



AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019



Independent auditor's report

To the Board of Governors of Concordia University of Edmonton

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Concordia University of Edmonton (the University) as at March 31, 2019 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The University's financial statements comprise:

- the statement of financial position as at March 31, 2019;
 - the statement of operations for the year then ended;
 - the statement of changes in net assets for the year then ended;
 - the statement of cash flows for the year then ended; and
 - the notes to the financial statements, which include a summary of significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

PricewaterhouseCoopers LLP
Stantec Tower, 10220 103 Avenue NW, Suite 2200, Edmonton, Alberta, Canada T5J 0K4
T: +1 780 441 6700, F: +1 780 441 6776



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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Edmonton, Alberta
August 23, 2019

CONCORDIA UNIVERSITY OF EDMONTON

Statement of Financial Position

As at March 31,

	2019 \$	2018 \$
Assets		
Current		
Cash and cash equivalents	12,496,833	2,508,661
Investments (Note 3)	4,520,488	5,084,007
Accounts receivable	917,948	810,304
Bookstore inventory	173,993	165,683
Prepaid expenses	333,926	346,222
	18,443,188	8,914,877
Long Term		
Employee future benefits (Note 13)	-	2,148,200
Capital assets (Note 4)	36,015,887	33,858,095
Total Assets	54,459,075	44,921,172
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 6)	2,507,111	3,632,779
Deferred revenue (Note 7)	6,275,365	4,142,074
Specially designated funds (Note 8)	611,085	598,362
Demand loans (Note 9)	563,566	3,001,825
Current portion of term loan (Note 10)	436,671	5,913,512
	10,393,798	17,288,552
Long Term		
Term loan (Note 10)	10,532,893	-
Unamortized deferred capital contributions (Note 12)	11,495,156	7,371,528
Employee future benefits (Note 13)	2,156,900	1,731,000
Total Liabilities	34,578,747	26,391,080
Net Assets		
Endowments	873,291	872,218
Internally restricted net assets	834,242	908,766
Invested in capital assets	12,987,601	17,571,230
Unrestricted net assets	5,185,194	(822,122)
Net Assets	19,880,328	18,530,092
Total Liabilities and Net Assets	54,459,075	44,921,172

Approved by:


 Tim Loreman, President & Vice Chancellor


 Russ Morrow, Chair, Board of Governors

CONCORDIA UNIVERSITY OF EDMONTON

Statement of Operations

Years ended March 31,

	2019	2018
	\$	\$
Revenue		
Gifts and grants		
Government of Alberta grants (Note 7)	13,436,538	12,845,773
Government of Canada grants (Note 7)	62,781	42,926
Designated fees, gifts, and grants	117,133	116,888
Amortization of deferred capital contributions (Note 12)	392,779	299,209
	14,009,231	13,304,796
Student tuition and fees, and other revenue		
Student tuition and fees (Note 7)	18,832,255	16,094,881
Auxiliary enterprises and activities (Schedule 1)	2,239,611	2,183,199
Student activities	177,166	146,701
Investment income (Note 3)	379,844	190,035
Extension and culture	81,467	15,919
Gain on disposal of capital assets	-	2,500
Other	209,347	198,074
	21,919,690	18,831,309
Total revenue	35,928,921	32,136,105
Expenses		
Academic programs (Schedule 2)	13,822,691	13,267,336
Support programs (Schedule 2)	12,863,079	13,180,146
Research	71,928	70,338
Auxiliary enterprises and activities (Schedule 1)	1,425,373	1,461,737
Student financial aid	743,572	739,800
Extension and culture	236,063	188,518
Interest on long term liabilities	443,147	212,248
Total expenses	29,605,853	29,120,123
Excess of revenue over expenses from operations before the undernoted	6,323,068	3,015,982
Amortization of capital assets	1,564,004	1,291,490
Excess of revenue over expenses	4,759,064	1,724,492

CONCORDIA UNIVERSITY OF EDMONTON

Statement of Changes in Net Assets

	Net Assets Available for Operations \$	Invested in Capital Assets \$	Internally Restricted \$	Endowments \$	Total Net Assets March 31, 2019 \$	Total Net Assets March 31, 2018 \$
Net assets, beginning of year	(822,122)	17,571,230	908,766	872,218	18,530,092	16,791,545
Excess (deficiency) of revenue over expenses	5,930,289	(1,171,225)	-	-	4,759,064	1,724,492
Employee future benefits re-measurements (Note 13)	(3,409,901)	-	-	-	(3,409,901)	(14,400)
Endowment contributions	-	-	-	1,073	1,073	28,455
Transfers						
For internally restricted purposes	74,524	-	(74,524)	-	-	-
For capital additions	(3,721,796)	3,721,796	-	-	-	-
Capital contributions (Note 11)	4,516,407	(4,516,407)	-	-	-	-
Advance on demand loan	3,242,991	(3,242,991)	-	-	-	-
Repayment of loans	(625,198)	625,198	-	-	-	-
Net assets, end of year	5,185,194	12,987,601	834,242	873,291	19,880,328	18,530,092

CONCORDIA UNIVERSITY OF EDMONTON

Statement of Cash Flows

Years ended March 31,

	2019	2018
	\$	\$
Net inflow (outflow) of cash related to the following activities		
Operating		
Excess of revenue over expenses	4,759,064	1,724,492
Items not involving cash:		
Employee future benefits	(835,801)	(964,000)
Amortization of capital assets	1,564,004	1,291,490
Gain on disposal of capital assets	-	(2,500)
Amortization of deferred capital contributions	(392,779)	(299,209)
Unrealized gain in value of investments	(251,362)	(200,595)
	4,843,126	1,549,678
Change in non-cash working capital:		
Increase in accounts receivable	(107,644)	(100,497)
(Increase)/decrease in bookstore inventory	(8,310)	9,239
Decrease/(increase) in prepaid expenses	12,296	(2,520)
(Decrease)/increase in accounts payable and accrued liabilities	(1,125,668)	1,966,025
Increase in deferred revenue	2,133,291	84,258
Increase in specially designated funds	12,723	131,627
	5,759,814	3,637,810
Investing		
Proceeds from sale of investments	814,881	3,026,922
Capital assets purchased	(3,721,796)	(12,060,914)
Proceeds from disposal of capital assets	-	40,506
	(2,906,915)	(8,993,486)
Financing		
Increase in deferred capital contributions	4,516,407	2,671,876
Endowment contributions	1,073	28,455
Repayment of demand loans	(181,250)	(181,250)
Advance on demand loan	-	2,257,009
Advance on term loan	3,242,991	-
Repayment of term loan	(443,948)	(335,762)
	7,135,273	4,440,328
Increase/(decrease) in cash and cash equivalents	9,988,172	(915,348)
Cash and cash equivalents, beginning of year	2,508,661	3,424,009
Cash and cash equivalents, end of year	12,496,833	2,508,661

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2019

1. STATUS AND PURPOSE OF THE ORGANIZATION

Concordia University of Edmonton (the "University") was incorporated Dec 11, 2015 by a special act of the Legislative Assembly of Alberta. The University was formerly known as Concordia University College of Alberta. It is an independent educational institution and a registered charity under the Income Tax Act. As such it is exempt from corporate income taxes.

2. SUMMARY OF ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and are prepared using the deferral method of accounting for contributions and grants. The following policies are considered significant:

(a) Revenue recognition

Restricted contributions are deferred when received and recognized in the year in which the related expenses are incurred. Student tuition and fees for academic programs and courses are recognized as revenue when the programs and courses are taken throughout the academic semester. Government grants for specific programs are recognized when actual program-related expenses are incurred. Province of Alberta operating grants are recognized in the fiscal year for which the funding is intended.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue when earned. Income from the investment of restricted assets is included in deferred revenue in the statement of financial position. Revenue derived from auxiliary enterprises and activities is recognized when the service is performed and collection is reasonably assured.

Externally restricted capital contributions are recorded as deferred capital contributions until the amount is invested to acquire capital assets. Amounts invested representing externally funded capital assets are then transferred to unamortized deferred capital contributions.

Unamortized deferred capital contributions are amortized into revenue on a straight line method at a rate corresponding with the amortization rate for the related capital asset.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and liquid short-term guaranteed investment certificates with maturity less than three months.

(c) Bookstore inventory

Inventory is stated at the lower of cost and net realizable value. Cost is determined using the first-in first-out method. Cost of purchased inventory includes the purchase price, shipping and net tax. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated selling costs. When circumstances which previously caused inventories to be written down no longer exist, the previous impairment is reversed. Inventory represents textbook inventory.

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2019

2. SUMMARY OF ACCOUNTING POLICIES (continued)

(d) Capital assets

Capital assets acquired prior to June 1, 1955 are recorded at appraised values. Subsequent additions are recorded at cost. Donated capital assets are recorded at the fair market value on the date of the receipt of the gift. Amortization, which is based on the recorded value less the residual value over the useful life of the asset, is computed using the straight-line method at the following annual rates:

Buildings	
Trailers	10%
Wood structures	5%
Brick structures	2.5%
Concrete structures	2%
Equipment	10-25%
Improvements other than buildings	5-20%
Library resources	10%
Vehicles	20%

(e) Impairment of long-lived assets

When a long-lived asset no longer has any service potential to the University, the excess of the net carrying amount over any residual value is recognized as an expense.

(f) Use of estimates

The preparation of these financial statements, in conformity with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates included in the financial statements include the allowance for doubtful accounts, provision for amortization, impairment of capital assets, accrued liabilities and employee future benefits. Actual results could differ from those estimates.

(g) Internally restricted net assets

Internally restricted net assets consist of amounts which are not available for use without the approval of the Board of Governors.

(h) Endowments

Endowed contributions from external sources are recognized as direct increases in net assets in the year received. The income from endowments designated for student aid is included in deferred revenue.

(i) Financial instruments

Financial instruments consist of cash and cash equivalents, investments, accounts receivable, accounts payable and accrued liabilities, demand loans and term loan.

Cash and cash equivalents and all investments are recorded at fair value with changes in fair value recognized in the statement of operations.

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2019

2. SUMMARY OF ACCOUNTING POLICIES (continued)

Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost. Accounts payable and accrued liabilities, demand loans, capital loan, and term loan are initially recognized at fair value net of transaction costs and subsequently measured at amortized cost using the straight-line interest rate method.

Risk management:

The University periodically monitors the principal risks assumed in its investments. The risks that arise from transacting financial instruments include credit risk, liquidity risk, and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices. The University does not use derivative financial instruments to alter the effects of these risks. The University manages these risks using risk management policies and practices, including various approved asset mix strategies and risk management limits.

Changes in interest rates and credit ratings are the main cause of changes in the fair value of government securities and corporate bonds resulting in a favourable or unfavourable variance compared to book value. Credit risk is mitigated by investing in securities with a rating of BBB or better and diversifying the securities between government, government backed and corporate issuers. Interest rate risk is mitigated by managing maturity dates and payment frequency. The University is exposed to credit risk related to the accounts receivable arising from student fees and auxiliary activities. Delinquent accounts are monitored and contacted on a monthly basis. Any accounts delinquent in excess of 120 days are referred to a collection agency. The University's long-term interest bearing debts are at fixed rates to mitigate the effects to cash flow that interest rate changes could have.

(j) Contributed materials and services

Contributed materials and services are only recognized when the fair value can be reasonably measured at the date of contribution. This is done using market or appraised value. For contributed materials that are normally purchased, fair market is determined in relation to the purchase of similar materials or services.

(k) Employee future benefits

The University accrues its obligations for its defined benefit pension plan as the employees render the services necessary to earn the pension benefits. The accrued benefit obligation for the defined benefit pension plan is determined based on an actuarial valuation prepared for funding purposes. For the University's post-retirement benefit plan, the accrued benefit obligation is determined based on an actuarial valuation prepared for accounting purposes using the accumulated benefit method. The University recognizes the net amount of the accrued benefit obligation and the fair value of plan assets in the statement of financial position. Re-measurements, which include the difference between the actual return on plan assets and the return calculated using the discount rate used to determine the defined benefit obligation, actuarial gains and losses, valuation allowances, past service costs and gains and losses arising from settlements and curtailments, are recognized directly in net assets.

(l) Accounting standards issued but not yet adopted

Section 4433, Tangible Capital Assets held by Not-for-Profit Organizations (NPOs) will replace Section 4431, Tangible Capital Assets held by NPOs, requiring the application of Sections 3061, Property, Plant and Equipment and 3110, Asset Retirement Obligations in Part II of the CPA Canada Handbook for tangible capital assets held by NPOs. Section 4433 provides guidance on contributed assets and write-downs of assets and requires disclosures related to impairments of tangible assets in accordance with Section 3063, Impairment of Long Lived Assets in Part II. Section 4433 is effective for years beginning on/after January 1,

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2019

2. SUMMARY OF ACCOUNTING POLICIES (continued)

(a) Accounting standards issued but not yet adopted (continued)

2019. The University is in the process of evaluating the impact Section 4433 may have on the financial statements.

3. INVESTMENTS

The University has a managed portfolio with holdings of fixed income and equity securities. Investment transactions regularly occur within this portfolio, based on the recommendation of the portfolio advisor, and approved by management.

Investments are comprised of the following:

	March 31, 2019	March 31, 2018
	\$	\$
Interest bearing deposits	48,992	1,322,544
Pooled funds	3,060,863	2,871,237
Foreign equities	82,740	72,660
Domestic equities	516,911	296,006
Bonds and preferred shares with average stated yields of approximately 3.6% (2018 – 3.5%)	810,982	521,560
	<u>4,520,488</u>	<u>5,084,007</u>

Investment income is comprised of the following:

	March 31, 2019	March 31, 2018
	\$	\$
Interest and dividends	164,217	97,147
Unrealized gain in value of investments	251,362	200,595
Realized gain/(loss) on sale of investments	238	(12)
Transaction costs and administration fees	(35,973)	(41,180)
Deferred for designated purposes (Note 7)	-	(66,515)
	<u>379,844</u>	<u>190,035</u>

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value	
			March 31, 2019	March 31, 2018
	\$	\$	\$	\$
Land	2,242,248	-	2,242,248	2,242,248
Buildings	42,786,411	11,858,337	30,928,074	17,002,093
Construction in progress	-	-	-	12,524,856
Equipment	5,543,534	3,140,074	2,403,460	1,469,253
Improvements other than buildings	690,840	521,106	169,734	244,870
Library resources	1,017,183	781,388	235,795	322,135
Vehicles	53,479	16,903	36,576	52,640
	<u>52,333,695</u>	<u>16,317,808</u>	<u>36,015,887</u>	<u>33,858,095</u>

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2019

5. BANK INDEBTEDNESS

The University has approval for a revolving line of credit to a maximum of \$2,500,000 (2018: \$2,500,000), which includes the standby letters of credit to assist with operating cash flow requirements. This facility revolves in multiples of \$50,000 and is convertible from a floating rate to a fixed rate at any time. The interest rate on borrowings under this loan facility is prime rate plus one-half percent, payable monthly in arrears. Subject to the bank's right to demand payment at any time, advances must be repaid within 395 days from the date of the advance. The facility is secured by assets of the University under the general security agreement (note 10). This credit facility was not accessed at March 31, 2019.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2019	March 31, 2018
	\$	\$
Accrued vacation and administrative leave payable	1,594,685	1,301,709
Accrued salaries payable	10,553	7,688
Trade payables and accrued liabilities	874,860	2,296,719
Government remittances payable	27,013	26,663
	<u>2,507,111</u>	<u>3,632,779</u>

7. DEFERRED REVENUE

	March 31, 2018	Receipts	Revenue recognized	March 31, 2019
	\$	\$	\$	\$
Tuition and fees	2,642,810	20,511,599	18,832,255	4,322,154
Scholarships and bursaries	1,169,935	181,444	144,927	1,206,452
Government of Alberta grants	60,000	13,844,391	13,436,538	467,853
Government of Canada grants	38,590	56,045	62,781	31,854
Other income	164,224	112,428	29,600	247,052
Deferred investment income (Note 3)	66,515	-	66,515	-
	<u>4,142,074</u>	<u>34,705,907</u>	<u>32,572,616</u>	<u>6,275,365</u>

Deferred revenue includes pre-registration fees, deposits, restricted donations, and designated grants received but unused.

8. SPECIALLY DESIGNATED FUNDS

Specially designated funds consist of resources in the amount of \$611,085 (2018: \$598,362) that have been placed with the University for specific purposes that are not part of the operations of the University.

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2019

9. DEMAND LOANS

	March 31, 2019	March 31, 2018
	\$	\$
Demand loan #1 non-revolving at bank prime rate plus 0.5%, payable in monthly installments of \$12,500 plus interest, amortized over 10 years.	150,000	300,000
Demand loan #2 non-revolving at bank prime rate plus 0.5% payable in monthly installments of \$2,604 plus interest amortized over 20 years.	413,566	444,816
Demand loan #3 non-revolving at bank prime rate plus 0.75%, interest payable monthly. Converted into a fixed rate term loan (note 10)	-	2,257,009
	563,566	3,001,825

Demand loan #1 and #2 may be converted to fixed rate term loans at any time for terms of 1 to 10 years. If a fixed rate term is selected, no prepayments will be permitted.

Security for the demand loans is described in note 10.

Combined outstanding principal payments for demand loan #1 and #2 are scheduled as follows:

2020	\$ 181,250
2021	31,250
2022	31,250
2023	31,250
2024	31,250
Thereafter	257,316
	\$ 563,566

In addition to these demand loans, the University obtained two additional demand credit facilities. The University has not yet accessed funding through any of these credit facilities as at March 31, 2019. Details of the credit facilities are as follows:

\$1,000,000 demand loan, non-revolving, at a rate of prime plus 0.75% to provide short term bridge financing pending receipt of Strategic Infrastructure Funds from the Government of Canada.

\$1,000,000 demand loan, re-advanceable, at a rate of prime plus 0.50% to assist with ongoing capital expenditures.

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2019

10. TERM LOAN

	March 31, 2019	March 31, 2018
	\$	\$
3.59% fixed rate term loan, maturing on July 31, 2028 and is payable in blended instalments of \$44,389. The loan is amortized over 25 years.	5,567,010	5,913,512
3.90% fixed rate term loan, maturing on October 31, 2028 and is payable in blended instalments of \$25,687. The loan is amortized over 30 years.	5,402,554	-
	<u>10,969,564</u>	<u>5,913,512</u>
Less: Current portion	(436,671)	(5,913,512)
	<u><u>10,532,893</u></u>	<u><u>-</u></u>

The demand loans (note 9) and term loan are secured by a general security agreement providing a first charge over all accounts receivable, inventory, and equipment and by a first collateral mortgage in the amount of \$17,000,000 over the property described as Concordia University of Edmonton.

Outstanding principal payments are scheduled as follows:

2020	\$	436,671
2021		454,273
2022		470,798
2023		488,325
2024		505,697
Thereafter		<u>8,613,800</u>
	<u>\$</u>	<u>10,969,564</u>

11. DEFERRED CAPITAL CONTRIBUTIONS

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

	March 31, 2019	March 31, 2018
	\$	\$
Balance, beginning of year	-	-
Grants and donations received	4,516,407	2,671,876
Transfer to unamortized deferred capital contributions (Note 12)	(4,516,407)	(2,671,876)
Balance, end of year	<u><u>-</u></u>	<u><u>-</u></u>

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2019

12. UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS

The changes in the unamortized deferred capital contributions balance are as follows:

	March 31, 2019	March 31, 2018
	\$	\$
Balance, beginning of year	7,371,528	4,998,861
Deferred capital contributions (Note 11)	4,561,407	2,671,876
Amortization to revenue	(392,779)	(299,209)
Balance, end of year	<u>11,495,156</u>	<u>7,371,528</u>

13. EMPLOYEE FUTURE BENEFITS

a. Employee future benefit asset	March 31, 2019	March 31, 2018
	\$	\$
Fair value of plan assets	-	35,105,000
Accrued benefit obligation	-	32,956,800
Plan surplus	<u>-</u>	<u>2,148,200</u>
b. Employee future benefit liability	March 31, 2019	March 31, 2018
	\$	\$
Accrued benefit obligation	36,284,200	-
Fair value of plan assets	35,796,300	-
Plan deficit	487,900	-
Post-retirement benefit plan	1,669,000	1,731,000
	<u>2,156,900</u>	<u>1,731,000</u>

The University employee pension plan consists of a defined benefit plan, post-retirement benefit plan and a defined contribution pension plan. The defined benefit pension plan is a contributory, final average earning pension plan. The defined benefit pension plan was closed to new members on January 1, 2012. The most recent funding valuation used in determining the defined benefit obligation was completed as at December 31, 2017.

The post-retirement benefit plan is an unfunded plan that includes medical, dental and death benefits provided to employees who retired prior to July 1, 2012.

For the 2019 fiscal year total employer contributions to the retirement plans were \$736,700 (2018: \$951,500). Current service and finance income of \$16,100 (2018: \$67,500 expense) have been recognized in income and re-measurement losses of \$3,409,901 have been recognized in net assets (2018: \$14,400 gains).

The defined contribution pension plan is funded by employer and employee contributions. Employees contribute 4% of earnings and the University contributes 6% of employees' earnings. Pension expense under the defined contribution pension plan for 2019 was \$766,654 (2018: \$742,998).

14. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted for the current year.

CONCORDIA UNIVERSITY OF EDMONTON
Schedule of Auxiliary Enterprises and Activities
Years ended March 31

Revenue	2019	2018
	\$	\$
University stores	1,003,193	989,907
Food services	26,858	50,647
Student housing	395,391	413,808
Conventions and other	814,169	728,837
	<u>2,239,611</u>	<u>2,183,199</u>
Expenses		
University stores	929,473	906,215
Food services	46,121	38,389
Student housing	207,851	215,880
Conventions and other	241,928	301,253
	<u>1,425,373</u>	<u>1,461,737</u>
Net revenue	<u>814,238</u>	<u>721,462</u>
Net revenue (expenses)		
University stores	73,720	83,692
Food services	(19,263)	12,258
Student housing	187,540	197,928
Conventions and other	572,241	427,584
	<u>814,238</u>	<u>721,462</u>

CONCORDIA UNIVERSITY OF EDMONTON

Schedule of Expenses by Department

Years ended March 31,

	2019 \$	2018 \$
<i>Academic programs</i>		
Management and professional education	2,506,117	2,555,633
Natural science and public health	2,798,662	2,510,366
Arts, social science and religious studies	5,313,397	5,074,075
Education	1,541,468	1,353,951
	<u>12,159,644</u>	<u>11,494,025</u>
Academic services	1,663,047	1,773,311
	<u>13,822,691</u>	<u>13,267,336</u>
<i>Support programs</i>		
Facility maintenance	2,655,817	2,528,043
Institutional support	2,198,990	2,584,523
Student services	2,496,897	2,467,043
Library and archives	1,214,052	1,186,900
General administration	3,182,107	3,279,989
Student activities	1,115,216	1,133,648
	<u>12,863,079</u>	<u>13,180,146</u>

CONCORDIA UNIVERSITY OF EDMONTON
Schedule of Revenue and Expenses by Object
Years ended March 31,

<i>Revenue</i>	2019 \$	2018 \$
Revenue from Government of Alberta		
General operating grant	13,037,708	12,845,773
Other grants	398,830	-
Total Government of Alberta operating funding	13,436,538	12,845,773
Government of Canada Grants	62,781	42,926
	13,499,319	12,888,699
Student sources of revenue		
Tuition for accredited courses	15,230,940	13,373,306
Foreign student differential fees	1,459,714	864,123
Miscellaneous fees and student charges	2,108,819	1,825,907
Total tuition and fees for accredited programs	18,799,473	16,063,336
Tuition and fees for non-accredited programs	32,782	31,545
	18,832,255	16,094,881
Other grants, donations, and fundraising	117,133	116,888
Sale of goods and services (Schedule 1)	2,239,611	2,183,199
Investment income (Note 3)	379,844	190,035
Gain on disposal of capital assets	-	2,500
Other revenue	467,980	360,694
Amortization of deferred capital contributions (Note 12)	392,779	299,209
Total revenue	35,928,921	32,136,105
Expenses		
Salary and wages		
Salaries and wages	19,139,669	18,545,908
Employee benefits	2,588,213	3,091,535
	21,727,882	21,637,443
Utilities		
Gas	213,017	220,217
Electricity	413,835	352,284
Other	112,967	95,290
	739,819	667,791
Maintenance	192,108	241,609
Property tax	26,976	25,504
Supplies and services	4,898,477	4,730,260
Scholarships and bursaries	743,572	739,800
Cost of goods sold	833,872	865,468
Interest	443,147	212,248
Amortization of capital assets	1,564,004	1,291,490
Total expenses	31,169,857	30,411,613
Net Surplus	4,759,064	1,724,492