



## 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, 2023 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, 2023;
- 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*

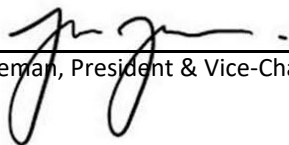
Chartered Professional Accountants

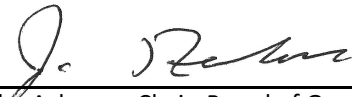
Edmonton, Alberta  
August 25, 2023

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

	As at	
	March 31, 2023	March 31, 2022
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 18,024,438	\$ 18,246,109
Investments (note 3)	15,066,388	18,318,893
Accounts receivable	1,730,677	1,449,128
Bookstore inventory	108,728	190,274
Prepaid expenses and other current assets	450,395	413,823
	<b>35,380,626</b>	<b>38,618,227</b>
Capital assets (note 4)	58,505,304	45,946,063
Derivative asset (note 5)	381,579	155,005
<b>Total assets</b>	<b>\$ 94,267,509</b>	<b>\$ 84,719,295</b>
<b>Liabilities and net assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 6)	\$ 8,296,425	\$ 5,834,975
Deferred revenue (note 7)	10,461,386	9,540,678
Specially designated funds (note 8)	548,392	595,906
Current portion of loans payable (note 9)	337,998	309,832
	<b>19,644,201</b>	<b>16,281,391</b>
<b>Long Term</b>		
Loans payable (note 9)	9,423,180	9,823,225
Unamortized deferred capital contributions (note 11)	11,131,611	11,422,927
Employee future benefits (note 12)	2,312,900	2,426,900
<b>Total liabilities</b>	<b>42,511,892</b>	<b>39,954,443</b>
<b>Net Assets</b>		
Endowments	1,142,442	1,137,291
Internally restricted net assets	4,202,452	4,232,645
Invested in capital assets	37,612,515	24,390,079
Unrestricted net assets	8,798,208	15,004,837
<b>Total net assets</b>	<b>51,755,617</b>	<b>44,764,852</b>
<b>Total liabilities and net assets</b>	<b>\$ 94,267,509</b>	<b>\$ 84,719,295</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,	
	2023	2022 (note 15)
<b>Revenue</b>		
<b>Gifts and Grants</b>		
Government of Alberta grants (note 7)	\$ 13,255,198	\$ 13,339,822
Government of Canada (note 7)	242,020	392,072
Designated fees, gifts, and grants	822,208	645,848
Amortization of deferred capital contributions (note 11)	445,444	369,258
	<b>14,764,870</b>	14,747,000
<b>Student tuition and fees, and other revenue</b>		
Student tuition and fees (note 7)	28,246,363	25,723,233
Auxiliary enterprises and activities (schedule 3)	1,799,229	1,299,908
Student activities	286,738	177,251
Investment income (note 3)	984,621	503,256
Unrealized gain on interest rate swap (note 5)	226,574	155,005
Miscellaneous	247,717	145,195
	<b>31,791,242</b>	28,003,848
<b>Total revenue</b>	<b>46,556,112</b>	42,750,848
<b>Expenses (schedules 2 and 3)</b>		
<b>Salary and wages</b>		
Salaries and wages	24,976,905	23,897,649
Employee benefits	3,725,195	3,373,914
	<b>28,702,100</b>	27,271,563
Supplies and services	5,300,260	4,459,012
Amortization of capital assets	1,843,244	1,781,719
Scholarships and bursaries	1,629,601	1,520,833
Utilities	858,126	621,219
Cost of goods sold	569,380	495,569
Maintenance	341,317	295,260
Interest	293,023	756,553
Property tax	58,647	45,483
<b>Total expenses</b>	<b>39,595,698</b>	37,247,211
<b>Net surplus</b>	<b>\$ 6,960,414</b>	\$ 5,503,637

**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, 2023	Total Net Assets March 31, 2022
<b>Net assets , beginning of year</b>	<b>\$ 15,004,837</b>	<b>\$ 24,390,079</b>	<b>\$ 4,232,645</b>	<b>\$ 1,137,291</b>	<b>\$ 44,764,852</b>	<b>\$ 39,775,950</b>
Excess (deficiency) of revenue over expenditures	8,358,214	(1,397,800)	-	-	6,960,414	5,503,637
Employee future benefits remeasurement (note 12)	25,200	-	-	-	25,200	(1,192,900)
Endowment contributions	-	-	-	5,151	5,151	4,936
Donated land	-	-	-	-	-	673,229
<b>Transfers</b>						
For internally restricted purposes	30,193	-	(30,193)	-	-	-
For capital additions	(14,402,485)	14,402,485	-	-	-	-
Capital contributions (note 10)	154,128	(154,128)	-	-	-	-
Repayment of loans	(371,879)	371,879	-	-	-	-
<b>Net assets, end of period</b>	<b>\$ 8,798,208</b>	<b>\$ 37,612,515</b>	<b>\$ 4,202,452</b>	<b>\$ 1,142,442</b>	<b>\$ 51,755,617</b>	<b>\$ 44,764,852</b>

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

	Year-ended March 31,	
	2023	2022
<b>Operating activities</b>		
Excess of revenues over expenditures	\$ 6,960,414	\$ 5,503,637
<b>Items not involving cash</b>		
Employee future benefits	(88,800)	(486,000)
Amortization of capital assets	1,843,244	1,781,719
Amortization of deferred capital contributions	(445,444)	(369,258)
Gain on disposal of capital assets	-	(2,000)
Unrealized gain on fair value of investments	(184,825)	(168,878)
Unrealized gain on interest rate swap	(226,574)	(155,005)
	<b>7,858,015</b>	<b>6,104,215</b>
<b>Change in non-cash working capital:</b>		
Increase in accounts receivable	(281,549)	(355,638)
Decrease/(increase) in bookstore inventory	81,546	(52,151)
Increase in prepaid expenses	(36,572)	(105,472)
Increase in accounts payable and accrued liabilities	2,461,450	1,628,243
Increase in deferred revenue	920,708	1,947,387
(Decrease)/increase in specially designated funds	(47,514)	44,032
	<b>10,956,084</b>	<b>9,210,616</b>
<b>Investing activities</b>		
Capital assets purchased	(14,402,485)	(10,115,656)
Proceeds on disposal of capital assets	-	2,000
Proceeds from investments	18,886,663	18,656,162
Investments purchased	(15,449,333)	(18,690,140)
	<b>(10,965,155)</b>	<b>(10,147,634)</b>
<b>Financing activities</b>		
Increase in deferred capital contributions	154,128	59,596
Endowment contributions	5,151	4,936
Advances of loans	-	10,133,057
Repayment of loans	(371,879)	(10,077,775)
	<b>(212,600)</b>	<b>119,814</b>
Decrease in cash and cash equivalents	(221,671)	(817,204)
Cash and cash equivalents, beginning of the year	18,246,109	19,063,313
<b>Cash and cash equivalents, end of year</b>	<b>\$ 18,024,438</b>	<b>\$ 18,246,109</b>

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2023**

**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, 2023**

**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, 2023**

**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, 2023**

**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.

**(l) Adoption of amendments to Section 3462, Employee future benefits**

Section 3462, Employee future benefits was amended to i) clarify the measurement of the defined benefit obligation for plans with a legislative, regulatory or contractual requirement to prepare a funding valuation, and ii) remove the accommodation to allow the use of a funding valuation for defined benefit plans without a funding valuation requirement. The amendments were required to be applied for annual periods beginning on or after January 1, 2022.

The University's post-retirement benefit plan does not have a funding valuation requirement and in accordance with the University's accounting policy in note 2(k), the post-retirement plan obligation was determined using an actuarial valuation for accounting purposes. As a result, there was no impact to the University on adoption of the amendment to Section 3462.

**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, 2023</b>	<b>March 31, 2022</b>
<b>Investments measured at fair value:</b>		
Pooled funds	<b>\$ 4,190,748</b>	\$ 5,401,809
Private equity	<b>1,849,854</b>	369,731
Other	<b>25,786</b>	26,334
	<b>6,066,388</b>	5,797,874
<b>Investments measured at amortized cost:</b>		
GIC's with average interest rates of 3.1% (2022 – 1.2%)	<b>9,000,000</b>	12,521,019
	<b>\$ 15,066,388</b>	\$ 18,318,893

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2023**

**3. INVESTMENTS (continued)**

Investment income is comprised of the following:

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Interest and dividends	\$ 963,092	\$ 301,704
Unrealized gain on value of investments	184,825	168,878
Realized (loss)/gain on sale of investments	(119,427)	66,636
Transaction costs and administration fees	(43,869)	(33,962)
	<b>\$ 984,621</b>	<b>\$ 503,256</b>

**4. CAPITAL ASSETS**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>	
			<b>March 31, 2023</b>	<b>March 31, 2022</b>
Land	\$ 3,742,248	\$ -	\$ 3,742,248	\$ 3,742,248
Buildings	45,752,290	15,816,044	29,936,246	30,718,662
Construction in progress	22,769,489	-	22,769,489	9,386,857
Equipment	7,693,000	5,798,527	1,894,473	1,862,299
Improvements other than buildings	737,111	645,916	91,195	119,441
Library resources	1,023,063	970,721	52,342	86,866
Vehicles	64,660	45,349	19,311	29,690
	<b>\$ 81,781,861</b>	<b>\$ 23,276,557</b>	<b>\$ 58,505,304</b>	<b>\$ 45,946,063</b>

The construction in progress of \$22,769,489 (2022: \$9,386,857) is not being amortized as the assets are not available for use.

**5. DERIVATIVE FINANCIAL INSTRUMENTS**

The University has 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. As at March 31, 2023, the notional amount of the derivative financial instrument is \$9,830,120 (2022: \$10,139,952) and fair value is \$381,579 (2022: \$155,005). The fair value has been determined using broker quotes from a derivatives dealer.

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Accrued vacation and administrative leave payable	\$ 2,473,166	\$ 2,467,966
Accrued salaries payable	883,950	659,309
Trade payables and accrued liabilities	4,163,216	2,052,374
Government remittances payable	776,093	655,326
	<b>\$ 8,296,425</b>	<b>\$ 5,834,975</b>

**7. DEFERRED REVENUE**

	<b>March 31, 2022</b>	<b>Receipts</b>	<b>Revenue recognized</b>	<b>March 31, 2023</b>
Tuition and fees	\$ 7,242,209	\$ 27,430,390	\$ 28,246,363	\$ 6,426,236
Scholarships and bursaries	1,128,667	1,290,720	553,413	1,865,974
Government of Alberta grants	126,769	13,832,285	13,255,198	703,856
Government of Canada grants	186,238	368,007	242,020	312,225
Other income	856,795	1,149,968	853,668	1,153,095
	<b>\$ 9,540,678</b>	<b>\$ 44,071,370</b>	<b>\$ 43,150,662</b>	<b>\$ 10,461,386</b>

**Concordia University of Edmonton**  
**Notes to Financial Statements**  
**Year Ended March 31, 2023**

**7. DEFERRED REVENUE (continued)**

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 \$548,392 (2022: \$595,906) that have been placed with the University for specific purposes that are not part of the operations of the University.

**9. LOANS PAYABLE**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
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>9,761,178</b>	10,133,057
Less: Current portion	<b>(337,998)</b>	(309,832)
	<b>\$ 9,423,180</b>	\$ 9,823,225

Outstanding principal payments are scheduled as follows:

2024	\$	337,998
2025		337,998
2026		337,998
2027		342,298
2028		342,298
Thereafter		8,062,588
		<b>\$ 9,761,178</b>

As part of the existing 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, 2023. 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, 2023**

**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, 2023</b>	<b>March 31, 2022</b>
Balance, beginning of year	\$ -	\$ -
Grants and donations received	<b>154,128</b>	811,368
Transfer to unamortized deferred capital contributions (Note 11)	<b>(154,128)</b>	(811,368)
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, 2023</b>	<b>March 31, 2022</b>
Balance, beginning of year	<b>\$ 11,422,927</b>	\$ 10,980,817
Deferred capital contributions (Note 10)	<b>154,128</b>	811,368
Amortization to revenue	<b>(445,444)</b>	(369,258)
Balance, end of year	<b>\$ 11,131,611</b>	<b>\$ 11,422,927</b>

**12. EMPLOYEE FUTURE BENEFITS**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Accrued benefit obligation	<b>\$ 38,002,900</b>	\$ 39,875,800
Fair value of plan assets	<b>37,153,000</b>	39,009,900
Plan deficit	<b>849,900</b>	865,900
Post-retirement benefit plan	<b>1,463,000</b>	1,561,000
	<b>\$ 2,312,900</b>	<b>\$ 2,426,900</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, 2021. The next required actuarial valuation will be completed as at December 31, 2024.

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, 2023**

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

For the 2023 fiscal year total employer contributions to the retirement plans were \$107,900 (2022: \$481,500). Current service and finance costs of \$105,100 (2022: \$70,500) have been recognized in income and re-measurement gains of \$25,200 have been recognized in net assets (2022: \$1,192,900 losses).

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 2023 was \$1,116,642 (2022: \$997,569).

**13. COMMITMENTS**

The University's remaining capital commitment for the purchase of private equity investments is \$22,641 (2022: \$1,420,659). For the construction of the New Academic Building and Student Quad, the University has a capital commitment of \$36,020,170 (2022: \$35,210,000) of which \$16,698,250 (2022: \$27,540,000) is remaining as at March 31, 2023 that is expected to be paid in 2024.

**14. CONTINGENCIES**

In the course of normal operations and capital development, the University is exposed to contract disputes which can result in legal action taken against the University. The University has not accrued any amounts in its financial statements related to these disputes as potential settlements cannot be reasonably estimated at this time.

**15. COMPARATIVE FIGURES**

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

**CONCORDIA UNIVERSITY OF EDMONTON**  
**Schedule of Revenue and Expenses by Program**  
**Schedule 1**

	Year-ended March 31,	
	2023	2022 (note 15)
<b>Revenues</b>		
<b>Government sources of revenue</b>		
General operating grant	\$ 12,598,078	\$ 12,674,016
Other recognized revenue	87,000	87,000
Total Government of Alberta operating funding	12,685,078	12,761,016
Other Government of Alberta grants	570,120	578,806
Total Government of Alberta grants (note 7)	13,255,198	13,339,822
Government of Canada grants (note 7)	242,020	392,072
	<b>13,497,218</b>	<b>13,731,894</b>
<b>Student sources of revenue</b>		
Tuition for accredited courses	21,263,893	20,103,229
Foreign student differential fees	4,186,162	2,999,208
Miscellaneous fees and student charges	2,796,308	2,620,796
Total student tuition and fees (note 7)	28,246,363	25,723,233
Designated fees, gifts, and grants	822,208	645,848
Auxiliary enterprises and activities (schedule 3)	1,799,229	1,299,908
Investment income (note 3)	984,621	503,256
Other revenue	761,029	477,451
Amortization of deferred capital contributions (note 11)	445,444	369,258
<b>Total Revenues</b>	<b>46,556,112</b>	<b>42,750,848</b>
<b>Expenditures</b>		
Academic programs (schedule 2)	16,177,366	16,357,784
Support programs (schedule 2)	17,250,910	15,045,598
Auxiliary enterprises and activities (schedule 3)	1,922,101	1,475,760
Student financial aid	1,629,601	1,520,833
Research	479,453	308,964
Interest on long term liabilities	293,023	756,553
<b>Total expenditures</b>	<b>37,752,454</b>	<b>35,465,492</b>
<b>Excess revenue over expenditures from operations before the undernoted</b>	<b>8,803,658</b>	<b>7,285,356</b>
Amortization of capital assets	1,843,244	1,781,719
<b>Excess of revenue over expenditures</b>	<b>\$ 6,960,414</b>	<b>\$ 5,503,637</b>



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

	Year-ended March 31,	
	2023	2022
<b>Academic programs</b>		
Management	\$ 795,112	\$ 872,761
Continuing and professional education	1,162,782	1,354,394
Natural science	3,978,143	3,850,705
Arts and social science	6,685,011	6,784,309
Education	1,867,444	1,846,643
	<b>14,488,492</b>	14,708,812
Academic services	1,688,874	1,648,972
<b>Total academic programs</b>	<b>16,177,366</b>	16,357,784
<b>Support programs</b>		
Facility maintenance	3,526,637	2,988,039
Institutional support	3,550,382	3,243,992
Student services	3,664,050	3,189,472
Library and archives	1,487,927	1,229,299
General administration	3,733,653	3,351,682
Student activities	1,288,261	1,043,114
<b>Total support programs</b>	<b>\$ 17,250,910</b>	\$ 15,045,598

**CONCORDIA UNIVERSITY OF EDMONTON**  
**Schedule of Auxiliary Expenses and Activities**  
**Schedule 3**

	Year-ended March 31,	
	2023	2022
<b>Revenue</b>		
University stores	\$ 330,734	\$ 308,462
Food services	21,648	921
Student housing	410,808	267,346
Conventions and other	964,614	598,125
Extension and culture	43,925	60,309
Special purpose	27,500	64,745
	<b>1,799,229</b>	<b>1,299,908</b>
<b>Expenditures</b>		
University stores	449,850	356,818
Food services	20,955	14,455
Student housing	195,240	123,712
Conventions and other	342,890	253,887
Extension and culture	229,419	195,701
Special purpose	683,747	531,187
	<b>1,922,101</b>	<b>1,475,760</b>
<b>Net expenditure</b>	<b>(122,872)</b>	<b>(175,852)</b>
<b>Net expenditure</b>		
University stores	(119,116)	(48,356)
Food services	693	(13,534)
Student housing	215,568	143,634
Conventions and other	621,724	344,238
Extension and culture	(185,494)	(135,392)
Special purpose	(656,247)	(466,442)
	<b>\$ (122,872)</b>	<b>\$ (175,852)</b>