



**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2020**



## *Independent auditor's report*

To the Board of Governors of Concordia University of Edmonton

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### *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, 2020 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, 2020;
  - 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.
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### *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.

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### *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.

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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.

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### *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 21, 2020

**Concordia University of Edmonton**  
**Statement of Financial Position**

	As at	
	March 31, 2020	March 31, 2019
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 3,380,136	\$ 12,496,833
Investments (note 3)	23,568,147	4,520,488
Accounts receivable	1,049,709	917,948
Bookstore inventory	189,546	173,993
Prepaid expenses and other current assets	314,074	333,926
	<b>28,501,612</b>	<b>18,443,188</b>
Capital assets (note 4)	35,589,563	36,015,887
<b>Total assets</b>	<b>\$ 64,091,175</b>	<b>\$ 54,459,075</b>
<b>Liabilities and net assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 5)	\$ 2,965,528	\$ 2,507,111
Deferred revenue (note 6)	8,837,661	6,275,365
Specially designated funds (note 7)	558,366	611,085
Demand loan (note 8)	-	563,566
Current portion of term loan (note 8)	454,403	436,671
	<b>12,815,958</b>	<b>10,393,798</b>
<b>Long Term</b>		
Term loan (note 8)	10,078,225	10,532,893
Unamortized deferred capital contributions (note 10)	11,275,161	11,495,156
Employee future benefits (note 11)	6,155,700	2,156,900
<b>Total liabilities</b>	<b>40,325,044</b>	<b>34,578,747</b>
<b>Net assets</b>		
Endowments	1,128,180	873,291
Internally restricted net assets	818,266	834,242
Invested in capital assets	13,781,774	12,987,601
Unrestricted net assets	8,037,911	5,185,194
<b>Total net assets</b>	<b>23,766,131</b>	<b>19,880,328</b>
<b>Total liabilities and net assets</b>	<b>\$ 64,091,175</b>	<b>\$ 54,459,075</b>

Approved by:

  
 Tim Loreman, President & Vice-Chancellor

  
 Russ Morrow, Chair, Board of Governors

**Concordia University of Edmonton  
Statement of Operations**

	Year-ended March 31,	
	2020	2019
<b>Revenue</b>		
<b>Gifts and grants</b>		
Government of Alberta grants (note 6)	\$ 13,284,976	\$ 13,436,538
Government of Canada (note 6)	118,456	62,781
Designated fees, gifts, and grants	577,753	117,133
Amortization of deferred capital contributions (note 10)	435,425	392,779
	<b>14,416,610</b>	14,009,231
<b>Student tuition and fees, and other revenue</b>		
Student tuition and fees (note 6)	25,420,189	18,832,255
Auxiliary enterprises and activities (schedule 1)	2,744,256	2,321,078
Student activities	251,509	177,166
Investment income (note 3)	98,590	379,844
Miscellaneous	548,856	209,347
	<b>29,063,400</b>	21,919,690
<b>Total revenue</b>	<b>43,480,010</b>	35,928,921
<b>Expenditures</b>		
Academic programs (schedule 2)	14,516,384	13,564,363
Support programs (schedule 2)	15,327,138	12,878,393
Auxiliary enterprises and activities (schedule 1)	2,056,690	1,661,436
Student financial aid	1,252,579	743,572
Research	372,814	314,942
Interest on long term liabilities	414,000	443,147
<b>Total expenditures</b>	<b>33,939,605</b>	29,605,853
<b>Excess of revenue over expenditures from operations before the undernoted</b>	<b>9,540,405</b>	6,323,068
Amortization of capital assets	1,761,902	1,564,004
<b>Excess of revenue over expenditures</b>	<b>\$ 7,778,503</b>	\$ 4,759,064

**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, 2020	Total Net Assets March 31, 2019
<b>Net assets, beginning of year</b>	\$ 5,185,194	\$ 12,987,601	\$ 834,242	\$ 873,291	\$ <b>19,880,328</b>	\$ 18,530,092
Excess (deficiency) of revenue over expenditures	9,262,637	(1,484,134)	-	-	<b>7,778,503</b>	4,759,064
Employee future benefits remeasurement (note 11)	(4,148,700)	-	-	-	<b>(4,148,700)</b>	(3,409,901)
Endowment contributions	-	-	-	256,000	<b>256,000</b>	1,073
<b>Transfers</b>						
For internally restricted purposes	17,087	-	(15,976)	(1,111)	-	-
For capital additions	(1,493,235)	1,493,235	-	-	-	-
Capital contributions (note 9)	215,430	(215,430)	-	-	-	-
Repayment of loans	(1,000,502)	1,000,502	-	-	-	-
<b>Net assets, end of year</b>	<b>\$ 8,037,911</b>	<b>\$ 13,781,774</b>	<b>\$ 818,266</b>	<b>\$ 1,128,180</b>	<b>\$ 23,766,131</b>	<b>\$ 19,880,328</b>

**Concordia University of Edmonton**  
**Statement of Cash Flows**

	Year-ended March 31,	
	2020	2019
<b>Operating activities</b>		
Excess of revenue over expenditures	\$ 7,778,503	\$ 4,759,064
<b>Items not involving cash</b>		
Employee future benefits	(149,900)	(835,801)
Amortization of capital assets	1,761,902	1,564,004
Amortization of deferred capital contributions	(435,425)	(392,779)
Loss of disposal of capital assets	157,657	-
Unrealized loss (gain) on fair value of investments	273,037	(251,362)
	<b>9,385,774</b>	<b>4,843,126</b>
<b>Change in non-cash working capital:</b>		
Increase in accounts receivable	(131,761)	(107,644)
Increase in bookstore inventory	(15,553)	(8,310)
Decrease in prepaid expenses	19,852	12,296
Increase/(decrease) in accounts payable and accrued liabilities	458,417	(1,125,668)
Increase in deferred revenue	2,562,296	2,133,291
(Decrease)/increase in specially designated funds	(52,719)	12,723
	<b>12,226,306</b>	<b>5,759,814</b>
<b>Investing activities</b>		
Capital assets purchased	(1,493,235)	(3,721,796)
Proceeds from sale of investments	-	814,881
Investments purchased	(19,320,696)	-
	<b>(20,813,931)</b>	<b>(2,906,915)</b>
<b>Financing activities</b>		
Increase in deferred capital contributions	215,430	4,516,407
Endowment contributions	256,000	1,073
Advance on term loan	-	3,242,991
Repayment of demand loans	(563,566)	(181,250)
Repayment of term loan	(436,936)	(443,948)
	<b>(529,072)</b>	<b>7,135,273</b>
(Decrease)/increase in cash and cash equivalents	<b>(9,116,697)</b>	<b>9,988,172</b>
Cash and cash equivalents, beginning of the year	<b>12,496,833</b>	<b>2,508,661</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 3,380,136</b>	<b>\$ 12,496,833</b>

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

**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 Financial Statements**  
**Year Ended March 31, 2020**

**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 conditions indicate that a capital asset is impaired, the net carrying amount of the asset is written down to the asset's fair value or replacement cost. A capital asset may be impacted when conditions indicate that the asset no longer contributes to the University's ability to provide services, or that the value of further economic benefits or service potential associated with the asset is less than the carrying amount.

**(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. Based on management's assessment, the economic uncertainty surrounding COVID-19 has impacted the fair value of investments (note 3) and the fair value of plan assets included in the employee future benefits (note 11).

**(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.

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**(i) Financial instruments**

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

Cash and cash equivalents is initially and subsequently recorded at fair value with changes in fair value recognized in the statement of operations. All investments are recorded at fair value on initial recognition. Pooled funds, domestic equities, foreign equities, bonds and preferred shares, and interest bearing deposits are subsequently measured at fair value with changes in fair value recognized in the statement of operations. Guaranteed Investment Certificates (GIC's) are subsequently measured at amortized cost.

Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost. Accounts payable and accrued liabilities, 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.

The University is subject to market risk with investments recorded at fair value. Accordingly, the values of these financial instruments will fluctuate as a result of changes in market prices, market conditions, or factors affecting the fair value of the investments. Should the value of the investments decrease significantly, the University could incur material losses on disposal of the investments. Given the economic uncertainty surrounding COVID-19, there is increased risk that these fair value will fluctuate significantly.

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

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

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.

**(I) Accounting standards issued and adopted**

Section 4433, Tangible Capital Assets held by Not-for-Profit Organizations (NPOs) replaced 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, 2019. The University has determined the adoption of the new standard did not have an impact 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:

	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Investments measured at fair value:</b>		
Pooled funds	\$ 3,259,454	\$ 3,060,863
Foreign equities	52,667	82,740
Domestic equities	505,140	516,911
Bonds and preferred shares with average stated yields of approximately 4.3% (2019 – 3.6%)	733,213	810,982
Interest bearing deposits	17,673	48,992
	<b>4,568,147</b>	<b>4,520,488</b>
<b>Investments measured at amortized cost:</b>		
GIC's with average interest rates of 2.3%	19,000,000	-
	<b>\$ 23,568,147</b>	<b>\$ 4,520,488</b>

Investment income is comprised of the following:

	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest and dividends	\$ 333,864	\$ 164,217
Unrealized (loss)/gain in value of investments	(273,037)	251,362
Realized gain on sale of investments	75,666	238
Transaction costs and administration fees	(37,903)	(35,973)
	<b>\$ 98,590</b>	<b>\$ 379,844</b>

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

**4. CAPITAL ASSETS**

	Cost	Accumulated Amortization	Net Book Value	
			March 31, 2020	March 31, 2019
Land	\$ 2,242,248	\$ -	\$ 2,242,248	\$ 2,242,248
Buildings	43,068,909	12,792,581	30,276,328	30,928,074
Construction in progress	280,052	-	280,052	-
Equipment	6,266,778	3,815,068	2,451,710	2,403,460
Improvements other than buildings	690,840	554,153	136,687	169,734
Library resources	1,017,183	842,048	175,135	235,795
Vehicles	53,479	26,076	27,403	36,576
	<u>\$ 53,619,489</u>	<u>\$ 18,029,926</u>	<u>\$ 35,589,563</u>	<u>\$ 36,015,887</u>

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	March 31, 2020	March 31, 2019
Accrued vacation and administrative leave payable	\$ 2,031,736	\$ 1,594,685
Accrued salaries payable	11,159	10,553
Trade payables and accrued liabilities	870,358	874,860
Government remittances payable	52,275	27,013
	<u>\$ 2,965,528</u>	<u>\$ 2,507,111</u>

**6. DEFERRED REVENUE**

	March 31, 2019	Receipts	Revenue recognized	March 31, 2020
Tuition and fees	\$ 4,322,154	\$ 28,003,499	\$ 25,420,189	\$ 6,905,464
Scholarships and bursaries	1,206,452	477,271	477,941	1,205,782
Government of Alberta grants	467,853	13,034,692	13,284,976	217,569
Government of Canada grants	31,854	191,061	118,456	104,459
Other income	247,052	374,356	217,021	404,387
	<u>\$ 6,275,365</u>	<u>\$ 42,080,879</u>	<u>\$ 39,518,583</u>	<u>\$ 8,837,661</u>

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

**7. SPECIALLY DESIGNATED FUNDS**

Specially designated funds consist of resources in the amount of \$558,366 (2019: \$611,085) 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 Financial Statements**  
**Year Ended March 31, 2020**

**8. TERM AND DEMAND LOANS**

	<b>March 31, 2020</b>	<b>March 31, 2019</b>
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.	\$ 5,229,006	\$ 5,567,010
3.90% fixed rate term loan, maturing on October 31, 2028 and is payable in blended installments of \$25,687. The loan is amortized over 30 years.	<b>5,303,622</b>	5,402,554
	<b>10,532,628</b>	10,969,564
Less: Current portion	<b>(454,403)</b>	(436,671)
	<b>\$ 10,078,225</b>	\$ 10,532,893

The term loan is 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:

2021	\$	454,403
2022		471,283
2023		488,791
2024		506,051
2025		525,750
Thereafter		8,086,350
		<b>\$ 10,532,628</b>

The University has two additional demand credit facilities. The University has not accessed funding through any of these credit facilities as at March 31, 2020 (2019: \$563,566). Details of the credit facilities are as follows:

The University has a revolving line of credit to a maximum of \$2,500,000 (2019: \$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.

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

**9. DEFERRED CAPITAL CONTRIBUTIONS**

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

	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Balance, beginning of year	\$ -	\$ -
Grants and donations received	<b>215,430</b>	4,516,407
Transfer to unamortized deferred capital contributions (Note 10)	<b>(215,430)</b>	(4,516,407)
Balance, end of year	<b>\$ -</b>	\$ -

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

**10. UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS**

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

	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Balance, beginning of year	<b>\$ 11,495,156</b>	\$ 7,371,528
Deferred capital contributions (Note 9)	<b>215,430</b>	4,516,407
Amortization to revenue	<b>(435,425)</b>	(392,779)
Balance, end of year	<b>\$ 11,275,161</b>	11,495,156

**11. EMPLOYEE FUTURE BENEFITS**

	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Accrued benefit obligation	<b>\$ 36,365,200</b>	\$ 36,284,200
Fair value of plan assets	<b>31,836,500</b>	35,796,300
Plan deficit	<b>4,528,700</b>	487,900
Post-retirement benefit plan	<b>1,627,000</b>	1,669,000
	<b>\$ 6,155,700</b>	\$ 2,156,900

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 economic uncertainty surrounding COVID-19 has created volatility in the equity markets, which has had a negative impact on the fair value of plan assets.

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 2020 fiscal year total employer contributions to the retirement plans were \$198,100 (2019: \$736,700). Current service and finance costs of \$138,200 (2019: \$16,100 income) have been recognized in income and re-measurement losses of \$4,148,700 have been recognized in net assets (2019: \$3,409,901).

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 2020 was \$822,434 (2019: \$766,654).

**12. 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 Expenses and Activities**  
**Schedule 1**

	Year-ended March 31	
	2020	2019
<b>Revenue</b>		
University stores	\$ 1,107,285	\$ 1,003,193
Food services	65,194	26,858
Student housing	430,972	395,391
Conventions and other	943,022	814,169
Extension and culture	197,783	81,467
	<b>2,744,256</b>	2,321,078
<b>Expenditures</b>		
University stores	1,020,364	929,472
Food services	25,931	46,121
Student housing	202,202	207,851
Conventions and other	283,257	241,929
Extension and culture	320,567	124,035
Special purpose	204,369	112,028
	<b>2,056,690</b>	1,661,436
<b>Net Revenue</b>	<b>687,566</b>	659,642
<b>Net revenue (expenditure)</b>		
University College stores	86,921	73,721
Food services	39,263	(19,263)
Student housing	228,770	187,540
Conventions and other	659,765	572,240
Extension and culture	(122,784)	(42,568)
Special purpose	(204,369)	(112,028)
	<b>\$ 687,566</b>	\$ 659,642

**Concordia University of Edmonton**  
**Schedule of Expenses by Program**  
**Schedule 2**

	Year-ended March 31	
	2020	2019
<b>Academic programs</b>		
Management	\$ 881,848	\$ 916,642
Continuing and professional education	1,340,194	1,558,179
Natural science	2,963,862	2,798,662
Arts and social science	5,799,722	5,329,380
Education	1,845,770	1,541,467
	<b>12,831,396</b>	12,144,330
Academic services	1,684,988	1,420,033
<b>Total academic programs</b>	<b>14,516,384</b>	13,564,363
<b>Support programs</b>		
Facility maintenance	2,976,232	2,655,816
Institutional support	2,859,873	2,213,991
Student services	2,979,706	2,501,024
Library and archives	1,233,042	1,214,052
General administration	4,013,432	3,178,294
Student activities	1,264,853	1,115,216
<b>Total support programs</b>	<b>\$ 15,327,138</b>	\$ 12,878,393

**Concordia University of Edmonton**  
**Schedule of Revenue and Expenses by Object**  
**Schedule 3**

	Year-ended March 31,	
	2020	2019
<b>Revenue</b>		
<b>Government sources of revenue</b>		
General operating grant	\$ 12,950,708	\$ 12,950,708
Other recognized revenue	87,000	87,000
Total Government of Alberta operating funding	13,037,708	13,037,708
Other Government of Alberta grants	247,268	398,830
	13,284,976	13,436,538
Government of Canada grants	118,456	62,781
	13,403,432	13,499,319
<b>Student sources of revenue</b>		
Tuition for accredited courses	19,666,987	15,230,940
Foreign student differential fees	3,093,969	1,459,714
Miscellaneous fees and student charges	2,616,949	2,108,819
Total tuition and fees for accredited programs	25,377,905	18,799,473
Tuition and fees for non-accredited Programs	42,284	32,782
	25,420,189	18,832,255
Other grants, donations, and fundraising	577,753	117,133
Sale of goods and services (schedule 1)	2,744,256	2,321,078
Investment income (note 3)	98,590	379,844
Other revenue	800,365	386,513
Amortization of deferred capital contributions (note 10)	435,425	392,779
<b>Total revenue</b>	<b>43,480,010</b>	<b>35,928,921</b>
<b>Expenses</b>		
<b>Salary and wages</b>		
Salaries and wages	21,521,041	19,139,669
Employee benefits	2,883,654	2,588,213
	24,404,695	21,727,882
<b>Utilities</b>		
Gas	125,404	213,017
Electricity	427,875	413,835
Other	98,386	112,967
	651,665	739,819
Maintenance	602,784	192,108
Property tax	48,269	26,976
Supplies and services	5,630,305	4,898,477
Scholarships and bursaries	1,252,579	743,572
Cost of goods sold	935,308	833,872
Interest	414,000	443,147
Amortization of capital assets	1,761,902	1,564,004
<b>Total expenses</b>	<b>35,701,507</b>	<b>31,169,857</b>
<b>Net surplus</b>	<b>\$ 7,778,503</b>	<b>\$ 4,759,064</b>