



# **AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2022**



## 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, 2022 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, 2022;
- 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 significant accounting policies and other explanatory information.

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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

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control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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  
September 9, 2022

**CONCORDIA UNIVERSITY OF EDMONTON**  
**Statement of Financial Position**

	As at	
	March 31, 2022	March 31, 2021
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 18,246,109	\$ 19,063,313
Investments (note 3)	18,318,893	18,116,037
Accounts receivable	1,449,128	1,093,490
Bookstore inventory	190,274	138,123
Prepaid expenses and other current assets	413,823	308,351
	<b>38,618,227</b>	<b>38,719,314</b>
Capital assets (note 4)	45,946,063	36,187,125
Derivative asset (note 5)	155,005	-
<b>Total assets</b>	<b>\$ 84,719,295</b>	<b>\$ 74,906,439</b>
<b>Liabilities and net assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 6)	\$ 5,834,975	\$ 4,206,732
Deferred revenue (note 7)	9,540,678	7,593,291
Specially designated funds (note 8)	595,906	551,874
Current portion of loans payable (note 9)	309,832	470,831
	<b>16,281,391</b>	<b>12,822,728</b>
<b>Long Term</b>		
Loans payable (note 9)	9,823,225	9,606,944
Unamortized deferred capital contributions (note 11)	11,422,927	10,980,817
Employee future benefits (note 12)	2,426,900	1,720,000
<b>Total liabilities</b>	<b>39,954,443</b>	<b>35,130,489</b>
<b>Net Assets</b>		
Endowments	1,137,291	1,132,355
Internally restricted net assets	4,232,645	4,232,645
Invested in capital assets	24,390,079	15,128,533
Unrestricted net assets	15,004,837	19,282,417
<b>Total net assets</b>	<b>44,764,852</b>	<b>39,775,950</b>
<b>Total liabilities and net assets</b>	<b>\$ 84,719,295</b>	<b>\$ 74,906,439</b>

Approved by:

  
 Tim Loreman, President & Vice-Chancellor

  
 John Acheson, Chair, Board of Governors

**CONCORDIA UNIVERSITY OF EDMONTON**  
**Statement of Operations**

	Year-ended March 31,	
	2022	2021
<b>Revenue</b>		
<b>Gifts and Grants</b>		
Government of Alberta grants (note 7)	\$ 13,339,822	\$ 13,270,690
Government of Canada (note 7)	392,072	92,078
Designated fees, gifts, and grants	645,848	664,138
Amortization of deferred capital contributions (note 11)	369,258	414,561
	<b>14,747,000</b>	14,441,467
<b>Student tuition and fees, and other revenue</b>		
Student tuition and fees (note 7)	25,723,233	30,077,865
Auxiliary enterprises and activities (schedule 1)	1,299,908	632,571
Student activities	177,251	24,678
Investment income (note 3)	503,256	1,509,501
Unrealized gain on interest rate swap (note 5)	155,005	-
Miscellaneous	145,195	72,466
	<b>28,003,848</b>	32,317,081
<b>Total revenue</b>	<b>42,750,848</b>	46,758,548
<b>Expenditures</b>		
Academic programs (schedule 2)	16,357,784	16,376,285
Support programs (schedule 2)	15,045,598	13,702,935
Auxiliary enterprises and activities (schedule 1)	1,475,760	1,336,124
Student financial aid	1,520,833	1,558,098
Research	308,964	169,458
Interest on long term liabilities	756,553	386,080
<b>Total expenditures</b>	<b>35,465,492</b>	33,528,980
<b>Excess revenue over expenditures from operations before the undernoted</b>	<b>7,285,356</b>	13,229,568
Amortization of capital assets	1,781,719	1,745,124
<b>Excess of revenue over expenditures</b>	<b>\$ 5,503,637</b>	\$ 11,484,444

**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, 2022	Total Net Assets March 31, 2021
<b>Net assets , beginning of year</b>	\$ 19,282,417	\$ 15,128,533	\$ 4,232,645	\$ 1,132,355	\$ 39,775,950	\$ 23,766,131
Excess (deficiency) of revenue over expenditures	6,914,098	(1,410,461)	-	-	5,503,637	11,484,444
Employee future benefits remeasurement (note 12)	(1,192,900)	-	-	-	(1,192,900)	4,521,200
Endowment contributions	-	-	-	4,936	4,936	4,175
Donated land	-	673,229	-	-	673,229	-
<b>Transfers</b>						
For capital additions	(10,867,428)	10,867,428	-	-	-	-
Proceeds on disposal of capital assets	2,000	(2,000)	-	-	-	-
Capital contributions (note 10)	811,368	(811,368)	-	-	-	-
Repayment of loans	(10,077,775)	10,077,775	-	-	-	-
Advances of loans	10,133,057	(10,133,057)	-	-	-	-
<b>Net assets, end of period</b>	\$ 15,004,837	\$ 24,390,079	\$ 4,232,645	\$ 1,137,291	\$ 44,764,852	\$ 39,775,950

**CONCORDIA UNIVERSITY OF EDMONTON**  
**Statement of Cash Flows**

	Year-ended March 31,	
	2022	2021
<b>Operating activities</b>		
Excess of revenues over expenditures	\$ 5,503,637	\$ 11,484,444
<b>Items not involving cash</b>		
Employee future benefits	(486,000)	85,500
Amortization of capital assets	1,781,719	1,745,124
Amortization of deferred capital contributions	(369,258)	(414,561)
(Gain)/loss on disposal of capital assets	(2,000)	209,165
Unrealized gain on fair value of investments	(168,878)	(795,185)
Unrealized gain on interest rate swap	(155,005)	-
	<b>6,104,215</b>	<b>12,314,487</b>
<b>Change in non-cash working capital:</b>		
Increase in accounts receivable	(355,638)	(43,781)
(Increase)/decrease in bookstore inventory	(52,151)	51,423
(Increase)/decrease in prepaid expenses	(105,472)	5,723
Increase in accounts payable and accrued liabilities	1,628,243	1,241,204
Increase/(decrease) in deferred revenue	1,947,387	(1,244,370)
Increase/(decrease) in specially designated funds	44,032	(6,492)
	<b>9,210,616</b>	<b>12,318,194</b>
<b>Investing activities</b>		
Capital assets purchased	(10,115,656)	(2,554,151)
Proceeds on disposal of capital assets	2,000	2,300
Proceeds from investments	18,656,162	19,000,000
Investments purchased	(18,690,140)	(12,752,705)
	<b>(10,147,634)</b>	<b>3,695,444</b>
<b>Financing activities</b>		
Increase in deferred capital contributions	59,596	120,217
Endowment contributions	4,936	4,175
Advances of loans	10,133,057	-
Repayment of loans	(10,077,775)	(454,853)
	<b>119,814</b>	<b>(330,461)</b>
	<b>(817,204)</b>	<b>15,683,177</b>
(Decrease)/increase in cash and cash equivalents		
Cash and cash equivalents, beginning of the year	19,063,313	3,380,136
<b>Cash and cash equivalents, end of year</b>	<b>\$ 18,246,109</b>	<b>\$ 19,063,313</b>



**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

**1. STATUS AND PURPOSE OF THE ORGANIZATION**

Concordia University of Edmonton (the "University") was incorporated on 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 consists of textbooks, stationary, souvenirs and clothing.

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

**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.

**(g) Internally restricted net assets**

Internally restricted net assets consist of amounts for strategic initiatives 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, 2022**

**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, loans payable and derivative financial instruments.

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 and private equity 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 loans payable are initially recognized at fair value net of transaction costs and subsequently measured at amortized cost using the straight-line interest rate method.

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at their fair value at each balance sheet date. Changes in fair value are recorded in net income. The University has not adopted hedge accounting.

*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 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.

Interest rate risk is mitigated by managing maturity dates and payment frequency. The University entered into an interest rate swap contract for its long term interest bearing debt to mitigate the effects to cash flow that interest changes could have. 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.

**(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.

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

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

**(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.

**3. INVESTMENTS**

The University has a managed portfolio with holdings of pooled funds and private equity. 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, 2022</b>	<b>March 31, 2021</b>
<b>Investments measured at fair value:</b>		
Pooled funds	<b>\$ 5,401,809</b>	\$ 3,932,130
Foreign equities	-	106,112
Domestic equities	-	727,951
Bonds and preferred shares with average stated yields of approximately nil (2021 – 4.8%)	-	830,258
Private equity	<b>369,731</b>	-
Other	<b>26,334</b>	-
Interest bearing deposits	-	19,586
	<b>5,797,874</b>	5,616,037
<b>Investments measured at amortized cost:</b>		
GIC's with average interest rates of 1.2% (2021 – 0.5%)	<b>12,521,019</b>	12,500,000
	<b>\$ 18,318,893</b>	\$ 18,116,037

Investment income is comprised of the following:

	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Interest and dividends	<b>\$ 301,704</b>	\$ 750,467
Unrealized gain on value of investments	<b>168,878</b>	795,185
Realized gain on sale of investments	<b>66,636</b>	1,672
Transaction costs and administration fees	<b>(33,962)</b>	(37,823)
	<b>\$ 503,256</b>	\$ 1,509,501

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

**4. CAPITAL ASSETS**

	Cost	Accumulated Amortization	Net Book Value	
			March 31, 2022	March 31, 2021
Land	\$ 3,742,248	\$ -	\$ 3,742,248	\$ 2,242,248
Buildings	45,460,675	14,742,013	30,718,662	29,467,758
Construction in progress	9,386,857	-	9,386,857	2,109,635
Equipment	6,964,763	5,102,464	1,862,299	2,082,129
Improvements other than buildings	737,111	617,670	119,441	150,783
Library resources	1,023,063	936,197	86,866	120,307
Vehicles	64,660	34,970	29,690	14,265
	<b>\$ 67,379,377</b>	<b>\$ 21,433,314</b>	<b>\$ 45,946,063</b>	<b>\$ 36,187,125</b>

The construction in progress of \$9,386,857 (2021: \$2,109,635) is not being amortized as the assets are not available for use.

**5. DERIVATIVE FINANCIAL INSTRUMENTS**

During the year ended March 31, 2022, the University entered into an interest rate swap contract to exchange a floating interest rate on its long term debt for a fixed interest rate for a 59 month term ending on February 16, 2027. The notional amount of the derivative financial instrument is \$10,139,952 and fair value is \$155,005. The fair value has been determined using broker quotes from a derivatives dealer.

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	March 31, 2022	March 31, 2021
Accrued vacation and administrative leave payable	\$ 2,467,966	\$ 2,476,951
Accrued salaries payable	659,309	531,717
Trade payables and accrued liabilities	2,052,374	926,821
Government remittances payable	655,326	271,243
	<b>\$ 5,834,975</b>	<b>\$ 4,206,732</b>

**7. DEFERRED REVENUE**

	March 31, 2021	Receipts	Revenue recognized	March 31, 2022
Tuition and fees	\$ 5,665,568	\$ 27,299,874	\$ 25,723,233	\$ 7,242,209
Scholarships and bursaries	1,169,413	529,087	569,833	1,128,667
Government of Alberta grants	161,068	13,305,523	13,339,822	126,769
Government of Canada grants	136,184	442,126	392,072	186,238
Other income	461,058	543,193	147,456	856,795
	<b>\$ 7,593,291</b>	<b>\$ 42,119,803</b>	<b>\$ 40,172,416</b>	<b>\$ 9,540,678</b>

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 \$595,906 (2021: \$551,874) 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, 2022**

**9. LOANS PAYABLE**

	<b>March 31, 2022</b>	<b>March 31, 2021</b>
3.59% fixed rate term loan, repaid during the year.	\$ -	\$ 4,877,880
3.90% fixed rate term loan, repaid during the year.	-	5,199,895
Non-revolving instalment loan (refinancing loan) with option to enter into interest rate swap exercised (Note 5). Payable in monthly installments of \$28,167 fixed notional amount plus interest at 2.36%. The loan is amortized over 30 years.	<b>10,133,057</b>	-
	<b>10,133,057</b>	10,077,775
Less: Current portion	<b>(309,832)</b>	(470,831)
	<b>\$ 9,823,225</b>	<b>\$ 9,606,944</b>

Outstanding principal payments are scheduled as follows:

2023	\$	309,832
2024		337,998
2025		337,998
2026		337,998
2027		342,298
Thereafter		8,466,933
		<b>\$ 10,133,057</b>

During the year ended March 31, 2022, using the new refinancing loan, the University repaid its two term loans of \$10,077,775 and incurred \$404,197 in prepayment penalties associated with the early debt extinguishment. All other securities were released upon payout, excluding the Corporate Mastercard facility in the amount of \$220,000 which remains part of the existing letter of agreement.

As part of the new credit agreement, the University has five additional credit facilities. The University has not accessed funding through any of these credit facilities as at March 31, 2022. Details of the credit facilities are as follows:

- a) Revolving line of credit (operating line) of \$3,000,000 to be used for general business purposes, available in Canadian dollar loans by way of overdrafts. Interest will be calculated at Prime Rate less 0.75% per annum, payable monthly until demanded.
- b) Revolving instalment term loan (CAPEX loan facility) of \$1,500,000 to support ongoing capital expenditures. Available as follows: Canadian dollar loans with interest calculated at Prime Rate less 0.75% per annum; Canadian dollar Banker's Acceptances (BA's) with terms of 1, 2, 3 months priced at the BA rate plus a stamping fee of 0.80%; fixed rate term options for 3, 5, 7 or 10 years; or option to enter into an interest rate swap. Repayable by way of regular monthly blended or principal plus interest payments based on a 10 year amortization until demanded.
- c) Non-Revolving Instalment Term Loan (New Academic Building Loan) to a maximum of \$25,000,000 to finance the construction of the New Academic Building and Student Quad. Same options available as CAPEX loan facility. Repayable by way of interest only during construction phase (up to a maximum of 36 months), followed by regular monthly blended or principal plus interest payments based on a 30 year amortization.
- d) Corporate visa facility of \$300,000 to support the issuance of corporate credit cards. All amounts under this credit are repayable immediately on demand.

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

**9. LOANS PAYABLE (continued)**

- e) Demand credit for interest rate swaps and foreign exchange contracts of \$5,750,000 USD. The maximum term for foreign exchange rate transactions may not exceed 12 months. For interest rate swap transactions, the notional amount will not exceed the amount of the instalment loan and maximum term may not exceed the remaining amortization period, maximum 10 years.

This credit agreement is secured by a general security agreement providing first priority security interest in all present and future personal property of the University which includes \$43,000,000 first charge demand collateral mortgage over the property to be refinanced and the new academic building property, plus an assignment of fire and other peril insurance.

**10. 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, 2022</b>	<b>March 31, 2021</b>
Balance, beginning of year	\$ -	\$ -
Grants and donations received	<b>811,368</b>	120,217
Transfer to unamortized deferred capital contributions (Note 11)	<b>(811,368)</b>	(120,217)
Balance, end of year	<b>\$ -</b>	<b>\$ -</b>

**11. UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS**

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

	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Balance, beginning of year	<b>\$ 10,980,817</b>	\$ 11,275,161
Deferred capital contributions (Note 10)	<b>811,368</b>	120,217
Amortization to revenue	<b>(369,258)</b>	(414,561)
Balance, end of year	<b>\$ 11,422,927</b>	\$ 10,980,817

**12. EMPLOYEE FUTURE BENEFITS**

	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Accrued benefit obligation	<b>\$ 39,875,800</b>	\$ 36,313,100
Fair value of plan assets	<b>39,009,900</b>	38,108,000
Plan deficit (surplus)	<b>865,900</b>	(1,794,900)
Valuation allowance	-	1,794,900
Net plan deficit	<b>865,900</b>	-
Post-retirement benefit plan	<b>1,561,000</b>	1,720,000
	<b>\$ 2,426,900</b>	<b>\$ 1,720,000</b>

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, 2020. The next required actuarial valuation will be completed as at December 31, 2023.

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.

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

**12. EMPLOYEE FUTURE BENEFITS (continued)**

For the 2022 fiscal year total employer contributions to the retirement plans were \$481,500 (2021: \$191,500). Current service and finance costs of \$70,500 (2021: \$336,000) have been recognized in income and re-measurement losses of \$1,192,900 have been recognized in net assets (2021: \$4,521,200 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 2022 was \$997,569 (2021: \$1,038,077).

**13. COMMITMENTS**

The University's remaining capital commitment for the purchase of private equity investments is \$1,420,659. For the construction of the New Academic Building and Student Quad, the University has a capital commitment of \$35,210,000 of which \$27,540,000 is remaining as at March 31, 2022 that is expected to be paid in 2023.



**CONCORDIA UNIVERSITY OF EDMONTON**  
**Schedule of Auxiliary Expenses and Activities**  
**Schedule 1**

	Year-ended March 31,	
	2022	2021
<b>Revenue</b>		
University stores	\$ 308,462	\$ 384,596
Food services	921	13,202
Student housing	267,346	21,665
Conventions and other	598,125	173,214
Extension and culture	60,309	39,894
Special purpose	64,745	-
	<b>1,299,908</b>	<b>632,571</b>
<b>Expenditures</b>		
University stores	356,818	475,923
Food services	14,455	53,240
Student housing	123,712	82,818
Conventions and other	253,887	103,962
Extension and culture	195,701	341,763
Special purpose	531,187	278,418
	<b>1,475,760</b>	<b>1,336,124</b>
<b>Net (expenditure) revenue</b>	<b>(175,852)</b>	<b>(703,553)</b>
<b>Net (expenditure) revenue</b>		
University stores	(48,356)	(91,327)
Food services	(13,534)	(40,038)
Student housing	143,634	(61,153)
Conventions and other	344,238	69,252
Extension and culture	(135,392)	(301,869)
Special purpose	(466,442)	(278,418)
	<b>\$ (175,852)</b>	<b>\$ (703,553)</b>

**CONCORDIA UNIVERSITY OF EDMONTON**  
**Schedule of Expenses by Program**  
**Schedule 2**

	Year-ended March 31,	
	2022	2021
<b>Academic programs</b>		
Management	\$ 872,761	\$ 824,465
Continuing and professional education	1,354,394	1,712,297
Natural science	3,850,705	3,529,036
Arts and social science	6,784,309	6,522,285
Education	1,846,643	1,972,276
	<b>14,708,812</b>	14,560,359
Academic services	1,648,972	1,815,926
<b>Total academic programs</b>	<b>16,357,784</b>	16,376,285
<b>Support programs</b>		
Facility maintenance	2,988,039	2,849,165
Institutional support	3,243,992	2,963,292
Student services	3,189,472	2,770,131
Library and archives	1,229,299	1,167,998
General administration	3,351,682	3,345,058
Student activities	1,043,114	607,291
<b>Total support programs</b>	<b>\$ 15,045,598</b>	\$ 13,702,935

**CONCORDIA UNIVERSITY OF EDMONTON**  
**Schedule of Revenue and Expenses by Object**  
**Schedule 3**

	Year-ended March 31,	
	2022	2021
<b>Revenues</b>		
<b>Government sources of revenue</b>		
General operating grant	\$ 12,674,016	\$ 12,813,410
Other recognized revenue	87,000	87,000
Total Government of Alberta operating funding	12,761,016	12,900,410
Other Government of Alberta grants	578,806	370,280
Government of Canada grants	392,072	92,078
	<b>13,731,894</b>	13,362,768
<b>Student sources of revenue</b>		
Tuition for accredited courses	20,103,229	23,495,724
Foreign student differential fees	2,999,208	3,692,200
Miscellaneous fees and student charges	2,620,796	2,889,941
Total tuition and fees for accredited programs	25,723,233	30,077,865
Other grants, donations, and fundraising	645,848	664,138
Sale of goods and services (schedule 1)	1,299,908	632,571
Investment income (note 3)	503,256	1,509,501
Other revenue	477,451	97,144
Amortization of deferred capital contributions (note 11)	369,258	414,561
<b>Total Revenues</b>	<b>42,750,848</b>	46,758,548
<b>Expenses</b>		
<b>Salary and wages</b>		
Salaries and wages	23,897,649	22,954,535
Employee benefits	3,373,914	3,196,234
	<b>27,271,563</b>	26,150,769
<b>Utilities</b>		
Gas	163,411	156,259
Electricity	391,666	347,746
Other	66,142	94,182
	<b>621,219</b>	598,187
Maintenance	295,260	239,042
Property tax	45,483	18,825
Supplies and services	4,459,012	4,048,138
Scholarships and bursaries	1,520,833	1,558,098
Cost of goods sold	495,569	529,841
Interest	756,553	386,080
Amortization of capital assets	1,781,719	1,745,124
<b>Total expenses</b>	<b>37,247,211</b>	35,274,104
<b>Net surplus</b>	<b>\$ 5,503,637</b>	\$ 11,484,444