

**WE ARE A COLLECTION OF DIFFERENCES BOUND
TOGETHER BY A NEED TO NEVER BE THE SAME.
WE ARE PAINTERS, PIONEERS AND JEWELLERS.
CRAFTSMEN, ARTISANS AND DESIGNERS.
VISIONARIES, THINKERS AND CREATORS. WE ARE
FUELLED BY PASSION FOR CONCEPT AND COMMUNITY.
WE ARE STRENGTH AND DESIRE. WE ARE CHALLENGE
AND CHANGE. WE ARE WHAT WAS AND WHAT
WILL BE. WE ARE STORIES, IDEAS AND PATHS
CONNECTING. WE ARE HEART OVER HEAD,
CREATIVITY ABOVE ALL. WE ARE INDIVIDUALS BOUND
TOGETHER BY A COLLECTIVE NEED TO LOOK AT THE
WORLD THROUGH DIFFERENT EYES.**



COLLECTIVE EXCELLENCE

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COLLECTIVE EXCELLENCE

The stories that defined our year.

ACAD is a leading centre for education and research, and a catalyst for creative inquiry and cultural development. Each year, our faculty, staff, students and alumni create work, contribute new and creative research and redefine the boundaries of contemporary art and design practice in ways which change the world. As we are a collection of differences, so are we a collective with a common goal — to open the doors for our students, our community and our nation to the future of art and design.





MESSAGE FROM THE PRESIDENT + CEO

INTRODUCTION

This Annual Report does not tell the story of ACAD, it tells part of the story. The full story of our 2010–2011 academic year includes too many events, activities, awards and presentations given to count, and we find ourselves in the enviable position of having to limit this telling to the tip of a very rich and deep iceberg.

Consultation and development of the Academic

Consultation and development phase of the ACAD Academic Planning Framework

SEPTEMBER 2010

OCTOBER 2010

NOVEMBER 2010

DECEMBER 2010

JANUARY 2011

FEBRUARY 2011

MARCH 2011

APRIL 2011

MAY 2011

JUNE 2011

JULY 2011

ABOVE AND BEYOND

As I reflect on this past year, I have a wonderful feeling about our community of learning, our community of exploration and our community of making at the Alberta College of Art + Design. While this year was a year of transition both for me and for ACAD, it was also a year that set the stage for the identification of what needed to be addressed in the following years. Our accomplishments over the past year form a solid foundation for a future of transformation and change, as we continue to hold our commitment of offering the highest quality craft, art and design education at the heart of all we do.

Without a vision for our evolution, our college community would be left directionless. With this in mind, in 2010-2011 we came together as educators, staff and students to define our goals and vision for ACAD's future, a process which is leading to the development of our first ever Academic Plan. This plan will be completed in 2011-2012, and will be essential to our future decisions, be they related to academic evolution and growth,

facility expansion and development, fundraising goals and programs, technology improvements, or the role we want to play on the regional, national and international scenes. The challenge that I find quite stimulating is to navigate the need for visioning and planning ahead with the realization as Eric Hobsbawm wrote in *The Age of Empire* (1987) that "The only certain thing about the future is that it will surprise even those who have seen furthest into it."

This spirit of transformation is also clearly seen in the hard work that all at ACAD are dedicating to the implementation of our first ever Graduate Studies Program – our Masters of Fine Arts in Craft Media. To that end I am reminded here of a quote by Lewis Mumford who wrote in *The Transformation of Man* (1956) that "An underlying urge to self-transformation possibly lies at the basis of all existence, finding expression in the process of growth, development, renewal, directed change, perfection". Academic institutions are organic beings and as such they continuously evolve, adapting to new situations and taking advantage of new opportunities.

It is a hard reality that the financial climate in which we have been working for the past two years is a difficult one. With that in mind, I applaud the invigorating energy I see throughout the college, and the entrepreneurial spirit our students, staff and faculty have exhibited as we move through tough economic choices. Our vision of growth, of facility expansion, of developing wider and improved academic programming, and of contributing

Public presentation of the ACAD Academic Plan

Development of the program specific academic planning documents

Plan guiding principles and values

AUGUST 2011	SEPTEMBER 2011	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011	JANUARY 2012	FEBRUARY 2012	MARCH 2012	APRIL 2012	MAY 2012	JUNE 2012
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to our community continues despite these restrictive economic times, and I look forward to continuing to work towards these important goals for our future as our mission to educate is a noble one. This past year has also clearly identified the need to put in place rigorous processes throughout our campus. This will take time, but will allow all of us to concentrate our efforts and energy on what truly matters: teaching, learning, exploring, playing, creating and dreaming.

This year has seen numerous positive developments in the programs and services we offer as a college – with new funding opportunities for faculty scholarship and research endeavours, new programming at the College-wide level, and improvements to our Student Experience services we are well on our way to building the world class school of art and design that we envision. Academia is often accused of being far too siloed, but during this past year ACAD has seen new conversations happening between various areas of the College as well as with other institutions. It is clear that the communities of which we are a part—educational, cultural and business—are excited to partner with us as we work together to develop new and innovative contributions to our world.

This Annual Report does not tell the story of ACAD, it tells part of the story. The full story of our 2010–2011 academic year includes too many events, activities, awards and presentations given to count and we find ourselves in the enviable position of having to limit this telling to the tip of a very rich and deep iceberg.

I look forward over the year to come to continuing to connect with our extended family; our alumni which are so generous in providing support to our students and our faculty; our Board and our community supporters who are our greatest advocates; and our partners in Alberta's leadership at both the municipal and provincial levels. This year to come will be one of continued transformation, and I invite you all to join us as we continue this exciting journey.



DR. DANIEL DOZ
ACAD President + CEO

THANK YOU TO OUR DONORS

Every day we see opportunities to affect the world around us. As a creative catalyst, we could not continue to inspire students and our community without the support we receive from the people who believe in what we do.

ACAD was supported by many individuals, corporations, foundations and community partners in 2010-2011. We are pleased to recognize those donors who contribute

to ACAD and who make such a positive difference in the lives of our students. Thanks to these donations and sponsorships we cultivated debate, explored our culture and supported our students in their work and education.

ACAD thanks the following supporters who, alongside our anonymous donors and our community partners, made our creative explorations in 2010-2011 possible.

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MESSAGE FROM THE CHAIR OF THE BOARD OF GOVERNORS

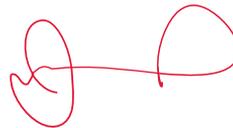
As Chair of the ACAD Board of Governors, I take great pleasure in introducing you to our 2010-2011 ACAD Year in Review. The past year at the College has been one of change, and of growth. This publication is our opportunity to share with you just what those changes have meant in the studio, in the classroom, and the impact of ACAD on our community locally, and across Canada.

During my time on ACAD's Board of Governors, I have witnessed the exciting evolution of our College, and have seen how innovative change and growth have helped us develop excellence in our programming, our student support, and our engagement with local communities and worldwide. As the only post-secondary institution in the prairie-provinces devoted exclusively to advanced education, practice and research in visual culture, design and associated and emergent fields, we understand that ours is a unique responsibility.

I wish to thank my fellow Board members for their continued commitment and hard work, our faculty, our staff and our accomplished alumni ambassadors and the

many cultural, political and business organizations that further our vision of becoming a preeminent institution for innovation, research and excellence in visual arts, design and emergent cultural fields for their diligent support over the past year.

This annual report for the year ended June 30, 2011 was prepared under the Board's direction in accordance with the Government Accountability Act and ministerial guidelines established pursuant to the Government Accountability Act. All material economic, environmental and fiscal implications of which we are aware have been considered in the presentation of this report.



JAMES PEACOCK, Q.C.

Chair, ACAD Board of Governors

MAKING A SCENE



KEVIN KURYTNIK, ACAD FACULTY

The basics of animation – storytelling, movement and character development – are a passion for faculty member Kevin Kurytnik. Originally an ACAD student himself, Kevin graduated in 1987 and quickly moved on to an animation job at Foothills hospital. To build his portfolio, he joined the then fledgling Quickdraw Animation Society – a group that quickly became a second home. After serving as President and creating the Society's educational curriculum, Kevin began teaching as a sessional in 2000 at the Alberta College of Art + Design, first with the Drawing program, and currently in the Visual Communications program. He continues to create work both artistic and client-driven as a professional animator, winning international awards for work such as *Mr. Reaper's Really Bad Morning*.

Creating animated short films has taken Kevin and his partner Carol Beecher (also a sessional instructor at ACAD) around the world as they tour with their award winning work. Through their studio, the two have been presenting workshops and work at venues in Mexico City, Ottawa, Baden and Melbourne. They have also been working on concepts and scripts with Hollywood producers as they get ready to launch their first feature film. In the meantime, Kevin and Carol have been granted

\$500,000 in funding from the National Film Board to create their next work, a big budget, dark and shamanistic Canadian myth of the fur trade. But despite the international acclaim, Kevin's focus remains on developing young artists through his work at ACAD – *“Students can now work internationally – and they are getting noticed. We have a unique thing going here at the College as a result of 20 years of experimenting and focusing on project-based storytelling, finding a successful balance working with both fine art and traditional narrative approaches. It is a winning strategy, and we are becoming a destination for animators from around the world.”*

Animation is a growing area of focus at ACAD – beginning in the drawing program in the 1980's with Richard Halliday, students have been exploring moving images and the concepts of storytelling through animation in Drawing, Visual Communications Design and MAD+T. And with Kevin creating the storyboard for this next chapter, ACAD's dream of a full animation program of study is quickly becoming a reality.



Images from *Mr. Reaper's Really Bad Morning*, a film by Kevin D.A. Kurytnik and Carol Beecher. Fifteen Pound Pink Productions, 2006.



CREATING AN IMPACT

GARY OLSON, ACAD FACULTY

For Gary Olson, a commitment to art education is about more than his time in the ACAD studio as a faculty member – it's about reaching out into the community and across Alberta through students, classrooms and not-for-profit organizations as well.

Since 1996, Gary has been a roster artist in the Alberta Foundation for the Arts Artist in Schools Residency Program and while working as an ACAD faculty member for more than 30 years, Gary has been making a difference in more than 36 schools around Alberta.

"Once I get in a room with the kids and I'm teaching them how to paint, that is just a wonderful position. I love it. It's really rewarding."



As a Resident Artist with the AFA, Gary works with art teachers to create projects from portraits to murals to landscape paintings, projects that he then leads in the classroom over the course of several months. *"I bring certain things to the table, and they work with me to see how we can fit that into the student's curriculum. Right now, it's a lot of landscape because you can touch on sciences, weather, seasons and growth. The students also do some work with portraits and endangered species – it's all tied into the curriculum one way or another"* he explained. *"I just approach it like art is another language, you have math, you have French, and you have a visual language that is just as important to learn as a student. The kids are able to speak that in one way or another."*

At the K–12 schools that Gary has worked with, art has now become the favorite subject of many students. Often, ACAD students volunteer to join Gary in his work and many have become teachers themselves with the Calgary

Board of Education, bringing art to classrooms around the Province in a new way. *"While working on a couple of other murals I brought an entire painting class to work with students for a day. College students connecting with elementary kids was pure dynamite"* he shared.

With a life motto of *"too much is not enough"*, it is no surprise that Gary's involvement with the arts and art education in Alberta stretches far and wide. Gary also leads book-art workshops in partnership with an ACAD student as part of a collaboration between ACAD and Calgary Public Libraries, and is a long-term volunteer with the Triangle Gallery. Most recently Gary has taken on the development of an exclusive print-portfolio featuring some of Canada's most exciting artists and art voices as part of a fundraising initiative for the Triangle Gallery, donating his time and expertise as one of Alberta's most respected printmakers. For Gary, full-time faculty work is only the beginning of this remarkable contribution to arts education in Alberta.

MAN OF EXCELLENCE

ALEX JANVIER, ACAD ALUMNI (1960)

This year, ACAD's Board of Governor's Alumni of Award of Excellence was presented to a Alex Janvier, one of the College's most exciting alumni members. This year has been an exciting one for Alex with many deserved accolades – in November of 2010 he also received the Alberta Order of Excellence.

Born of Dene Suline and Saulteaux descent in 1935, Alex Janvier was raised in the nurturing care of his family until the age of eight. At this age, the young Janvier was uprooted from his home and sent to the Blue Quills Indian Residential School near St. Paul, Alberta. Although Janvier speaks of having a creative instinct from as far back as he can remember, it was at the residential school that he was given the tools to create his first paintings. Unlike many aboriginal artists of his time, Janvier received formal art training from the then Alberta College of Art and graduated with honours in 1960. Immediately after graduation, Janvier took up an opportunity to instruct art at the University of Alberta.

While Alex recognizes the artists Wassily Kandinsky and Paul Klee as influences, his style is unique. Many of his masterpieces involve an eloquent blend of both abstract and representational images with bright, often symbolic colours. As a First Nations person emerging from a



(l to r): James Peacock, Norman Faulkner, Alex Janvier, Chris Cran and Dr. Daniel Doz.

history of oppression and many struggles for cultural empowerment, Janvier paints both the challenges and celebrations that he has encountered in his lifetime. Alex proudly credits the beadwork and birch bark basketry of his mother and other relatives as influencing his art.

As a member of the commonly referred to "Indian Group of Seven", Janvier is one of the significant pioneering aboriginal artists in Canada, and as such has influenced many generations of aboriginal artists. By virtue of his art, Janvier was selected to represent Canada in a Canadian/ Chinese Cultural Exchange in 1985. Although he has completed several murals nationally, Janvier speaks of the 450 meter squared masterpiece entitled "Morning Star" at the Canadian Museum of Civilization, as a major highlight in his career. In January 2004, one of Janvier's works was displayed in Paris, France at the Canadian Forum on Cultural Enterprise. In recognition of his success, Alex Janvier recently received three prestigious Lifetime Achievement Awards from the National Aboriginal Achievement Foundation, The Tribal Chiefs Institute, and Cold Lake First Nations. Janvier's passion and natural talents for creative expression remains strong to this day.

VCD'S MVP



AARON RINAS, ACAD ALUMNI (2011)

It's about 3272 kilometers from the ACAD VCD studio to the winner's circle at New York's One Show, but all it took for Aaron Rinas was one special project. Through his involvement with ACAD's public design program, Aaron was able to create work for City Harvest – a piece recognized internationally for its innovation and creativity. It was Aaron's ticket to the Big Apple.

Recognition for outstanding and creative work isn't new to Aaron. As a VCD student at ACAD, he involved himself in a variety of different projects: from designing the ACAD 2011 Graduating Student Catalogue, to packaging design, to dreaming up the ideal name and visual identity for a future design studio of his very own. Now, as a recent arrival in Toronto, Aaron is creating editorial work for Ryerson University, Harry Rosen, and the Royal Ontario Museum with Hambly & Woolley – a local firm with clients ranging from the Design Exchange to Sony Music.

Aaron is one of a record number of ACAD VCD graduates who took home national and international visual communication design awards in 2011. And with big wins at the Applied Arts Awards and his first ever Yellow Pencil from the New York One Show, Aaron has built a name for himself alongside design's best and brightest.



HOT-SHOP'S HOT SHOT



SHAWN AYERST, ACAD STUDENT

The Glass Program's hot-shop at ACAD is unique – not only because it is the only one of its kind in a Canadian fine art undergraduate program, but also because of the path taken by the artists working within – artists like fourth-year ACAD student Shawn Ayerst.

Starting at ACAD in the early 1990's as an Extended Studies student, Shawn began his career as an artist by developing his own Calgary-based business in body piercing and tattooing. His work in jewellery and metals classes formed a basis for his success, and he continued with making jewellery throughout his time as an entrepreneur. A barter and trade for body art led him to an initial encounter with glass blowing, and the hot shop has been a second home ever since.

"I sort of did everything backwards – I started a business, then I started in Extended Studies, then did fourth year, and now I'm working on my art history courses" shared Shawn. "I didn't mean to be a student, I had a successful business, but this has been a passion for me. This is a collaboration between my mind and my hands, and I'm trying to incorporate what's coming to me from the foundation I'm getting here into my work."

Entering ACAD as a mature student, and further developing his practice in Glass at Pillchuck, Red Deer College and Concordia, Shawn's course has always been a unique one – perhaps that is one of the reasons he is able to create such astounding and unique work. During his time as a student, Shawn has exhibited across Canada, appearing in shows alongside art-stars such as Damien Hirst and gaining critical acclaim for his conceptual and elaborate pieces. While at ACAD Shawn has been taking every opportunity to use the studios and his faculty mentors to nurture new and increasingly complex ideas; showing his work in one-artist exhibitions throughout the college and working closely with the faculty in his program area. *"I don't know if I would have been able to make the shows I did without being here. Once you get out of school there isn't a lot of places to focus and make work like this, there is a gap out there".*

Most ACAD students enter their studies in first year, exploring mediums, attempting different disciplines and forming the foundation that they will then use in their area of focus for the next three years. In Shawn Ayerst's case, a more unique path was required. With support from faculty and assistance from the registrar, Shawn has worked literally from back to front – and has ended up on top.



THE PERFECT COMBINATIONS

SLED ISLAND, ACAD ALUMNI (2008-2011)

What happens when artists and curators meet musicians from all over the world? This year, the result was ACAD's first formal partnership with the Sled Island Music and Arts Festival: a joint venture presented in late June 2011 titled "Sled Island Art". As part of this partnership, ACAD commissioned 20 students and alumni to create visual art installations for the Sled Island Music and Arts Festival in Calgary.

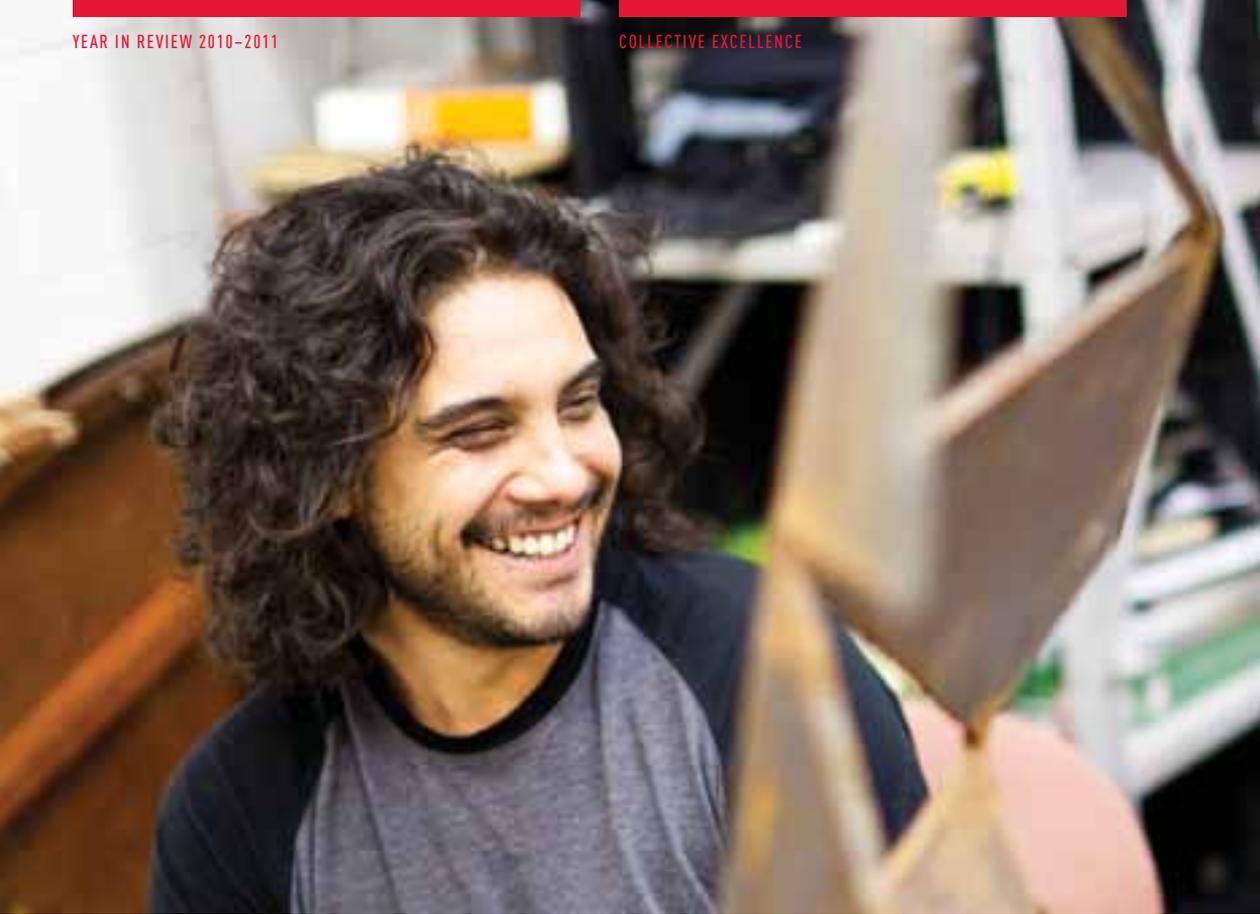
This series of visual-art exhibitions, performances and events featured ACAD students and alumni at venues throughout this week-long festival in an exciting series of opening receptions, installations, panel discussions and art performances.

ACAD is proud to have partnered with Sled Island this year and to have joined the festival in working closely with ACAD students and recent alumni to share some of Calgary's most cutting edge and diverse artists and designers with festival-goers. As ACAD's 2011 Curator in Residence Josh McNorton described: *"The result is over 20 artists creating site-specific pieces at four venues throughout the festival. In some cases, the work is inspired by and interacts with the music. In other instances, the*



work exists in an independent creative (and sometimes physical) space that combines with the music to create a rich, multi-faceted sensory experience in the venue."

This year, Art at Sled Island showcased work from Caitlind r.c. Brown, Keith Murray, Lowell Smith, Ryan Von Hagen, Sarah Smalik, Stephanie Murray, Wayne Garrett, Karilynn Thompson, Ashley Ohman, Joleen Toner, Stuart Hughes, Kiarra Albina, Leslie Bell, Brandon Blommaert, Jennie Vallis, Greg Debicki, Nicolas Gonzalez, Derek Damassi and Teresa Tam. Through their remarkable work, ACAD's partnership with Sled Island was a great success – truly an example of the power of creative thinking both in and out of the studio.



INTERNATIONAL INSPIRATION

JUAN PABLO GONZALEZ, ACAD STUDENT

For ACAD students, inspiration comes from many places. For Juan Pablo Gonzalez, his inspiration comes from a world away – his home in Venezuela and the political climate he was forced to leave behind.

Before coming to ACAD and becoming a sculpture major, Juan Pablo was a communications student with dreams of becoming a journalist. But, as he began his career with a newspaper in Caracas, Venezuela changed drastically: becoming a journalist with a point of view about the Chavez government became a death sentence.



After seeing friends killed for speaking out through the press, Juan Pablo made the difficult decision to move his focus to video and documentary production – a move which brought him to Canada for the Banff Film Makers Seminar. After several visits to Alberta and an invitation to participate in the Banff Film Festival, he decided to pursue a new life as an ACAD student, half a world away from family and friends.

"I'm coming close to developing a language for what I am doing, now I am figuring out what the next layer is. My formal aspect is a geometric abstraction, but I am trying to find different ways to apply this language I am making, to tell the story of what is important to me. I didn't want to leave the story of where I come from behind – I use the

physical language of sculpture to speak out about what is happening in my home country" shared Juan Pablo. His work tells the story of inequality in Venezuela and the political re-writing of history, as well as preserving his memories of the time before Chavez rule.

Juan Pablo's work has gained critical acclaim throughout Calgary, with private commissions for his innovative and exciting metal sculptures pouring in. And, as one of several students who's work was selected for the permanent collection of The Bow – Calgary's newest showcase building and the new home of Encana – the metal sculpture works being created in Juan Pablo's third-year home studio are carrying his story from Venezuela to Calgary, and beyond.

CELEBRATED MIND

NANCY TOUSLEY, CRITIC IN RESIDENCE

It is through collaboration that we grow at ACAD, and our most recent collaboration, with 2010-2011 ACAD Critic in Residence Nancy Tousley has brought not only growth, but great excitement to our College community. This spring, ACAD was pleased to share that our new Critic in Residence was named as one of eight recipients of the 2011 Governor General's Awards in Visual and Media Arts. Nancy Tousley joins a prestigious group of previous Governor General Award winners from the Alberta College of Art + Design including 2009 recipient, Rita McKeough.

The eight recipients of the 2011 Governor General's Awards in Visual and Media Arts represented a broad spectrum of artistic practice, including photography, performance art, experimental film and metalsmithing. The winners came from across Canada, and work in a variety of media.



Nancy Tousley received the Outstanding Contribution Award for her 30-year career as an art critic and journalist. According to nominator Peter White, independent curator and writer, Ms. Tousley received this award because “She demonstrates respect for the artists she interviews, and for the readers who follow her work.”

As Critic In Residence at the Alberta College of Art + Design, this new Governor General Award winner works daily with students and faculty and with ACAD's two public gallery spaces to raise the level of critical discourse at ACAD. Nancy Tousley's practice has included writing about art and architecture for a major daily newspaper, art magazines and exhibition catalogues. And in the summer of 2011, she was essential to the development of ACAD's first Critical Writing Workshop, lending her expertise to an exclusive group of students from across Canada.

A LIVE WIRE

DARLENE LEE, ACAD FACULTY

There are only 2000 Ted Talks members in the world today. That prestigious list of leading visionaries and thinkers includes Bill Gates, Al Gore, Stephen Sagmeister and Bill Clinton. And luckily for ACAD, one of the 2000 members can be found right here in the VCD studios at ACAD.

Darlene Lee, ACAD sessional instructor for the past six years, practicing designer and eight-time member of TED is an inspiring force in the classroom for students and colleagues alike, bringing her passion for change to the Alberta College of Art + Design.

With a background that includes a BFA from the University of Calgary (Painting and Printmaking) and a Masters of Industrial Design from Pratt in New York, Darlene brings a wealth of experience to her classrooms. She herself is an ongoing student – as she continues her PhD studies at Columbia University she is already contemplating another Master's degree.

As a designer, Darlene worked at a variety of industries including the New York fashion world (with Ralph Lauren) and product design (with Proctor & Gamble) before

applying to participate in her first TED conference. During her time in New York she started the Association of Woman Industrial Designers, an organization that continues to this day. Today, she is passionate about continuing her work in experience and service design through collaborative TED projects including TED Flight and Jaime Oliver's Food Revolution. Her time at TED is, as she says "about more than the talks", with each conference bringing Darlene the opportunity to engage in one-on-one discussions with the world's leading thinkers about topics ranging from how we can best use sports recruiting models to bring in the best students to an art college, to how to solve design and social problems.

The international TED conferences have become a global phenomenon with a free website featuring over 1000 inspiring videos of presentations made to the exclusive live audience, and new growth plans for increased TEDx presentations, including several in Calgary. Focused around the concept of "ideas worth spreading", TED applicants must answer the question of "how do you want to change the world?", and each participant must be chosen from the thousands of applicants in order to attend the three day annual event. For Darlene, the eight TED conferences she has now attended have inspired her both in her own practice and in the studio classroom – allowing her to answer the question of how she would change the world one project, and one student, at a time.

WEAVING PERSPECTIVES



SHEENA PERRATT, ACAD STUDENT

In a busy fibre studio on ACAD's fourth floor, wild creatures are appearing in the student home-studio workspaces. Angler fish, anatomically correct miniature mice, foxes and snakes are showing up everywhere, and they are all the work of Fibre major Sheena Perratt. Sheena's work involves the creation of knitted skeletons, felted organs and sewn skin and fur to build a fibre model of a real life animal, and it's getting attention.

"I've always been obsessed with creatures and animals, how they are made and what we don't know about them yet" Sheena explains. "I started with angler fish because they are one of the only animals we don't know anything about. We don't know what they look like inside – only one has been caught for studying, and I was interested in how I could invent and imagine that creature for myself starting from the bones out."

As a third year Fibre student, Sheena began her studies at ACAD with a drawing Extended Studies course. After a year of First Year Studies, torn between Fibre and Ceramics as majors of study, Sheena listened closely to the advice of faculty and mentors and has been focusing on her Fibre work ever since.



"Next I think I'd like to look at how I can integrate sound into my Fibre work. Sound and movement, maybe some video and more interactivity with a MADT course".

This year, Sheena's interactive and engaging work has moved out of the studio space, and into the world of science. Recently she was commissioned to create a 10-foot-long hand-knitted human digestive tract for Calgary's new TELUS Spark Science Centre – work which will allow visitors to massage a ball through the system as they learn more about how digestion works. From knitting and felting the skeleton, organs, muscles and fur of mice and foxes to a larger than life human system – Sheena Perratt is making her mark as an artist to watch.

CURATING CREATIVITY

WAYNE BAERWALDT, ACAD STAFF

The Illingworth Kerr Gallery at ACAD is not only home to some of the most exciting exhibitions of contemporary art and design in Canada, it is also a hub for ACAD's increased research and creative output endeavors. And at the helm of all this activity is acting Vice President Research and Academic Affairs and Director/Curator Exhibitions Wayne Baerwaldt. This year, Wayne has been involved in initiating ACAD's first Critic and Curator in Residence initiatives, welcoming in Governor General Award Winning critic Nancy Tousley (Critic in Residence 2010-2011) and Josh McNorton (Curator in Residence 2011) and increasing the level of critical and creative discussion in classrooms, studio spaces and public events across campus.

With Wayne's help, ACAD is making a mark in Calgary's creative community as well – this year Calgary was named Canada's Cultural Capital and Wayne is involved with initiatives planned to celebrate that honour, as well as with Calgary's new Nuit Blanche 2012 leadership committee.

In his role as Director/Curator of the IKG, Wayne has also bought in leading voices in contemporary art to ACAD's largest gallery space in 2010-2011, including international sensation Iran do Espírito Santo and the Canadian Art Foundation REEL Artists Film Festival.



In addition to his role as Director/Curator, Exhibitions at ACAD Wayne is also Adjunct Professor in the Faculty of Fine Arts, University of British Columbia, Adjunct Curator for the Toronto International Film Festival and Curator for Nuit Blanche, Calgary. He has previously been the Director of Plug In Gallery, Winnipeg, and Director of The Power Plant, Toronto. Baerwaldt acted as Co-commissioner and Curator for Janet Cardiff and George Bures Miller's double award-winning production, The Paradise Institute, at the 49th Venice Biennale (2001) and curated the 2007 Montreal Biennale: Crack the Sky.

His commitment to increasing ACAD's support for research and creative output, and for developing programming and opportunities for aboriginal artists is setting ACAD apart, and bringing some of the most exciting names in art and design to our campus.



Iran do Espírito Santo, *En Passant 8*, 2011, latex on wall.

EXPLORER OF PERCEPTION

EVAN PENNY, ACAD ALUMNI (1975)

Evan Penny became an Alberta College of Art + Design Alumni in 1975, graduating with honours from the Sculpture department. He has received numerous awards and grants, including many Canada Council and Ontario Arts Council grants, the Lynch-Staunton Award the Queen Elizabeth Prize. Penny's poly-resin casts reference the human body – he is a remarkable modeler and a fastidious renderer of the human form. His earlier works deal with the whole figure, while his newer works are a more conceptual approach to the body, a typographical representation or close-up of previous pieces. His ongoing engagement as an ACAD Alumni has led him to participate in fund-raisers and special events, and most recently to join new ACAD Alumni in a special reception at the 2011 Toronto Art Fair.

Penny's history as a sculpture major at ACAD remains a key foundation for his work, including his most recent pieces that increasingly utilize new technologies to render hyper-realistic sculpture.

In 2011 Penny created his largest sculpture to date, *Jim Revisited*, a 10 foot tall man with a commanding presence based on a revisiting of a previous work (the 1985 piece, *Jim*, a diminutive 4/5 life-size sculpture). The progression of *Jim* from 1985 to 2011, exemplifies the development of Penny's sculpture over the last 26 years, in addition to



reflecting the advancement of technology, photography, and the representation of the body in a digital imaging age.

At this year's Toronto Art Fair, this ACAD Alumni excited audiences once again with two new self-portraits—one of himself as he remembers himself looking as a young man during his time as a student at ACAD, and another as he imagines he will look at an old age. These two sculptures reveal Penny's self-reflection through a continuum of time, and alludes to the subjective nature of memory and desire, and how photographic images inform and distort perception and representations of the self.

UNCONDITIONALLY INVOLVED

KRIS WEINMANN, ACAD STUDENT

For most students, a career as a practicing and exhibited artist or designer begins once the convocation gown is returned. Not so for ACAD Students' Association President Kris Weinmann, one of ACAD's most involved and passionate students. In this, his last year of study, Kris is able to look back on four years of involvement with ACAD Student Council (as representative for his year of study and his programs of study before his term of service as ACADSA President), a series of exciting exhibitions held in Calgary and Toronto, apprenticeships with some of the world's most exciting contemporary artists, and major accomplishments through his work with the Students' Union.

Kris came to ACAD as a first year student from southern Ontario after a year of traveling around the world to such faraway locations as Bali, Amsterdam and New Zealand. Once here, he was immediately involved in ACAD's community as a student representative on counsel, and as a student artist with self generated exhibitions in homes and downtown office buildings around Calgary. His experience as a gallery technician at the Art Gallery of Calgary brought him to an apprenticeship with Ian Baxter – an opportunity which then led to exhibitions of his work in Toronto.

Through his work with ACADSA, Kris has helped open new spaces for students in the downtown core to create and exhibit work, including the newly opened Root Cellar gallery in Calgary's Mission area. And his reach extends



across Canada: with Kris at the helm, ACADSA has begun a new Canadian Art and Design Student Alliance, bringing together advocacy and support for the specific needs of art and design students in schools across Canada.

Kris' work as a painting major has received critical acclaim here, and across Canada. As one of the 13 selected students who's work now hangs as part of Encana's esteemed collection in The Bow, his precise and moving paintings are reaching a wide audience.

And what happens once this class President graduates? One thing is for sure – he is not slowing down. Along with two student colleagues, Kris has set up a new adventure through a recently opened collaborative studio space here in Calgary. We look forward to seeing what he creates next.

AAC

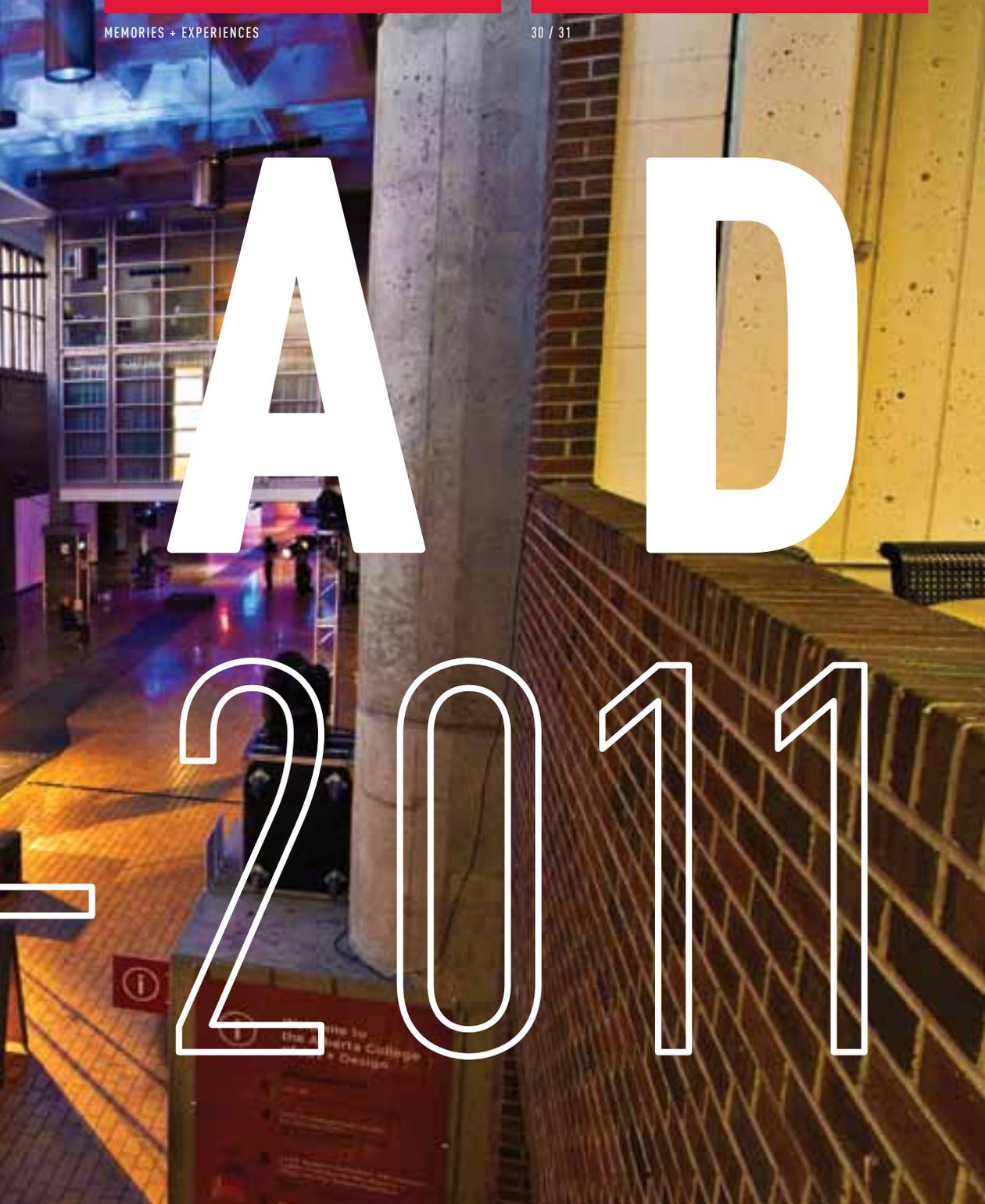
2010



GALLERY
371

A D

- 2011





ACAD Show Off High School Student Art Exhibition 2011

This spring, over 300 students in grades 11 and 12 competed to showcase their talent in this professional gallery exhibition, staged in ACAD's Illingworth Kerr Gallery. Of the 300, only 75 students were selected from across Alberta, marking the first step in their careers as professional artists and designers. As part of the public closing reception for the 2011 Show Off Exhibition, ACAD was pleased to announce that of the exhibiting artists, 13 won major scholarships and awards towards their first year of study, opening the doors to their pursuit of a Bachelor of Design or Bachelor of Fine Arts degree at ACAD.



Iran do Espírito Santo: *Wall Drawings* at the IKG

Iran do Espírito Santo produces some of the most significant site-specific installations in the world, exploring the space between the concrete and the abstract. During the summer of 2011, the IKG became the site of his newest exhibition, bringing the world's attention to ACAD.

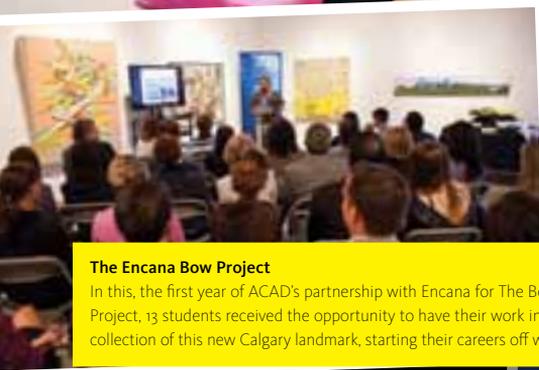




Jeanne Becker Fashion Event

In May of 2011, a Canadian fashion icon hit the ACAD catwalk as Jeanne Becker joined the ACAD Board of Governors and ACAD supporters at a special evening of conversation and celebration in honour of the 2011 ACAD Board of Governors Alumni Award of Excellence Recipients hosted by the TrepanierBaer Gallery.





The Encana Bow Project
In this, the first year of ACAD's partnership with Encana for The Bow Emerging Artists Project, 13 students received the opportunity to have their work included in the permanent collection of this new Calgary landmark, starting their careers off with a remarkable success.

ALBERTA COLLEGE OF ART + DESIGN

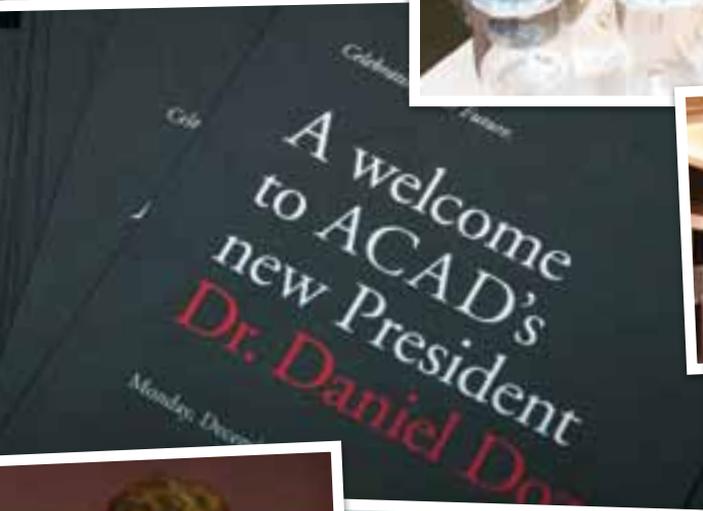
GRAD SHOW 2011



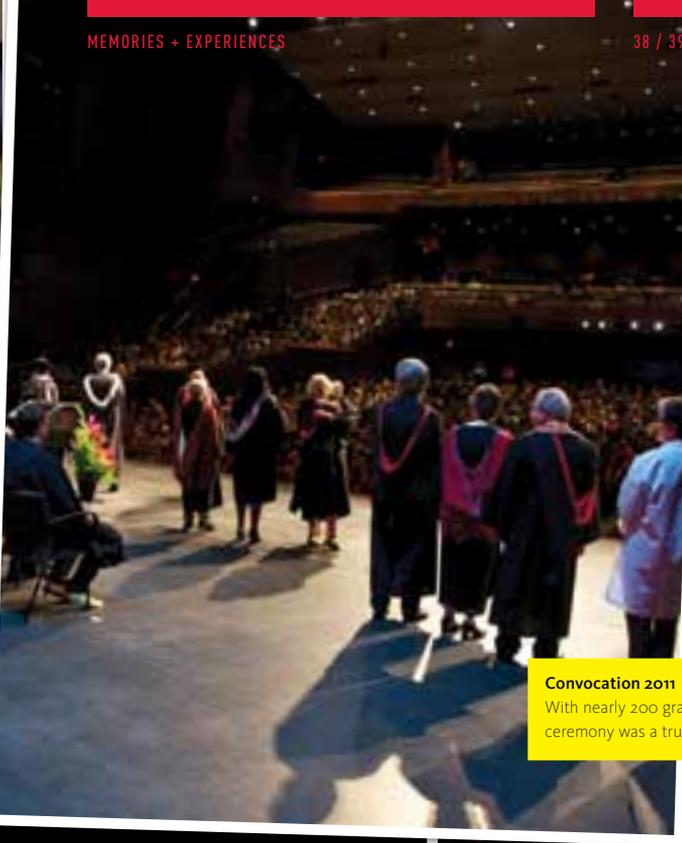


Grad Show 2011

The annual ACAD Graduating Student Exhibition is one of Calgary's most exciting cultural events of the year. In 2011, nearly 200 students exhibited work that pushed the boundaries of contemporary practice, providing an audience of over 2000 visitors with a not-to-be-missed art and design experience.

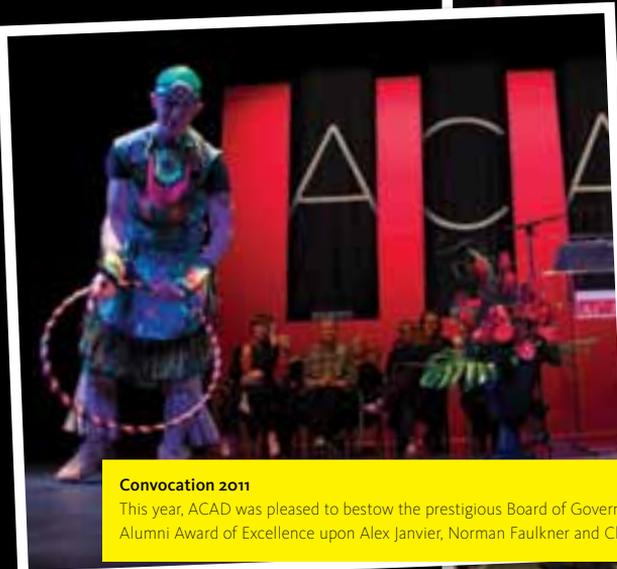


Presidential Welcome Ceremony 2010
Dr. Daniel Doz was officially sworn in on December 6, 2011 as President + CEO of the Alberta College of Art + Design. Surrounded by more than 500 supporters representing students, faculty and staff of ACAD, members of Calgary's creative community and leaders from government and the post secondary institutions, Dr. Doz was officially welcomed to the College by Board Chair Jim Peacock.



Convocation 2011

With nearly 200 graduates from all 11 program areas, the 2011 ACAD Convocation ceremony was a true celebration of achievement and creativity.



Convocation 2011

This year, ACAD was pleased to bestow the prestigious Board of Governors Alumni Award of Excellence upon Alex Janvier, Norman Faulkner and Chris Cran.





YOU ARE WHAT YOU CREATE

Everything: ACAD

We are catalysts at ACAD. It is our history and our community of staff, students and faculty that define our reputation as a leading centre of excellence for art and design education internationally. We are more than the sum of our parts, our accomplishments and our statistics. We are what we create. Take a look for yourself.

11 GREAT PROGRAMS

PAINTING

VISUAL COMMUNICATIONS DESIGN

GLASS CERAMICS

GLASS FIBRE

GLASS DRAWING

PHOTOGRAPHY

PRINT

MEDIA

MEDIA ARTS + DIGITAL TECHNOLOGIES

JEWELRY

+ METALS

LE
R
S
T
P
L
S
C
S

1200

TOTAL STUDENTS IN 2010-2011

POSSIBLE AWARDED CREDENTIALS

BACHELOR OF DESIGN

BACHELOR OF FINE ARTS

FOUR YEAR

STUDIO-BASED

UNDERGRADUATE DEGREES



HAPPY 23.6TH BIRTHDAY

AVERAGE STUDENT IS 23.6 YEARS OLD

48%

MALES

52%

FEMALES

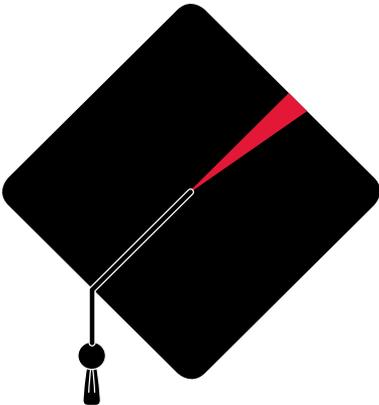


MOBILITY AND EXCHANGE PROGRAMS PARTNERING WITH

20+ COUNTRIES

INTERNATIONAL STUDENTS

FORM 11% OF ACAD'S POPULATION WITH 21 COUNTRIES REPRESENTED



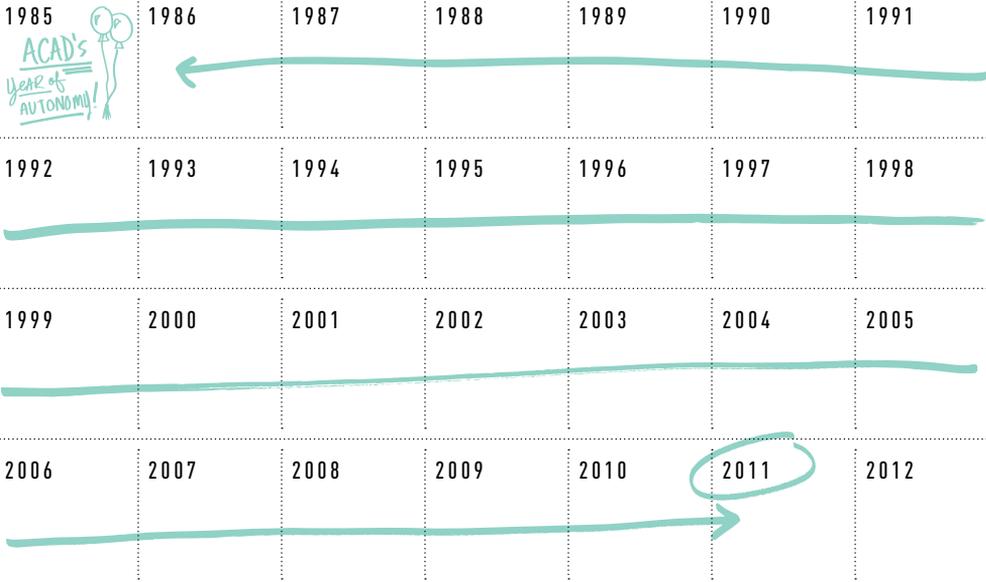
198

GRADUATES
IN THE CLASS
OF 2011

6900

TOTAL ACAD
ALUMNI AS
OF 2011

INDEPENDENCE

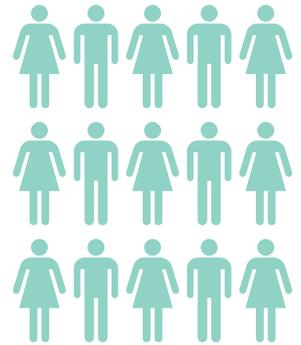


ACAD HAS BEEN AUTONOMOUS FOR 26 YEARS

AVERAGE ACADEMIC CLASS SIZE



AVERAGE STUDIO CLASS SIZE



2

PROFESSIONAL
GALLERIES
ON CAMPUS

10

STUDENT
GALLERIES
ON CAMPUS

ACAD WAS FOUNDED IN

1926

\$5,191

DOMESTIC TUITION AND FEES
(ONE YEAR, FULL TIME) IN 2010–2011

\$14,815

INTERNATIONAL TUITION AND FEES
(ONE YEAR, FULL TIME) IN 2010–2011

10
K
K

10,000 VISITORS AT
THE ILLINGWORTH
KERR GALLERY IN
2010–2011



80+

VISITING ARTISTS TO ACAD IN 2010–2011
INCLUDING SUCH NOTABLES AS BRIAN ENO

202 EXTENDED
STUDIES
COURSES
OFFERED

2275 EXTENDED
STUDIES
STUDENTS
SERVED

A.C.A.
+ D.

ALBERTA COLLEGE
OF ART (FROM 1985–1995)

ALBERTA COLLEGE
OF ART + DESIGN (1995+)



RATIO OF FACULTY TO STUDENTS / 1:9

CAMPUS SIZE

27000 m²

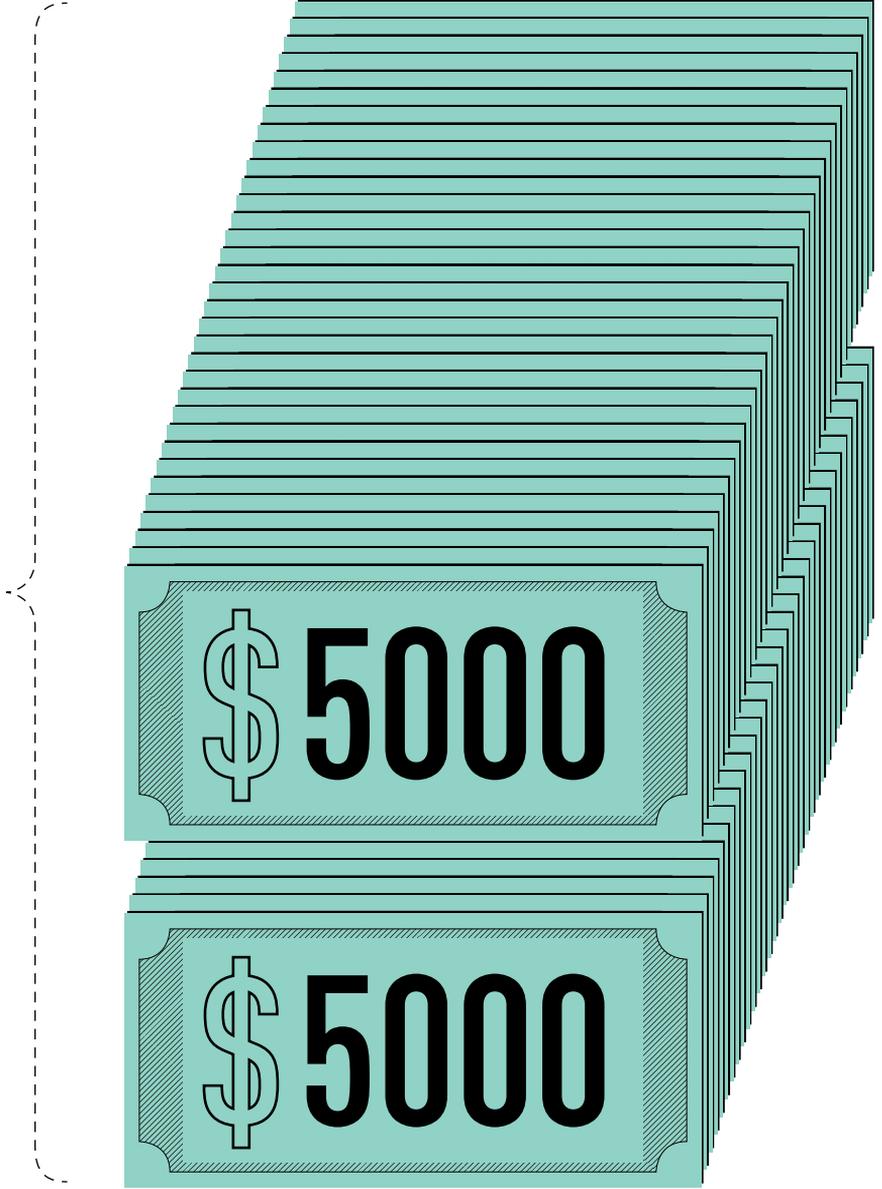
ACAD STUDENTS CREATED

50+

INDEPENDENT EXHIBITIONS IN 2010–2011

\$265 THOUSAND DOLLARS

WORTH OF SCHOLARSHIPS AND AWARDS GIVEN TO STUDENTS IN 2010-2011





RIGHT BRAIN, MEET LEFT BRAIN

Financials

ACAD is a not-for-profit organization with a mission to change our world for the better. We pour every resource into our college, and our reward is seeing our students, faculty, staff, alumni and community flourish.

The following includes the final financial statements, notes and management's discussion and analysis for the fiscal and academic year concluded June 30, 2011.

MANAGEMENT'S DISCUSSION & ANALYSIS

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS OF THE ALBERTA COLLEGE OF ART + DESIGN

The accompanying financial statements of the Alberta College of Art + Design are the responsibility of management and have been approved by the Board of Governors. The financial statements have been prepared by management and conform to generally accepted accounting principles described in Note 2 of the financial statements.

To discharge its responsibility for the integrity and objectivity of the financial reporting, management maintains a system of internal accounting controls comprising of written policies, guidelines and procedures and a formal authorization and approval structure. This system is designed to provide management with reasonable assurance that transactions are properly authorized, reliable financial records are maintained and assets are safeguarded and adequately accounted for.

The Board of Governors carries out its fiduciary responsibility for financial management of the College through its Finance and Audit Committee. The Finance and Audit Committee meets with management and the external auditor to discuss financial reporting matters and the results of the audit examinations. The external auditor has full access to the records of the College and to the Finance and Audit Committee with and without the presence of management.

The Auditor General of the Province of Alberta, as the Alberta College of Art + Design external Auditor appointed under the Auditor General Act of the Province of Alberta, performs an annual independent audit of the financial records and financial statements.

Management's discussion and analysis of the financial statements and the Independent Auditor's Report follow.

On behalf of management,



DR. DANIEL DOZ
President and CEO



DONALD DART
Senior Vice President, Finance and Corporate Services

INTRODUCTION

The following discussion and analysis of the financial statements should be reviewed in conjunction with the audited financial statements and accompanying notes to the financial statements. The financial statements represent the financial position and results of operations for the Alberta College of Art and Design for the year ended June 30, 2011.

STATEMENT OF FINANCIAL POSITION

/ Total Assets

Total assets increased by \$750 thousand from 2010. Cash reduced by \$137 thousand due to the movement of cash into long-term investments which increased by \$83 thousand. Capital assets increased by \$742 thousand from 2010 due mainly to the investment in building improvements and the acquisition of certain technology equipment.

/ Total Liabilities

Total Liabilities decreased by \$194 thousand. Deferred contributions increased by \$182 thousand as a result of additional grant funding received during the year for a number of externally restricted purposes. Deferred capital contributions also decreased by \$557 thousand due mainly to the investment in building improvements including the conclusion of HVAC and roofing upgrades. The increase in unamortized deferred capital contributions of \$501 thousand is due to the capitalization of equipment purchased and building renovations completed during the year.

/ Total Net Assets

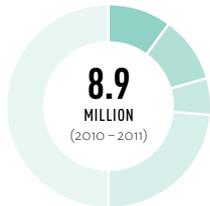
Total net assets increased by \$661 thousand from 2010. Endowments increased by \$99 thousand due mainly to the addition of two new endowment funds – The Nicole Creig Memorial Scholarship fund and the Doris Brown Memorial Scholarship fund. The Investment in Capital Assets and Collections also increased due mainly to the investment in building improvements and acquisition of technology and equipment. Internally restricted funds decreased by \$293 thousand following the expenditure of some of the funds. Unrestricted Net Assets increased by \$575 thousand due mainly to the addition of excess revenues over expenses for the year.

/ Contributions to Net Assets

ACAD ended the year with excess revenue of \$545 thousand before transfers from net assets, up from a deficit of \$205 thousand for 2009-2010 fiscal year. As a result this amount has been added to Unrestricted Net Assets leaving \$1,806 thousand in unrestricted reserves at the end of 2010-2011 for use in future periods.

TOTAL NET ASSETS

(2010-2011)



UNRESTRICTED / 20.3%
 INTERNALLY RESTRICTED / 21.1%
 INVESTMENT IN CAPITAL ASSETS
 AND COLLECTIONS / 11.8%
 ENDOWMENTS / 46.8%

REVENUES

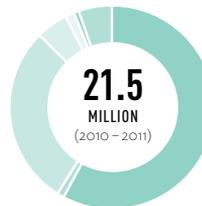
Overall revenues increased by \$43 thousand from prior year revenues to \$21,507 thousand. 58% of ACAD's revenues come from Government of Alberta grants which decreased by \$60 thousand. Federal and other grants increased by \$120 thousand.

Tuition and student fee revenues increased by \$188 thousand due to a combination of an increase in tuition fees of 1.5% and an increase in the number of students from 999 FLEs (full-time learning equivalents) in 2009-2010 to 1,003 FLEs in 2010-2011.

General sales of services and products remained relatively unchanged at \$1,050 thousand compared to 2009-2010 levels of \$1,070 thousand. Investment income increased by \$102 thousand from 2010 levels. This was primarily due to a surge in Canadian bonds resulting from international economic uncertainty. Finally, the amortization of deferred capital contributions increased by \$148 thousand from 2009-2010 due to the increased investment in capital assets and building improvements and hence the resulting draw down of the deferred capital contributions related to these assets.

TOTAL REVENUES

(2010-2011)



GOV'T OF ALBERTA GRANTS / 58.0%
 FEDERAL AND OTHER GOV'T GRANTS / 1.1%
 STUDENT TUITION AND FEES / 28.5%
 SALES OF SERVICES AND PRODUCTS / 4.9%
 DONATIONS AND OTHER CONTRIBUTIONS / 1.7%
 INVESTMENT INCOME / 0.7%
 AMORTIZATION / 5.1%

EXPENSES

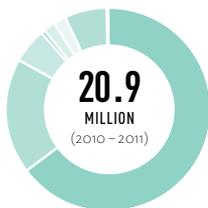
Overall expenses decreased by \$707 thousand to \$20,962 thousand compared to 2009-2010 levels. Salaries and benefits decreased by \$625 thousand due primarily to two factors including changes to hiring timelines in filling vacant positions and the strategic freezing of salary increases for management and management exempt employee groups.

Expenses related to the purchase of materials, supplies and services increased by \$116 thousand from 2009-2010 levels resulting primarily from the increase in contracted services while Utilities decreased by \$32 thousand and repairs and maintenance also decreased by \$42 thousand. Cost of goods sold as a percentage of bookstore sales revenue increased to 61.8% for 2010-2011 compared with 54.2% for 2009-2010.

Scholarship, bursaries, awards and fundraising expenses for the year were \$399 thousand, a decrease of \$405 thousand from 2009-2010 due to a reduction in fundraising activities. Finally, amortization expense increased by \$242 thousand from 2009-2010 levels as a reflection of prior year planned equipment acquisitions and building improvements.

TOTAL EXPENSES

(2010 – 2011)



- SALARIES AND BENEFITS / 65.0%
- MATERIALS, SUPPLIES AND SERVICES / 18.4%
- UTILITIES / 5.3%
- MAINTENANCE AND REPAIRS / 0.3%
- COST OF GOODS SOLD / 2.3%
- SCHOLARSHIPS AND BURSARIES / 1.9%
- AMORTIZATION OF CAPITAL ASSETS / 6.9%

INDEPENDENT AUDITOR'S REPORT



To the Board of Governors of Alberta College of Art and Design

Report on the Financial Statements

I have audited the accompanying financial statements of Alberta College of Art and Design, which comprise the statement of financial position as at June 30, 2011, and the statement of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Alberta College of Art and Design as at June 30, 2011, and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

AUDITOR GENERAL

October 28, 2011
Edmonton, Alberta

STATEMENT OF FINANCIAL POSITION

as at June 30, 2011

(000's)	2011	2010
Assets		
Current		
Cash and cash equivalents (note 3)	\$ 9,281	\$ 9,418
Short-term investments (note 4)	1,182	771
Accounts receivable	213	452
Inventories and prepaid expenses	623	605
	11,299	11,246
Long-term investments (note 4)	4,418	4,335
Other long-term assets (note 5)	221	349
Capital assets and collections (note 6)	5,628	4,886
	\$ 21,566	\$ 20,816
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,750	\$ 1,686
Current portion of employee future benefit liabilities (note 7)	7	5
Current portion of long-term liabilities (note 8)	39	36
Deferred contributions, research and other (note 9)	4,130	4,328
Deferred revenue	265	330
	6,191	6,385
Employee future benefit liabilities (note 7)	28	30
Long-term liabilities (note 8)	83	122
Deferred contributions, research and other (note 9)	1,479	1,099
Deferred contributions, capital (note 9)	427	984
Unamortized deferred capital contributions (note 10)	4,464	3,963
	12,672	12,583
Net Assets		
Unrestricted		
Accumulated excess of revenue over expenses	1,758	1,200
Accumulated net unrealized gain on investments (note 11)	48	31
Internally restricted (note 12)	1,874	2,167
Investment in capital assets and collections (note 13)	1,052	772
Endowments (note 14)	4,162	4,063
	8,894	8,233
	\$ 21,566	\$ 20,816

Contractual obligations (note 15)

Approved by the Board of Governors:

James Peacock, Q.C.
Chair, ACAD Board of Governors

Dr. Daniel Doz
ACAD President + CEO

STATEMENT OF OPERATIONS

For the year ended June 30, 2011

(000's)	Budget 2011 (note 16)	2011	2010
Revenue			
Government of Alberta grants	\$12,081	\$12,466	\$ 12,526
Federal and other government grants	-	244	124
Student tuition and fees	6,220	6,140	5,952
Sales of services and products	1,097	1,050	1,070
Donations and other contributions	405	364	799
Investment income (note 17)	200	145	43
Amortization of deferred capital contributions (note 10)	986	1,098	950
	20,989	21,507	21,464
Expense			
Salaries and benefits	14,109	13,625	14,250
Materials, supplies and services	3,648	3,849	3,733
Utilities	1,172	1,108	1,140
Maintenance and repairs	85	54	96
Cost of goods sold	380	472	433
Scholarships and bursaries	405	399	804
Amortization of capital assets	1,226	1,455	1,213
	21,025	20,962	21,669
Excess / (deficiency) of revenue over expense	\$ (36)	\$ 545	\$ (205)

STATEMENT OF CHANGES IN NET ASSETS

For the year ended June 30, 2011

(000's)	Unrestricted Net Assets		Internally Restricted Net Assets	Investment in Capital Assets and Collections	Endowments	Total
	Accumulated Excess (Deficiency) of Revenue over Expenses	Accumulated Net Unrealized Gain (Loss) on Investments				
Net Assets, June 30, 2009	\$ 3,398	\$ 57	\$ 1,745	\$ 740	\$ 2,274	\$ 8,214
Deficiency of revenue over expense	(205)	-	-	-	-	(205)
Investment income (note 14)	-	-	-	-	55	55
Endowment contributions	-	-	-	-	26	26
Unrealized gains (losses) on investments	-	(26)	-	-	169	143
Net Transfers	(2,414)	-	875	-	1,539	-
Net change in investment in capital assets (note 13)	180	-	(212)	31	-	(1)
Contributions of assets not subject to amortization (note 13)	-	-	-	1	-	1
Net expenditures of internally restricted net assets	241	-	(241)	-	-	-
Net Assets, June 30, 2010	\$ 1,200	\$ 31	\$ 2,167	\$ 772	\$ 4,063	\$ 8,233
Excess of revenue over expense	545	-	-	-	-	545
Investment income (note 14)	-	-	-	-	26	26
Endowment contributions	-	-	-	-	125	125
Unrealized gains (losses) on investments (note 11)	-	17	-	-	(52)	(35)
Net Transfers	(450)	-	450	-	-	-
Net change in investment in capital assets (note 13)	187	-	(467)	280	-	-
Net expenditures of internally restricted net assets	276	-	(276)	-	-	-
Net Assets, June 30, 2011	\$ 1,758	\$ 48	\$ 1,874	\$ 1,052	\$ 4,162	\$ 8,894

STATEMENT OF CASH FLOWS

For the year ended June 30, 2011

(000's)	2011	2010
Cash provided from (used in) operating activities		
Excess (Deficiency) of revenue over expense	\$ 545	\$ (205)
Add (deduct) non-cash items:		
Amortization of capital assets	1,455	1,213
Amortization of deferred capital contributions	(1,098)	(950)
Loss on disposal of capital assets	3	-
Change in employee future benefit liabilities	-	(57)
Total non-cash items	360	206
Net change in non-cash working capital (*)	(296)	(212)
	609	(211)
Cash provided from (used in) investing activities		
Purchases of capital assets and collections, net of proceeds from disposals	(2,200)	(1,635)
Purchases of long-term investments, net of sales	170	(1,408)
	(2,030)	(3,043)
Cash provided from (used in) financing activities		
Endowment contributions	150	81
Capital contributions	1,170	1,812
Long-term liabilities - new financing, net of repayments	(36)	18
	1,284	1,911
Decrease in cash and cash equivalents	(137)	(1,343)
Cash and cash equivalents, beginning of year	9,418	10,761
Cash and cash equivalents, end of year (note 3)	\$ 9,281	\$ 9,418
(*) Net change in non-cash working capital:		
Increase in short-term investments	\$ (329)	\$ (305)
Increase (decrease) in accounts receivable	240	(241)
Increase (decrease) in inventories and prepaid expenses	(18)	(14)
Increase (decrease) in accounts payable and accrued liabilities	64	(29)
Increase (decrease) in deferred contributions, research and other	(188)	401
Decrease in deferred revenue	(65)	(24)
	\$ (296)	\$ (212)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2011

(All tabular amounts in thousands, unless otherwise stated)

1. AUTHORITY AND PURPOSE

The Board of Governors of the Alberta College of Art + Design is a corporation which manages and operates Alberta College of Art + Design ("the College") under the Post-Secondary Learning Act (Alberta). All members of the board of governors are appointed by either the Lieutenant Governor in Council or the Minister of Advanced Education and Technology, with the exception of the President, who is an ex officio member. Under the Post-Secondary Learning Act, Campus Alberta Sector Regulation, the College is a public institution for education in visual arts, design and digital media that delivers post-secondary degree programs as well as adult and children's continuing education programs and activities. The College is a registered charity, and under section 149 of the Income Tax Act (Canada), is exempt from the payment of income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

/ (a) General – GAAP and Use of Estimates

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results. College management uses judgment to determine such estimates. Unamortized deferred capital contributions and amortization of capital assets are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these financial statements and, together with the following notes, should be considered an integral part of the financial statements.

/ (b) Financial Instruments

The College's financial assets and liabilities are generally classified and measured as follows:

Financial Statement Components	Classification	Measurement
Cash and Cash Equivalents	Available for Sale	Fair Value
Investments	Available for Sale	Fair Value
Accounts Receivable	Loans and Receivables	Cost
Other Long-term Assets	Loans and Receivables	Amortized Cost
Accounts Payable and Accrued Liabilities	Other Liabilities	Cost
Long-term Liabilities	Other Liabilities	Amortized Cost

The College's financial instruments are recognized on their trade date and transaction costs related to all financial instruments are included in the carrying amount of the financial instruments as incurred. Financial assets classified as available-for-sale are measured at fair value with changes in fair values recognized in the Statement of Changes in Net Assets or deferred contributions as appropriate until realized, at which time the cumulative changes in fair value are recognized in the Statement of Operations.

The carrying value of cash, receivables, payables, and accruals approximate their fair value due to the relatively short periods to maturity of the instruments. The fair value of investments is market value.

When the market value of an investment falls below its cost and the decline is determined to be other-than-temporary, the cumulative loss that had been recognized directly in net assets is removed and recognized directly in the Statement of Operations even though the financial asset has not been derecognized. Impairment losses recognized in the Statement of Operations for a financial instrument classified as available-for-sale are not reversed in subsequent years.

All derivative financial instruments of the College are classified as held for trading. The College does not use foreign currency forward contracts or any other type of derivative financial instruments for trading or speculative purposes. Forward contracts are marked to market at the end of each reporting period with any changes in the market value recorded in the statement of operations when the changes occur. As permitted for Not-for-Profit Organizations, the College has elected to not apply the standards on derivatives embedded in non-financial contracts, and the College has elected to continue to follow CICA 3861: Disclosure and Presentation.

Financial instruments are exposed to market risk, liquidity risk, credit risk, interest rate risk, and commodity price risk.

Market Risk

The College is subject to market risk, foreign currency and interest rate risk with respect to its investment portfolio. To manage these risks, the College has established a target mix of investment types designed to achieve the optimal returns within reasonable risk tolerance.

Liquidity Risk

The College maintains investments available for sale that may not be immediately liquid. This risk is managed through the College's investment guidelines and other internal policies, guidelines and procedures.

Credit Risk

The credit risk for accounts receivable is relatively low as the majority of balances are due from government agencies and corporate sponsors. Credit risk from tuition is managed through restricted enrolment activities for students with delinquent balances and maintaining standard collection procedures.

Interest Rate Risk

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. The risk is managed by various banking arrangements and other internal policies, guidelines and procedures.

Commodity Price Risk

The College is exposed to commodity price risk as a result of electricity and natural gas usage required to operate the institution's facilities. The College manages these risks by monitoring prices and responding in accordance with internal policies, guidelines and procedures.

/ (c) Inventories

Inventories held for resale are valued at the lower of cost and net realizable value. Inventories held for consumption are valued at cost or net replacement cost. Cost is determined by first in first out.

/ (d) Capital Assets and Collections

The land and buildings which house the College are owned by SAIT and are occupied by the College under a facility license granted by SAIT. The term of the license is through a renewable contractual agreement between the College and SAIT determined at the pleasure of the Minister of Advanced Education and Technology. The facility license providing the right to use the building was recorded as an asset at fair value at the time the license was granted. Fair value was estimated as the building's amortized replacement cost based on an independent appraisal as at April 1982.

Subsequent additions to the facility are recorded as building improvements at cost.

Capital assets purchased are recorded at cost. In-kind contributions are recorded at fair value of capital assets when a fair value can be reasonably determined.

Construction in progress includes the costs directly attributable to the construction including engineering and legal fees.

Capital assets, except for artwork, once placed into service, are amortized on a straight-line basis over the assets' estimated useful lives. The estimated useful lives are as follows:

Facility License	28 years
Building Improvements	Remaining life of the building
Furnishings, Equipment	5 years
Computer Systems	3 – 5 years

/ (e) Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized in the period incurred, if a reasonable estimate of fair value based on the present value of estimated future cash flows can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the asset and amortized over its estimated useful life. No asset retirement obligation exists as at June 30, 2011.

/ (f) Revenue Recognition

The financial statements record the following items as revenue – at the following times:

- Unrestricted contributions – when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.
- Operating grants – when received or receivable, or where a portion of the grant relates to a future period, it is deferred and recognized in the subsequent period.
- Unrestricted investment income - when earned; this includes interest, dividends, and realized gains and losses.
- Pledges – when collected.
- Revenues received for services and products – when the services or products are substantially provided and collection is reasonably assured.
- Tuition fees – when the instruction is delivered.
- Donations of materials – are recorded at fair value when a fair value can be reasonably determined and when materials would otherwise have been purchased.
- Restricted contributions - based on the deferral method.

Deferral method

Contributions, including investment income on the contributions, which are restricted for purposes other than endowment or capital asset acquisitions, are deferred and recognized as revenue when the conditions of the contribution are met.

Contributions to acquire capital assets with limited lives are first recorded as deferred contributions, capital when received, and when expended they are transferred to unamortized deferred capital contributions and amortized to revenue over the useful lives of the related assets.

Endowment contributions are recognized as direct increases in endowment net assets. Investment earnings, under agreements with benefactors or the Post-Secondary Learning Act allocated to endowment principal, are also recognized as direct increases in endowment net assets. Endowment investment earnings that are allocated for spending are deferred and recognized as revenue when the conditions of the endowment are met.

Contributions restricted for the acquisition of land and permanent collections are first recorded as deferred contributions when received, and when expended, they are recognized as direct increases in investment in capital assets and collections.

/ (g) Foreign Currency Translation

Financial assets and liabilities recorded in foreign currencies are translated to Canadian dollars at the year-end exchange rate. Revenues and expenses are translated at average weekly exchange rates. Gains or losses from these translations are included in investment income.

/ (h) Employee Future Benefits**Pension**

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

The College does not have sufficient plan information on the LAPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recorded for the LAPP is comprised of employer contributions to the plan that are required for its employees during the year; which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

Long-term disability

The College pays or shares the premiums for certain benefits for employees on long term disability. The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the College's long-term disability plans is charged to expense in full when the event occurs which obligates the College to provide the benefits. The cost of these benefits is determined using the present value of the estimated cost of these premiums and are recorded at the time the College becomes obligated under the plan.

/ (i) Capital Disclosures

The College defines its capital as the amounts included in deferred contributions (note 9), endowments (note 14) and unrestricted net assets. The College's capital is derived from Alberta Advanced Education and Technology, other government funding agencies, donations and the institution's entrepreneurial activities. The College has investment policies and procedures (note 4), spending procedures, and cash management procedures to ensure the College can meet its capital obligations.

Under the Post-Secondary Learning Act, the College must receive ministerial or Lieutenant Governor in Council approval for a deficit budget, mortgage and debenture borrowing and the sale of any land, other than donated land, that is held by and being used for the purposes of the College.

/ (j) Contributed Services

Volunteers as well as members of the staff of the College contribute an indeterminable number of hours per year to assist the institution in carrying out its mission. Such contributed services are not recognized in these financial statements.

/ (k) Future Accounting Changes

The Public Sector Accounting Board (PSAB) has issued a framework for financial reporting by government not-for-profit organizations. The framework includes the PS 4200 series of standards for Government Not-For-Profit Organizations. This framework will be effective for fiscal years beginning January 1, 2012. Government not-for-profit organizations have been presented the option to apply either PS 4200 series of standards plus the PSA Handbook; or PSA handbook without the PS 4200 series of standards. The Government of Alberta has decided that Alberta Public Post-Secondary Institutions, as government not-for-profit entities, will adopt the PSA handbook without the PS 4200 series of standards. The College has started to identify the differences in the standards that will impact the financial statements and will quantify the differences. The College will also determine whether any specific exemptions and exceptions applicable to the first time adoption of PSA standards by government not-for-profit organizations will be applicable to the College.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of \$9,281 (2010: \$9,418) represents all cash held by the College in its general banking accounts for the ongoing settlement of all current indebtedness and payroll obligations.

4. INVESTMENTS

As at June 30, 2011, the composition and fair value on investments are as follows:

	2011			2010		
	Cost Base	Unrealized Gain	Market Value	Cost Base	Unrealized Gain	Market Value
Canadian bonds	\$ 2,819	\$ 160	\$ 2,979	\$ 2,733	\$ 138	\$ 2,871
Pooled hedge funds	2,220	401	2,621	2,147	88	2,235
	\$ 5,039	\$ 561	\$ 5,600	\$ 4,880	\$ 226	\$ 5,106
Short-term investments	\$ 1,054	\$ 128	\$ 1,182	725	46	771
Long-term investments	3,985	433	4,418	4,155	180	4,335
	\$ 5,039	\$ 561	\$ 5,600	\$ 4,880	\$ 226	\$ 5,106

The College has policies and procedures in place governing asset mix, diversification, exposure limits, credit quality and performance measurement. The College's Finance and Audit Committee, a subcommittee of the Board of Governors, has delegated authority for oversight of the College's investments. The Finance and Audit Committee monitors investment manager performance, to ensure compliance with the College's investment guidelines, and to evaluate the continued appropriateness of the College's investment procedures. Under the investment policy, the prime objectives of the investment fund are to generate income and to preserve the purchasing power of donated capital, and to generate growth in the capital value of the College's investment funds. The prime constraints that guide the investment policy are risk aversion and liquidity.

The College's investments are held as available-for-sale investments primarily in pooled mutual funds.

Short and long-term investments are recorded at market value, with unrealized gains or losses recorded in deferred contributions or net assets. Market value is based upon a quoted market price of the securities. Investments are currently held as fixed income and balanced pooled funds comprising money market, bond and equity investments, managed through an investment advisor.

Realized return includes net realized gains on disposal of investments in the underlying pooled funds. In 2011 the realized gain on disposed of assets was 5.03% (2010: 5.56%).

5. OTHER LONG-TERM ASSETS

	2011	2010
Receivable from SAIT	\$ 221	\$ 349
Balance, end of year	\$ 221	\$ 349

A change was made in 2010 to have all funds related to the major maintenance of the infrastructure of the building given directly to the College. In prior years, grants were provided directly to SAIT who owns the land and buildings. SAIT still holds \$221 (2010: \$349) of government grant funds that are to be used for the building envelope and utilities infrastructure. The amount has been recorded as a capital contribution receivable. The transactions were entered into on the same business terms as with non-related parties and are recorded at fair value.

6. CAPITAL ASSETS AND COLLECTIONS

	2011			2010		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
Buildings, Utilities and Site Improvements	\$ 6,636	\$ 3,567	\$ 3,069	\$ 5,349	\$ 3,040	\$ 2,309
Facility License	12,207	11,335	872	12,207	10,899	1,308
Furnishings, Equipment and Systems	6,564	5,248	1,316	5,660	4,762	898
Art Permanent Collections	371	-	371	371	-	371
Capital Assets and Collections	\$ 25,778	\$ 20,150	\$ 5,628	\$ 23,587	\$ 18,701	\$ 4,886

Included in buildings, utilities and site improvements is \$148 recorded as construction in progress, which is not amortized as the assets are not yet available for use.

Included in furnishings, equipment and system are assets under capital leases that have a cost \$188 (2010: \$188) and accumulated amortization of \$76 (2010: \$38).

Acquisitions during the year includes in-kind contributions in the amount of \$1 (2010 \$1).

7. EMPLOYEE FUTURE BENEFIT LIABILITIES

Employee future benefit liabilities are comprised of the following:

	2011	2010
Long-term disability	\$ 35	\$ 35
Less current portion	(7)	(5)
Long-term portion	\$ 28	\$ 30

(a) Defined Benefit

Multi-Employer Pension Plans

The Local Authority Pension Plan (LAPP) is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. At December 31, 2010, the LAPP reported an actuarial deficiency of \$4,635,250 (2009 - \$3,998,614 deficiency). The pension expense recorded in these financial statements is \$858 (2010 - \$879).

/ (b) Defined Contribution

Long-term disability

The College provides certain extended health benefits to employees leaving the employment of the College under specific conditions. Liabilities for future benefit payments are recorded by the College in the year the application is approved.

8. LONG-TERM LIABILITIES

The College has obligations under capital lease agreements for the lease of certain copier and printing equipment. The following outstanding amounts relate to these obligations:

	2011	2010
Obligations under capital leases	\$ 122	\$ 158
Less current portion	(39)	(36)
	\$ 83	\$ 122

The minimum annual payments under the capital lease obligation, including interest, are as follows: 2012 – \$39; 2013 – \$41; 2014 – \$42. Interest expense on these long-term obligations is \$10 (2010: \$18).

9. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent externally restricted grants and donations. Changes in the deferred contributions balances are as follows:

	2011		2010	
	Capital	Other	Capital	Other
Balance, beginning of the year	\$ 984	\$ 5,427	\$ 446	\$ 5,195
Grants and donations received	425	1,283	1,427	1,846
Investment income	–	64	–	165
Recognized as revenue	(12)	(905)	(19)	(1,303)
Transferred to unamortized deferred capital contributions (note 10)	(970)	(630)	(870)	(458)
Net unrealized gains (losses)	–	370	–	(18)
Balance, end of the year	427	5,609	984	5,427
Less amounts included in current liabilities	–	(4,130)	–	(4,328)
	\$ 427	\$ 1,479	\$ 984	\$ 1,099

10. UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS

Unamortized deferred capital contributions represent the unamortized grants and donations received to fund capital acquisitions. The amortization of unamortized deferred capital contributions is recorded as revenue in the statement of operations. The changes in the unamortized deferred capital contributions balance are as follows:

	2011	2010
Balance, beginning of the year	\$ 3,962	\$ 3,585
Additions from deferred contributions (note 9)	1,600	1,328
Amortization to revenue	(1,098)	(950)
Balance, end of the year	\$ 4,464	\$ 3,963

11. NET UNREALIZED GAINS ON AVAILABLE-FOR-SALE INVESTMENTS

	2011	2010
Net unrealized gains on available-for-sale investments	\$ 456	\$ 345
Net Investment income realized on available-for-sale investments during the year and reported in Statement of Operations	(121)	(220)
Increase in gains on available-for-sale investments	335	125
Balance, beginning of year	226	101
Balance, end of year	\$ 561	\$ 226

Presented as:

				2011	2010
	Recorded in deferred contributions	Recorded in Endowments	Other new assets	Total	Total
Balance, beginning of year	\$ 16	\$ 179	\$ 31	\$ 226	\$ 101
Increase (decrease) during year	370	(52)	17	335	125
Balance, end of year	\$ 386	\$ 127	\$ 48	\$ 561	\$ 226

12. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets represent amounts set aside by the College's Board of Governors for specific purposes. Those amounts are not available for other purposes without the approval of the Board and do not have interest allocated to them. Internally restricted net assets are summarized as follows:

	Balance at beginning of year	Appropriations from unrestricted net assets	Disbursements during the year	Balance at end of year
Appropriation for capital activities:				
Safety and Security	\$ 6	\$ -	\$ (6)	\$ -
Heating, Ventilation and Air Conditioning	117	-	-	117
Wireless Facility Infrastructure	39	-	-	39
Equipment Renewal Plan	109	-	(27)	82
Administrative System Applications	1	-	-	1
Website Development and Maintenance	24	-	(24)	-
Planning/Facility Planning	39	-	(30)	9
Health and Safety Program	282	-	(59)	223
Equipment & Technology	625	-	(248)	377
Administrative Office Renovation Planning	82 100	- -	(73) -	9 100
	1,424	-	(467)	957
Appropriation for operating activities:				
Human Resource Infrastructure	393	350	(248)	495
Marketing and Recruitment	44	-	-	44
Utilities	90	-	-	90
Community Relations - President	15	-	(14)	1
Accreditation	42	-	(5)	37
Centre for the Creative Process	50	-	-	50
Institutional Branding	9	-	(9)	-
Awards	100	-	-	100
President Excellence	-	100	-	100
	743	450	(276)	917
Total	\$ 2,167	\$ 450	\$ (743)	\$ 1,874

13. INVESTMENT IN CAPITAL ASSETS AND COLLECTIONS

Net assets invested in capital assets and collections represent the carrying amount (net book value) of capital assets and collections less unamortized deferred capital contributions and any related debt.

	2011	2010
Capital assets and collections at net book value (note 6)	\$ 5,628	\$ 4,886
Less amounts financed by:		
Assets Financed by Capital Lease	(112)	(151)
Unamortized Deferred Capital Contributions (note 10)	(4,464)	(3,963)
Investment in capital assets and collections, end of year	<u>\$ 1,052</u>	<u>\$ 772</u>

	2011	2010
The changes during the year are as follows:		
Investment in capital assets and collections, beginning of year	\$ 772	\$ 740
Acquisition of capital assets and collections	600	280
Amortization of investment in capital assets	(320)	(249)
Net investment in capital assets	280	31
Contributions of assets not subject to amortization	-	1
Increase for the year	280	32
Investment in capital assets and collections, end of year	<u>\$ 1,052</u>	<u>\$ 772</u>

14. ENDOWMENTS

Endowments consist of externally restricted donations received by the College and internal allocations by the College's Board of Governors, the principal of which is required to be maintained intact in perpetuity.

Investment income earned on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Benefactors as well as College policy stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and reinvesting unexpended income.

Under the Post-Secondary Learning Act, the College has the authority to alter the terms and conditions of endowments to enable:

- Income earned by the endowment to be withheld from distribution to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment.
- Encroachment on the capital of the endowment to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment if, in the opinion of the Board of Governors, the encroachment benefits the College and does not impair the long-term value of the fund.

Twenty five percent (25%) of the investment income earned on endowments is re-invested along with the principal donation (“Principal”). The remaining seventy five percent (75%) is held to fund scholarship awards (“Expendable”). During 2010-2011 a small number of individual expendable funds were insufficient to cover the scholarship award. In these cases the College allocated deferred Access to the Future Funds for Scholarships to fund the shortfall. The College does not draw against the principal of the endowment to fund student awards.

The composition of endowments is as follows:

	2011	2010
Balance, beginning of year	\$ 4,063	\$ 2,274
Endowment Contributions	125	26
Transfer to endowments	–	1,539
Capitalized interest	26	55
Change in unrealized (losses) gains	(52)	169
Balance, end of year	\$ 4,162	\$ 4,063
Cumulative contributions	\$ 3,427	\$ 3,302
Cumulative capitalized income	607	581
Unrealized gain	128	180
	\$ 4,162	\$ 4,063

15. CONTRACTUAL OBLIGATIONS

The College has contractual lease obligations on certain capital equipment (copiers and printing equipment), which are commitments that will become liabilities in the future when the terms of the lease agreements are met.

	2011	2010
Long-term leases	\$ 131	\$ 176
Balance, end of year	\$ 131	\$ 176

The estimated aggregate amounts payable for the unexpired terms of these contractual obligations are:

	Long-term leases
2012	\$ 45
2013	44
2014	42
	<u>\$ 131</u>

16. BUDGET COMPARISON

The College's 2010-11 budget was approved by the Board of Governors as was presented to the Minister of Advanced Education and Technology as part of the College's submission of its 2011-2014 Comprehensive Institutional Plan. Certain budget figures from the College's 2011-2014 Comprehensive Institutional Plan have been reclassified to conform to the presentation adopted in the 2011 financial statements.

17. INVESTMENT INCOME

	2011	2010
Gain on investments held for endowments	\$ 90	\$ 220
Gain on other investments	145	43
	<u>235</u>	263
Amounts deferred	(90)	(220)
Investment income	<u>\$ 145</u>	<u>\$ 43</u>

18. RELATED PARTY TRANSACTIONS AND BALANCES

/ (a) Province of Alberta

The College operates under the authority and statutes of the Province of Alberta. Transactions and balances between the College and the Government of Alberta (GOA) are measured at the exchange amount and summarized below.

	2011	2010
Contributions from GOA		
Advanced Education and Technology:		
Operating	\$ 12,081	\$ 12,080
Enrollment growth	-	47
Capital	425	1,275
Infrastructure maintenance	548	548
International education	17	7
High speed internet	6	6
Access to the Future Fund (matching)	425	600
Disabled students	75	-
Other	56	-
Total Advanced Education and Technology	13,633	14,563
Other GOA departments and agencies:		
Alberta Foundation for the Arts	-	85
Total other GOA departments and agencies	-	85
Total grants received	13,633	14,648
Add:		
Deferred contributions at beginning of year	4,052	3,271
Grant replenished from equipment sale	3	23
Less:		
Deferred contributions at end of year	(3,602)	(4,052)
Transferred to unamortized deferred capital contributions	(1,600)	(1,309)
Payable to ACAD Student's Association	(20)	(20)
Transferred to scholarships	-	(35)
GOA contributions recognized	\$ 12,466	\$ 12,526
Accounts receivable		
Other GOA departments and agencies	\$ -	\$ 399

/ (b) Southern Alberta Institute of Technology

The land and buildings which house the College are owned by SAIT and are occupied by the College under a facility license granted by the Minister of Advanced Education and Technology. The College and SAIT are parties to a letter of agreement for the provision of utilities, maintenance and systems support. Amounts paid or payable to SAIT in 2011 for these purposes totaled \$1,560 (2010: \$1,578).

The College received grants of \$548 (2010: \$548) from the province that are designated for the maintenance and upgrade of the building occupied by the College. SAIT still holds \$221 (2010: \$349) of the government grant funds that are to be used for the building envelope and utilities infrastructure. The amount has been recorded as a capital contribution receivable. These transactions were entered into on the same business terms as with non-related parties and are recorded at fair value.

/ (c) Bow Valley College

The College and Bow Valley College collaborate in offering Artstream, a base funded program which provides academic upgrading and foundation art courses to students in preparation for entry into the College's degree programs. Accounts received or receivable from Bow Valley College in 2011 for these purposes totaled \$69 (2010: \$61). These amounts represent the cost of tuition and processing fees, plus fees for City of Calgary Universal Transit Pass, SAIT campus access, Student Association and student network access on a student by student basis.

19. SALARY AND EMPLOYEE BENEFITS

Treasury Board Directive 12-98 under the Financial Administration Act of the Province of Alberta requires the disclosure of certain salary and employee benefits information.

	2011				2010	
	Base salary ⁽¹⁾	Other cash benefits ⁽²⁾	Other non-cash benefits ⁽³⁾	Total	Total	
Governance⁽⁴⁾						
Members of the Board of Governors	\$ -	\$ -	\$ -	\$ -	\$ -	
Executive						
President ⁽⁵⁾	204	-	30	234	368	
Vice-Presidents:						
Provost & Vice President Research and Academic ⁽⁶⁾	97	33	22	152	189	
Senior Vice-President Finance and Corporate Services ⁽⁵⁾	139	31	12	182	163	
Vice-President Advancement	96	-	21	117	112	
Director of Human Resources	102	-	20	122	121	
Vice-President Student Experience and Admissions	135	-	24	159	157	
Director of Communications	94	-	19	113	112	

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include acting pay and cash payments in lieu of pension contributions.

(3) Other non-cash benefits include the College's share of all employee benefits and contributions or payments made on behalf of employees including vehicle allowance, professional memberships, pension, group life insurance, employee family assistance program, critical illness, supplementary health care, short and long-term disability plans, dental plan, accidental disability, and dismemberment.

(4) The Chair and Members of the Board of Governors receive no remuneration for participation on the Board.

(5) The 2010 total compensation reflects the former president's salary and benefits. A new President was hired effective August 23, 2010. Acting pay for the president's position from July 1, 2010 to August 23, 2010 is recorded in the Senior Vice-President's other cash benefits.

(6) The Provost & Vice-President Research and Academic position was occupied by two employees during the year due to the departure of the former incumbent on August 21, 2010 and the appointment of an Acting replacement effective September 8, 2010. The acting pay is included in the base salary and other cash benefits.

20. CANADA – ALBERTA KNOWLEDGE INFRASTRUCTURE PROGRAM

The Canada – Alberta Knowledge Infrastructure Program (KIP) was established to provide funding in support of capital projects at post-secondary institutions in order to offset the impact of the global economic recession by providing employment opportunities. Eligible KIP projects can receive up to 50% of its funding from Government of Canada contributions through direct payments made by the Province. The remaining portion of funding for KIP projects is made up of internal resources, provincial contributions and research grants. The KIP program supports eligible costs incurred from February 24, 2009 to March 31, 2011 with the College having an amended agreement in place that extends KIP from March 31, 2011 to June 30, 2011.

	July 1, 2010 to June 30, 2011	July 1, 2009 to June 30, 2010	February 24, 2009 to June 30, 2009	Total
Contributions	\$ 212	\$ 638	\$ –	\$ 850
Total Eligible Costs	\$ 908	\$ 792	\$ –	\$ 1,700

21. COMPARATIVE FIGURES

Certain 2010 figures have been reclassified to conform to the presentation adopted in the 2011 financial statements.

22. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved at the Board of Governors meeting on October 28th, 2011.

**THIS IS A
TIME OF
DYNAMIC
GROWTH
FOR ACAD**

As we continue to carve out an important role as a leader in cultural development and cultural research, we are expanding our campus, our program offerings, our degree streams and our community activities. We have adopted a new mandate and vision; we have expanded our Institute for the Creative Process; and we have led public discourse on imagination, arts and community.

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