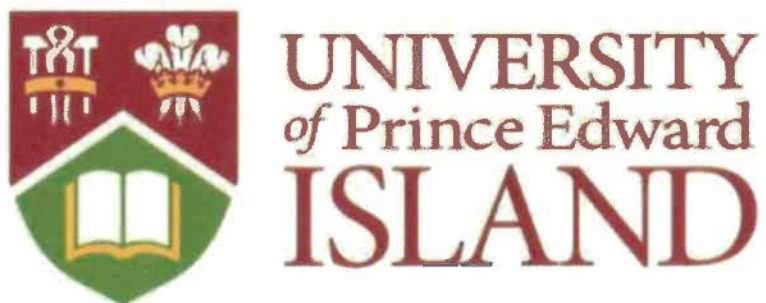


Consolidated Financial Statements

University of Prince Edward Island

April 30, 2026



Contents

	Page
Independent Auditor's Report	1 - 2
Consolidated Statement of Operations	3
Consolidated Statement of Changes in Fund Balances	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Cash Flows	6
Notes to the Consolidated Financial Statements	7 - 21
Consolidated Schedule of Operations and Changes in Fund Balances	23
Consolidated Schedule of Operations and Changes in Fund Balances – Operating Fund	24
Consolidated Schedule of Operations and Changes in Fund Balances – Research Fund	25

Independent Auditor's Report

Doane Grant Thornton LLP
Suite 410
98 Fitzroy Street, PO Box 187
Charlottetown, PE
C1A 7K4
T +1 902 892 6547
F +1 902 566 5358

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

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, 2026, 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, 2026, 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 Pages 23-25 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.
- Plan and perform the group audit to obtain sufficient audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

Charlottetown, Canada

Duane Grant Thornton LLP

October 6, 2026

Chartered Professional Accountants

University of Prince Edward Island

Consolidated Statement of Operations

Year ended April 30

2026

2025

Revenues		
Grants and contracts (Note 19)	\$ 125,226,604	\$ 110,068,367
Amortization of deferred revenue	4,944,392	3,959,592
Student fees	66,674,391	65,386,774
Ancillaries	11,883,074	11,597,127
Sales and other revenues	20,800,469	19,816,576
Investment income	11,604,545	9,832,246
Change in fair value of derivatives (Note 12)	738,256	-
Donations	2,657,803	3,163,821
	<u>244,529,534</u>	<u>223,824,503</u>
Expenditures		
Salaries and benefits	135,720,692	124,704,371
Supplies	16,547,601	16,432,819
Depreciation	13,841,810	11,313,479
Other	6,108,607	5,421,363
Utilities	9,325,944	8,828,526
Travel	3,563,750	3,683,381
Repairs and maintenance	4,452,109	3,846,903
Library subscriptions	2,809,355	2,123,711
Post-retirement benefits (Note 9)	9,464,228	8,138,516
Externally contracted services	10,309,357	9,963,420
Scholarships and bursaries (Note 19)	16,694,204	14,954,714
Change in fair value of derivatives (Note 12)	-	5,297,104
Interest	3,038,683	1,807,946
	<u>231,876,340</u>	<u>216,516,253</u>
Excess of revenues over expenditures before inter-fund transfers	\$ 12,653,194	\$ 7,308,250
Invested in capital assets	985,979	3,921,144
Changes in internally restricted fund balances	(11,073,476)	(3,965,759)
Remeasurement recorded in the Consolidated Statement of Changes in Fund Balances (Note 9)	(816,404)	(4,575,062)
Increase in unrestricted net surplus	<u>\$ 1,749,293</u>	<u>\$ 2,688,573</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

2026

2025

	Operating	Research	Post-retirement benefits	Capital assets	Endowment	Total	Total
Fund balances, beginning of year	\$ 14,019,896	\$ 3,021,929	\$ (3,138,811)	\$ 101,267,203	\$ 69,065,790	\$ 184,236,007	\$ 178,486,672
Excess revenue (expenditure) before inter-fund transfers	8,926,483	2,913,278	(3,920,560)	4,733,993	-	12,653,194	7,308,250
Remeasurement and other adjustments (Note 9)	-	-	(816,404)	-	-	(816,404)	(4,575,062)
Endowment additions	-	-	-	-	3,250,067	3,250,067	3,016,147
Inter-fund transfers (Note 18)							
Depreciation	13,841,810	-	-	(13,841,810)	-	-	-
Capital	(6,014,410)	(1,610,223)	-	7,624,633	-	-	-
Research	1,825,381	(1,825,381)	-	-	-	-	-
Pension and retirement benefits	(9,936,981)	(4,910)	9,941,891	-	-	-	-
Total change in fund balance for the year	8,642,283	(527,236)	5,204,927	(1,483,184)	3,250,067	15,086,857	5,749,335
Fund balances, end of year	\$ 22,662,179	\$ 2,494,693	\$ 2,066,116	\$ 99,784,019	\$ 72,315,857	\$ 199,322,864	\$ 184,236,007
Components of fund balances							
Invested in capital assets	\$ -	\$ -	\$ -	\$ 85,008,348	\$ -	\$ 85,008,348	\$ 85,994,327
Internally restricted	6,892,991	2,494,693	2,066,116	14,775,671	9,794,688	36,024,159	24,661,099
Externally restricted	-	-	-	-	62,521,169	62,521,169	59,560,685
Unrestricted	15,769,188	-	-	-	-	15,769,188	14,019,896
	\$ 22,662,179	\$ 2,494,693	\$ 2,066,116	\$ 99,784,019	\$ 72,315,857	\$ 199,322,864	\$ 184,236,007

(Note 17)

See accompanying notes to the consolidated financial statements.

University of Prince Edward Island

Consolidated Statement of Financial Position

April 30, 2026

2026

2025

Assets

Current

Cash	\$ 30,551,564	\$ 35,095,128
Receivables (Note 3)	11,443,906	11,994,702
Inventory and other	2,265,755	1,759,989
	<u>44,261,225</u>	<u>48,849,819</u>

Long-term receivables	604,422	-
Investments (Note 4)	208,676,261	179,692,601
Derivative instruments (Note 12)	7,139,926	5,864,387
Capital assets (Note 5)	374,656,636	360,797,380
Intangible assets (Note 6)	1,271,579	1,671,743
	<u>\$ 636,610,049</u>	<u>\$ 596,875,930</u>

Liabilities

Current

Payables and accruals (Note 7)	\$ 21,730,936	\$ 27,870,264
Current portion of long term debt (Note 11)	4,674,020	3,591,610
Construction loan (Note 10)	-	33,920,000
Deferred revenue (Note 8)	19,569,758	17,924,873
	<u>45,974,714</u>	<u>83,306,747</u>

Defined benefit liabilities (Note 9)	45,982,869	46,314,216
Derivative instruments (Note 12)	1,072,442	535,159
Long term obligations (Note 11)	101,925,607	58,569,640
	<u>194,955,632</u>	<u>188,725,762</u>

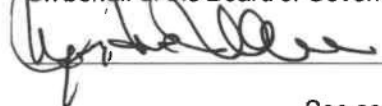
Deferred revenue

Research contracts	8,820,870	9,986,247
Capital assets (Note 13)	192,161,487	180,099,005
Other (Note 14)	41,349,196	33,828,909
	<u>437,287,185</u>	<u>412,639,923</u>

Fund balances

Invested in capital assets	85,008,348	85,994,327
Internally restricted	36,024,159	24,661,099
Externally restricted	62,521,169	59,560,685
Unrestricted	15,769,188	14,019,896
	<u>199,322,864</u>	<u>184,236,007</u>
	<u>\$ 636,610,049</u>	<u>\$ 596,875,930</u>

On behalf of the Board of Governors

 Chair

 President

See accompanying notes to the consolidated financial statements.

University of Prince Edward Island

Consolidated Statement of Cash Flows

Year ended April 30

2026

2025

Operating

Excess of revenue over expenditure	\$ 12,653,194	7,308,250
Amortization of deferred contributions	(4,944,392)	(3,959,592)
Change in financial derivative instruments	(738,256)	5,297,104
Depreciation of capital and intangible assets	13,841,810	11,313,479
Change in employee future benefit obligation	7,394	(1,398,170)
Changes in non-cash operating working capital		
Receivables	(53,626)	(1,599,366)
Inventory and other	(505,766)	134,940
Payables and accruals	4,926,442	357,169
Contributions related to operating	1,644,885	(3,938,703)
Contributions related to research	(1,165,377)	(507,630)

Net cash generated through operating activities	25,666,308	13,007,481
---	------------	------------

Financing

Contributions related to special purpose funds and endowment, including capitalized investment returns	3,803,296	7,821,777
Contributions related to capital assets	12,444,525	25,995,685
Excess of investment returns over endowment and special purpose funds	6,967,058	3,395,370
Cash (repaid) received from short term financing	(33,920,000)	20,570,000
Proceeds from issuance of long term obligations	53,235,000	-
Principal repayments on long term obligations	(8,796,623)	(3,855,149)

Net cash generated through financing activities	33,733,256	53,927,683
---	------------	------------

Investing

Purchase of capital and intangible assets	(38,366,662)	(50,584,115)
Net increase in investments	(25,576,466)	(12,285,696)

Net cash used in investing activities	(63,943,128)	(62,869,811)
---------------------------------------	--------------	--------------

Net (decrease) increase in cash and cash equivalents	(4,543,564)	4,065,353
--	-------------	-----------

Cash and cash equivalents, beginning of year	35,095,128	31,029,775
--	------------	------------

Cash and cash equivalents, end of year	30,551,564	35,095,128
--	------------	------------

See accompanying notes to the consolidated financial statements.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

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 University of Prince Edward Island Foundation, (U.S.) Inc. 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 sponsored 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, 2026

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 yearend date. The measurement date of the defined benefit obligations coincides with the University's fiscal yearend 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, 2026

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
-------------------	------------------------

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

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

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

Financial instruments (cont'd)

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.

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.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

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

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.

Interest capitalization

Interest related to the period of construction is capitalized as part of the cost of the capital assets. Capitalization of interest ceases when the asset is completed and ready for use. In 2026, the University capitalized \$666,295 (2025 - \$1,091,645) related to the construction of the medical school.

3. Receivables

	2026	2025
Operating fund		
Operating grants and contracts	\$ 1,367,686	\$ 1,137,831
Sales and services	972,684	984,642
Student accounts	1,833,944	1,845,354
Other	1,731,127	2,093,415
	<u>5,905,441</u>	<u>6,061,242</u>
Capital asset fund	251,094	3,650,457
Research fund	5,287,371	2,283,003
	<u>\$ 11,443,906</u>	<u>\$ 11,994,702</u>

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

4. Investments

	2026	2025
Operating fund	\$ 73,535,748	\$ 52,178,529
Post-retirement benefits fund		
Health benefit plan	42,962,305	37,822,273
Retirement allowances	4,014,300	4,316,200
Supplementary retirement benefits	<u>1,072,380</u>	<u>1,036,932</u>
	48,048,985	43,175,405
Capital asset fund	<u>14,775,671</u>	<u>15,272,877</u>
Endowment fund	<u>72,315,857</u>	<u>69,065,790</u>
	<u>\$ 208,676,261</u>	<u>\$ 179,692,601</u>

	2026		2025	
	Cost	Market	Cost	Market
Equities	\$ 136,981,941	\$ 164,176,261	\$ 121,155,993	\$ 145,192,601
Fixed - fair market value	<u>44,500,000</u>	<u>44,500,000</u>	<u>34,500,000</u>	<u>34,500,000</u>
Total	<u>\$ 181,481,941</u>	<u>\$ 208,676,261</u>	<u>\$ 155,655,993</u>	<u>\$ 179,692,601</u>

5. Capital assets

	2026		2025	
	Cost	Accumulated depreciation	Net book value	Net book value
Land	\$ 1,047,442	\$ -	\$ 1,047,442	\$ 1,047,442
Site improvements	20,399,337	8,936,400	11,462,937	9,913,399
Buildings	424,797,977	114,555,604	310,242,373	306,882,181
Furniture, equipment and vehicles	87,925,586	37,959,055	49,966,531	40,994,410
Library materials	<u>10,631,931</u>	<u>8,694,578</u>	<u>1,937,353</u>	<u>1,959,948</u>
	<u>\$ 544,802,273</u>	<u>\$ 170,145,637</u>	<u>\$ 374,656,636</u>	<u>\$ 360,797,380</u>

Facilities under construction as of April 30, 2026 are \$Nil (2025 - \$81,450,725) at cost.

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

6. Intangible assets

			<u>2026</u>	<u>2025</u>
	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>	<u>Net book value</u>
Computer software	\$ 10,143,449	\$ 8,871,870	\$ 1,271,579	\$ 1,671,743

7. Payables and accruals

	<u>2026</u>	<u>2025</u>
Operating fund		
Trade	\$ 5,038,832	\$ 6,579,984
Accrued payroll	6,948,171	1,694,375
Accrued vacation and other leaves	5,719,921	4,634,691
Professional development travel reimbursement	968,741	977,076
Government remittances	1,493,801	1,495,785
	<u>20,169,466</u>	<u>15,381,911</u>
Capital asset fund		
Accrued interest	298,494	202,139
Construction holdbacks and payables	1,071,798	12,137,568
	<u>1,370,292</u>	<u>12,339,707</u>
Research fund		
Accrued payroll	191,178	148,646
	<u>\$ 21,730,936</u>	<u>\$ 27,870,264</u>

8. Deferred revenue, current

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

	<u>2026</u>	<u>2025</u>
Beginning balance	\$ 17,924,873	\$ 21,863,576
Resources received	20,376,778	23,165,998
Recognized as revenue	(18,731,893)	(27,104,701)
Ending balance	<u>\$ 19,569,758</u>	<u>\$ 17,924,873</u>

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

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, 2025. Funding of supplementary retirement obligations is determined in accordance with conditions of specific agreements.

	2026	2025
Net expense for the University's benefit plans is as follows:		
Pension	\$ 6,151,400	\$ 4,981,200
Other benefit plans		
Health benefits	2,653,394	2,489,191
Retirement allowances	659,434	668,125
	<u>3,312,828</u>	<u>3,157,316</u>
Expense per statement of operations	<u>\$ 9,464,228</u>	<u>\$ 8,138,516</u>

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, 2026 and April 30, 2025 were as follows:

	Pension plan		Post-retirement benefit plans	
	2026	2025	2026	2025
Funded status and amounts recognized, end of year				
Fair value of plan net assets	\$ 454,082,203	\$ 411,183,144	\$ -	\$ -
Benefit obligation	(409,632,215)	(379,992,348)	(41,489,869)	(41,486,216)
Valuation allowance	(48,942,988)	(36,018,796)	-	-
Shared risk funding agreement	-	-	-	-
Funded status, end of year	<u>\$ (4,493,000)</u>	<u>\$ (4,828,000)</u>	<u>\$ (41,489,869)</u>	<u>\$ (41,486,216)</u>
Accrued benefit liability				
Pension plans	\$ (4,493,000)	\$ (4,828,000)		
Other benefit plans	(41,489,869)	(41,486,216)		
Liability per statement of financial position	<u>\$ (45,982,869)</u>	<u>\$ (46,314,216)</u>		
Re-measurement and other adjustments				
Actuarial (loss) gain on assets	\$ (254,705)	\$ 1,279,749		
Actuarial (loss) gain on liabilities	(561,699)	(5,854,811)		
	<u>\$ (816,404)</u>	<u>\$ (4,575,062)</u>		

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

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

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.

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:

	2026	2025
Cash and cash equivalents	1%	2%
Government and corporate bonds	14%	12%
Mortgages	4%	4%
Real estate fund	13%	14%
Infrastructure fund	15%	16%
Equities and mutual funds	53%	52%

The significant actuarial assumptions adopted in measuring the University's defined benefit obligations for the pension plan is a discount rate of 5.50% (2025 – 5.50%) and for the future retirement allowances is a discount rate of 5.50% (2025 – 5.50%), expected long term rate of return on plan assets of 5.50% (2025 – 5.50%), and a rate of total compensation increase of 3.5% per annum. For the health benefits plan a 5.10% (2025 – 4.90%) discount rate and 3.5% (2025 – 3.5%) rate of total compensation increase was assumed. Extended health and drug claims were assumed to increase 6.0% per annum in 2024 grading down to 4.0% per annum over 20 years and dental claims were assumed to increase at 4.0% per annum.

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

	2026	2025
Employer contributions	\$ 8,555,703	\$ 7,831,413
Employee contributions and transfers in	7,751,188	8,015,665
Benefits paid and transfers out	19,512,880	18,428,091

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

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

The health benefit plan liability has been estimated to equal \$36,403,200 (2025 - \$36,133,000) based on the last actuarial accounting valuation as of April 30, 2024. In 2026, \$42,962,305 (2025 - \$37,822,273) 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 \$4,014,300 as of April 30, 2026, (2025 - \$4,316,200) 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 2026 \$4,014,300 (2025 - \$4,316,200) of investments have been internally allocated to fund this liability.

Supplementary retirement obligations amount to \$1,072,380 (2025 - \$1,036,932) 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.

10. Construction Loan

In the 2024-25 fiscal year, the University secured a short-term credit facility with the Royal Bank used to finance hard and soft costs directly associated with the construction of the medical school. This facility was converted to a long term credit facility in the 2025-26 fiscal year.

11. Long term obligations

	2026	2025
Long term obligations funded by the Province of Prince Edward Island:		
CORRA plus 0.66%, hedged at 3.64%, Royal Bank long term loan on the Faculty of Medicine Building, payable in \$665,438 average quarterly principal payments, amortized to 2045 and maturing in 2030.	\$ 52,527,627	\$ -
CORRA plus 0.43%, 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.	18,101,000	19,222,000
CORRA 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.	8,458,000	9,098,000

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

11. Long term obligations (cont'd)

CORRA 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.	2,497,000	2,703,000
Other long term obligations:		
CORRA 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.	25,016,000	25,896,000
Debt paid off during the year	-	5,242,250
	106,599,627	62,161,250
Less: current portion	4,674,020	3,591,610
	<u>\$ 101,925,607</u>	<u>\$ 58,569,640</u>

Annual principal repayments in each of the next five years are due until maturity as follows: 2027 - \$4,674,020; 2028 - \$4,797,241; 2029 - \$4,968,638; 2030 - \$5,114,154; 2031 - \$5,272,735.

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.

In March 2026, the University terminated its interest rate swap agreements with BMO and incurred a termination fee of \$312,222 which was recorded as interest expenses as of April 30, 2026. The five remaining interest rate swap agreements are with RBC.

The notional underlying principal value of the interest rate swaps related to debt outstanding at April 30, 2026 was \$106,599,627 (2025 - \$62,161,250). 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 using the mark to market reports as of April 30th, 2026.

At April 30, 2026 there are four interest rate swap contracts in an asset position of \$7,139,926 and one interest rate swap contract in a liability position of \$1,072,442 recorded in the consolidated statement of financial position, which result in an overall net asset position of \$6,067,484 (2025 - \$5,329,228).

The change in fair value of these interest rate swap agreements for the year ended April 30, 2026 resulted in a gain of \$738,256 and for the year ended April 30, 2025 resulted in a loss of \$5,297,104. 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, 2026

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:

	2026	2025
Deferred revenue, capital assets		
Beginning balance	\$ 180,099,005	\$ 157,979,364
Capital grants and donations received	12,444,525	25,995,685
Capital grants and donations reallocated from operating fund	4,562,349	83,548
Capital grants and donations recognized, net	<u>(4,944,392)</u>	<u>(3,959,592)</u>
Ending balance	<u>\$ 192,161,487</u>	<u>\$ 180,099,005</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:

	2026	2025
Beginning balance	\$ 33,828,909	\$ 25,627,909
Contributions received	553,229	4,805,630
Income earned	13,891,027	8,707,381
Expended or transferred	<u>(6,923,969)</u>	<u>(5,312,011)</u>
Ending balance	<u>\$ 41,349,196</u>	<u>\$ 33,828,909</u>
Representing:		
Unexpended investment income on endowment funds	26,325,211	19,415,120
Special purpose funds	<u>15,023,985</u>	<u>14,413,789</u>
	<u>\$ 41,349,196</u>	<u>\$ 33,828,909</u>

15. Due (to) from other funds

	2026	2025
Operating	\$ (9,112,330)	\$ (13,939,299)
Research	6,219,369	10,873,819
Capital	<u>2,892,961</u>	<u>3,065,480</u>
Total	<u>\$ -</u>	<u>\$ -</u>

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

16. Internal restrictions on fund balances

The following amounts have been restricted by governance for specific purposes:

	2026	2025
Operating		
Main	\$ 6,208,608	\$ -
AVC	684,383	-
Total Operating	6,892,991	-
Capital		
Main		
Equipment	1,873,552	1,848,158
Building and property	7,872,437	9,116,289
Technology	1,568,618	2,340,000
	<u>11,314,607</u>	<u>13,304,447</u>
AVC		
Equipment	682,977	441,628
Building and property	2,378,087	1,526,801
	<u>3,061,064</u>	<u>1,968,429</u>
Faculty of Medicine		
Equipment	400,000	-
Total Capital	14,775,671	15,272,876
Research	2,494,693	3,021,929
Post-retirement benefits	2,066,116	(3,138,811)
Endowment	9,794,688	9,505,105
	<u>\$ 36,024,159</u>	<u>\$ 24,661,099</u>

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

17. 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.

	2026	2025
Endowment fund		
Externally restricted	\$ 62,521,169	\$ 59,560,685
Internally restricted	9,794,688	9,505,105
	<u>72,315,857</u>	<u>69,065,790</u>
Operating fund		
Deferred revenue, unexpended investment income (Note 14)	26,325,211	19,415,120
	<u>\$ 98,641,068</u>	<u>\$ 88,480,910</u>

18. Inter-fund transfers

	Operating			Total		Post-retirement	
	Main	AVC	Faculty of Medicine	Operating	Research	benefits	Capital assets
Depreciation	\$ 8,381,797	\$ 2,515,667	\$ 2,944,346	\$ 13,841,810	\$ -	\$ -	\$ (13,841,810)
Capital	(4,180,588)	(1,432,403)	(401,419)	(6,014,410)	(1,610,223)	-	7,624,633
Research	1,251,034	574,347	-	1,825,381	(1,825,381)	-	-
Pension and retirement benefits	(7,049,635)	(2,273,406)	(613,940)	(9,936,981)	(4,910)	9,941,891	-
	<u>\$ (1,597,392)</u>	<u>\$ (615,795)</u>	<u>\$ 1,928,987</u>	<u>\$ (284,200)</u>	<u>\$ (3,440,514)</u>	<u>\$ 9,941,891</u>	<u>\$ (6,217,177)</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.

19. 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 \$8,947,724 (2025 - \$7,899,915).

University of Prince Edward Island

Notes to the Consolidated Financial Statements

April 30, 2026

20. 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 \$757,025 (2025 - \$810,990) based on respective aging of accounts, risk profile of certain accounts and collections subsequent to yearend. Receivables written off during the year and adjustments to the allowance for doubtful receivables amount to \$386,012 (2025 - \$354,147).

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 and infrastructure investments are 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.

21. Comparative figures

Certain of the 2025 comparative figures have been restated to agree with the financial presentation for the current year.

SUPPLEMENTAL INFORMATION

University of Prince Edward Island

Consolidated Schedule of Operations and Changes in Fund Balances

Year ended April 30, 2026

2026

2025

	Operating	Research	Post-retirement benefits	Capital assets	Endowments	Total	Total
Revenues							
Grants and contracts (Note 19)	\$ 104,545,361	\$ 18,591,215	\$ -	\$ 2,090,028	\$ -	\$ 125,226,604	\$ 110,068,367
Amortization of deferred revenue	-	-	-	4,944,392	-	4,944,392	3,959,592
Student fees	66,674,391	-	-	-	-	66,674,391	65,386,774
Ancillaries	11,883,074	-	-	-	-	11,883,074	11,597,127
Sales and other revenues	20,800,469	-	-	-	-	20,800,469	19,816,576
Investment income	6,060,877	-	5,543,668	-	-	11,604,545	9,832,246
Change in fair value of derivatives (Note 12)	-	-	-	738,256	-	738,256	-
Donations	2,657,803	-	-	-	-	2,657,803	3,163,821
	<u>212,621,975</u>	<u>18,591,215</u>	<u>5,543,668</u>	<u>7,772,676</u>	<u>-</u>	<u>244,529,534</u>	<u>223,824,503</u>
Expenditures							
Salaries and benefits	127,777,312	7,943,380	-	-	-	135,720,692	124,704,371
Supplies	14,452,713	2,094,888	-	-	-	16,547,601	16,432,819
Depreciation	13,841,810	-	-	-	-	13,841,810	11,313,479
Other	5,958,353	150,254	-	-	-	6,108,607	5,421,363
Utilities	9,325,944	-	-	-	-	9,325,944	8,828,526
Travel	2,217,040	1,346,710	-	-	-	3,563,750	3,683,381
Repairs and maintenance	4,412,117	39,992	-	-	-	4,452,109	3,846,903
Library subscriptions	2,809,355	-	-	-	-	2,809,355	2,123,711
Post-retirement benefits (Note 9)	-	-	9,464,228	-	-	9,464,228	8,138,516
Externally contracted services	6,307,472	4,001,885	-	-	-	10,309,357	9,963,420
Scholarships and bursaries (Note 19)	16,593,376	100,828	-	-	-	16,694,204	14,954,714
Change in fair value of derivatives (Note 12)	-	-	-	-	-	-	5,297,104
Interest	-	-	-	3,038,683	-	3,038,683	1,807,946
	<u>203,695,492</u>	<u>15,677,937</u>	<u>9,464,228</u>	<u>3,038,683</u>	<u>-</u>	<u>231,876,340</u>	<u>216,516,253</u>
Excess of revenue over expenditure before inter-fund transfers	\$ 8,926,483	\$ 2,913,278	\$ (3,920,560)	\$ 4,733,993	\$ -	\$ 12,653,194	\$ 7,308,250
Fund balance, beginning of year	\$ 14,019,896	\$ 3,021,929	\$ (3,138,811)	\$ 101,267,203	\$ 69,065,790	\$ 184,236,007	\$ 178,486,672
Excess of revenue over expenditure before inter-fund transfers	8,926,483	2,913,278	(3,920,560)	4,733,993	-	12,653,194	7,308,250
Remeasurement and other adjustments (Note 9)	-	-	(816,404)	-	-	(816,404)	(4,575,062)
Endowment additions	-	-	-	-	3,250,067	3,250,067	3,016,147
Interfund transfers (Note 18)	(284,200)	(3,440,514)	9,941,891	(6,217,177)	-	-	-
Total change in fund balance for the year	<u>8,642,283</u>	<u>(527,236)</u>	<u>5,204,927</u>	<u>(1,483,184)</u>	<u>3,250,067</u>	<u>15,086,857</u>	<u>5,749,335</u>
Fund balance, end of year	<u>\$ 22,662,179</u>	<u>\$ 2,494,693</u>	<u>\$ 2,066,116</u>	<u>\$ 99,784,019</u>	<u>\$ 72,315,857</u>	<u>\$ 199,322,864</u>	<u>\$ 184,236,007</u>
Components of fund balances							
Invested in capital assets	\$ -	\$ -	\$ -	\$ 85,008,348	\$ -	\$ 85,008,348	\$ 85,994,327
Internally restricted	6,892,991	2,494,693	2,066,116	14,775,671	9,794,688	36,024,159	24,661,099
Externally restricted	-	-	-	-	62,521,169	62,521,169	59,560,685
Unrestricted	15,769,188	-	-	-	-	15,769,188	14,019,896
	<u>\$ 22,662,179</u>	<u>\$ 2,494,693</u>	<u>\$ 2,066,116</u>	<u>\$ 99,784,019</u>	<u>\$ 72,315,857</u>	<u>\$ 199,322,864</u>	<u>\$ 184,236,007</u>

University of Prince Edward Island

Consolidated Schedule of Operations and Changes in Fund Balances – Operating Fund

Year ended April 30, 2026

	Main		AVC		Faculty of Medicine		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Revenues								
Grants and contracts	\$ 65,008,739	\$ 59,856,184	\$ 26,702,766	\$ 25,917,765	\$ 12,833,856	\$ 7,053,917	\$ 104,545,361	\$ 92,827,866
Student fees	54,555,694	54,243,243	11,708,477	11,143,531	410,220	-	66,674,391	65,386,774
Ancillaries	11,883,074	11,597,127	-	-	-	-	11,883,074	11,597,127
Sales and other revenues	4,934,240	5,058,451	15,845,879	14,758,124	20,350	-	20,800,469	19,816,575
Investment income	5,115,481	5,260,161	888,801	677,087	56,595	-	6,060,877	5,937,248
Donations	2,320,827	2,706,582	336,976	457,239	-	-	2,657,803	3,163,821
	143,818,055	138,721,748	55,482,899	52,953,746	13,321,021	7,053,917	212,621,975	198,729,411
Expenditures								
Salaries and benefits	82,277,163	77,628,668	35,897,979	34,533,619	9,602,170	5,006,280	127,777,312	117,168,567
Supplies	8,351,967	8,745,162	5,651,701	5,787,401	449,045	165,484	14,452,713	14,698,047
Depreciation	8,381,797	8,812,406	2,515,667	2,501,073	2,944,346	-	13,841,810	11,313,479
Other	3,942,985	3,330,334	1,607,543	1,462,948	407,825	504,169	5,958,353	5,297,451
Utilities	5,408,299	5,390,942	3,535,862	3,431,095	381,783	6,489	9,325,944	8,828,526
Travel	1,609,040	1,994,181	360,906	307,773	247,094	298,846	2,217,040	2,600,800
Repairs and maintenance	3,170,100	2,820,950	1,218,668	961,065	23,349	3,884	4,412,117	3,785,899
Library subscriptions	1,545,334	1,354,384	522,335	547,927	741,686	221,400	2,809,355	2,123,711
Externally contracted services	4,056,446	4,072,776	1,849,316	2,315,892	401,710	507,052	6,307,472	6,895,720
Scholarships and bursaries	15,735,256	14,248,953	807,120	619,894	51,000	-	16,593,376	14,868,847
	134,478,387	128,398,756	53,967,097	52,468,687	15,250,008	6,713,604	203,695,492	187,581,047
Excess of revenue over expenditure before inter-fund transfers	\$ 9,339,668	\$ 10,322,992	\$ 1,515,802	\$ 485,059	\$ (1,928,987)	\$ 340,313	\$ 8,926,483	\$ 11,148,364
Fund balance, beginning of year	\$ 11,461,369	\$ 9,094,764	\$ 2,558,527	\$ 2,236,560	\$ -	\$ -	\$ 14,019,896	\$ 11,331,324
Excess of revenue over expenditure before inter-fund transfers	9,339,668	10,322,992	1,515,802	485,059	(1,928,987)	340,313	8,926,483	11,148,364
Inter-fund transfers (Note 18)	(1,597,392)	(7,956,387)	(615,795)	(163,092)	1,928,987	(340,313)	(284,200)	(8,459,792)
Total change in fund balance for the year	7,742,276	2,366,605	900,007	321,967	-	-	8,642,283	2,688,572
Fund balance, end of year	\$ 19,203,645	\$ 11,461,369	\$ 3,458,534	\$ 2,558,527	\$ -	\$ -	\$ 22,662,179	\$ 14,019,896
Components of fund balances								
Internally restricted	\$ 6,208,608	\$ -	\$ 684,383	\$ -	\$ -	\$ -	\$ 6,892,991	\$ -
Unrestricted	12,995,037	11,461,369	2,774,151	2,558,527	-	-	15,769,188	14,019,896
	\$ 19,203,645	\$ 11,461,369	\$ 3,458,534	\$ 2,558,527	\$ -	\$ -	\$ 22,662,179	\$ 14,019,896

University of Prince Edward Island

Consolidated Schedule of Operations and Changes in Fund Balances – Research Fund

Year ended April 30, 2026

2026

2025

	Main	AVC	Faculty of Medicine	Total	Total
Revenues					
Deferred revenue, beginning of year	\$ 8,364,651	\$ 1,621,597	\$ -	\$ 9,986,248	\$ 10,493,878
Research funds received	9,960,852	7,464,985	-	17,425,837	15,855,280
Deferred revenue, end of year	(7,189,604)	(1,631,266)	-	(8,820,870)	(9,986,247)
	<u>11,135,899</u>	<u>7,455,316</u>	<u>-</u>	<u>18,591,215</u>	<u>16,362,911</u>
Expenditures					
Salaries and benefits	5,545,115	2,398,265	-	7,943,380	7,535,804
Supplies	730,758	1,364,130	-	2,094,888	1,734,771
Other	105,588	44,666	-	150,254	123,911
Travel	903,872	442,838	-	1,346,710	1,082,581
Repairs and maintenance	39,327	665	-	39,992	61,003
Externally contracted services	2,121,145	1,880,740	-	4,001,885	3,067,703
Scholarships	67,450	33,378	-	100,828	85,867
	<u>9,513,255</u>	<u>6,164,682</u>	<u>-</u>	<u>15,677,937</u>	<u>13,691,640</u>
Excess of revenue over expenditure before inter-fund transfers	<u>\$ 1,622,644</u>	<u>\$ 1,290,634</u>	<u>\$ -</u>	<u>\$ 2,913,278</u>	<u>\$ 2,671,271</u>
Fund balance, beginning of year	\$ 1,860,655	\$ 1,161,274	\$ -	\$ 3,021,929	\$ 2,492,881
Excess of revenue over expenditure before inter-fund transfers	1,622,644	1,290,634	-	2,913,278	2,671,271
Inter-fund transfers (Note 18)	(1,745,228)	(1,695,286)	-	(3,440,514)	(2,142,223)
Total change in fund balance for the year	<u>(122,584)</u>	<u>(404,652)</u>	<u>-</u>	<u>(527,236)</u>	<u>529,048</u>
Fund balance, end of year	<u>\$ 1,738,071</u>	<u>\$ 756,622</u>	<u>\$ -</u>	<u>\$ 2,494,693</u>	<u>\$ 3,021,929</u>
Unspent funds at yearend					
Fund balances	\$ 1,738,071	\$ 756,622	\$ -	\$ 2,494,693	\$ 3,021,929
Deferred revenue	7,189,604	1,631,266	-	8,820,870	9,986,247
	<u>\$ 8,927,675</u>	<u>\$ 2,387,888</u>	<u>\$ -</u>	<u>\$ 11,315,563</u>	<u>13,008,176</u>