



**AUDITED FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED MARCH 31, 2019





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.

# CONCORDIA UNIVERSITY OF EDMONTON

## Statement of Financial Position

As at March 31,

	2019 \$	2018 \$
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	12,496,833	2,508,661
Investments (Note 3)	4,520,488	5,084,007
Accounts receivable	917,948	810,304
Bookstore inventory	173,993	165,683
Prepaid expenses	333,926	346,222
	18,443,188	8,914,877
<b>Long Term</b>		
Employee future benefits (Note 13)	-	2,148,200
Capital assets (Note 4)	36,015,887	33,858,095
<b>Total Assets</b>	<b>54,459,075</b>	<b>44,921,172</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 6)	2,507,111	3,632,779
Deferred revenue (Note 7)	6,275,365	4,142,074
Specially designated funds (Note 8)	611,085	598,362
Demand loans (Note 9)	563,566	3,001,825
Current portion of term loan (Note 10)	436,671	5,913,512
	10,393,798	17,288,552
<b>Long Term</b>		
Term loan (Note 10)	10,532,893	-
Unamortized deferred capital contributions (Note 12)	11,495,156	7,371,528
Employee future benefits (Note 13)	2,156,900	1,731,000
<b>Total Liabilities</b>	<b>34,578,747</b>	<b>26,391,080</b>
<b>Net Assets</b>		
Endowments	873,291	872,218
Internally restricted net assets	834,242	908,766
Invested in capital assets	12,987,601	17,571,230
Unrestricted net assets	5,185,194	(822,122)
<b>Net Assets</b>	<b>19,880,328</b>	<b>18,530,092</b>
<b>Total Liabilities and Net Assets</b>	<b>54,459,075</b>	<b>44,921,172</b>

Approved by:




President & Vice-Chancellor      Treasurer

**UNIVERSITY OF ALBERTA**

**Statement of Operations**

Years ended March 31,

	2019	2018
	2019	2018
	2019	2018
	2019	2018
	2019	2018
<b>Gifts and grants</b>		
Government of Alberta grants (Note 7)	12,426,530	12,945,772
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
Government of Canada grants (Note 7)	62,791	12,026
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]

**UNIVERS**

**Change**

Invested in  
Net Assets

\$

71,230

(1,225)

-

-

-

-

-

-

21,796

(6,407)

(2,991)

25,198

37,601

**TON**

**\$**

Investments

\$

72,218

-

-

-

1,073

-

-

-

-

-

-

73,291

Total Net Assets  
March 31, 2019

\$

18,530,092

4,759,064

(3,409,901)

-

1,073

-

-

-

-

-

-

19,880,328

Net Assets  
March 31, 2018

\$

6,791,545

1,724,492

(14,400)

-

28,455

-

-

-

-

-

-

8,530,092

**CONCORDIA UNIVERSITY OF EDMONTON**

**Statement of Cash Flows**

Years ended March 31,

	2019 \$	2018 \$
Net inflow/(outflow) of cash related to the following activities:		
<b>Operating</b>		
Excess of revenue over expenses	4,759,064	1,734,492
<b>Items not involving cash:</b>		
Employee future benefits	(835,801)	(964,000)
Amortization of capital assets	1,564,004	1,291,490
Gain on disposal of capital assets		(2,500)
Amortization of deferred capital contributions	(392,779)	(299,209)
Unrealized gain in value of investments	(251,362)	(200,595)
	4,843,126	1,549,678
<b>Change in non-cash working capital:</b>		
In process in accounts receivable	(107,644)	(100,407)



CONCORDIA UNIVERSITY OF EDMONTON  
Notes to the Financial Statements  
Year Ended March 31, 2019

Concordia University of Edmonton (the "University") was incorporated Dec 11, 2015 by a special act of the Legislative Assembly of Alberta. The University was formed by the merger of the University of Alberta and the University of Northern Alberta.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and liquid short-term investments that are available for use in the current period.

[REDACTED]

[REDACTED]

**Notes to the Financial Statements  
Year Ended March 31, 2019**

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

**(d) Capital assets**

Capital assets acquired prior to June 1, 1955 are recorded at appraised values. Subsequent additions are

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

recorded at cost. Donated capital assets are recorded at the fair market value on the date of the receipt of the gift. Amortization, which is based on the recorded value less the residual value over the useful life of the asset, is computed using the straight-line method at the following annual rates:

Buildings	
Trailers	10%

CONCORDIA UNIVERSITY OF EDMONTON  
Notes to the Financial Statements  
Year Ended March 31, 2019

2. SUMMARY OF ACCOUNTING POLICIES (continued)

Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost.

~~Accounts payable and accrued liabilities, demand loans, capital loans, and term loans are initially~~

[REDACTED]

at fair value net of transaction costs and subsequently measured at amortized cost using the straight-line interest rate method.

*Risk management:*

The University periodically monitors the principal risks assumed in its investments. The risks that arise from transacting financial instruments include credit risk, liquidity risk, and price risk. Price risk arises from changes in interest rates, foreign exchange, exchange rates and market prices. The University's

[REDACTED]

**CONCORDIA UNIVERSITY OF EDMONTON  
Notes to the Financial Statements  
Year Ended March 31, 2019**

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

**(a) Accounting standards issued but not yet adopted (continued)**

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statements.

**3. INVESTMENTS**

The University has a managed portfolio with holdings of fixed income and equity securities. Investment transactions regularly occur within this portfolio based on the recommendation of the portfolio advisor and

CONCORDIA UNIVERSITY OF EDMONTON

Notes to the Financial Statements

Year Ended March 31, 2019

5. BANK INDEBTEDNESS

The University has approval for a revolving line of credit to a maximum of \$2,500,000 (2018: \$2,500,000), which

9. DEMAND LOANS

March 31, 2019      March 31, 2018  
 \$                      \$

Demand loan #1 may be converted to fixed rate term loans at any time for terms of 1 to 10 years. If  
 [redacted]  
 [redacted]  
 [redacted]  
 [redacted]

563,566      3,001,825

Demand loan #4 and #9 may be converted to fixed rate term loans at any time for terms of 1 to 10 years. If  
 [redacted]

2020	\$ 181,250
2021	31,250
2022	31,250
2023	31,250
2024	31,250
Thereafter	257,316
	\$ 563,566

In addition to these demand loans, the University obtained two additional demand credit facilities. The  
 [redacted]  
 [redacted]

**CONCORDIA UNIVERSITY OF EDMONTON**  
**Notes to the Financial Statements**  
**Year Ended March 31, 2019**

**10. TERM LOAN**

	March 31, 2019	March 31, 2018
	\$	\$
3.59% fixed rate term loan, maturing on July 31, 2028 and is payable in blended instalments of \$44,389. The loan is amortized over 25 years.	5,567,010	5,913,512 (5,913,512)
3.90% fixed rate term loan, maturing on October 31, 2028 and is payable in blended installments of \$25,687. The loan is amortized over 30 years.	5,402,554	-
	10,969,564	-

	2020	\$	436,671
	2021		454,273
	2022		470,798
	2023		488,325
	2024		505,697
	Thereafter		8,613,800
		\$	10,969,564

**11. DEFERRED CAPITAL CONTRIBUTIONS**

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

	March 31, 2019	March 31, 2018
Balance, beginning of year	-	-
Grants and donations received	4,516,407	2,671,876
Transfer to unamortized deferred capital contributions (Note 12)	(4,516,407)	(2,671,876)
Balance, end of year	-	-

**CONCORDIA UNIVERSITY OF EDMONTON**

**Notes to the Financial Statements**

Years Ended March 31, 2019

**12. UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS**

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

	March 31, 2019	March 31, 2018
	\$	\$
Balance, beginning of year	7,371,528	4,998,861
Deferred capital contributions (Note 11)	4,564,407	2,674,878
<hr/>		
Amortization to revenue	(392,779)	(299,209)
Balance, end of year	11,495,156	7,371,528

**13. EMPLOYEE FUTURE BENEFITS**

a. Employee future benefit asset	March 31, 2019	March 31, 2018
	\$	\$
Fair value of plan assets	-	35,105,000
Accrued benefit obligation	-	32,956,800
<hr/>		

b. Employee future benefit liability	March 31, 2019	March 31, 2018
	\$	\$
Accrued benefit obligation	36,284,200	-
Fair value of plan assets	35,796,300	-
Plan deficit	487,900	-
Post-retirement benefit plan	1,669,000	1,731,000
	2,156,900	1,731,000

The University employee pension plan consists of a defined benefit plan, post-retirement benefit plan and a



**CONCORDIA UNIVERSITY OF EDMONTON**  
**Schedule of Auxiliary Enterprises and Activities**  
**Years ended March 31**

	2019	2018
	\$	\$
<b>Revenue</b>		
University stores	1,003,193	989,907
Food services	26,858	50,647
Student housing	395,391	413,808
Conventions and other	814,169	728,837
	<u>2,239,611</u>	<u>2,183,199</u>
<b>Expenses</b>		
University stores	929,473	906,215
Food services	<u>241,928</u>	<u>215,880</u>
Student housing		
Conventions and other	207,851	215,880
	<u>241,928</u>	<u>301,253</u>
<b>Net revenue</b>	1,425,373	1,461,737
	<u>814,238</u>	<u>721,462</u>
<b>Net revenue (expenses)</b>		
University stores		
Food services	73,720	83,692
Student housing	(19,263)	12,258
Conventions and other	187,540	197,928
	<u>572,241</u>	<u>427,584</u>

## CONCORDIA UNIVERSITY OF EDMONTON

## Schedule of Expenses by Department

Years ended March 31,

	2019 \$	2018 \$
<b>Academic programs</b>		
Management and professional education	2,506,117	2,555,633
Natural science and public health	2,798,662	2,510,366
Arts, social science and religious studies	5,313,397	5,074,075
Education	1,541,468	1,353,951
	<u>12,159,644</u>	<u>11,494,025</u>
Academic services		
<b>Support programs</b>		
Facility maintenance		
Institutional support		
Library and archives	13,822,691	13,267,336
General administration	2,655,817	2,578,043

CONCORDIA UNIVERSITY OF EDMONTON  
 Schedule of Revenue and Expenses by Object  
 Years ended March 31,

<i>Revenue</i>	2019 \$	2018 \$
<b>Revenue from Government of Alberta</b>		
General operating grant	13,037,708	12,845,773
Other grants	398,830	-
<b>Total Government of Alberta operating funding</b>	<b>13,436,538</b>	<b>12,845,773</b>
<b>Government of Canada Grants</b>		
	62,506	62,506
	13,499,319	12,888,699
<b>Student sources of revenue</b>		
Tuition for accredited courses	15,230,940	13,373,306
Foreign student differential fees	1,459,714	864,123
Miscellaneous fees and student charges	2,108,810	1,895,867