Arctic College
Legislative Assembly of Nunavut
926 Queen Elizabeth II Way
P.O. Box 2410, Iqaluit
Nunavut, X0A 0H0

Dear Minister:

In accordance with Section 18(1) of the *Nunavut Arctic College Act* and Part IX of the *Financial Administration Act* of Nunavut, I hereby submit, on behalf of the Board of Governors of Nunavut Arctic College, the 2021-2022 Annual Report for the fiscal year ending June 30, 2022

Respectfully submitted,



Helen Klengenber

Chairperson of the Board of Governors
Nunavut Arctic College

MESSAGE FROM THE CHAIRPERSON OF THE BOARD OF GOVERNORS

HELEN KLENGENBERG

Chairperson of the Board

In September of 2021, the Board of Governors was able to have its first in person meeting, following the challenges of the Covid Pandemic and restrictions to gathering and traveling. The Board of Governors has worked diligently to support and guide the College through regular remote meetings, but we enjoyed the experience of being connected and engaged in the college environment at Nunatta Campus. I look forward to strengthening our communications and commitment to the college community through our presence in more communities as we move to having more options for meeting.

Our board membership has been vocal this year in their discussions about supports for students and their desires for Inuit Societal Values to be considered in the administration and delivery of programs. Stronger foundations for Inuit identity, resilience and learning over time are shared strategic outcomes of the Government and the College.

At the Board of Governors meetings, members have worked hard towards developing a Strategic Vision. The Strategic Vision was developed with input of our staff and faculty as well as community consultations. The Strategic Vision will give the College direction in where it should focus investments in education.

This year the College Board of Governors supported and approved investments in education. The board approved the Pathfinder Agreements with Heritage Canada to support the Nunavut Teacher Education Program. Also, we celebrated the opening of our new Kitikmeot Campus.

This year the Board of Governors established a Policy Sub-Committee. This committee and their work supported the development of policy at the College including the establishment of a financial awards policy and updating accommodation fees for researchers.

I am proud of the work the College has accomplished in the 2021-2022. I as well as the Board of Governors looks forward to supporting the College in implementing the Strategic Vision and the Government of Nunavut's Katujjiluta mandate in the upcoming year.

MESSAGE FROM THE PRESIDENT



2021-2022 has been another year of disruptions and change due to the COVID-19 pandemic. However, it has also been a year where the college and Board of Governors has set forward in manifesting courageous dreams, which is the inspiration for Katujjiluta's priorities including reinvesting in education.

The NAC Board of Governors has been working throughout the year to develop a strategic vision with information that was heard from communities and partners about the direction for the college over the next decade. The strategic vision will embody Nunavummiut's bold ambitions and work towards development at the College to support students' academic goals.

The College's aspirations and strategic vision are working together to build space for post-secondary learning, block by block, like a Qaggiq. Our dreams are that the College is a space that will nurture learners, faculty, staff, and the community that we serve.

While we recognize that the pandemic has continued to challenge some of the work the college has been doing, we must also celebrate the achievements despite the hardships. The College has launched the Bachelor of Social Work program, expanded the Nunavut Teacher Education Program into additional communities and secured funding for Health Career programs. The College continues work to build its Alumni network, to connect with graduates that have worked hard to follow their dreams and reach their academic goals.

As important as it is to look back on our challenges and achievements, I also look to the future and the potential for growth in ongoing improvements to all that we do. It is exciting to think of the opportunities that lay ahead of us, as we work to strengthen the foundation that has been created for the college.

A handwritten signature in black ink, appearing to read 'REBECCA MEARN'S', written in a cursive style.

REBECCA MEARN'S

6 President | Nunavut Arctic College

CORPORATE OVERVIEW

As the only designated post-secondary institution in Nunavut, Nunavut Arctic College serves a vast region covering 3 times zones and 25 communities. We deliver lifelong learning opportunities to Nunavummiut through post-secondary studies.

As the only designated post-secondary institution in Nunavut, Nunavut Arctic College serves a vast region covering 3 time zones and 25 communities. We deliver lifelong learning opportunities to Nunavummiut through post-secondary studies.

Nunavut Arctic College, or NAC, is a public agency of the Government of Nunavut that was created through the Nunavut Arctic College Act on January 1st, 1995, and services the largest post-secondary service region in Canada. The College responds to the adult and post-secondary educational needs of Nunavummiut through its President, Board of Governors, and the Minister Responsible for Nunavut Arctic College.

Finally, the College is also active on the national and international stage by promoting the generation, communication and retention of knowledge through applied research at the Nunavut Innovation and Research Institute or NIRI.

The College is comprised of approximately 278 staff spread across all 25 communities of Nunavut. College operations include 3 regional campuses in Iqaluit, Rankin Inlet, and Cambridge Bay, 22 Community Learning Centers in the remaining communities, and a truly unique cultural school located in Clyde River.

VISION MISSION AND VALUES



VISION

Nunavut Arctic College will strive to be the College of choice for the people of Nunavut by offering relevant programs of the highest national standards. In the advancement of their language and culture, our graduates will value education and be proud to take their place in Nunavut and beyond.



MISSION

The mission of Nunavut Arctic College is to strengthen the people and the communities of Nunavut by providing life-long learning opportunities for adult Nunavummiut by delivering high quality adult education programs developed with input from our partners throughout the Arctic and Canada, and by making the benefits of Inuit traditional knowledge and southern science more accessible.



VALUES

Nunavut Arctic College is a creative community of educators and learners. We are proud of our essential role in providing education that bridges the Nunavut of yesterday, today, and tomorrow.

OUR PRINCIPLES

Our principles serve as guideposts to create a learning-centered institution that reflects Inuit values, beliefs, and knowledge.

Nunavut Arctic College is an inclusive institution that:

- Respects and honours Inuit languages and culture;
- Involves Elders as an integral part of the College life;
- Promotes an understanding of Inuit culture and languages;
- Values students' connections to family and community;
- Prepares students for meaningful careers and healthy lives;
- Places the well-being of students first and provides a strong caring network of support;
- Promotes learning as a positive life-changing experience, involving the whole person - body- mind - spirit;
- Encourages the personal, professional, and academic development of all students and staff;
- Engages students as active participants in all aspects of learning and evaluation;
- Ensures our graduates meet national standards.

BOARD OF GOVERNORS

Nunavut Arctic College is responsible through the Board of Governors to the Minister Responsible for Nunavut Arctic College. The Board of Governors determines policies respective of the administration of the College, including the Nunavut Research Institute.

The Board recommends priorities to the Minister for courses and programs that may be established by the Minister, ensures that for each fiscal year an estimate of the revenues and expenditures of the College is prepared, and approves the College’s annual Financial Statements. The Board also presents budgets to the Minister in accordance with Part IX of the *Financial Administration Act* of Nunavut.

MEMBER	REPRESENTATIVE	TERM EXPIRES
Elisapee Karetak	Kivalliq	September 12, 2025
Derek McDonald	Kivalliq	September 12, 2025
Mubashir Mahmood	Qikiqtaaluk	September 12, 2025
Susan Gardener	Qikiqtaaluk	September 12, 2025
Brenda Putulik	Staff Representative	November 6, 2023
Presley Taylor	Student Representative	November 6, 2023
Helen Klengenberg	Kitikmeot	June 10, 2024
Agnes Olowokere	Kitikmeot	November 6, 2023

EMPLOYMENT SUMMARY BY CATEGORY

Employment Summary, by Category

	Total Positions				Nunavut Inuit	
	Total Positions	Vacancies	Filled	% Capacity	Hired	% IEP
Executive	2.00	1.00	1.00	50%	1.00	100%
Senior Management	8.00	2.00	6.00	75%	3.00	50%
Middle Management	28.00	10.00	18.00	64%	10.00	56%
Professional	148.10	69.10	79.00	53%	32.00	41%
Paraprofessional	35.50	19.50	16.00	45%	11.00	69%
Administrative Support	56.17	22.10	34.07	61%	30.07	88%
Total Employment Categories	277.77	123.70	154.07	55%	87.07	57%

Employment Summary, by Community

Arctic Bay	1.27	-	1.27	100%	1.27	100%
Arviat	20.53	12.53	8.00	39%	7.00	88%
Baker Lake	7.27	4.27	3.00	41%	2.00	67%
Cambridge Bay	22.27	13.27	9.00	40%	2.00	22%
Cape Dorset	1.27	-	1.27	100%	1.27	100%
Chesterfield Inlet	1.27	-	1.27	100%	0.27	21%
Clyde River	16.27	7.27	9.00	55%	8.00	89%
Coral Harbour	3.27	1.27	2.00	61%	2.00	100%
Gjoa Haven	2.27	1.27	1.00	44%	-	0%
Grise Fiord	1.27	0.27	1.00	79%	1.00	100%
Hall Beach	1.27	0.27	1.00	79%	1.00	100%
Igloolik	7.27	3.27	4.00	-	3.00	75%
Iqaluit	112.10	38.10	74.00	66%	34.00	46%
Kimmirut	1.27	0.27	1.00	79%	1.00	100%
Kugaaruk	2.27	1.27	1.00	44%	1.00	100%
Kugluktuk	1.27	0.27	1.00	79%	-	-
Nauyasat	4.27	3.27	1.00	23%	1.00	100%
Pangnirtung	3.27	3.27	-	0%	-	-
Pond Inlet	2.27	2.27	-	0%	-	-
Qikiqtarjuaq	1.27	0.27	1.00	-	1.00	100%
Rankin Inlet	59.27	29.27	30.00	51%	20.00	67%
Resolute Bay	1.27	1.27	-	0%	-	-
Sanikiluaq	1.27	-	1.27	100%	0.27	21%
Taloyoak	1.27	0.27	1.00	79%	-	0%
Whale Cove	1.27	0.27	1.00	79%	-	-
Total Community	277.77	123.70	154.07	55%	87.07	57%

Employment Summary, by Iqaluit and Other Communities

Iqaluit	16.27	7.27	9.00	55%	8.00	89%
Other communities	261.50	116.43	145.07	55%	79.07	55%
TOTAL	277.77	123.70	154.07	55%	87.07	57%

STRATEGIC LINK TO KATUJJILUTA

The Nunavut Arctic College remains committed to working with the Government of Nunavut to achieve the objectives and priorities outlined in Katujjiluta. Specifically, the Nunavut Arctic College is working hard with government partners to achieve solutions to the priorities of the mandate, specifically:

- **Aging with dignity in Nunavut**
- **Expanding the Housing Continuum**
- **Enabling health and healing**
- **Reinvesting in Education**
- **Diversifying our local economics**

The College is committed to leading the following mandate commitments of the 6th Legislative Assembly:

- Expand education and training programs that provide Nunavummiut with the necessary qualifications for professional and paraprofessional work in healthcare, mental health and addictions treatment.

The College is committed to supporting the following mandate commitments of the 6th Legislative Assembly:

- Provide culturally and linguistically relevant training for staff working in continuing care facilities.
- Prioritize projects and contracting methods that involve partners, support local businesses, add to community economies, and customize approaches in response to local capabilities and needs.
- Investigate trauma-informed practices in healthcare and education.
- Encourage and support models of wellness and well-being that are grounded in Inuit identity.
- Expand opportunities, training, and formal recognition for Inuit to provide culturally and linguistically relevant mental health and well-being programs and services.
- Prepare a new plan to develop and transform Nunavut's early learning and childcare sector, with an emphasis on Inuit-centred early learning.
- Increase opportunities for pre-employment work experiences for high school and post-secondary students throughout the year.
- Improve the efficiency and effectiveness of the Financial Assistance for Nunavut Students (FANS) and other direct financial aid for post-secondary learners.
- Enhance indirect supports for post-secondary learners.
- Develop and implement a strategic plan for Inuit language training in the public service.
- Refresh strategic plans for sustainable economic development and diversification in all sectors.
- Increase training for employment in sectors such as mining, arts and crafts, tourism, and small business in partnership with Inuit organizations and the private sector.

NAC HIGHLIGHTS 2021-22

STUDENT SERVICES

NAC HIGHLIGHTS 2022

The Student Services Division is a vital and integral part of Nunavut Arctic College and is central to creating community and belonging in and outside of the classroom. The Division provides a range of services to support students, faculty, and management to promote student success. These include:

Student Counselling – Counsellors provide counselling services in Inuktitut, English and French. Counsellors provide a range of health and wellness services that foster academic success, promote a supportive family life, and enhance campus engagement

Library Services: The Nunavut Arctic College Library Services team provides access to resources for staff, students, and public users. Libraries are located at the Nunatta Campus in Iqaluit, the Kitikmeot Campus in Cambridge Bay, the Kivalliq Campus in Rankin Inlet, and the Nunavut Research Institute in Iqaluit. In addition to the books, videos, and periodicals, NAC Library Services subscribes to several digital resources including online journal databases through ProQuest and EBSCOhost, as well as digital streaming services through the National Film Board of Canada's CAMPUS, and Safetycare's Safetyhub.

NAC staff and students from all communities can borrow resources from the Nunatta Campus Library. Digital resources are accessible territory wide. The library is always open to purchasing resource suggestions for any subject areas that may be lacking or need updating, so please feel free to send in requests.

Culturally relevant programming for students and their families. This year's programming included kamik making, qamutik building, traditional tool making, Qanuittukkursimaniraq Speak Series featuring Inuit guest speakers, beading is healing, student-led hand sewing with fur, Art and Inuktitut program led by students, monthly study skills workshops.

STUDENT SERVICES

NAC HIGHLIGHTS 2022

Involving Elders as an integral part of college life; counselling services are provided by both student counsellors and elders on campus. Staff, Students, and faculty participated in Monthly Inuit Qaujimagatuqangit Sessions with Elder Advisor Lew Philip at Nunatta Campus.

Student Services hired an additional campus elder advisor to facilitate cultural programming in our new programming room at the Single Student Residence, equipped with kitchen, sewing machines, big table area for country food, and beading. Considering many of our students have children, a “kidi corner” was developed in the space so parents could attend programming with their children.

The registrar’s office supports students with enrolment, managing student records, processing payments; requests for transcripts and assisting with many more academic related procedures including course selection and graduation.

Career development advises on program and career choices and supporting students with resume building and job search. Academic supports that connect students with tutors either in person or online has expanded this year. Continuing partnership with Frontier College that originated in Nov 2020. They held session with NAC students, including study skills workshops upon instructor request

Further developing relationship between Memorial University (MUN) and NAC, NAC was able to hire Teachers Assistances (TA’s) from Indigenous Student Resource Centre from MUN. We hired 4 TA’s who worked with the Nunavut Teacher Education Program (NTEP) instructors and students to offer optimal and individualized support for students These TAs were well educated in these subjects ranging from undergraduate degrees to Masters in that field of study. Students and instructors report a positive experience with this.

Accessibility supports, study skills training and a range of other resources that help to enhance the NAC student educational experience.

STUDENT SERVICES

NAC HIGHLIGHTS 2022

Student Services has worked closely with Student Council to support and empower the student voice. This year, Student Council was able to:

- Vote in a Student representative to the Board of Governors
- Hosted several holiday celebrations to boost student and staff moral
- Created stronger information channels for students to connect with student council
- Co-hosted a Childcare Advocacy Event with Student Services to raise awareness and promote stronger childcare supports in the Territory
- Hosted Student forum to gather more student feedback, organize information and took actionable steps to address issues raised.

Student Services initiated involvement with a federal program: "North 2 North" This program supports educational exchanges between staff and students in post secondary institutions in the circumpolar region. Participants are provided an opportunity to improve their knowledge about Arctic issues and People. NACs continued involvement in North 2 North will foster stronger international connections and strengthen opportunities to participate in post secondary institutions on globally.

STUDENT SERVICES

NAC HIGHLIGHTS 2022

Student Accommodations

The Student Services team also oversees the student accommodations and college security; as well as food services, which includes cafeteria services and the student food banks, which promote food security for students and their families.

- The Nunatta campus currently has 107 family units and 42 single unit student accommodations.
-
- The Kivalliq campus has 12 family units and 64 single units for student accommodations.
-
- The Kitikmeot campus has 20 family units and 5 single units available for students.
-
- Cafeteria services are provided at the Nunatta Main Campus and the NAC Student Residence in Iqaluit.

HEALTH, WELLNESS & BUSINESS

NAC HIGHLIGHTS 2022

Nursing

Two students graduated from the program in 2022. Program delivery for Nursing continued to be adapted due to COVID-19, with on-line delivery supplementing in-person classes. While there was some deferral of schedule, clinical placements continued in the Winter term at Qikiqtani General Hospital, Iqaluit Public Health, and in Remote community health centres. Extensive work was completed on the updated curriculum, to further embed the healthcare context specific to Nunavut. Fourth year students were able to graduate on schedule due to the innovative delivery and continued support of program partners. Several nursing students are partaking in the Summer Student Nurse Employment program. This includes students being employed in other communities in the Territory.

“This class needs to end with food!” was the driving inspiration that led to a very special class for first year Nursing students as they finished up biochemistry this month. Chef Sheila Flaherty of Sijjakkut joined the class at the end of their module on Indigenous diets to share her knowledge on how to prepare a char

dish “from nuna to table”. Students learned how to clean and fillet a whole fish to make pitsi or, in this case, Sheila’s Masterchef Canada audition dish, char ceviche. The room was full of laughter and stories as students learned to carefully cut into the strikingly pink char harvested in January from Iqaluit Lake. As the room filled with the smells of fresh fish, chopped ginger and limes juiced by hand, students discussed how Indigenous diets are healthy, not only for the body, but for the family, the community, the ecosystem and beyond. Sadly, there are no leftovers to share, but the recipe the students learned can be found in NAC media’s book, Nirjutit Imaani, available at <https://nacmedia.ca/>

HEALTH, WELLNESS & BUSINESS

NAC HIGHLIGHTS 2022

Pre-Health Sciences

Three students graduated from the program in 2022 from the Kivalliq Campus. Kivalliq Campus launched the program in an additional community - Rankin Inlet, in the fall of 2021, as a healthcare careers preparatory program. Two of these have applied to the Practical Nursing program which is launching in Rankin Inlet in September of 2022. This preparatory 1-year program is critically important to ensure that potential students are well prepared to succeed in either the degree or diploma nursing program. The department is looking at how it can deliver this program to more learners across the territory, to increase the number of qualified students into healthcare programs. Further Planning was implemented to launch the program in the Kitikmeot Campus in the fall of 2022.

Management Studies

4 students graduated from the Management Studies certificate program as well as 4 graduates from the diploma program, which was delivered in the Kivalliq Campus. 26 students graduated from the Office Administration program which was offered in 7 communities.

HEALTH, WELLNESS & BUSINESS

NAC HIGHLIGHTS 2022

Social Service Worker (SSWP) & Bachelor of Social Work (BSW)

Memorial University and Nunavut Arctic College signed an agreement to offer a Bachelor of Social Work starting in the fall of 2021 at the Kitikmeot Campus. This will allow graduates of the Social Services Diploma an opportunity to earn a degree in two years and provide opportunities for Nunavut Inuit to advance in their careers in the Social Services field.

The first semester of both programs was taught face to face in both year one and two of the SSWP and the BSW program. In September 2021, students from SSW Rankin cohort joined the Cambridge Bay cohort in Cambridge Bay. Students had an opportunity to spend a day on the land with the 1st Bachelor of Social Work (BSW) – Nunavut Cohort students. The day was organized by the Kitikmeot Heritage Society. The second year SSW students also completed the Group Work and Facilitation course while they were together.

In the winter semester a decision was made to continue all deliveries (for BSW and SSWP) remotely to stay on track with the program dates. This was due to the new Covid – 19 restrictions which became effective on December 24, 2021.

Twelve students graduated from the Diploma program in June of 2022. Seven students graduated from the Cambridge Bay cohort and five students from the Rankin Inlet cohort. Students are showing interest in continuing into the Bachelor of Social Work degree program. Five of these graduates have applied to the Bachelor of Social Work program. The program will move from Rankin Inlet to Iqaluit in September 2022, Kitikmeot campus in Cambridge Bay will deliver year one and twelve students will move to second year.

The second-year students in Cambridge Bay and Rankin Inlet organized and facilitated a Social Action project called Makigiarnngniq – Rise up: Awareness for Mental Wellness through Positivity. The Department of Mental Health and Embrace Life Council were allies in this project. The students plan involved allowing youth to see that there are positive ways to live with mental illness and be well. The campaign had good response throughout Nunavut.

HEALTH, WELLNESS & BUSINESS

NAC HIGHLIGHTS 2022

Special Events

Students in the BSW and SSW programs in Cambridge Bay prepared a vigil on December 6 to recognize the National Day of Remembrance and Action on Violence Against Women.

Premiere Akeegok and his cabinet were on a retreat in Cambridge Bay and visited the college while they were in the community.

The 'Pledge of Professionalism Ceremony' for the BSW students was held on March 30 in Cambridge Bay. Special guests present for the event were Elders from the Kitikmeot Heritage Society who lit the Qulliq, and drum danced, Pamela Gross, Deputy Premier, Minister of Education & Minister responsible for Nunavut Arctic College and Margaret Nakashuk Minister of Family Service, responsible for Status of Women, Homelessness, Poverty Reduction, Human Resources and Workers Safety and Compensation Commission. This is an important event in the BSW program as it signifies students journey from student to professional as they prepare to begin their four-month practicum experience.

Thanks to funding from the NAC Language and Culture department, a Culture Day was organized for students in the Social Service Worker and Pre-Health program on March 31. Students were situated in nine locations (Arviat, Baker Lake, Cambridge Bay, Coral Harbour, Edmonton, Iqaluit, Kugluktuk, Pond Inlet and Rankin Inlet). The students attended the event via Microsoft Teams which was new technology for many Elders, they were excited to see students and friends on the screen.

Graduations were held in Cambridge Bay on June 3 and Rankin Inlet on June 7. Graduates attended face to face or via Microsoft Teams. Since the program was being delivered remotely, all graduates were provided the opportunity to attend graduation/recognition events in their home communities. Graduates from the program were from the following communities: Arviat, Baker Lake, Cambridge Bay, Coral Harbour Iqaluit, Pond Inlet and Rankin Inlet.

HEALTH, WELLNESS & BUSINESS

NAC HIGHLIGHTS 2022

New Programs

The Department was awarded funding through the Nunavut Implementation Panel to develop a Practical Nursing diploma program. This program is scheduled to be delivered in Rankin Inlet from 2022-2024, and preparations are underway to deliver it in Cambridge Bay starting in 2023.

A Family Support Worker program was delivered for employees of Family Services. Four courses were delivered to Family Resource Workers across Nunavut. The program is designed for students, who are full time workers at the Department of Wellness, to obtain knowledge and skills related to their field of practice while obtaining credits towards a Social Service Worker diploma. All courses delivered are from the existing SSWP curriculum. The program was not completely delivered due to Covid – 19 restrictions and other barriers. The program will begin again in September 2022. This program provides a great opportunity for a pathway to a Social Service Worker diploma.

Twelve students graduated from the Diploma program in June of 2022. Seven students graduated from the Cambridge Bay cohort and five students from the Rankin Inlet cohort. Students are showing interest in continuing into the Bachelor of Social Work degree program. Five of these graduates have applied to the Bachelor of Social Work program. The program will move from Rankin Inlet to Iqaluit in September 2022, Kitikmeot campus in Cambridge Bay will deliver year one and twelve students will move to second year.

EDUCATION, INUIT & UNIVERSITY STUDIES

NAC HIGHLIGHTS 2022

Nunavut Teacher

Education Program (NTEP)

A refocused Bachelor of Education in partnership with Memorial University (MUN), commonly referred to as the Nunavut Teacher Education Program (NTEP), is being offered by NAC, built on a foundation of Inuktitut language and culture. The Education Programs Division has also worked towards converting a number of Nunavut Teacher Education Program courses in a blended online distance education format with MUN.

The Education Programs Division has worked closely with the NTEP advisory committee in order to take into account their recommendations as we initiated the revision of the 150 credit Bachelor of Education Degree program to address the need to graduate bilingual teachers.

Seventy-four learners enrolled in NTEP for the 2020- 2021 academic year. The program was delivered in 10 communities. In addition to Iqaluit, the program was offered in Arviat, Coral Harbour, Pangnirtung, Nauyasat, Igloodik, Gjoa Haven, Baker Lake and Cambridge Bay.

NAC introduced an Inuit Language and Culture Certificate Program and an Inuinnaqtun Language and Culture Revitalization Certificate Program. Inuktitut as a first Language was delivered in Iqaluit, Pangnirtung and Coral Harbour; and Inuinnaqtun as a second language was delivered in Cambridge Bay. First year learners applying to NTEP are required to take one of these certificate programs. After the first semester, learners will apply to MUN to complete their NTEP studies.

Revisions to the remainder of the program took place to incorporate Inuktitut and traditional knowledge. We have started to work towards offering an Inuktitut Language Specialist Diploma year in the program which will focus on acquiring the knowledge and skills to teach Inuktitut as a First or Second Language.

EDUCATION, INUIT & UNIVERSITY STUDIES

NAC HIGHLIGHTS 2022

Early Childhood Education

Early Childhood Education Diploma program did not do an intake of students in the 2021-2022 academic year due to a comprehensive review of the two Early Childhood Education programs; the Early Childhood Education Diploma Program and the Applied Early Childhood Education Certificate Program. We anticipate offering the revised programs in the 2022-2023 academic year.

The Early Childhood Education program is a two year program which focuses on the development of the knowledge and skills needed to work in an Early Childhood Education setting. The program incorporates Inuktut and traditional knowledge in all course deliveries.

EDUCATION, INUIT & UNIVERSITY STUDIES

NAC HIGHLIGHTS 2022

Interpreter Translator Program

The program is designed to help students wishing to pursue an interpreter/translator career acquire and develop skills necessary in the field. The first-year places special emphasis on language development, communication skills and the technical skills necessary in the interpreter/translator profession. The second year is designed to assist the student to further develop the knowledge, skills and attitudes required as an interpreter/translator. 3 students completed with a diploma and 5 completed the (3rd year) Certificate in Post Diploma.

Inuit Studies

The Inuit Studies program emphasizes traditional aspects of Inuit language and culture. In this program, the participants received courses where they learned traditional Inuit sewing techniques to make their own sealskin parkas/ jackets and Kamik; linguistic courses and other courses. Only 2 students finished the second year.

The Inuit Studies Program will not do an intake of new students in the fall of 2022-2023 due to a comprehensive review.

EDUCATION, INUIT & UNIVERSITY STUDIES

NAC HIGHLIGHTS 2022

Fur Design and Production

The Fur Design & Production Program offers students the opportunity to develop the knowledge, skills and confidence to be successful in the sealskin fur garment industry. The holistic program aims to develop skills by incorporating both Inuit and Western knowledge placed in a learning environment that develops skills through practice, effort and action.

The first year of the program focuses on traditional Inuit methods and technologies to prepare skins, design, and sew garments, as well as on commercial and contemporary methods for fur design and production. The second year offers students the opportunity to expand their knowledge and skills in a studio environment, combining theory, research and practical assignments.

In the academic year 2021-2022 8 students took the second year. Fall semester will accept new intake for Year 1 Program.

Jewellery and Metalwork

The Jewellery and Metalwork Program will enable students to develop their knowledge and skills of jewellery and metalwork production in a professional studio atmosphere. The program stresses high standards of craftship and creativity, encouraging and exposing students to a wide range of materials, techniques and concepts. The first year of the program provides an environment for the students to acquire the necessary skills that will enable them to translate their ideas into two and three dimensional jewellery and metalwork. The second year will consist of more advanced courses in jewellery, the studio courses are designed to promote confidence with the technical skills acquired in the first year. Successful completion of the diploma program will prepare the graduate to develop a career as a self-employed jeweller/metalsmith whose work can be sold through northern and southern galleries or commercial outlets.

Five students completed the first year.

COMMUNITY & DISTANCE LEARNING NAC HIGHLIGHTS 2021-22

Community and Distance Learning

The Community & Distance Learning division delivered 13 Adult Basic Education (ABE) programs; 6 Office Administration Certificate programs; 3 College Foundation programs, 4 Pre-Trades Math & Science programs; and 1 Community Fur Production & Design program in 23 communities. Four students graduated from the Pathway to Adult Secondary School with their high school diploma.

All third-party programs are funded through CanNor and Department of Family Services. We partnered with Q-STEP to offer 2 Pre-Trades Math & Science programs to both Baffinland employees and the public. Office Administration Diploma program and College Foundation Certificate program in Iqaluit are base funded.

The ABE program continued the investment in collaborating with Elders in the teaching and learning process. Elder instructors bring critically important traditional Inuit values and knowledge to the ABE curriculum. Both instructors and students say having Elders in the classroom is one of the top motivators for engaging Inuit students in their learning leading to better retention. This year we supported 23 Elder Inclusion projects in ABE

programs across 9 communities, with 22 local Elders contracted to share their experience and skills with the students.

We continued designing and developing online versions of courses from the College Foundation program and PASS program on our Learning Management System. Three more College Foundation courses, and four PASS courses were converted this year, as we look forward and focus on how we adjust programming to become more flexible.

Community & Distance Learning division again, worked in partnership with the Nunavut Poverty Reduction Division and accessed funding for a breakfast program for ABE programs offered at the Community Learning Centres. The breakfast program played a critical role in filling the void that many adult learners face which is to provide a health morning meal each day. College students across Nunavut benefited from a breakfast program funded by DFS, resulting in better attendance and performance for many students.

Community & Distance Learning division also continued our partnership with the Nunavut Fisheries and Marine Training Consortium to deliver four courses in Iqaluit.

TRADES & TECHNOLOGY

NAC HIGHLIGHTS 2022

Environmental Technology Program (ETP)

The Environmental Technology Program has been graduating 'made-in-Nunavut' environmental practitioners since 1987. This academic year saw 9 students graduate from the ETP program.

Over that time, the program's esteemed alumni have followed various career paths for organizations across Nunavut. Research has always played an important part in the program's development and delivery. In fact, the earliest years of the program included archaeological digs at Perterhead Inlet. However, the program's partnerships with researchers and research organizations greatly expanded with the increase in Arctic research during the International Polar Year (IPY) of 2007/2008.

Following IPY, and with legacy funds associated with it, the new Nunavut Research Institute campus was built. The campus included much improved space for the ETP. The added capacity brought about by the new campus further allowed the program to expand its research partnerships. The results of these two developments are clear: ETP alumni are increasingly research partners, and in some cases, research leads, on various projects across our Territory.

A formal program review of the ETP has been completed. A Sector Advisory Committee made up of employers, partners and academia who have worked with ETP has been convened to help advise this process and the preliminary report was submitted in August 2021. The College is now working on updating and adapting curriculum.

NAC has been engaged in discussions for a 'Made in Nunavut' Bachelor of Science program. This degree would prepare Nunavummiut for science-based jobs. NAC will be working with its university partner, Memorial University, to develop this program.

TRADES & TECHNOLOGY

NAC HIGHLIGHTS 2022 2

Industrial Training: Heavy Equipment Operator (HEO) and professional Drivers Program

In support of the professional drivers' program for students to obtain their Airbrakes Endorsement, Class III, Class II and Class I driver's license; Nunavut Arctic College purchased two additional training supports; Airbrakes Boards. The airbrakes boards arrived on sealift and are stationed in Cambridge Bay and Pond Inlet. The Airbrakes boards will also be used in the continuation of the Heavy Equipment Operator Instructor Development Program.

The College is working towards delivery of a Culinary Arts program in the next academic year. This program will be hosted at the Kitikmeot campus.

Construction Trades:

Sanatuliqsarvik has five construction trades programs.

2021/2022 Sanatuliqsarvik ran Apprenticeship Level programs with all 5 trades we teach: Carpentry, Oil Heat Systems, Housing Maintainer, Electrician and Plumbing. These period level courses brought apprentices from all over Nunavut and some from NWT to take nationally accredited apprenticeship technical training at the Kivalliq Campus in Rankin Inlet

Sanatuliqsarvik staff and Faculty showed dedication and determination to support students in the most unprecedented way that is something to be proud of. The program this year involves a complete house build project in partnership with the Nunavut Housing Corporation

NAC MEDIA

With the support of the North by North Research Partnership, NAC Media began fulfilling its plans to engage Nunavummiut with rare archival content through community presentations in Baker Lake and Chesterfield Inlet. These trips also established partnerships with hamlets and families to assist in archival and heritage collection preservation projects. North by North also supported the further development of NAC's digital repository system and practices and invested similarly in NAC's Igloodik Oral History office digital infrastructure. NAC Media continued its partnerships to digitize and acquire digital archival materials through the support of North by North and the Inuit Language Implementation Fund.

NAC Media's publishing program continued with new editions, manuscript development and the publication of its cookbook Nirjutit Imaani which has received both national and international attention. NAC Media is developing plans for broader Inuktitut resource accessibility through the establishment of NAC Radio, NAC TV, and continued community engagements.

RESEARCH HIGHLIGHTS

The Nunavut Research Institute (NRI) operates as the research division of Nunavut Arctic College and is responsible for licensing and coordinating research in Nunavut, in accordance with Nunavut's Scientists Act.

Facility closures and travel restrictions due to the COVID-19 Pandemic continued to disrupt research activities in Nunavut throughout 2021/22. NRI's staff worked very hard to refocus our research operations and support services in response to COVID-19 and we were able to continue achieving positive research outcomes for Nunavut while protecting the health and well being of Nunavummiut. We were also able to continue advancing some exciting new research programs and partnerships for NAC.

2021 marked the 5th consecutive year that the NRI offered a laboratory based diagnostic service for *Trichinella Nativa* in wildlife. This important diagnostic program, which is operated completely by Nunavummiut, was established in 2017 in partnership with Nunavut Tunngavik Incorporated at the request of Inuit. Since then, NRI and NTI's joint team of analysts have worked together to test 251 walrus and 26 polar bears from 11 Nunavut communities. All analysts complete annual proficiency assessments with the Canada Food Inspection Agency to ensure that our testing procedure is accurate and reliable. The NRI's program allows for the early detection of trichinella in harvested walrus, which enables Nunavut Health officials to help prevent outbreaks of Trichinosis infection in our communities. The demand for NRI's testing services has increased each year as more Nunavummiut become aware of the program. NRI and NTI staff provide annual training in the detection method to students in NAC's Environmental Technology Program.

RESEARCH HIGHLIGHTS

NRI technician Sean Qappik and 2021 NRI Summer Student Warren Keim prepare walrus tongues for the trichinella digestion assay.

The NRI's Arctic Applied Research Program partnership with Irving Shipbuilding continued in 2021-22. This program is supporting eight research projects in Nunavut which are building capacity to address community drinking water concerns, weather monitoring, wildlife disease surveillance, sea ice travel, oil spill detection, and marine shipping governance. Travel to Nunavut 2021 was not possible for researchers due to the Pandemic, however, several projects were able to produce new research publications, datasets, technical reports, and innovative educational resources for Nunavummiut.

NRI also continued our work in 2021 with Dr. Gita Ljubicic of McMaster University and a team of Nunavut community research partners

to develop a new project that examines how Nunavut communities are consulted and engaged in research. This project is focused on making research processes work better for Nunavummiut and will help NRI improve our research licensing procedures and guidelines. Part of the project involves creating a new searchable web-based project registry that will provide Nunavummiut to access to information on close to 2000 research projects licensed by the NRI from 2004 to 2021.

RESEARCH HIGHLIGHTS

NRI also worked throughout 2021 with NAC's University Partner, Memorial University of Newfoundland (MUN), on a new capacity building initiative funded under ArcticNet's North by North program. This project will develop a research strategy and priorities for NAC, and also support existing and new research activities led by NAC faculty, students, and staff. In 2021-2022 a MUN research affiliate started a systematic review of NAC's current and past research activities, programs, infrastructure, and partnerships. This work is ongoing. Funding in 2021/22 was also allocated to support archival and oral history research and community engagement activities led by NAC Media research staff, including trips to Chesterfield Inlet and Baker Lake to return rare archival materials to both communities.

RESEARCH HIGHLIGHTS

The NRI issued 123 research licenses in 2021 which is significantly more than the 81 licenses issued in 2020 but is still much lower than the number of licenses issued prior to the Pandemic. As in 2020, many non-resident researchers cancelled or deferred research activities in 2021 due to travel restrictions and the suspension of logistics support services. However, some researchers adapted their methodologies to carry out studies remotely.

The projects that were most resilient and successful were those that involved Nunavummiut as full partners in planning and carrying out field studies. The NRI played an important role throughout 2021 in keeping researchers and community partners informed of the evolving public health measures to prevent the spread of COVID-19 in our territory. NRI staff consulted with license holders to better

understand how COVID-19 has impacted their individual projects; and we provided guidance on ethical approaches for remote research and on respectfully engaging community partners to sustain key research activities.

ETP students and NRI staff in February 2021 sampling a unique groundwater spring that flows throughout the year near Iqaluit. The air temperature was approximately -30C when this picture was taken.

Nunavut Arctic College – Memorial University of Newfoundland and Labrador Partnership

This year marks the third year of the partnership between the Nunavut Arctic College and Memorial University of Newfoundland and Labrador. The relationship between both institutes continues to strengthen, and the partnership continues to provide both post secondary institutes the opportunity to imagine and implement operations in new and creative ways. The partnership continues to be enriching for both parties.

Bachelor of Social Work

The end of the 2021-2022 academic year signalled the end of year 1 of the first cohort of students in this program. This program is being offered through the Kitikmeot Campus in Cambridge Bay, NU.

Bachelor of Education

The College and Memorial University continue to work together to deliver the Bachelor of Education through the Nunavut Teacher Education Program. The program was delivered in person and remotely.



Online Presence

The College and Memorial University continue to build the onboarding of NAC course contact onto Brightspace, an online learning management system.



Student Services

The College and Memorial University continues to explore opportunities for enhanced students' services, including securing online tutoring supports for students enrolled in the Nunavut Teacher Education Program.



Research Capacity

The College and Memorial University continue to collaborate on its project "Nunavut Arctic College's North by north Research Program: A NAC Case Study Exploring Inuit Qaujimanituqangit in Nunavut Institutional Research." This study will allow the College to explore NAC's own research experience and its research plans.



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for Nunavut Arctic College

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nunavut Arctic College (the College), which comprise the statement of financial position as at 30 June 2022, and the statement of operations and accumulated surplus, statement of change in net financial assets and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at 30 June 2022, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the 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.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of Nunavut Arctic College coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are Part IX of the *Financial Administration Act* of Nunavut and regulations, the *Nunavut Arctic College Act* and regulations, and the by-laws of Nunavut Arctic College.

In our opinion, the transactions of Nunavut Arctic College that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act* of Nunavut, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year. In addition, in our opinion, proper books of account have been kept by Nunavut Arctic College and the financial statements are in agreement therewith.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for Nunavut Arctic College's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable Nunavut Arctic College to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.

A handwritten signature in black ink, appearing to read "Michael Robichaud". The signature is fluid and cursive, with the first name "Michael" and last name "Robichaud" clearly distinguishable.

Michael B. Robichaud, CPA, CA
Principal
for the Auditor General of Canada

Ottawa, Canada
26 September 2022

NUNAVUT ARCTIC COLLEGE

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements of the Nunavut Arctic College ("the College") and all information in this annual report are the responsibility of the College's management and have been reviewed and approved by the Board of Governors. The financial statements include some amounts, such as the allowance for doubtful accounts receivable and the provision for employee future benefits that are necessarily based on management's best estimates and judgment.

The financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS). Financial information presented elsewhere in the annual report is consistent with that contained in the financial statements.

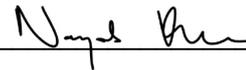
In discharging its responsibility for financial reporting, management is responsible for developing and maintaining financial and management control systems and practices which are designed to provide reasonable assurance that transactions are authorized, assets are safeguarded and controlled and proper records are maintained. These controls and practices are intended to ensure the orderly conduct of business, the accuracy of accounting records, the timely preparation of reliable financial information and adherence to the College's policies and statutory requirements.

The Board of Governors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Board of Governors, the majority who are not employees of the College, meet periodically with management and the external auditors. The external auditors have full and free access to the Board of Governors.

The College's independent external auditor, the Auditor General of Canada, is responsible for auditing the transactions and financial statements of the College and for issuing her report thereon.



Rebecca Mearns, President
September 26, 2022



Nayab Khan, Chief Financial Officer
September 26, 2022

NUNAVUT ARCTIC COLLEGE
Statement of Financial Position

as at June 30

(in thousands of dollars)

	2022	2021
Financial assets		
Cash (Note 4)	44,447	35,741
Accounts receivable (Note 5)	20,386	21,017
Total financial assets	64,833	56,758
Liabilities		
Deferred contract income	11,242	1,149
Due to the Government of Nunavut (Note 11)	10,250	10,727
Accounts payable and accrued liabilities (Note 6)	5,322	4,133
Professional development fund (Note 8)	2,439	2,282
Employee future benefits (Note 9)	2,001	2,081
Capital lease obligations (Note 7)	65	219
Total liabilities	31,319	20,591
Net financial assets	33,514	36,167
Non-financial assets		
Tangible capital assets (Schedule A)	1,159	1,221
Prepaid expenses	51	191
Total non-financial assets	1,210	1,412
Accumulated surplus	34,724	37,579

Contractual obligations (Note 12)
Contractual rights (Note 13)
COVID-19 (Note 15)

The accompanying notes and schedule are an integral part of these financial statements.

Approved by the Board:



Helen Klengenber
Chairperson of the Board

NUNAVUT ARCTIC COLLEGE
Statement of Operations and Accumulated Surplus
for the year ended June 30

(in thousands of dollars)

	2021	2022	2021
	Budget	Actual	Actual
Revenues			
Contract income (Note 11)	11,159	9,636	6,230
Tuition fees	1,340	1,685	1,308
Room and board	980	832	641
Miscellaneous revenue and recoveries	4,909	506	759
Interest income	234	278	234
Total revenues	18,622	12,937	9,172
Expenses (Note 10)			
Trades, Community and Distance Learning Programs	19,563	14,075	13,044
Services provided without charge (Note 11)	-	11,732	12,585
Student services	6,366	10,036	8,399
General administration	8,385	10,003	9,731
Education and Early Childhood Education Programs	7,084	6,626	3,483
Health and Wellness and Business Programs	6,184	4,764	3,689
Piqusilirivvik Centre	3,657	3,919	3,950
Inuit Language and Cultural Programs	4,032	3,214	3,183
Research and Technology Office	1,168	1,022	1,180
Law Program	167	58	611
Total expenses	56,606	65,449	59,855
Deficit for the year before Government contributions	(37,984)	(52,512)	(50,683)
Government contributions (Note 11)	37,984	49,657	50,570
Deficit for the year	-	(2,855)	(113)
Accumulated surplus - beginning of the year	37,579	37,579	37,692
Accumulated surplus - end of the year	37,579	34,724	37,579

NUNAVUT ARCTIC COLLEGE
Statement of Change in Net Financial Assets
for the year ended June 30

(in thousands of dollars)

	2022 Budget	2022 Actual	2021 Actual
Deficit for the year	-	(2,855)	(113)
Tangible capital assets (Schedule A)			
Additions	(480)	(359)	(163)
Amortization	150	421	367
	(330)	62	204
Net use of prepaid expenses	-	140	(77)
Change in net financial assets	(330)	(2,653)	14
Net financial assets - beginning of the year	36,167	36,167	36,153
Net financial assets - end of the year	35,837	33,514	36,167

NUNAVUT ARCTIC COLLEGE**Statement of Cash Flow**

for the year ended June 30

(in thousands of dollars)

	2022	2021
Cash provided by/(used) for operations		
Government contributions	37,992	19,368
Contracts	20,287	7,655
Other	2,776	2,759
Interest	278	230
Paid to suppliers	(18,803)	(14,002)
Paid to employees	(33,311)	(29,257)
Cash provided by/(used) for operations	9,219	(13,247)
Cash used for capital activities		
Tangible capital asset acquisitions	(359)	(163)
Cash used for capital activities	(359)	(163)
Cash used for financing activities		
Principal payments on capital leases	(154)	(153)
Cash used for financing activities	(154)	(153)
Increase (decrease) in cash	8,706	(13,563)
Cash, beginning of the year	35,741	49,304
Cash, end of the year	44,447	35,741

NUNAVUT ARCTIC COLLEGE
Statement of Tangible Capital Assets for the
year ended June 30

SCHEDULE A

(in thousands of dollars)

							2022	2021
	Buildings	Furniture and Equipment	Building Improvements	Computers and Printers	Mobile Equipment	Capital Leases	Totals	Totals
Cost								
Opening balance	84	894	1,048	575	763	609	3,973	3,810
Additions	-	21	-	170	168	-	359	163
Closing balance	84	915	1,048	745	931	609	4,332	3,973
Accumulated amortization								
Opening balance	(39)	(574)	(866)	(291)	(589)	(393)	(2,752)	(2,385)
Amortization	(4)	(56)	(20)	(154)	(35)	(152)	(421)	(367)
Closing balance	(43)	(630)	(886)	(445)	(624)	(545)	(3,173)	(2,752)
Net book value	41	285	162	300	307	64	1,159	1,221
Estimated useful life	25 years	10 years	20 years	4 years	10 years	Shorter of lease term or useful life		

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

1. The College

a) Authority and purpose

The Nunavut Arctic College ("the College") is a Schedule B Public Agency as listed in the *Financial Administration Act* ("FAA") of Nunavut and accordingly operates in accordance with Part IX of the FAA of Nunavut and the *Nunavut Arctic College Act*. The College is exempt from income taxes.

The purpose of the College is to provide a wide variety of educational services to adult learners. The programs are directed specifically to the northern environment and the needs of individual northerners, the workforce and northern communities. To accomplish this, courses and services are delivered at campuses and communities across Nunavut. Through the work of the Nunavut Research Institute, the College is also responsible for the facilitation and preparation of scientific research activity in Nunavut.

b) Budget

Canadian public sector accounting standards require a territorial corporation to present in its financial statements a comparison of the results of operations and changes in net financial assets for the period with those originally planned. March 31, 2022 budgeted figures which approximate one operating year have been provided for comparison purposes and have been derived from the Main Estimates and Business Plan.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) as issued by the Public Sector Accounting Board (PSAB). The following is a summary of the significant accounting policies.

a) Use of estimates and measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. The more significant areas requiring the use of management estimates are the allowance for doubtful accounts, estimated useful lives used in determining the amortization expense for tangible capital assets and the provision for employee future benefits (including sick leave, severance and removal). Actual results may differ from those estimated. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these financial statements, management believes the estimates and assumptions to be reasonable.

b) Cash

Cash is comprised of cash on hand, restricted cash and demand deposits.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

2. Significant accounting policies (continued)

c) Accounts receivable

Accounts receivable are valued at cost. Allowances for doubtful accounts, if necessary, are recorded based on all circumstances known at the date the financial statements are prepared including past events and current conditions.

An allowance for doubtful accounts is established when there is objective evidence that the College will not be able to collect all amounts due, according to the original terms of the receivables. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of loss is recognized as a bad debt expense within the Statement of Operations and Accumulated Surplus. When an accounts receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against bad debt expense in the Statement of Operations and Accumulated Surplus. Write-offs of accounts receivable are approved by the College's Board of Governors and the Financial Management Board, and, if the individual account exceeds \$20, by the Legislative Assembly of Nunavut.

d) Government contributions

The College receives contributions from the Government of Nunavut ("the Government") as set out in the Government's Main Estimates (adjusted by supplementary appropriations) and contributions in kind in the form of services provided without charge. The contributions are to be utilized for the administration and delivery of the College's adult and post-secondary education programs in Nunavut. The College is allowed to retain all surpluses and is responsible for all deficits.

The College is economically dependent upon the contributions received from the Government for its ongoing operations.

Annual appropriation

Government transfers are recognized as government contributions when the funding is authorized and all eligibility criteria are met, except to the extent that funding stipulations give rise to an obligation that meets the definition of a liability.

The College receives its annual appropriation (base contribution) based on the Government's fiscal year which is different than the College's fiscal year. The College's annual appropriation is recognized as government contributions in the period in which the contributions relate once all eligibility criteria have been met and it has been authorized by the Legislative Assembly of the Government. The College also receives supplementary appropriation contributions when it is determined that additional contributions are required. Supplementary contributions are recognized as government contributions on the same basis as its annual appropriation.

Services provided without charge

The Government provides certain services without charge to the College. These services are recorded at the Government's carrying amount in the College's financial statements as government contributions, and an equivalent amount is included in the expenses.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

2. Significant accounting policies (continued)

If the Government reallocates an appropriation from the College to a Government department to provide services to the College, only the actual costs incurred in excess of the reallocated appropriation is recorded in the College's financial statements as government contributions, and an equivalent amount is included in the expenses. The amount of the appropriation reallocated to the department to provide these services is disclosed in the notes to the financial statements (Note 11).

e) Contract income, tuition fees, room and board revenue and deferred contract income

The College enters into contracts with private companies, Inuit organizations, federal and territorial government departments, agencies and territorial corporations to develop and deliver courses across Nunavut.

The College collects tuition fees and other student fees in order to support the delivery of programs, courses and other student related activities. Room and board fees are also collected to support the student residence operations.

Revenues are recognized in the period in which (i) the transactions or events occurred that gave rise to the revenues and (ii) the College expects to obtain future economic benefits as a result of the underlying transaction or event. Payments received under these contracts for which the development and delivery of courses is not completed are recorded as deferred contract income within the Statement of Financial Position.

In the normal course of operations, the College signs agreements whereby funds are provided to the College for execution of projects which are subject to restrictions as to the use of funds. The sponsors of these projects can execute an audit of the financial records of the College to ensure compliance with the project requirements. In the event that amounts to be reimbursed to the sponsor of a project are identified, the necessary adjustments will be recognized in the year they are identified.

f) Expenses

Expenses are recorded on an accrual basis when goods are received or services are rendered.

g) Tangible capital assets

Tangible capital assets are recorded at cost and amortized on a straight-line basis over their estimated useful lives as follows:

Computers and printers	4 years
Furniture and equipment	10 years
Building improvements	20 years
Buildings	25 years
Mobile equipment	10 years
Capital leases	Shorter of lease term or useful life

When conditions indicate that a tangible capital asset no longer contributes to the College's ability to provide services, or that the value of the future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible asset is reduced to reflect that a permanent decline in the value of the asset has occurred. The related expense is recorded in

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

2. Significant accounting policies (continued)

the Statement of Operations and Accumulated Surplus and is not reversed if conditions subsequently change.

The College classifies leases for equipment as either capital or operating leases, as appropriate.

Capital leases

Those leases which transfer substantially all the benefits and risks of ownership of property to the College are accounted for as tangible capital assets along with the related capital lease obligation. Both are initially recorded at the lesser of the present value of minimum lease payments and fair value of the leased asset, effective at the beginning of the lease. The discount rate used to determine the present value of the lease payments is the lower of the College's incremental borrowing or the interest rate implicit in the lease. Note 7 provides a schedule of repayment and amount of interest on the leases.

Operating leases

Operating leases are those leases where substantially all the benefits and risks of ownership are not transferred to the College. Lease payments under operating leases are expensed on a straight line basis over the term of the lease and are not amortized.

h) Annual leave

The College's employees are entitled to annual leave under the terms of employment. Annual leave is calculated by applying an hourly entitlement rate to each regularly scheduled hour worked. The hourly entitlement rate is set out in the applicable collective agreements and is based on the number of completed years of continuous service. Annual leave credits are paid out at the employee's current rate of pay, when an employee ceases to be an employee or when an employee's annual leave balance exceeds the annual carry-over amount. The liability for employee leave benefits is recorded in the Accounts payables and accrued liabilities of the Statement of Financial Position as benefits accrue to employees.

i) Employee future benefits

Pension benefits

Eligible employees of the College are covered by the Public Service Pension Plan (the "Plan"), a defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the College to cover current service cost. Pursuant to legislation currently in place, the College has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, the employer contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the College.

Non-pension benefits

Under the conditions of employment, eligible employees may earn non-pension benefits for severance and removal costs based on years of service. The severance benefits and removal costs are paid upon resignation, retirement or death of an employee. The expected cost of providing these non-pension benefits is recognized as employees render service. An actuarial valuation of the cost of these benefits has been prepared using data provided by management

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

2. Significant accounting policies (continued)

and assumptions based on management's best estimates. The College provides severance benefits to eligible employees based on years of service and final salary, and removal benefits based on years of service and their community of residence. These benefits represent the total obligation of the College that entails settlement by future payment and are recorded as an employee future benefits liability within the Statement of Financial Position.

Included in the non-pension benefits is an amount for employees who are permitted to accumulate unused sick leave. However, such entitlements do not vest and can be used only in the event of illness. The amount of accumulated sick leave entitlements which are expected to be used in future years is determined by an actuarial valuation and has been recorded in the financial statements.

j) Financial instruments

Financial instruments are identified by financial asset and financial liability classifications.

The following is a list of the College's financial instruments and their related measurement basis as at June 30, 2022.

<i>Financial Assets:</i>	<i>Measurement Basis</i>
Cash	Cost
Accounts receivable	Cost

<i>Financial Liabilities:</i>	<i>Measurement Basis</i>
Accounts payable and accrued liabilities	Cost
Due to the Government of Nunavut	Cost

As all financial instruments are measured at cost, there have been no remeasurement gains or losses. Therefore, the Statement of Remeasurement Gains and Losses has been excluded.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Statement of Operations and Accumulated Surplus. The allowance for doubtful accounts is based on management's best estimate of probable losses.

k) Contingencies

A contingent liability is a potential liability which may become an actual liability when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense is recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements and no liability is accrued.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

2. Significant accounting policies (continued)

l) Related party transactions

Inter-entity transactions

The College is related in terms of common ownership, to all Government of Nunavut created departments and territorial corporations. The College enters into transactions with these entities in the normal course of business, at normal trade terms. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Other related party transactions

Other related parties include key management personnel (President, CFO, Deans, Senior Management, Board of Directors, etc.), close family members of key management personnel, and entities that are controlled by key management personnel or their close family members.

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

m) Prepaid expenses

Prepaid expenses are charged to expense over the periods expected to benefit from it.

3. Future accounting changes

Section PS 3280 – Asset Retirement Obligations has been issued by the PSAB and is effective for fiscal years beginning on or after April 1, 2022. This section establishes standards as to how to account for asset retirement obligations as well as additional guidance on how to account for post-retirement operation, maintenance and monitoring costs.

Section PS 3400 – Revenue has been issued by the PSAB and is effective for fiscal years beginning on or after April 1, 2023. This section establishes standards on how to account for and report revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations.

The College is currently in the process of assessing the accounting change and any impact on the financial statements.

4. Cash

Cash includes restricted cash totalling \$395,418 (2021 - \$395,418). Restricted cash is comprised of donations made to the College which are designated for specific purposes. The funds are managed in accordance with the donors' wishes and the income is deferred until funds are used for their intended purpose.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

5. Accounts receivable

	<u>2022</u>	<u>2021</u>
Contracts receivable		
Government of Nunavut	\$ 19,599	\$ 20,214
Others	<u>180</u>	<u>195</u>
	\$ 19,779	\$ 20,409
Student receivable		
Government of Nunavut	\$ 2	\$ 1
Student accounts	<u>703</u>	<u>788</u>
	\$ 705	\$ 789
Other receivable		
Government of Nunavut	\$ 26	\$ 54
Other	<u>587</u>	<u>333</u>
	\$ 613	\$ 387
Total receivable	\$ 21,097	\$ 21,585
Less: Allowance for doubtful accounts		
Student receivable	(671)	(548)
Contract receivable	(10)	(5)
Other receivable	<u>(30)</u>	<u>(15)</u>
	<u>\$20,386</u>	<u>\$ 21,017</u>

There is no concentration of accounts receivable with any customer, except the Government of Nunavut – \$19,627 (2021 – 20,269) which has an allowance of \$31 (2021 – \$12).

In accordance with Section 82(1) of the FAA, there were write-offs of outstanding accounts receivables totalling \$114 (2021 - \$269) that were approved by the Board of Governors and Legislative Assembly of Nunavut.

6. Accounts payable and accrued liabilities

	<u>2022</u>	<u>2021</u>
Trade payables and accrued liabilities	\$ 2,953	\$ 1,961
Accrued leave liabilities	2,105	1,916
Deposits payable	<u>264</u>	<u>256</u>
	<u>\$ 5,322</u>	<u>4,133</u>

The total amounts above are non-interest bearing.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

7. Capital lease obligations

Capital lease obligations are based upon contractual minimum lease payments for leases in effect as of June 30.

	<u>2022</u>	<u>2021</u>
Total minimum lease payments	\$ 65	\$ 221
Less: Imputed Interest (total interest expense to be incurred)	<u>-</u>	<u>(2)</u>
Present value of minimum lease payments	<u>\$ 65</u>	<u>\$ 219</u>

The future minimum lease payments for next fiscal year 2023 is \$65.

Lease payments are allocated between repayments of the liability and interest expense. The total minimum lease payments less the initial liability represent the total interest cost of the lease. The interest expense is calculated using the same discount rate used in computing the present value of the minimum lease payments applied to the outstanding lease liability at the beginning of the lease payment period.

Interest expense related to capital lease obligations for the year was \$2 (2021 - \$4) at an implied average interest rate of 1.36% (2021 - 1.36%). The capital lease obligations expire in fiscal year 2023.

8. Professional development fund

The College is required under the Nunavut Employees Union Collective Agreement to contribute an amount equivalent to 4% (2021- 4%) of instructors' salaries for professional development activities. Contributions to the professional development fund during the year were \$284 (2021 - \$373) and this amount is recorded as an expense in the Statement of Operations and Accumulated Surplus.

The professional development fund represents accumulated annual provisions for professional development activities and interest earned on these funds, less accumulated eligible professional development expenses. The College expects to settle the obligation based on future eligible expense claims.

	<u>2022</u>	<u>2021</u>
Opening fund balance	\$2,282	\$ 2,000
Add: Contributions	284	373
Interest earned	16	16
Less: Professional development expenditures	<u>(143)</u>	<u>(107)</u>
Closing fund balance	<u>\$2,439</u>	<u>\$ 2,282</u>

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

9. Employee future benefits

a) Pension benefits

Eligible employees of the College are covered by the Plan. Contributions are required by both the employees and the College. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The general contribution rate effective at year end was 1.02 times for members enrolled before January 1, 2013 and 1.00 times for members enrolled beginning January 1, 2013 (1.01 and 1.00 times respectively for prior year).

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of 2 percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada Pension Plan benefits and they are indexed to inflation.

The College's and employees' contributions to the Plan for the year were as follows:

	<u>2022</u>	<u>2021</u>
College's contributions	\$1,636	\$ 1,736
Employees' contributions	1,623	1,726

b) Non-pension benefits

Actuarial valuations, of the accrued employee severance, removal, and sick leave benefit obligations for accounting purposes, are performed triennially using the projected unit credit method. The most recent actuarial report was prepared as at March 31, 2022.

These benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation. Future benefits will be paid out of future appropriations.

The change in the accrued benefit obligations and the accrued benefit liabilities at year end are as follows:

	Severance and removal	Sick leave	2022	2021
Accrued benefit obligations at beginning of the year	1,476	605	2,081	1,907
Benefits earned	95	16	111	88
Interest cost on the average accrued benefit	32	12	44	47
Benefits paid	(137)	(114)	(251)	(48)
Actuarial (gain) / loss	(866)	(165)	(1,031)	87
Accrued benefit obligations at end of year	600	354	954	2,081
Unamortized actuarial gain	866	181	1,047	-
Accrued benefit liability	1,466	535	2,001	2,081

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

9. Employee future benefits (Continued)

Benefits expense include the following:

	Severance and removal	Sick leave	2022	2021
Current service cost	95	16	111	88
Interest cost	32	12	44	47
Total	<u>127</u>	<u>28</u>	<u>155</u>	<u>135</u>

Significant assumptions used towards the calculation of these benefits are based on management's best estimate and are as follows:

	<u>2022</u>	<u>2021</u>
Benefit obligation as of March 31:		
Discount rate	4.0%	2.1%
Rate of compensation increase	3.0%	3.0%
Benefit costs for years ended on March 31		
Discount rate	4.0%	3.2%
Rate of compensation increase	3.0%	3.0%

10. Expenses by object

	Related Party	Other	<u>2022</u>	<u>2021</u>
Salaries and employee benefits	\$1,531	\$33,100	\$34,631	\$ 34,516
Buildings and utilities	8,989	1,254	10,243	10,576
Fees and professional services	1,212	8,892	10,104	7,048
Housing	-	3,263	3,263	3,086
Materials and supplies	-	2,190	2,190	1,215
Travel	-	1,164	1,164	529
Furniture and equipment	-	965	965	689
Telecommunications	-	939	939	817
Freight and postage	-	522	522	258
Advertising and promotion	-	470	470	298
Amortization (Schedule A)	-	421	421	367
Professional development fund (Note 8)	-	284	284	373
Bad debt expense	-	253	253	83
	<u>\$11,732</u>	<u>\$53,717</u>	<u>\$65,449</u>	<u>\$ 59,855</u>

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

11. Related party transactions

The College is related in terms of common ownership to all Government of Nunavut created departments and territorial corporations. The College enters into transactions with these entities in the normal course of business, at normal trade terms. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties (except for services provided without charge which are based on the Government's carrying amount). The College recorded the following related party transactions and balances:

Government contributions

	<u>2022</u>	<u>2021</u>
Appropriations received from the Government of Nunavut	\$ 19,000	\$ 18,993
Appropriations receivable from the Government of Nunavut	18,925	18,992
Services provided without charge	<u>11,732</u>	<u>12,585</u>
Total government contributions	<u>\$ 49,656</u>	<u>\$ 50,570</u>

The Government of Nunavut provides funding to the College for the period April 1 to March 31 annually. The College recognizes government contributions as revenue on April 1. Seventy five percent (75%) of the amount recognized includes government contributions designated for the first nine (9) months of the College's 2022/23 fiscal year.

Contract Income

Of the \$9,636 (2021 - \$6,230) of contract income earned in the year, \$6,130 (2021 - \$4,366) is for courses delivered on behalf of the Government of Nunavut.

Due to the Government of Nunavut

	<u>2022</u>	<u>2021</u>
Due to the Government of Nunavut	\$10,250	\$10,727

This amount represents expenditures originally paid by the Government of Nunavut, primarily payroll, and invoiced to the College for payment.

Services provided without charge

The College receives payroll processing, insurance and risk management services, human resources, employee benefits and information technology services without charge from the Government of Nunavut. The College also receives, without any rental charges, the use of facilities for its campuses, head office, student housing units and community learning centers. The Government's amortization expense for these assets has been used as the basis for measuring the expense relating to the use of these facilities. Payroll processing expense and employee benefits are allocated based on the College's estimated employee headcount for the year.

	<u>2022</u>	<u>2021</u>
Use of facilities	\$8,989	\$ 9,845
Payroll processing and other services	1,212	1,121
Other employee benefits	<u>1,531</u>	<u>1,619</u>
	<u>\$11,732</u>	<u>\$ 12,585</u>

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

11. Related party transactions (Continued)

There are \$2,354 (2021 - \$2,354) of appropriations that were reallocated from the College to a Government department for the use of facilities that have not been recognized in the College's financial statements as services provided without charge.

12. Contractual obligations

The College is contractually obligated to make the following payments to third parties in future years:

Leases on student accommodation	\$8,930
University partnership agreements	2,368
Leases on instructional space	2,114
Catering services contract	1,978
Technology operations	303
Program delivery	50
License	38
Financial support services	27
Applied research service contracts	17
	<u>\$ 15,825</u>

Contractual obligations by fiscal year are as follows:

2023	6,554
2024	5,582
2025	3,200
2026	489
	<u>\$15,825</u>

The contractual obligations expire during the fiscal year 2026.

13. Contractual rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The College's contractual rights arise because of contracts entered into for educational services (contract income). The following table summarizes the contractual rights of the College:

Contractual rights	2023	2024	2025	Total
Future contract income	\$22,027	\$344	\$ -	\$ 22,371

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

14. Financial risk management

The College has exposure to the following risks from its use of financial instruments: credit risk and liquidity risk. There have been no changes to the level of risks compared to prior year and no changes to the risk management practices used to manage risks.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet their obligations. Such risks arise principally from certain financial assets held by the College consisting of cash and accounts receivable.

The maximum exposure to credit risk of the College at June 30, 2022 is the carrying value of these assets.

(i) Cash

The College manages its credit risk relating to cash by dealing with Canadian chartered banks. The College may invest surplus funds to earn interest income with the objective of maintaining safety of principal and providing adequate liquidity to meet cash flow requirements.

(ii) Accounts receivable

The College's exposure to credit risk associated with accounts receivable is influenced mainly by the type of debtor. The types of debtor as at June 30, 2022 are the Government, students and others.

To mitigate credit risk related to accounts receivable, the College does regular follow-up on their accounts receivable. Credit exposure is minimized by dealing mostly with creditworthy counterparties such as government agencies. The College also enforces approved collection policies for student accounts.

As of June 30, 2022, the aging of accounts receivable past due but not impaired is as follows:

	2022	2021
Current	\$19,576	\$20,326
1 to 120 days past due	632	370
121-240 days past due	177	321
Over 241 days past due	<u>1</u>	<u>-</u>
	<u>\$20,386</u>	<u>\$21,017</u>

The College establishes an allowance for doubtful accounts that reflects the estimated impairment of accounts receivable. The allowance is based on specific amounts and is determined by considering the College's knowledge of the financial condition of customers, the aging of accounts receivable, current business condition and historical experience.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2022

(in thousands of dollars)

14. Financial risk management (continued)

The allowance is calculated based on a percentage of aged receivables that are 120 days and over. The percentages applied are determined primarily by the aging of accounts receivable and historical experience. The allowance for doubtful accounts is shown as a reduction to accounts receivable. Management recommends write-offs of student accounts that are overdue for more than 500 days.

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with its financial liabilities.

The College manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated capital and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the College's reputation.

The College's financial liabilities are expected to mature in less than one year. The College does not currently believe that it will encounter difficulty in meeting its future obligations associated with its financial liabilities. The College believes that it has access to sufficient capital through internally generated cash flows, government support and external sources to meet current spending forecasts.

15. COVID-19

On 11 March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a global pandemic while it spread in Canada and throughout the rest of the world. The pandemic resulted in governments worldwide to enact emergency measures in order to limit the spread of the virus.

Although these changes did not significantly impact the College for the current year, the pandemic continues to evolve and in the event the situation is prolonged, its operations could be adversely effected which has the potential to significantly impact the financial statements.