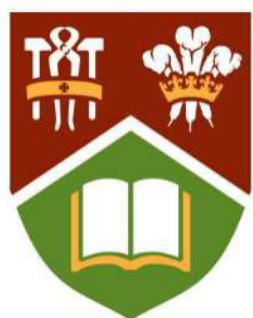




Consolidated Financial Statements

University of Prince Edward Island

April 30, 2024



UNIVERSITY
of Prince Edward
ISLAND

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Independent Auditor's Report

To the Board of Governors of the
University of Prince Edward Island

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Opinion

We have audited the consolidated financial statements of the University of Prince Edward Island ("the Organization"), which comprise the consolidated statement of financial position as at April 30, 2024, and the consolidated statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University of Prince Edward Island as at April 30, 2024, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Consolidated Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements of the University of Prince Edward Island taken as a whole. The supplementary information included on the schedules on Page 23 and 24 are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Organization'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 Organization'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 consolidated 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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Grant Thornton LLP

Charlottetown, Canada
September 23, 2024

Chartered Professional Accountants

University of Prince Edward Island Consolidated Statement of Operations

Year ended April 30, 2024

						2024	2023
	<u>Operating</u>	<u>Research</u>	<u>Post- retirement benefits</u>	<u>Capital assets</u>	<u>Endowment</u>	<u>Total</u>	<u>Total</u>
Revenues							
Grants and contracts (Note 18)	\$ 84,427,139	\$ 12,813,125	\$ -	\$ 905,965	\$ -	\$ 98,146,229	\$ 83,580,305
Amortization of deferred revenue				3,962,102		3,962,102	3,875,793
Student fees	43,822,665					43,822,665	40,772,313
International fees	20,546,770					20,546,770	17,907,888
Ancillaries	11,465,918					11,465,918	7,930,242
Sales and other revenues	19,913,705					19,913,705	19,593,686
Investment income	4,540,991		2,103,664			6,644,655	4,943,566
Change in fair value of derivatives (Note 12)				2,699,664		2,699,664	807,984
Donations	<u>3,018,051</u>					<u>3,018,051</u>	<u>2,436,182</u>
	<u>187,735,239</u>	<u>12,813,125</u>	<u>2,103,664</u>	<u>7,567,731</u>	<u>-</u>	<u>210,219,759</u>	<u>181,847,959</u>
Expenditures							
Salaries and benefits	106,923,403	6,368,356				113,291,759	100,769,115
Supplies	13,926,144	1,796,926				15,723,070	13,865,297
Depreciation	11,131,665					11,131,665	10,067,524
Other	3,942,806					3,942,806	3,145,448
Utilities	7,997,154					7,997,154	7,575,321
Travel	1,741,837	963,555				2,705,392	2,319,860
Repairs and maintenance	3,525,173					3,525,173	3,553,551
Library subscriptions	1,802,549					1,802,549	1,636,376
Post-retirement benefits (Note 9)			7,946,714			7,946,714	7,879,840
Externally contracted services and memberships	8,489,164	1,536,990				10,026,154	8,834,298
Scholarships and bursaries (Note 18)	14,261,834	113,033				14,374,867	14,910,574
Interest				1,887,257		1,887,257	1,256,587
	<u>173,741,729</u>	<u>10,778,860</u>	<u>7,946,714</u>	<u>1,887,257</u>	<u>-</u>	<u>194,354,560</u>	<u>175,813,791</u>
Excess of revenues over expenditures before inter-fund transfers	<u>\$13,993,510</u>	<u>\$2,034,265</u>	<u>(\$5,843,050)</u>	<u>\$ 5,680,474</u>	<u>\$ -</u>	<u>\$ 15,865,199</u>	<u>\$ 6,034,168</u>

See accompanying notes to the consolidated financial statements.

University of Prince Edward Island

Consolidated Statement of Changes in Fund Balances

Year ended April 30, 2024

						2024	2023
	<u>Operating</u>	<u>Research</u>	<u>Post-retirement benefits</u>	<u>Capital assets</u>	<u>Endowment</u>	<u>Total</u>	<u>Total</u>
Fund balances, beginning of year	\$ 7,053,623	\$ 3,505,811	\$ (11,025,779)	\$ 94,691,733	\$ 60,134,687	\$ 154,360,075	\$140,468,585
Excess revenue (expenditure) before inter-fund transfers	13,993,510	2,034,265	(5,843,050)	5,680,474	-	15,865,199	6,034,168
Re-measurement and other adjustments (Note 9)	-	-	2,346,442	-	-	2,346,442	1,855,751
Endowment additions	-	-	-	-	5,914,956	5,914,956	6,001,571
Inter-fund transfers (Note 17)	<u>(9,715,809)</u>	<u>(3,047,195)</u>	<u>10,231,804</u>	<u>2,531,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 11,331,324</u>	<u>\$2,492,881</u>	<u>\$(4,290,583)</u>	<u>\$ 102,903,407</u>	<u>\$ 66,049,643</u>	<u>\$178,486,672</u>	<u>\$154,360,075</u>

(Note 16)

See accompanying notes to the consolidated financial statements.

University of Prince Edward Island

Consolidated Statement of Financial Position

April 30, 2024

						2024	2023
	Operating	Research	Post- retirement benefits	Capital assets	Endowment	Total	Total
Assets							
Current - Cash and cash equivalents	\$ 31,029,775	\$ -	\$ -	\$ -	\$ -	\$ 31,029,775	\$ 36,724,022
- Receivables (Note 3)	6,822,963	1,544,490		2,027,883		10,395,336	11,377,203
- Inventory and other	1,894,929	-		-		1,894,929	1,936,652
	<u>39,747,667</u>	<u>1,544,490</u>		<u>2,027,883</u>		<u>43,320,040</u>	<u>50,037,877</u>
Investments (Note 4)	49,439,036		38,793,985	12,987,936	66,049,643	167,270,600	155,596,169
Due from (to) other funds	(15,231,258)	11,510,776		3,720,482		-	-
Derivative instruments (Note 12)				10,884,757		10,884,757	8,465,316
Capital assets (Note 5)				318,439,547		318,439,547	284,853,772
Intangible assets (Note 6)				2,098,981		2,098,981	2,700,214
	<u>\$ 73,955,445</u>	<u>\$ 13,055,266</u>	<u>\$ 38,793,985</u>	<u>\$ 350,159,586</u>	<u>\$ 66,049,643</u>	<u>\$ 542,013,925</u>	<u>\$ 501,653,348</u>
Liabilities							
Current - Payables and accruals (Note 7)	\$ 15,132,636	\$ 68,508	\$ -	\$ 9,651,992	\$ -	\$ 24,853,136	\$ 21,600,304
- Current portion of long term debt				3,855,149		3,855,149	3,779,817
- Construction loan (Note 10)				13,350,000		13,350,000	-
- Deferred revenue (Note 8)	21,863,576			11,815,427		33,679,003	29,277,984
	<u>36,996,212</u>	<u>68,508</u>		<u>38,672,568</u>		<u>75,737,288</u>	<u>54,658,105</u>
Defined benefit liabilities (Note 9)			43,084,568			43,084,568	46,555,327
Derivative instruments (Note 12)				258,424		258,424	538,647
Long term obligations (Note 11)				62,161,250		62,161,250	66,016,400
	<u>36,996,212</u>	<u>68,508</u>	<u>43,084,568</u>	<u>101,092,242</u>	<u>-</u>	<u>181,241,530</u>	<u>167,768,479</u>
Deferred revenue							
Research contracts		10,493,877				10,493,877	11,810,927
Capital assets (Note 13)				146,163,937		146,163,937	141,391,897
Other (Note 14)	25,627,909					25,627,909	26,321,970
	<u>62,624,121</u>	<u>10,562,385</u>	<u>43,084,568</u>	<u>247,256,179</u>	<u>-</u>	<u>363,527,253</u>	<u>347,293,273</u>
Fund balances							
Invested in capital assets				89,915,471		89,355,471	84,641,780
Internally restricted – post-retirement benefit			(4,290,583)			(4,290,583)	(11,025,779)
Externally restricted – endowments					56,839,979	56,839,979	51,717,929
Internally restricted (Note 15)		2,492,881		12,987,936	9,209,664	24,690,481	21,972,522
Unrestricted	11,331,324					11,331,324	7,053,623
	<u>11,331,324</u>	<u>2,492,881</u>	<u>(4,290,583)</u>	<u>102,903,407</u>	<u>66,049,643</u>	<u>178,486,672</u>	<u>154,360,075</u>
	<u>\$ 73,955,445</u>	<u>\$ 13,055,266</u>	<u>\$ 38,793,985</u>	<u>\$ 350,159,586</u>	<u>\$ 66,049,643</u>	<u>\$ 542,013,925</u>	<u>\$ 501,653,348</u>

(Note 16)

Commitments (Note 20)

On behalf of the Board of Governors

Chair

Finance and Audit Chair

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University of Prince Edward Island

Consolidated Statement of Cash Flows

Year Ended April 30, 2024

2024

2023

Operating

Excess of revenue over expenditure before inter-fund transfer	\$ 15,865,199	\$ 6,034,168
Amortization of deferred contributions	(3,962,102)	(3,875,793)
Change in financial derivative instruments	(2,699,664)	(807,984)
Depreciation of capital and intangible assets	11,131,665	10,067,524
Change in employee future benefit obligation	(5,237,194)	(9,630,374)
Changes in non-cash operating working capital		
Receivables	981,867	(4,257,192)
Inventory and other	41,723	(239,252)
Payables and accruals	(4,606,246)	5,505,768
Contributions related to operating	4,401,019	5,485,387
Contributions related for research	(1,317,050)	<u>3,140,591</u>
Net cash generated through operating activities	<u>14,599,217</u>	<u>11,422,843</u>

Financing

Contributions related to special purpose funds and endowments, including capitalized investment returns	6,141,249	6,607,162
Contributions related to capital assets	8,734,142	11,496,811
Excess of investment returns over endowment and special purpose funds	(314,763)	(155,821)
Proceeds from long term obligations	-	49,000,000
Cash received from short term financing	13,350,000	-
Principal repayments on long term obligations	(3,779,817)	<u>(2,346,803)</u>
Net cash generated through financing activities	<u>24,130,811</u>	<u>64,601,349</u>

Investing

Purchase of capital and intangible assets	(37,345,308)	(41,935,048)
Net increase in investments	(7,078,967)	<u>(22,256,340)</u>
Net cash used in financing activities	<u>(44,424,275)</u>	<u>(64,497,388)</u>
Net increase in cash and cash equivalents	(5,694,247)	11,526,804
Cash and cash equivalents, beginning of year	<u>36,724,022</u>	<u>25,197,218</u>
Cash and cash equivalents, end of year	<u>\$ 31,029,775</u>	<u>\$ 36,724,022</u>

See accompanying notes to the consolidated financial statements.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

1. Purpose of the organization

The University of Prince Edward Island is incorporated as an income tax exempt not-for-profit organization with the following mission statement:

The University, founded on the tradition of liberal education, exists to encourage and assist people to acquire the skills, knowledge and understanding necessary for critical and creative thinking, and thus prepare them to contribute to their own betterment and that of society through the development of their full potential.

To accomplish these ends, the University is a community of scholars whose primary tasks are to teach and to learn, to engage in scholarship and research, and to offer service for the benefit of our Island and beyond.

2. Summary of significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles using Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

Principles of consolidation

The consolidated financial statements of the University include the accounts of the Synapse Applied Research and Industry Services Inc., a member corporation, and the University of Prince Edward Island Foundation, (U.S.) Inc. Synapse Applied Research and Industry Services Inc. operates a research support division. The University of Prince Edward Island Foundation, (U.S.) Inc. is an income tax exempt foundation for charitable, scientific, literary or educational purposes.

Fund accounting

The University follows the deferral method of accounting for contributions.

Revenue and expenditure related to program delivery and administrative activities are reported in the operating fund.

Revenue and expenditure related to research activities are reported in the research fund.

Revenue and expenditure related to employee future benefits are reported in the post-retirement benefits fund.

Assets, liabilities, revenue and expenditure, except for depreciation, related to the University's capital assets are reported in capital assets fund.

Endowment donations are reported in the Endowment fund as an increase to the fund balance. The Endowment fund reflects the total resources which have been endowed, either by terms imposed by the benefactors or by the University. Investment income earned on resources of the Endowment fund are reported in the operating fund as deferred revenue and recognized as income in the year in which expenditures are incurred. Principal donations are held in perpetuity and the investment income is used for the purpose specified by the donors.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and other institutions, net of bank overdrafts. Temporary short term borrowings are considered to be financing activities.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

2. Summary of significant accounting policies (cont'd)

Inventory

Inventory is valued at the lower of cost and net realizable value, with cost being determined on a first-in, first-out basis.

Revenue recognition

Restricted donations are recognized as revenue of the appropriate fund in the year in which the related expenditures are incurred or related capital asset depreciated. Unrestricted contributions are recognized as revenue of the general fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue of the appropriate fund in the year in which the related expenditures are incurred.

Profits from contracts are recognized on the percentage of completion basis. The percentage of completion is determined by relating the actual cost of work performed to date to the current estimated total cost of each contract. Any projected loss is recognized immediately for accounting purposes.

Revenues received without restrictions include tuition fees and sales of services and goods. These amounts are reported as revenue at the same time the services are provided, or the goods are sold. Operating grants from governments are also considered unrestricted and are recorded in the period to which the operating funds relate.

Employee benefit plans

The University maintains a defined benefit plan providing pension and other retirement benefits to a number of its employees and faculty. The University's benefit obligation and current service costs are determined based on the employee benefit plans going concern obligation and current service costs as determined based on the last funding valuations and extrapolated to the fiscal year end date. The measurement date of the defined benefit obligations coincides with the University's fiscal year end date and is determined by independent actuaries. Employee benefit plan assets are recorded at their fair values.

The components of the total cost of the University's employee benefit plans include the current service cost (or actuarial present value of benefits attributed to employee services rendered during the period, less employee contributions), finance cost (or net interest on the defined benefit liability), and re-measurements and other items. Re-measurements and other items are recognized directly into net assets in the consolidated statement of changes in fund balances, and included the following: actuarial gains and losses, valuation allowances, past service costs, gains and losses on settlements and curtailments, and the difference between the actual returns on plan assets and the return calculated using the discount rate used to determine the defined benefit obligation.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

2. Summary of significant accounting policies (cont'd)

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Rates and bases of depreciation applied to write-off the cost of the capital assets over their estimated lives are as follows:

Site improvements	4%, declining balance
Buildings	2.5%, declining balance
Furniture and equipment	10%, declining balance
Computer equipment and motor vehicles	30%, declining balance
Library materials	10%, declining balance

Facilities under construction are not depreciated until they are available for use.

Capital asset deferred revenue is amortized at the same rate of depreciation as the assets it was used to purchase.

An impairment loss is recognized when the carrying amount of a long-lived asset is not recoverable and exceeds its fair value; it is measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposition. A long-lived asset is tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Intangible assets

Computer software development expenditure is capitalized only if the directly related costs (both internal and external) can be measured reliably, the product or process is technically feasible, future economic benefits are probable and the University has the intention and sufficient resources to complete development and to use the asset. Computer software assets are derecognized when these factors no longer exist. The capitalized expenditures include the direct cost of materials and labour, but not administrative costs, including training. Other development expenditures are expensed as incurred if they do not meet the prescribed capitalization criteria. Similarly, costs associated with maintaining computer software programs in a functional condition, as originally intended, are expensed as incurred. Development costs previously recognized as an expense are not recognized as an asset in subsequent periods.

Rates and bases of depreciation applied to write-off the cost of the intangible assets over their estimated lives are as follows:

Computer software	25%, declining balance
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University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

2. Summary of significant accounting policies (cont'd)

Financial instruments

The University considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The University accounts for the following as financial instruments:

- Cash and cash equivalents
- Receivables
- Investments – actively traded
- Investments – not actively traded
- Payables and accruals
- Derivative instruments
- Long term debt

A financial asset or liability is recognized when the University becomes a party to contractual provisions of the instrument.

The University initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs directly attributable to its origination, issuance, or assumption.

Financial assets and financial liabilities are subsequently measured according to the following methods:

Financial instrument	Subsequent measurement
Cash and cash equivalents	Amortized cost
Receivables	Amortized cost
Investments – actively traded	Fair value
Investments – not actively traded	Fair value; amortized cost
Payables and accruals	Amortized cost
Derivative instruments	Fair value
Long term debt	Amortized cost

Derivative financial instruments

The University has entered into several interest rate swap agreements with two chartered banks to reduce interest rate exposure associated with certain long-term debt obligations. The agreements have the effect of converting the floating rate of interest on certain debt to a fixed rate. It is the University's policy not to use derivative financial instruments for trading or speculative purposes.

As a result, these derivative financial instruments are adjusted to their fair value at the end of each year to be recorded on the consolidated statement of financial position and the change in value recorded in the consolidated statement of operations. See Note 12 for further disclosure.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

2. Summary of significant accounting policies (cont'd)

Donations and pledges

Unrestricted donations are recorded as revenue in the fiscal period in which they are received. Restricted donations are recorded as revenue in the fiscal period in which they are spent. Gifts in kind, including works of art, equipment, investments and library holdings are recorded at fair market value on the date of their donation.

Pledges of donations to be received in future years are not recorded in the consolidated financial statements.

Foreign currency translation

Foreign currency transactions are recorded at the exchange rate in effect at the time of the transaction. Monetary assets and liabilities denominated in foreign currency reported on the consolidated statement of financial position are recorded at the exchange rate in effect on the consolidated financial statement date. Non-monetary assets and liabilities denominated in foreign currency are recorded at the exchange rate in effect on the transaction date. The market value of long-term investments denominated in foreign currency is disclosed in the notes to the consolidated financial statements at the exchange rate in effect on the consolidated financial statement date.

Use of estimates and measurement uncertainty

In preparing the University's consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditure during the period. Significant estimates and assumptions are involved with the calculation of the allowance for doubtful accounts, useful life of capital assets, and accrued liabilities for employee future benefits. Actual results could differ from these estimates. Estimates are regularly reviewed by management and adjusted as required.

Measurement uncertainty exists when there is a variance between the recognized amount and another reasonable amount. Some accounting measurements require management's best estimate, based on assumptions as at the consolidated financial statement date that reflect the most probable set of economic conditions and planned course of action.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

3. Receivables	<u>2024</u>	<u>2023</u>
Operating fund		
Operating grants and contracts	\$ 2,297,008	\$ 1,405,252
Sales and services	851,499	712,272
Student accounts	1,560,722	1,191,827
Student union	-	45,672
Other	<u>2,113,734</u>	<u>2,541,910</u>
	6,822,963	5,896,933
Capital asset fund	2,027,883	4,340,888
Research fund	<u>1,544,490</u>	<u>1,139,382</u>
	<u>\$ 10,395,336</u>	<u>\$ 11,377,203</u>

4. Investments	<u>2024</u>	<u>2023</u>
Operating fund	<u>\$ 49,439,036</u>	<u>\$ 49,881,981</u>
Post-retirement benefits fund		
Health benefit plan	33,688,129	30,005,705
Retirement allowances	4,137,299	4,629,317
Supplementary retirement benefits	<u>968,557</u>	<u>894,526</u>
	<u>38,793,985</u>	<u>35,529,548</u>
Capital asset fund	<u>12,987,936</u>	<u>10,049,953</u>
Endowment fund	<u>66,049,643</u>	<u>60,134,687</u>
	<u>\$167,270,600</u>	<u>\$ 155,596,169</u>

Investments summary

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Equities	\$114,337,220	\$132,770,600	\$108,258,253	\$122,096,169
Fixed – fair market value	<u>34,500,000</u>	<u>34,500,000</u>	<u>33,500,000</u>	<u>33,500,000</u>
Total	<u>\$148,837,220</u>	<u>\$167,270,600</u>	<u>\$141,758,253</u>	<u>\$155,596,169</u>

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

			<u>2024</u>	<u>2023</u>
	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>	<u>Net book value</u>
Land	\$ 1,047,442	\$ -	\$ 1,047,442	\$ 1,047,442
Site improvements	17,826,711	8,099,315	9,727,396	9,495,966
Buildings	370,327,900	100,997,593	269,330,307	236,350,245
Furniture, equipment and vehicles	70,754,952	34,424,687	36,330,265	35,771,708
Library materials	<u>10,815,799</u>	<u>8,811,662</u>	<u>2,004,137</u>	<u>2,188,411</u>
	<u>\$ 470,772,804</u>	<u>\$152,333,257</u>	<u>\$ 318,439,547</u>	<u>\$ 284,853,772</u>

Facilities under construction as of April 30, 2024 are \$35,224,070 (2023 - \$3,999,145) at cost. See further disclosure in Note 20 Commitments.

			<u>2024</u>	<u>2023</u>
	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>	<u>Net book value</u>
Computer software	<u>\$ 10,026,459</u>	<u>\$ 7,927,478</u>	<u>\$ 2,098,981</u>	<u>\$ 2,700,214</u>

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

7. Payables and accruals	<u>2024</u>	<u>2023</u>
Operating fund		
Trade	\$ 5,712,038	\$ 6,315,797
Accrued payroll	1,436,533	5,199,993
Accrued vacation and other leaves	4,164,914	4,654,583
Faculty development allowance	1,017,645	1,096,531
Government remittances	<u>2,801,506</u>	<u>1,354,769</u>
	<u>15,132,636</u>	<u>18,621,673</u>
Capital asset fund		
Accrued interest	174,383	137,383
Construction holdbacks and payables	<u>9,477,609</u>	<u>2,706,800</u>
	<u>9,651,992</u>	<u>2,844,183</u>
Research fund		
Accrued payroll	<u>68,508</u>	<u>134,448</u>
	<u>\$ 24,853,136</u>	<u>\$ 21,600,304</u>

8. Deferred revenue, current

Deferred revenue represents resources for operating and capital purposes received in the current period which relate to a subsequent period. Changes in the deferred revenue balance are as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Operating</u>	<u>Capital</u>	<u>Operating</u>	<u>Capital</u>
Beginning Balance	\$20,311,882	\$8,966,102	\$20,275,277	\$3,683,676
Resources Received	23,676,339	11,815,427	19,222,614	8,562,000
Recognized as Revenue	<u>(22,124,645)</u>	<u>(8,966,102)</u>	<u>(19,186,009)</u>	<u>(3,369,574)</u>
Ending Balance	<u>\$21,863,576</u>	<u>\$11,815,427</u>	<u>\$20,311,882</u>	<u>\$8,966,102</u>

9. Pension plan and other employee post-retirement benefits

The University maintains a contributory defined benefit best average pension plan and provides post employment benefits which cover substantially all of its employees.

Annual funding requirements for the pension plan, future retirement allowance, and a health benefit plan are determined by Eckler Ltd. The last actuarial valuations completed for the future retirement allowance and the health benefit plan was April 30, 2024 and for the pension plan was April 30, 2022. Funding of supplementary retirement obligations is determined in accordance with conditions of specific agreements.

	<u>2024</u>	<u>2023</u>
Net expense for the University's benefit plans is as follows:		
Pension	<u>\$ 4,837,800</u>	<u>\$ 4,919,786</u>
Other benefit plans		
Health benefits	2,445,404	2,622,519
Retirement allowances	<u>663,510</u>	<u>337,535</u>
	<u>3,108,914</u>	<u>2,960,054</u>
Expense per statement of operations	<u>\$ 7,946,714</u>	<u>\$ 7,879,840</u>

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

9. Pension plan and other employee post-retirement benefits (cont'd)

The actuarial present value of benefit obligations and fair value of plan assets recognized in the accompanying statements of financial position as at April 30, 2024 and April 30, 2023 were as follows:

	Pension plan		Post-retirement benefit plans	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Funded status and amounts recognized, end of year				
Fair value of plan net assets	\$ 382,242,293	\$355,798,546	\$ -	\$ -
Benefit obligation	(360,483,264)	(344,134,985)	(38,114,568)	(41,455,327)
Valuation allowance	(26,729,029)	(16,763,561)	-	-
Shared risk funding agreement	-	-	-	-
Funded status, end of year	<u>\$ (4,970,000)</u>	<u>\$ (5,100,000)</u>	<u>\$ (38,114,568)</u>	<u>\$ (41,455,327)</u>
			<u>2024</u>	<u>2023</u>
Accrued benefit liability				
Pension plan			\$ (4,970,000)	\$ (5,100,000)
Other benefit plans			(38,114,568)	(41,455,327)
Liability per statement of financial position			<u>\$ (43,084,568)</u>	<u>\$ (46,555,327)</u>
			<u>2024</u>	<u>2023</u>
Re-measurement and other adjustments				
Actuarial (loss) gain on assets			\$ (188,189)	\$ 1,956,342
Actuarial (loss) gain on liabilities			<u>2,534,631</u>	<u>(100,591)</u>
			<u>\$ 2,346,442</u>	<u>\$ 1,855,751</u>

Shared risk funding agreement pension plan

Effective October 1, 2016, the University entered into an agreement with the faculty association and unions of the University to adopt a shared risk model relating to the pension plan obligation. At September 30, 2016, the deficit in the pension plan was actuarially determined to be \$10,039,000 which would be funded by both the University and the faculty association and unions. The University's portion of this deficit at September 30, 2016, was determined to be \$6,475,000 and would be funded over 15 years through employer contributions to the plan.

The Sponsor Board will determine the funding of pension plan deficits or the use of fund surpluses. The Sponsor Board is made up of representatives from the University, faculty association and the unions. The employees and the University will have one vote each with no provision for a tie breaker, with all decisions required to be unanimous.

If in the future, the pension plan reports a surplus, the Sponsor Board can decide to reinstate benefits, reduce special deficit contributions, increase benefits or reduce plan risk. In the situations of future deficits, the sponsor board can reduce benefits or fund the deficits on a 50/50 basis between employees and the University.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

9. Pension plan and other employee post-retirement benefits (cont'd)

Post-retirement obligations

The pension plan assets are held in trust and are not available for operating purposes of the University. Separate audited financial statements are prepared for the pension plan. The percentage of the fair value of the pension plan's total assets is held in investments as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	2%	2%
Government and corporate bonds	12%	13%
Mortgages	4%	4%
Real estate fund	15%	11%
Infrastructure fund	15%	15%
Equities and mutual funds	52%	55%

The significant actuarial assumptions adopted in measuring the University's defined benefit obligations for the pension plan is a discount rate of 5.50% (2023 – 5.50%) and for the future retirement allowances is a discount rate of 5.50% (2023 – 4.40%), expected long term rate of return on plan assets of 5.50% (2023 – 5.50%), and a rate of total compensation increase of 3.5% per annum. For the health benefits plan a 5.20% (2023 – 4.70%) discount rate and 3.5% (2023 – 3.5%) rate of total compensation increase was assumed. Extended health and drug claims were assumed to increase 6.0% per annum in 2018 grading down to 4.0% per annum over 10 years and dental claims were assumed to increase at 4.0% per annum.

Other information about the University's pension plan is as follows:

	<u>2024</u>	<u>2023</u>
Employer contributions	\$ 7,123,793	\$ 6,568,486
Employee contributions and transfers in	7,238,898	6,177,352
Benefits paid and transfers out	17,190,186	15,831,529

For 2022-23, the employer contributions include a payment of \$422,432 that was made on behalf of the faculty unions, as agreed in the return to work protocol resulting after the winter semester labour disruption.

The health benefit plan liability has been estimated to equal \$32,972,000 (2023 - \$35,562,000) based on the last actuarial accounting valuation as of April 30, 2024. In 2024, \$33,688,129 (2023 - \$30,005,706) of investments have been internally allocated to fund this liability.

The University has an obligation to pay a lump sum retirement allowance to non-faculty employees who retire after reaching the age of 55 years. Retirement allowances are not payable to members of the Managerial and Professional Employees group hired on or after May 29, 2023, or employees from the Managerial and Professional Employees group, IBEW, or CUPE 1870 who have elected to opt out their retirement allowance benefit. The allowances are to a maximum of six month's salary. The total liability has been estimated to equal \$4,137,299 as of April 30, 2024, (2023 - \$4,629,000) based on a roll forward of the 2024 actuarial accounting valuation and the rates of funding required for future service as determined by the actuary at that time. In 2024 \$4,137,299 (2023 - \$4,629,317) of investments have been internally allocated to fund this liability.

Supplementary retirement obligations amount to \$968,557 (2023 - \$894,526) and relate to the retirement obligations payable to senior administrators for their terms at the University. Upon termination of the retirement obligations, per the conditions of the agreements, any surplus funds become assets of the University. Investment assets equal to the full amount of the liability have been internally allocated to fund this liability.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

10. Construction Loan

The University has secured a short-term credit facility with the Royal Bank to be used to finance hard and soft costs directly associated with the construction of the medical school. The facility has a borrowing limit of \$40,000,000 which bears an interest of the CORRA rate plus 0.50% and is to be repaid by April of 2025 unless extended. Security of this loan is from a letter from the Province of Prince Edward Island. As of April 30, 2024, there was \$13,350,000 drawn and outstanding on this facility.

11. Long term obligations	<u>2024</u>	<u>2023</u>
Long term obligations funded by the Province of Prince Edward Island:		
7.625% CMHC loan payable \$95,597 annually including interest, paid out In fiscal 2024.	\$ -	\$ 46,036
CDOR plus 0.83%, hedged 1.46%, Royal Bank long term loan on the Canada Games Residence, payable in \$314,705 average quarterly principal payments, amortized to 2040 and maturing in 2028.	20,321,000	21,400,000
CDOR plus 0.83%, hedged at 3.06%, Royal Bank long term loan on the Faculty of Sustainable Design Engineering Building, payable in quarterly installments of approximately \$246,000 including principal and interest, amortized and maturing in 2036.	9,714,000	10,307,000
CDOR plus 0.85%, hedged at 2.68% Royal Bank long term loan on the Artificial Turf Field and Strategic Initiative Fund Projects, payable in \$48,538 average quarterly principal payments plus interest over the life of the loan, amortized and maturing in 2038.	2,905,000	3,104,000
Other long term obligations:		
CDOR plus 0.25%, hedged at 4.69%, Bank of Montreal long term loan on Blanchard Hall and Bernadine Hall renovations, payable in \$54,517 quarterly payments including principal and interest, amortized to 2032 and maturing in 2032, funded by residence operations.	1,416,398	1,542,234
CDOR plus 0.43%, hedged at 1.85%, Royal Bank long term loan on the Canada Games Residence, payable in \$276,000 average quarterly principal payments, amortized to 2048 and maturing in 2028, funded by residence operations.	26,757,000	27,600,000

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

11. Long term obligations (cont'd)

	<u>2024</u>	<u>2023</u>
CDOR plus 0.25%, hedged at 5.42%, Bank of Montreal long term loan on Bill and Denise Andrew Hall, payable in \$208,000 quarterly payments including principal and interest, amortized to 2031 and maturing in 2026, funded by residence operations.	4,531,001	5,072,947
Bank of Montreal long term loan on the AVC Phase III Expansion, hedged at 3.03%, payable in \$88,000 quarterly payments including principal plus interest, amortized and maturing in 2025.	<u>372,000</u>	<u>724,000</u>
	66,016,399	69,796,217
Less: current portion	<u>3,855,149</u>	<u>3,779,817</u>
	<u>\$ 62,161,250</u>	<u>\$ 66,016,400</u>

Annual principal repayments in each of the next five years are due as follows: 2025 - \$3,885,149; 2026 - \$3,591,610; 2027 - \$3,697,281; 2028 - \$3,793,285; 2029 - \$3,913,754.

12. Interest rate swap agreements

The University has entered into interest rate swap agreements with two chartered banks to manage interest rate exposure associated with certain long term debt obligations. The agreements have the effect of converting the floating rate of interest on certain debt to a fixed rate.

The notional underlying principal value of the interest rate swaps related to debt outstanding at April 30, 2024 was \$66,016,400 (2023 - \$69,750,180). The University has no plans to sell or terminate the interest rate swap agreements prior to maturity. The fair value of these interest rate swap contracts is determined by RBC and BMO Capital Markets using the mark to market reports as of April 30th, 2024.

For April 30, 2024 there are four interest rate swap contracts in an asset position of \$10,884,757 and the three interest rate swap contracts in a liability position of \$258,424 recorded in the consolidated statement of financial position, which result in an overall net asset position of \$10,626,333 (2023 - \$7,926,669).

The change in fair value of these interest rate swap agreements for the year ended April 30, 2024 resulted in a gain of \$2,699,664 and for the year ended April 30, 2023 resulted in a gain of \$807,984. These changes in their fair values have been recorded in the consolidated statement of operations.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

13. Deferred revenue, capital assets long-term

Capital assets deferred revenue represents restricted contributions used to purchase buildings, equipment, and site improvements. Changes in the deferred revenue balance are as follows:

	<u>2024</u>	<u>2023</u>
General deferred revenue, capital assets		
Beginning balance	\$ 141,391,897	\$ 133,770,879
Capital grants and donations received	8,734,142	11,496,811
Capital grants and donations recognized, net	<u>(3,962,102)</u>	<u>(3,875,793)</u>
Ending balance	<u>\$ 146,163,937</u>	<u>\$ 141,391,897</u>

14. Deferred revenue, other

Other deferred revenue represents unexpended investment income on endowment funds and contributions for other specified purposes. The funds are recognized as revenue in the periods the related expenditures are incurred. Changes in the deferred revenue balance are as follows:

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 26,321,970	\$ 26,595,582
Contributions received	226,293	605,591
Income earned	10,648,226	8,817,829
Expended or transferred	<u>(11,568,580)</u>	<u>(9,697,032)</u>
Ending balance	<u>\$ 25,627,909</u>	<u>\$ 26,321,970</u>
Representing:		
Unexpended investment income on endowment funds (Note 16)	\$ 16,767,904	\$ 17,352,996
Special purpose funds	<u>8,860,005</u>	<u>8,968,974</u>
	<u>\$ 25,627,909</u>	<u>\$ 26,321,970</u>

15. Internal restrictions on fund balances

The following amounts have been restricted by the Board of Governors for specific purposes:

	<u>2024</u>	<u>2023</u>
Capital		
Ventilation Improvements	\$ 1,588,062	\$ 1,611,000
Site and Parking Lots	1,148,054	1,507,000
Equipment Replacement Fund	1,653,307	1,858,660
Technology Infrastructure Fund	710,000	-
Other Capital Renovations	<u>4,020,768</u>	<u>1,645,688</u>
	<u>9,120,191</u>	<u>6,622,348</u>
AVC Capital		
AVC Energy Optimization	900,000	873,026
AVC Capital Renovations	2,249,650	1,155,905
AVC Ventilation Improvements	271,000	271,000
AVC Equipment Replacement Fund	<u>447,095</u>	<u>1,127,673</u>
	<u>3,867,745</u>	<u>3,427,604</u>
Total Capital	12,987,936	10,049,952
Endowment	9,209,664	8,416,758
Research	<u>2,492,881</u>	<u>3,505,812</u>
	<u>\$ 24,690,481</u>	<u>\$ 21,972,522</u>

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

16. Restricted funds for scholarships, bursaries, and academic programs

Restricted funds available for scholarship and bursary purposes and for academic programs include both internally and externally restricted endowment fund balances and unexpended endowment investment income recorded as deferred revenue.

	<u>2024</u>	<u>2023</u>
Endowment fund		
Externally restricted	\$ 56,839,979	\$ 51,717,928
Internally restricted	<u>9,209,663</u>	<u>8,416,758</u>
	66,049,642	60,134,686
Operating fund		
Deferred revenue, unexpended investment income (Note 14)	<u>16,767,904</u>	<u>17,352,996</u>
	<u>\$ 82,817,546</u>	<u>\$ 77,487,682</u>

17. Inter-fund transfers

	Unrestricted	Operating Unrestricted	Unrestricted	Post- retirement	Capital assets
	Main Campus	AVC	Medical School	benefits	Research
Depreciation	\$ 8,653,099	\$ 2,478,566	\$ -	\$ -	\$ (11,131,665)
Equipment additions	(1,181,809)	(497,678)		(789,432)	2,468,919
Library materials	(26,896)	(9,490)			36,386
Principal debt repayment	(1,556,818)	(352,000)			1,908,818
Internal financing	(7,375,336)	(829,157)	(46,456)		8,250,949
Research	1,889,257	368,506		(2,257,763)	
Interest repayment	(981,216)	(16,577)			997,793
Post-retirement health benefits	(2,149,938)	(611,893)	(26,173)	2,788,004	
Retirement allowance	(300,488)	(82,716)	(5,469)	388,673	
Pension plan	(5,239,864)	(1,735,909)	(79,354)	7,055,127	
	<u>\$ (8,270,009)</u>	<u>\$ (1,288,348)</u>	<u>\$ (157,452)</u>	<u>\$ 10,231,804</u>	<u>\$ 2,531,200</u>

Inter-fund transfers outline the movement of transactions from the fund balance in which they were paid or originally recognized to the fund balance where they are held for accounting purposes. The inter-fund transfers are consistent with the treatment adopted in prior years.

18. Scholarships

The University recognized restricted grants to fund scholarships and bursaries from the Province of Prince Edward Island including the George Coles Bursary and Island Student Awards. The total for the year was \$7,530,085 (2023 - \$6,156,521).

Scholarships and bursaries includes \$2,874,025 in Student Impact Payments, a one-time payment incurred due to the labour disruption in the year ended April 30, 2023.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

19. Financial assets and liabilities

The following sections describe the University's financial risk exposure and related mitigation strategies:

Credit risk

The University is exposed to credit risk through payment default on its accounts receivable. Exposure to credit risk on accounts receivable is managed through active monitoring and collection practices. A provision for uncollectible accounts has been determined in the amount of \$633,795 (2023 - \$456,843) based on respective aging of accounts, risk profile of certain accounts and collections subsequent to year end. Receivables written off during the year and adjustments to the allowance for doubtful receivables amount to \$178,533 (2023 - \$237,409).

Liquidity risk

Liquidity risk is the risk that the University will encounter difficulty in meeting obligations associated with financial liabilities. The University is exposed to liquidity risk arising primarily from trade payables. The University ensures that it has sufficient capital to meet its short and long term financial obligations after taking into account its operations and cash on hand. The University actively maintains a committed credit facility to ensure that it has sufficient available funds to meet current and foreseeable future financial requirements at a reasonable cost.

Market risk

The University invests in publicly traded equities listed on domestic and foreign exchanges, and bonds traded over the counter through broker dealers. These securities are affected by fluctuations in market prices. Such market changes are subject to economic factors and other fluctuations in domestic and global capital markets, as well as risks to issuers, which may affect the market value of the individual securities. Policy guidelines have been established to ensure that the University's investments are diversified by issuer, industry and geographic location.

The University has certain investments denominated in foreign currencies. Currency risk is the risk that the value of these investments will fluctuate due to changes in foreign exchange rates. The University has diversified its foreign portfolio by investing in various foreign currencies.

Real estate is valued based on estimated fair values determined by using appropriate valuation techniques and best estimates by management, appraisers or both. Where external appraisers are engaged to perform the valuation, management ensures the appraisers are independent and compares the assumptions used by the appraisers with management's expectations based on current market conditions and industry practice to ensure the valuation captures the business and economic conditions specific to the investment.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows associated with a financial instrument will fluctuate due to changes in market interest rates. The University is exposed to interest rate risk on long term debt, which it manages through the use of fixed interest rates and use of interest rate swap agreements.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2024

20. Commitments

The University has committed to construct a Medical School at an estimated construction cost of \$91,000,000 with a planned completion date of summer 2025. Financing for this project will be funded by the Government of Canada (\$19,500,000) and the Province of Prince Edward Island (\$61,500,000). The University will fund the balance of this project with a commitment to fundraise \$10,000,000.

21. Comparative figures

Certain of the 2023 comparative figures have been restated to agree with the financial presentation for the current year.

University of Prince Edward Island

Consolidated Schedule of Atlantic Veterinary College Operations and Changes in Fund Balance

Year ended April 30, 2024

2024

2023

Revenue		
Grants and contracts	\$ 23,857,925	\$ 22,949,290
Student fees	4,297,747	4,066,794
International fees	6,305,672	5,842,072
Sales and other revenues	15,995,665	15,258,502
Investment income	765,520	707,748
Donations	<u>451,889</u>	<u>462,235</u>
	<u>51,674,418</u>	<u>49,286,641</u>
Expenditure		
Salaries and benefits	32,285,494	31,620,012
Supplies	5,868,303	5,432,715
Depreciation	2,478,566	2,356,977
Other	1,416,989	1,564,727
Utilities	3,328,886	3,244,030
Travel	244,349	214,586
Repairs and maintenance	1,090,581	1,124,153
Library subscriptions	513,559	490,410
Externally contracted services and memberships	2,857,430	2,531,363
Scholarships and bursaries	<u>543,962</u>	<u>1,155,902</u>
	<u>50,628,119</u>	<u>49,734,875</u>
Excess of revenues over expenditures (expenditures over revenues) before inter-fund transfers	<u>\$ 1,046,299</u>	<u>\$ (448,234)</u>
Fund balance, beginning of year	\$ 2,478,609	\$ 2,816,931
Excess of revenues over expenditures (expenditures over revenues) before inter-fund transfers	1,046,299	(448,234)
Inter-fund transfers (Note 17)	<u>(1,288,348)</u>	<u>109,912</u>
Fund balance, end of year	<u>\$ 2,236,560</u>	<u>\$ 2,478,609</u>

University of Prince Edward Island

Consolidated Schedule of Faculty of Medicine Operations and Changes in Fund Balance

Year ended April 30, 2024

2024

2023

Revenue		
Grants and contracts	<u>\$ 3,290,172</u>	<u>\$ 1,710,175</u>
Expenditure		
Salaries and benefits	2,018,035	1,609,694
Supplies	151,051	32,138
Other	144,658	-
Utilities	2,144	-
Travel	90,769	11,751
Library subscriptions	130,698	-
Externally contracted services and memberships	<u>595,365</u>	<u>6,882</u>
	<u>3,132,721</u>	<u>1,660,465</u>
Excess of revenues over expenditures before inter-fund transfers	<u>\$ 157,452</u>	<u>\$ 49,710</u>
Fund balance, beginning of year	\$ -	\$ -
Excess of revenues over expenditures before inter-fund transfers	157,452	49,710
Inter-fund transfers (Note 17)	<u>(157,452)</u>	<u>(49,710)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>

University of Prince Edward Island

Consolidated Schedule of Research Operations and Changes in Fund Balances

Year ended April 30, 2024

2024

2023

	Main Campus	AVC	Total	Total
Revenues				
Deferred revenue, beginning of year	\$ 10,141,686	\$ 1,669,241	\$ 11,810,927	\$ 8,670,336
Research funds received	8,714,727	2,781,348	11,496,075	14,137,947
Deferred revenue, end of year	<u>(8,766,595)</u>	<u>(1,727,282)</u>	<u>(10,493,877)</u>	<u>(11,810,927)</u>
	<u>10,089,818</u>	<u>2,723,307</u>	<u>12,813,125</u>	<u>10,997,356</u>
Expenditures				
Salaries and benefits	5,143,518	1,224,838	6,368,356	6,363,995
Supplies	1,052,283	744,643	1,796,926	1,586,882
Travel	704,563	258,992	963,555	679,475
Externally contracted services and memberships	1,303,105	233,885	1,536,990	1,456,342
Scholarships and bursaries	<u>105,386</u>	<u>7,647</u>	<u>113,033</u>	<u>53,277</u>
	<u>8,308,855</u>	<u>2,470,005</u>	<u>10,778,860</u>	<u>10,139,971</u>
Excess of revenues over expenditures before inter-fund transfers	<u>\$ 1,780,963</u>	<u>\$ 253,302</u>	<u>\$ 2,034,265</u>	<u>\$ 857,385</u>
Fund balances, beginning of year	\$ 2,010,993	\$ 1,494,819	\$ 3,505,812	\$ 5,079,353
Excess of revenues over expenditures before inter-fund transfers	1,780,963	253,302	2,034,265	857,385
Inter-fund transfers (Note 17)	<u>(2,475,340)</u>	<u>(571,856)</u>	<u>(3,047,196)</u>	<u>(2,430,926)</u>
Fund balances, end of year	<u>\$ 1,316,616</u>	<u>\$ 1,176,265</u>	<u>\$ 2,492,881</u>	<u>\$ 3,505,812</u>
Unspent funds at year end				
Fund balances	\$ 1,316,616	\$ 1,176,265	\$ 2,492,881	\$ 3,505,812
Deferred revenue	<u>8,766,595</u>	<u>1,727,282</u>	<u>10,493,877</u>	<u>11,810,927</u>
	<u>\$ 10,083,211</u>	<u>\$ 2,903,547</u>	<u>\$ 12,986,758</u>	<u>\$ 15,316,739</u>