



MountAllison
UNIVERSITY

Annual Financial Report



2020 - 2021

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Message from the Vice-President, Finance and Administration

The University community can be proud of its achievements this year supporting its mission in the face of a global pandemic. The year 2020-2021 will stand out as one of the most challenging in our society and this is also true for the Mount Allison Community.

The University took a three-stage approach to dealing with the pandemic:

- In March of 2020, the first stage, focused on pivoting operations to ensure the safety of students, faculty, and staff while completing our academic programs and supporting our residence students as they returned home or moved to off-campus locations.
- The second stage concerned planning for the fall term while delivering some spring and summer programs.
- The third stage involved implementing our plans to support the delivery of academic programming in the fall of 2020 along with operating our campus, including residence and dining facilities, in a safe manner consistent with COVID-19 regulations. This also included being nimble to respond to changes in public health regulations and general public health environment.

The University continued to stay focused on its mission while mitigating the impact of the pandemic. The University community engaged in further development of its strategic pathways; responded in the areas of equity, diversity and inclusion and sexual violence with pan university wide consultations and engaging external experts. We continued to move forward with a focus on innovation with planning for the IDEA's lab as well as the Hub for Innovation and minimized the financial impact of the pandemic by targeting resources to recruit and retain students, control costs, and leverage donor support to assist students.

The attached Annual Financial Report includes information on the use of our financial resources to support the University's mission as well as our annual audited financial statements. In addition to this report other financial reports dealing with the University's budget, investment holdings, salary costs and other matters are publicly available. Please visit <https://mta.ca/about/leadership-and-governance/reports-and-accountability> to view many of these reports.



Robert Inglis, CPA, CA
Vice-President, Finance and Administration

A Year in Review

Mount Allison is grateful to have completed the academic year safely and to have supported our students throughout this unprecedented experience — with only three COVID-19 cases reported in the University community over the whole year.

This success was due in part to the University community's partnership with the Town of Sackville. This included the MtA Sackville Bubble awareness campaign and the community commitment, a voluntary commitment that encouraged all residents to do their part by following Public Health directives, staying informed, and upholding COVID-19 regulations.

Along with following Public Health measures such as community masks and physical distancing, Mount Allison also assisted several hundred students through self-isolation periods on and off campus at the start of each academic term. This required a team effort and changes to operations across campus, including residence and dining facilities.

The University offered a hybrid system of in-person and online courses during the 2020-21 year. Plans for more in-person programming are in place for 2021-22, with continued safety protocols in place, to offer the same kind of immersive learning experience students expect from Mount Allison, and more opportunities for engagement on campus this year.

For the second year in a row, Mount Allison hosted a virtual Conferring of Degrees ceremony, this time to celebrate the Class of 2021. In-person Convocation ceremonies, along with Alumni Reunion celebrations, are scheduled in 2022 and will include celebrations for the Classes of 2020, 2021, and 2022.

2020-21 also included a number of major highlights for the University: Enrolment during the pandemic was positive, increasing by 1.2 per cent overall in 2020-21. Application numbers for 2021-22 are up approximately nine per cent over this time last year. The international student population continues to grow, with 274 students from 51 countries.

Mount Allison retained its number one position among undergraduate universities in Canada in the annual Maclean's University Rankings — celebrating its 22nd year in the top spot. The University also received top marks in the Student Satisfaction

MOUNT ALLISON

182 Years since founded

25,000 alumni

\$215 million endowment

\$96,000 endowment per FTE student

2,300 students

\$7.3 million in financial aid and student compensation

750 student employees

33 exchange programs in 21 countries

Students from nearly 50 countries

A Year in Review

Survey, earning first place for course instructors and administrative staff, and second place for experiential learning and extracurricular activities.

The University celebrated many consequential gifts this past year in support of its students, including the establishment of the Pierre Lassonde School of Fine Arts last February. This landmark announcement of a \$5-million gift from Canadian Arts patron Pierre Lassonde has helped launch a number of new projects and programs within the School, designed to enrich the student-artist experience, including new scholarship and internship opportunities and a dynamic artist-in-residence program. This gift — along with the establishment of the Frank McKenna School of Philosophy, Politics, and Economics, which was also marked with a \$1-million donation from McKenna and several leadership gifts totaling \$5-million, and the new McCain Scholars program — has meant many new supports and opportunities for students across campus.

2020-21 was also a year of innovation in terms of academic programming with nearly 20 new academic programs and certificates being introduced. These include: Bachelor of Arts (BA) with joint Major in Geocomputing, BA with major/honours options in Women's and Gender Studies and Visual and Material Culture Studies, BA in Cognitive Science, Computer Science and Economics, Bachelor of Science (BSc) in Computer Science and Physics, and a BSc with major/honours options in biopsychology. Minors were also introduced in Data Science, Visual Communication and Culture, and Community Engaged Learning, Visual and Material Culture Studies, and Screen Studies and Popular Culture. Embedded certificate programs, unique to Mount Allison, were also introduced in Data Management, Data Analytics, Foundations of Health, Theatre Arts, Canadian Arts and Culture, and Community Engaged Learning. The University now offers more than 50 academic programs.

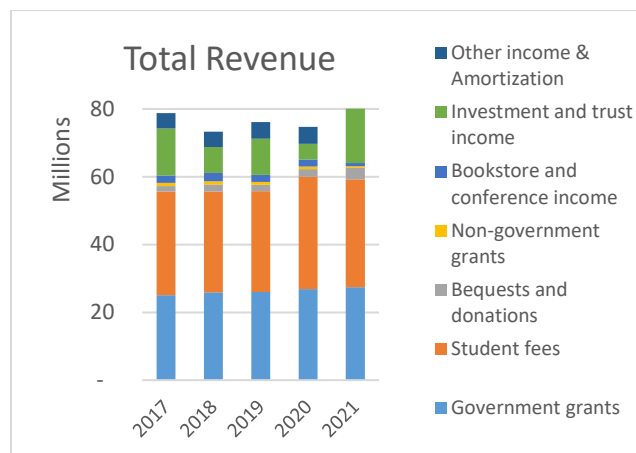
This report presents an overview of the consolidated operations of all funds of the University on a traditional accrual accounting basis. The operating fund budget and monitoring of results is presented on a modified cash basis and to assist in understanding both reports.

The University's budget document is posted on our website, and can be found at <https://mta.ca/about/leadership-and-governance/reports-and-accountability>

Financial Highlights – All Funds

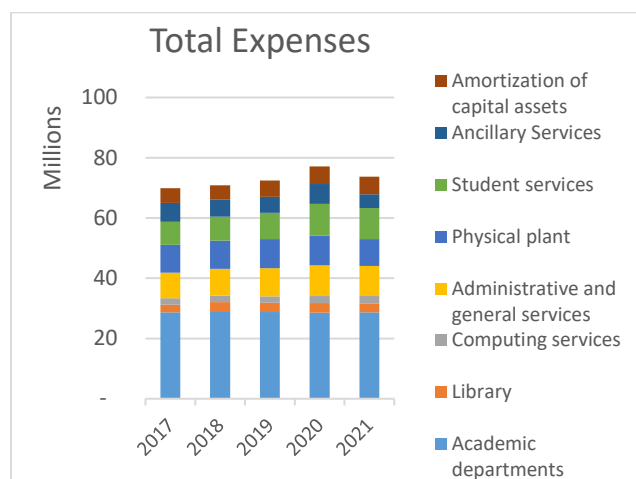
TOTAL REVENUE

- Revenue increased 16% or \$11.7M from \$74.7M to \$86.4M
- Bequests and donations increased by 47% or \$1.4M
- Bookstore and conference income decreased by 55% or \$1.1M driven by less students and employees on campus and no conference activity due to the pandemic
- Investment income on all but restricted endowments increased by \$13.8M or 300% from \$4.6M to \$18.4M, driven from the market rebounding from the initial pandemic crash in March 2020



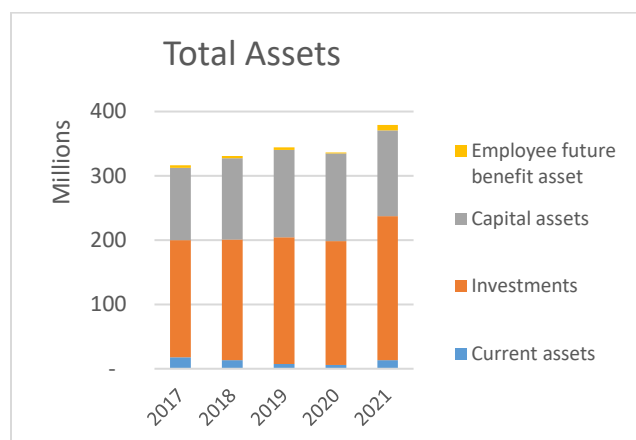
TOTAL EXPENSES

- Expenses decreased by 4% or \$3.3M from \$77.1M to \$73.7M
- Physical plant expenses decreased by 9% or \$0.9M with less activity on campus
- Ancillary services decreased by \$2M or 31 per cent from prior year from \$6.6M to \$4.6M driven from a significant decrease in students on campus as a result of the pandemic



TOTAL ASSETS

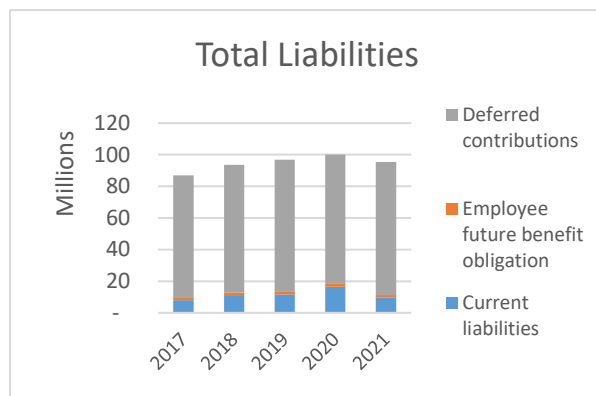
- Assets increased by 13% or \$43M primarily related to the change in investments
- Cash increased by \$8.2M due to timing differences of withdrawing the annual spending allocation from endowment funds
- Investments increased by 16% or \$31.2M due mainly to the market rebound
- Employee future benefit asset increased by \$6.9M due to the market rebound of pension assets



Financial Highlights – All Funds

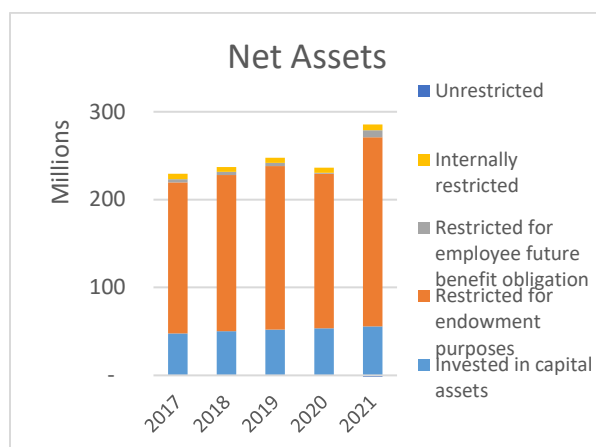
TOTAL LIABILITIES

- Liabilities decreased by \$4.8M or 5 per cent from the prior year primarily driven by decreased bank indebtedness



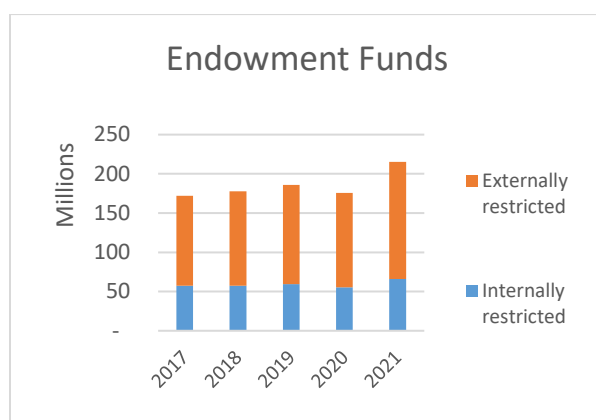
NET ASSETS

- Net assets increased by 20 per cent or \$48M, from \$236M to \$284M
- Assets restricted for endowment purposes increased by 22 per cent or \$39.3M from the prior year, driven by investment returns
- Assets restricted for employee future benefit obligation increased by \$6.9M, driven by long term interest rates

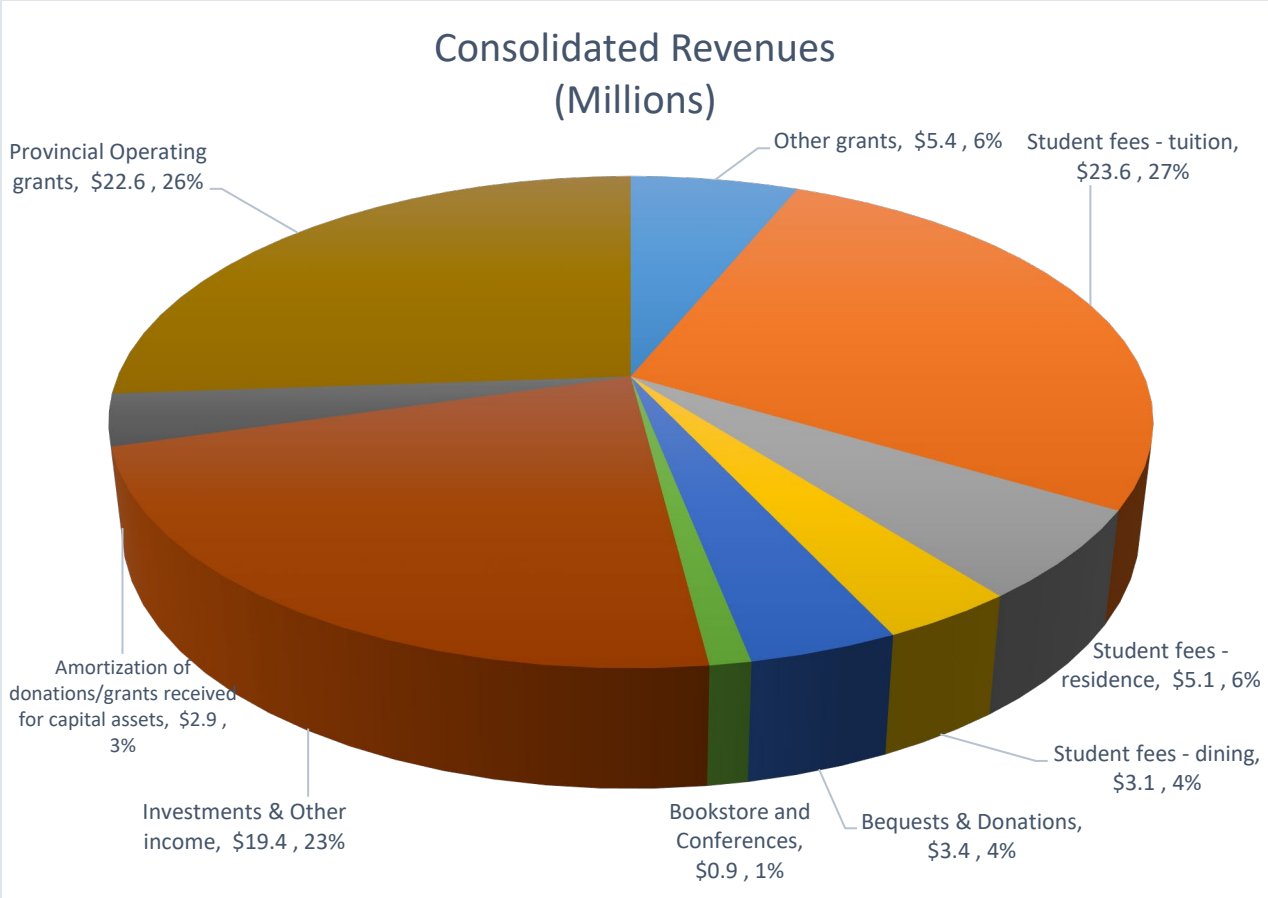


ENDOWMENT FUNDS

- Endowment funds increased by approximately \$39M or 22 per cent to \$215M
- Increase in Endowment funds is driven by investment income of approximately \$30.5M on both restricted and unrestricted endowments and donations of \$7.6M



Consolidated Revenues



As displayed in the above graph, approximately 76 per cent of consolidated revenue was driven from three main sources: student fees / tuition, provincial grants, & investment and other income. The remaining 24 per cent of revenues was derived from other grants, bookstore and conferences, bequests and donations, student dining services & the amortization of grants and donations received for capital assets.

Revenue from students and government grants are the predominant sources of revenue, which continue to be under pressure due to a decline in the number of potential students from traditional markets, competition from other universities with respect to student recruitment, and the financial health of the Province of New Brunswick, which impacts the province’s ability to provide support to New Brunswick’s public, post-secondary institutions.

Overall, consolidated revenues increased by approximately \$11.7M or 16 per cent from the prior year. The main driver of the increase is due to increased investment and trust income as the markets have significantly recovered in the current year.

The pandemic continues to have a negative impact on revenues as student fees, dining, bookstore and conference revenue are all lower than the prior year. The

Consolidated Revenues

financial impacts going forward will depend on future developments, including the duration, spread and severity of the outbreak, costs mitigating against the risk of the virus, the duration and geographic scope of related travel advisories and restrictions, and the extent of disruptions to businesses and its related impact on the economy, including provincial government revenue.

Student Fees

Student fees include tuition and other fees as well as residence and dining services. In 2020-2021 these fees overall were approximately \$31.8M, a decrease of \$1.3M or 4 per cent from the prior year. The decrease was mainly driven from lower dining and residence fees as a result of less students in residence and on campus due to the pandemic.

Operating Grants Revenue

The Provincial operating grant increased marginally as per a MOU with the government of New Brunswick. Negotiations between the provincial government and the four public universities to develop a new MOU are ongoing.

Research Grants and Contracts

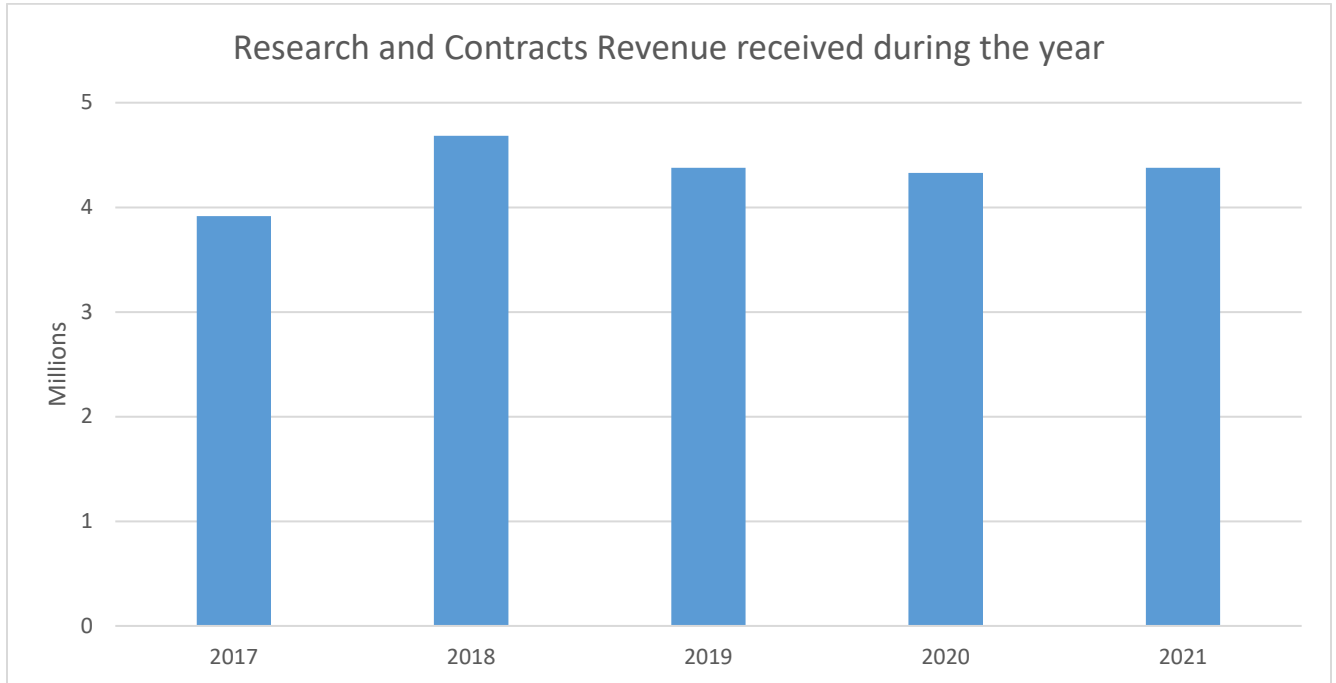
Research revenue is recognized as income in the year related expenditures occur. Unspent research funds and funds spent on capital equipment and infrastructure are reflected as deferred contributions. Research revenue recognized in fiscal 2021 was down slightly from the prior year with less activity due to the pandemic.

The University receives research grant and contract funding from a variety of sources and for many different projects and over the past three years such grants received has averaged \$4.4 million per year. This funding also provides students with opportunities to work with faculty on various research projects.

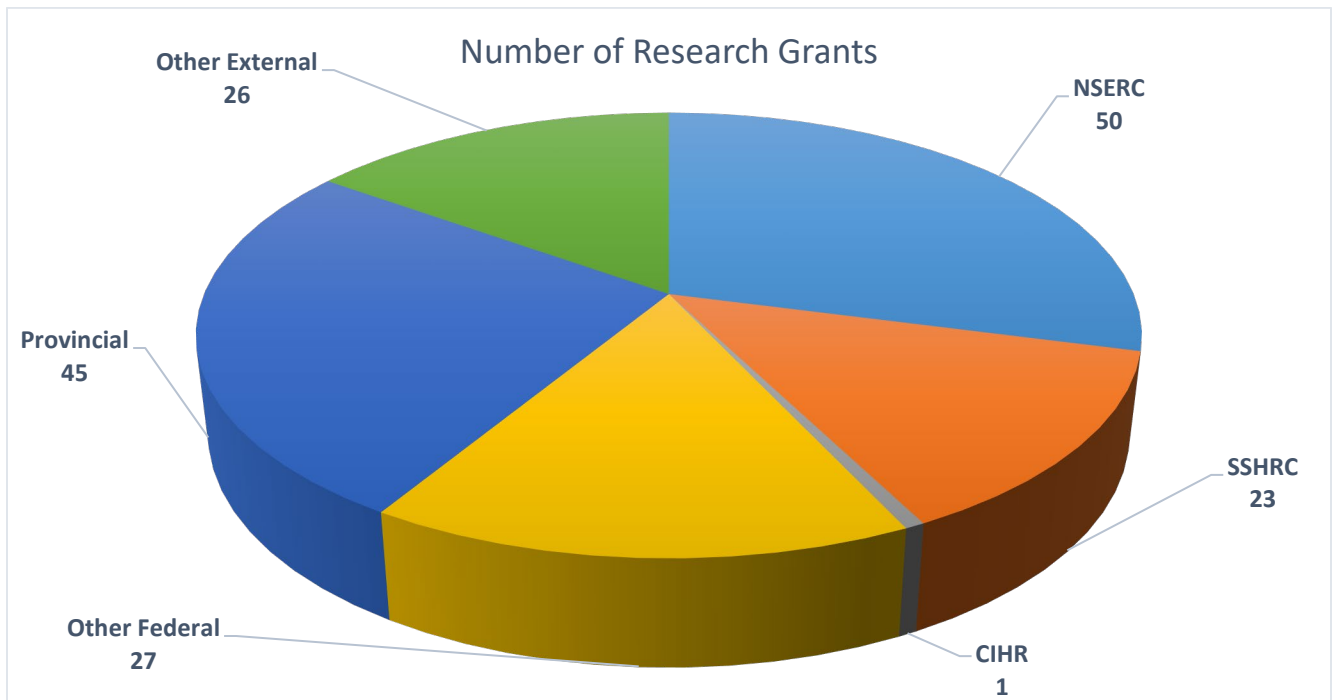
RESEARCH GRANTS

- Over 170 research grants
- NSERC provides largest source of funding by dollars for science-related research
- The University provides over \$500,000 to support faculty members and instructors with professional development grants
- Research funding supported over \$700,000 in student fellowships

Consolidated Revenues



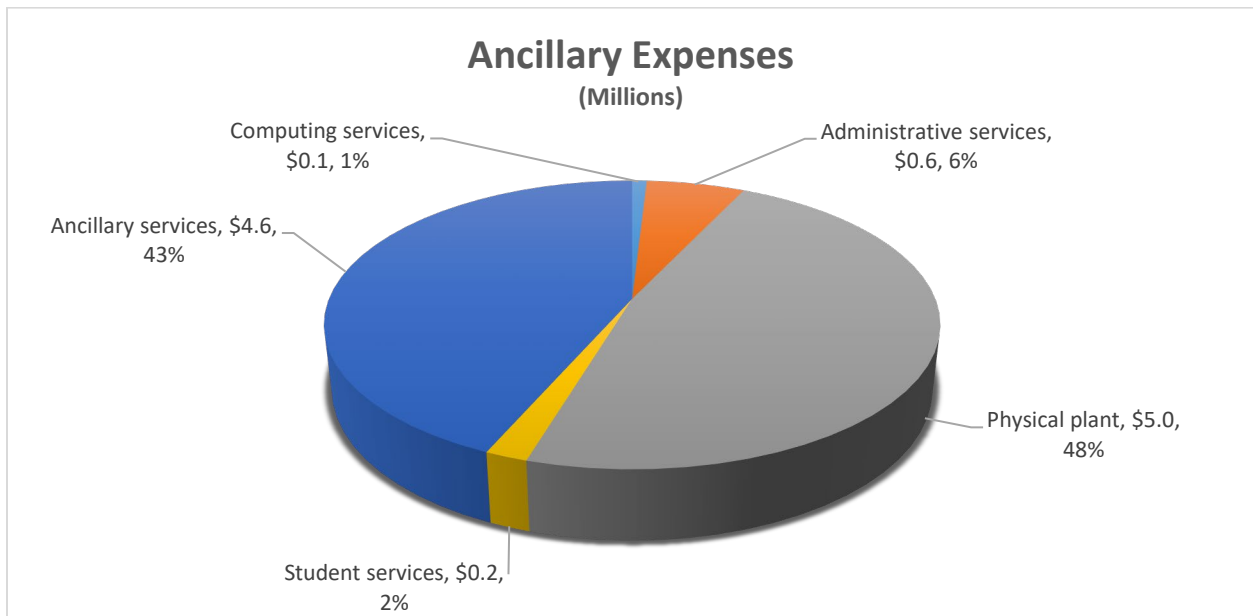
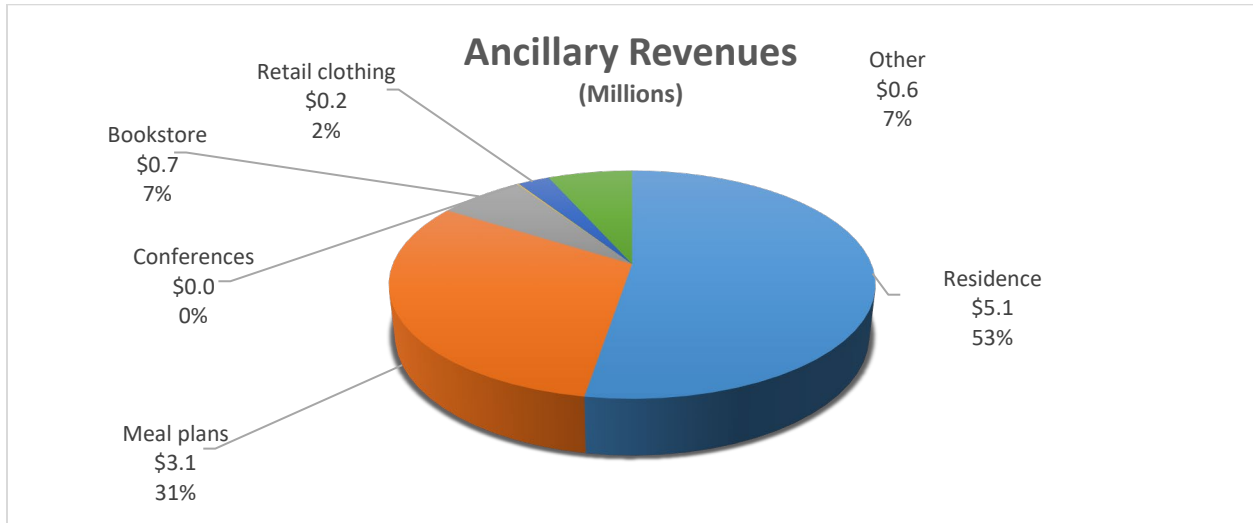
The following table illustrates the number of research grants in 2021 based on source.



Consolidated Revenues

Ancillary Operations

Ancillary operations provide essential student support including the residence, dining, conference and bookstore services. The operations are responsible for providing efficient and affordable services while covering all related operating and capital expenditures.



Consolidated Revenues

The residence, dining and conference operations provided \$2.2 (2020 - \$2.6) million to support residence and dining services upgrades. The residence operation is responsible for maintaining 340,000 square feet encompassing eight large residences and a dining operation.

The bookstore operations had a loss of \$48,000 (2020 - \$33,000) due primarily to less on campus sales due to less students on campus. Textbook and fine arts supply prices are set to ensure the bookstore covers its costs but does not generate any profits and these prices were not raised to account for the reduction in sales. The related retail operation provides Mount Allison branded clothing and other merchandise to the University community and the general public.

Investment Income

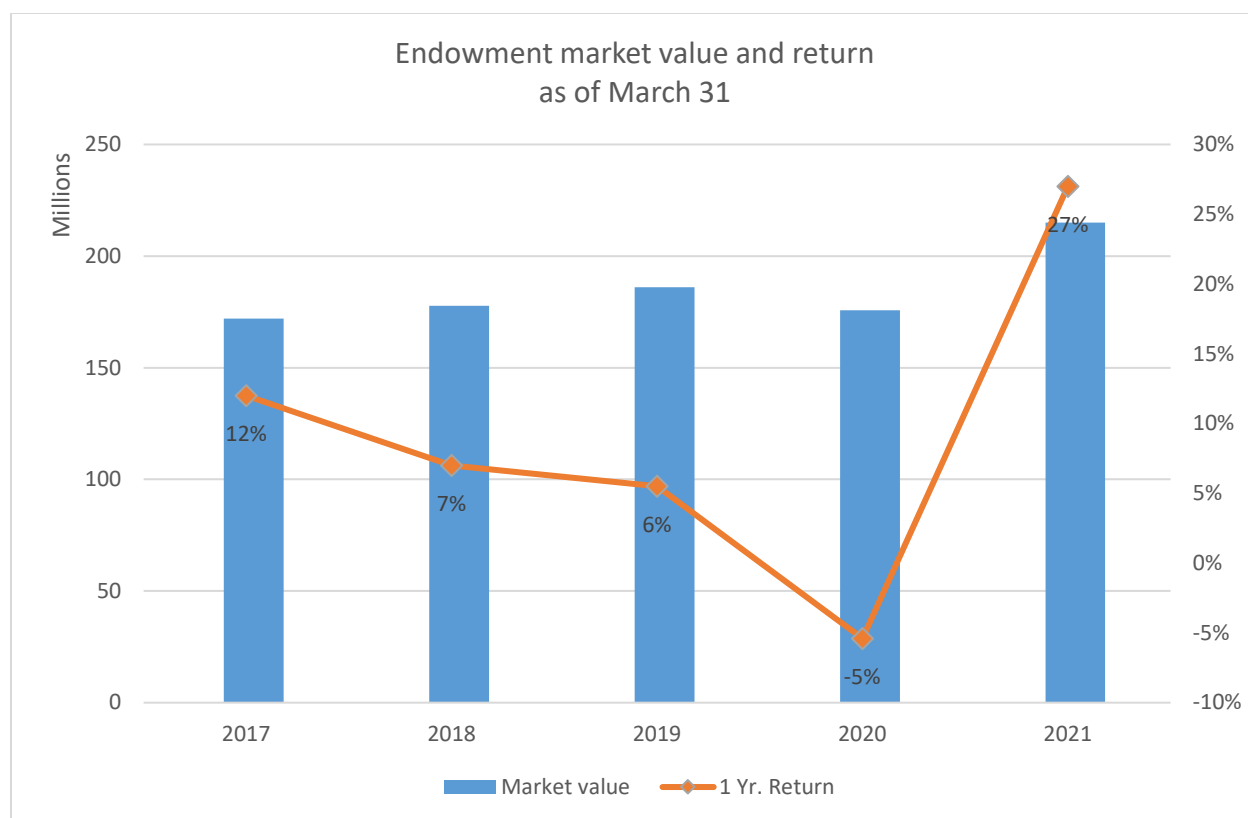
Investment income and donations are the third largest revenue source for the University and increased by approximately \$13.8 million (300%) from the prior year. In 2020 – 2021 investment income was approximately \$18.4M and represented approximately 21 per cent of total revenues.

Overall, revenue from investment income (which includes both realized and unrealized gains) is driven by the market and can fluctuate from year to year based on market returns. For 2020-2021, the market significantly rebounded after a large drop in late 2019 – 2020 from the pandemic. As a result, investment returns significantly improved over the prior year.

The University's Endowment Fund experienced a positive 27.0 (2020 – negative 5.4) per cent return for the year ended March 31, 2021 and had a top quartile ten-year return compared to other Canadian university endowments reporting for the 2020 calendar year.

The chart below illustrates the market value of the funds in nominal dollars as well as the one year returns as of March 31 for each of the last five years which tend to be much more volatile than the average rate over ten years.

Consolidated Revenues



Investment and other income was 26.1 (2020 – 8.8) per cent of total revenue due to the major rebound of the markets in the 2021 fiscal year as a result of the overall macro-economic recovery from the pandemic.

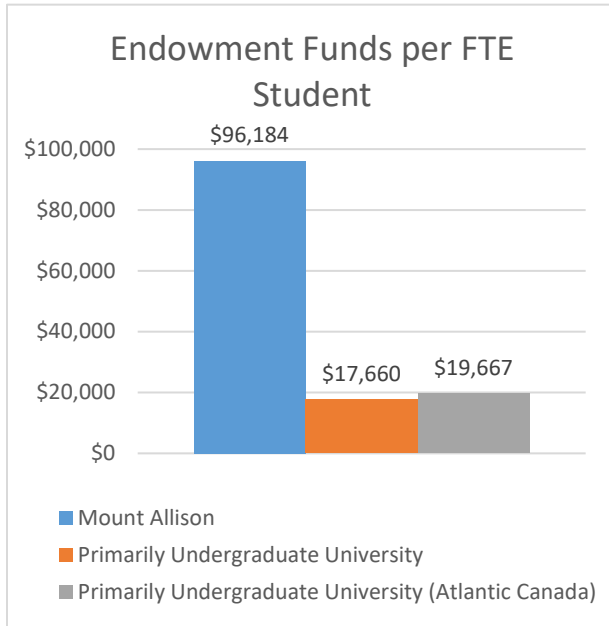
New endowment donations received exceeded \$8.8 million in fiscal 2021 (2020 - \$2.8 million) and directly increased the endowment funds. These donations support current and future generations of students and faculty.

Consistent with almost all North American universities, Mount Allison invests endowed funds in a variety of asset classes to provide a long-term rate of return that will provide students and faculty of the future with the same benefits that current students and faculty receive. The endowed funds are diversified and invested in domestic and foreign securities, bonds and fixed income securities as well as certain strategic investments.

To preserve the capital in the endowment fund, the annual spending allocation is limited to the lessor of a) five per cent of the market value of endowment investments at the end of the prior year or b) five per cent of the average market value over the previous sixteen quarters. This amount, net of administration charges, investment management fees and custodial expenses, is allocated on a pro-rata basis to cover the spending of each endowment fund.

Consolidated Revenues

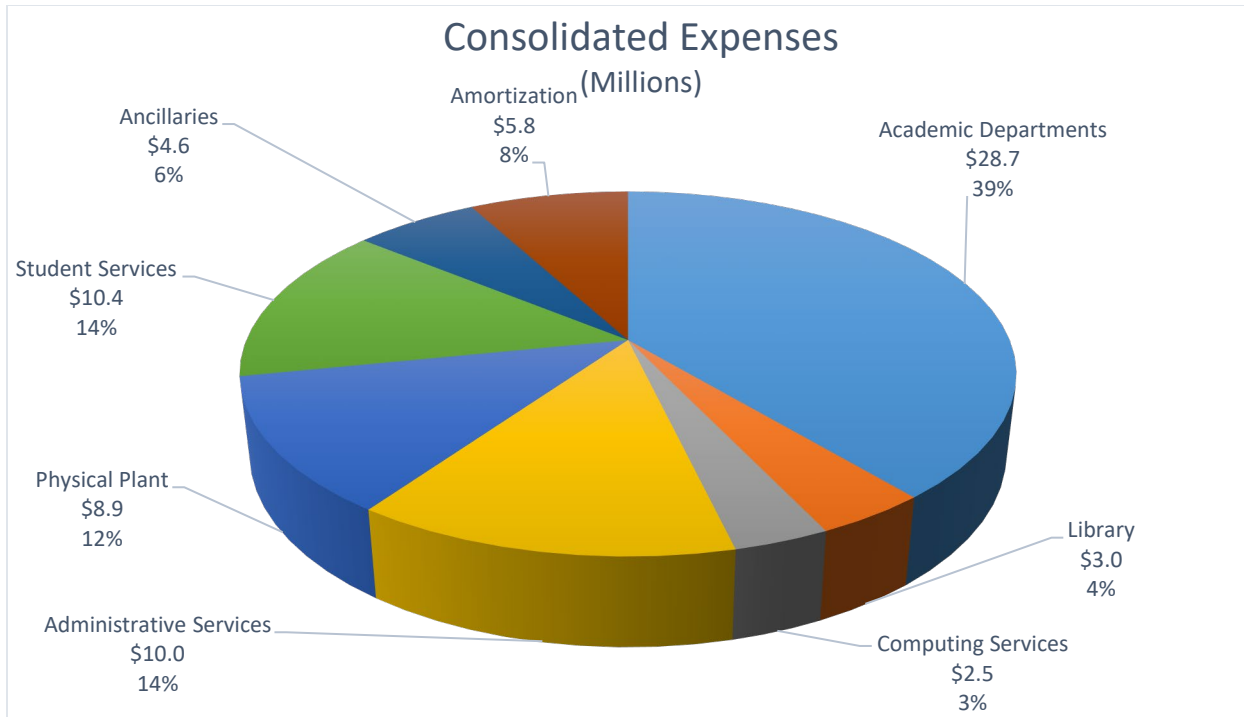
The spending allocation support from endowed funds has increased every year and has allowed the University to spend more on its academic mission, including financial aid. This spending allocation percentage and the target asset allocations have recently been reviewed by external consultants, showing an increased risk to maintaining the current 5 per cent spending allocation. Some changes will be made to the target asset allocations to mitigate this risk.



Mount Allison has the largest endowment per student of non-federated Canadian universities and the second largest endowment per student of all Canadian universities after Victoria University federated with the University of Toronto, reaching over \$96,000 as of December 31, 2020. Mount Allison has significantly larger endowments than the average Canadian and Atlantic Canadian primarily undergraduate university.

This large endowment provides support for student financial aid and faculty activities that otherwise would not be possible.

Consolidated Expenses



Consolidated expenses are reported in the consolidated statement of operations by function as shown in the chart above. Overall, total expenditures were \$73.7M (2020 - \$77.1) a decrease of approximately \$3.3M or 4 per cent from the prior year.

Academic departments and library represent the largest expenditures with total expenditures of \$31.6M in 2021 (2020 - \$31.8M). These costs represent approximately 43 (2020 - 41) per cent of total expenditures in the year.

The largest factor in lowering expenditures in 2021 was Ancillary costs which decreased by approximately \$2M in 2021 from \$6.6M to \$4.5M. This decrease is a result of less students on campus driving lower ancillary operating costs.

Salaries and benefits are by far the largest type of expense. Utilities, dining plan costs, financial aid, facilities maintenance and improvements and information technology costs also represent significant expenses.

Salaries

Salaries and benefits made up 60.1 (2020 - 55.9) per cent of the total expenditures or \$44.3 (2020 - \$43.1) million, slightly up from the previous year. Salaries and benefits for Mount Allison, like other universities, represents the University's largest expenditure.

Consolidated Expenses

Employee future benefit obligations

Mount Allison University provides post-retirement benefits for its employees in various forms. The University has both a defined benefit pension plan and a defined contribution plan. The defined benefit plan is fully funded on a going concern basis and has received an exemption from making special payments for its solvency deficit. In addition, a retirement program provides a lump sum benefit to qualifying individuals at their date of termination or retirement. As compared to other universities, Mount Allison is exposed to few post retirement liability risks and has fully funded non-pension liabilities.

Capital Projects and Financing

In 2020, some smaller projects were undertaken, including the start of an energy measures project which will provide long term savings in energy costs.

The next major capital project on the horizon is the revitalization of the R. P. Bell Library, which represents an opportunity to update both library and archive spaces and resources. A renewed space will respond to the changing nature of libraries in the digital age, and their renewed role as a catalyst for research, learning, creativity, and community engagement.

The Libraries 2025 Vision Committee has completed its initial planning, and the concept design phase is expected to be completed by early fall. Conversations with funding partners has begun.

In order to sustain its facilities, a university must spend at least two per cent of facility replacement value each year on renewal and adaptive maintenance, even if there was no deferred maintenance. The amount necessary depends on the complexity of its facilities and other factors. Over the past 10 years, the University has spent over \$100 million on its Academic and Ancillary facilities. These funds have come from donations, government grants and operations.

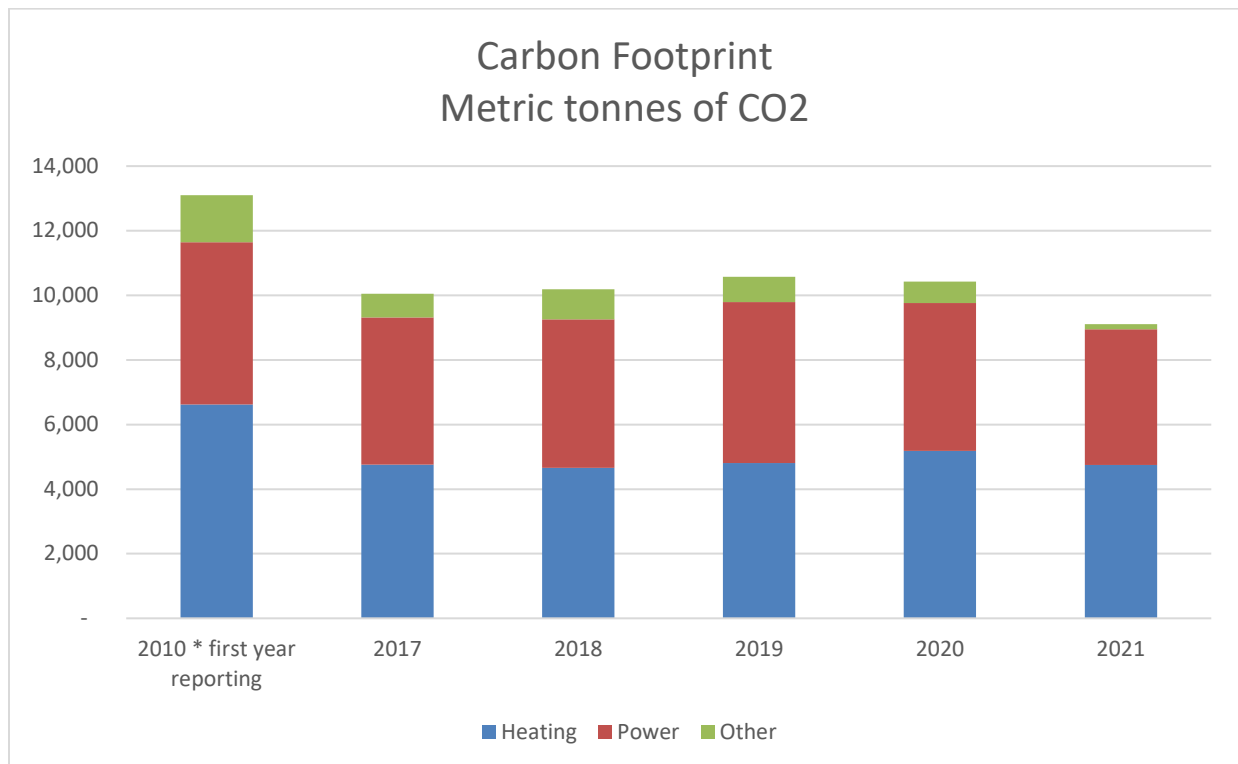
For the portion of capital funding that comes from operations, the University integrates annual operating budgets with long-term capital and equipment budgets. It uses its own cash flows to fund major construction projects which has enabled the University to avoid using long term external debt for over 20 years. As of April 30, 21 the University had no external debt, other than an operating line of credit. The internal loan payments budgeted for 2021 were made as planned.

Carbon Footprint and Sustainable Activities

Climate change is widely acknowledged to be one of the world's most pressing problems and Mount Allison is committed to pursuing reductions in its use of fossil fuels in its operations. Carbon footprint reporting began in 2010 and there was a 20 per cent decrease from then until 2020. During 2021, there was an additional 13 per cent decrease due to the reduction in many activities due to COVID-19.

The University's carbon footprint, not including commuting, totalled 9,107 metric tonnes for the one year period ended April 30, 2021. The chart below breaks out the major sources of the University's carbon emissions by fiscal year.

Other activities include initiatives in the areas of academic programming, extra-curricular activities and research, policies on environmental matters and responsible investing, and reporting of such. This past year, the University joined a consortium of Canadian universities to form UNIE (University Network for Investor Engagement), a group that has engaged SHARE (Shareholder Association for Research & Engagement) to act on its behalf to engage with companies concerning Environmental, Social and Governance actions. More information on the sustainability activities can be found at <https://mta.ca/about/leadership-and-governance/reports-and-accountability>.



Student Experience

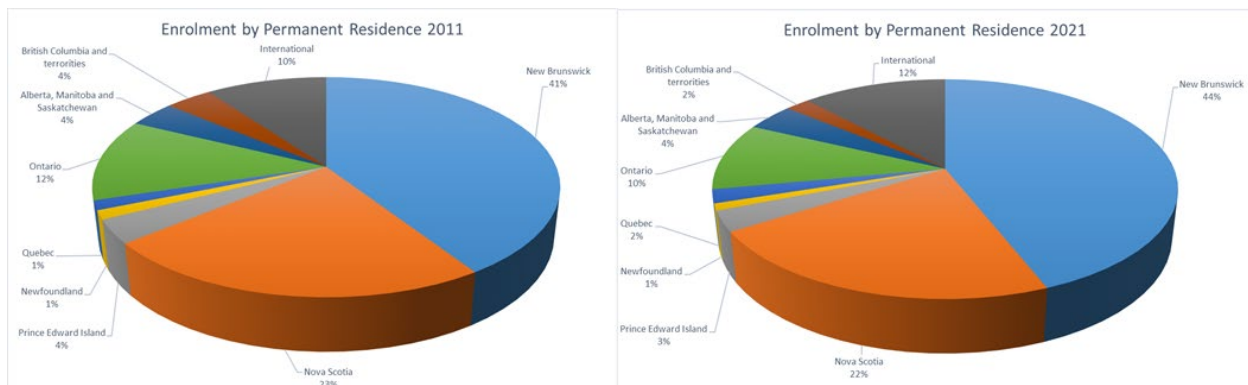
In *Maclean's* 2021 University Rankings, Mount Allison ranked as the #1 undergraduate university in Canada for the 22nd year. It ranked #1 in medical and science grants and library expenses and #2 in student satisfaction (first for course instructors and administrative staff and second in experiential learning and extracurricular activities). The University placed third for students awards, student to faculty ratio (16:1), scholarships and bursaries, and in the reputational survey, which surveys business leaders as well as senior university administrators and faculty members from across the country for their views on quality and innovation at Canadian universities.

Academic Experience

Mount Allison recruits students from across Canada and the world. This contributes to the economy of New Brunswick by bringing in funds from outside the province to be spent in New Brunswick and also provides New Brunswick students the opportunity to interact with individuals from every region of Canada and from over 51 other countries.

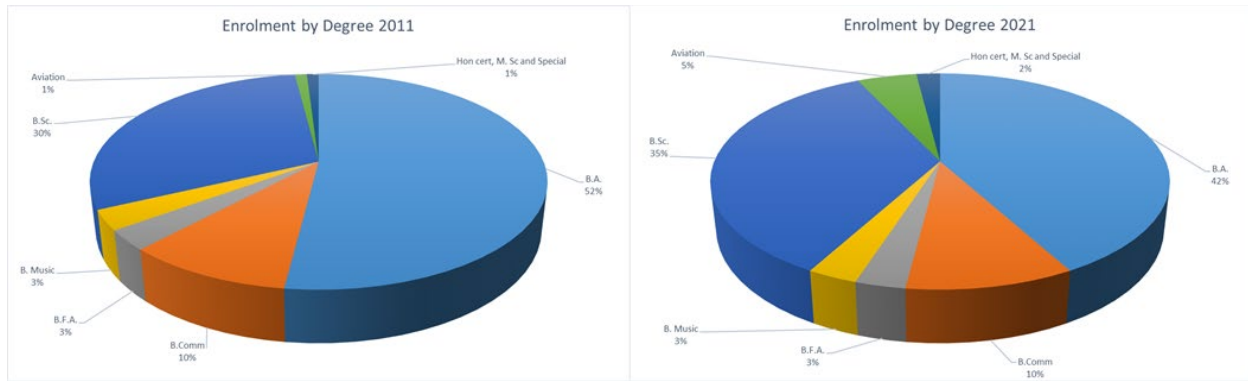
The percentage of international students has increased from 10 to 12 per cent over the past 10 years. This increase is partly due to new enrolment initiatives undertaken to attract international students attending NS and NB high schools. This geographic mix helps enliven the Mount Allison student experience.

Below are several charts illustrating the breakdown of student residence by demographic and comparing to the 10 years prior.



In addition to origin of students, the below graphs illustrate enrolment by academic degree in 2021 compared to 2011. The university offers more than 40 different programs to choose from which creates the opportunity to uniquely customize degrees.

Student Experience



The University can provide a high-quality educational experience due to the low student faculty ratio of 16 to 1 and the high proportion of full-time faculty. In the 2021 *Maclean's* magazine annual university rankings, Mount Allison faculty members were ranked first in the country for the percentage of full-time instructional faculty having a PhD or highest-level degree in their field. They also ranked fourth in the primarily undergraduate category for faculty who have won national awards.

In addition to providing a low student faculty ratio, financial resources are allocated to promote a unique and high quality academic experience

Additionally, Mount Allison was ranked first in the primarily undergraduate category for medical and science grants and library expenses, second for student satisfaction and operating budget, and third for student awards, student-to-faculty ratio, scholarships and bursaries, and the reputational survey, which surveys business leaders as well as senior university administrators and faculty members from across the country for their views on quality and innovation at Canadian universities.

Other ways the University provides a unique and high-quality academic experience are as follows:

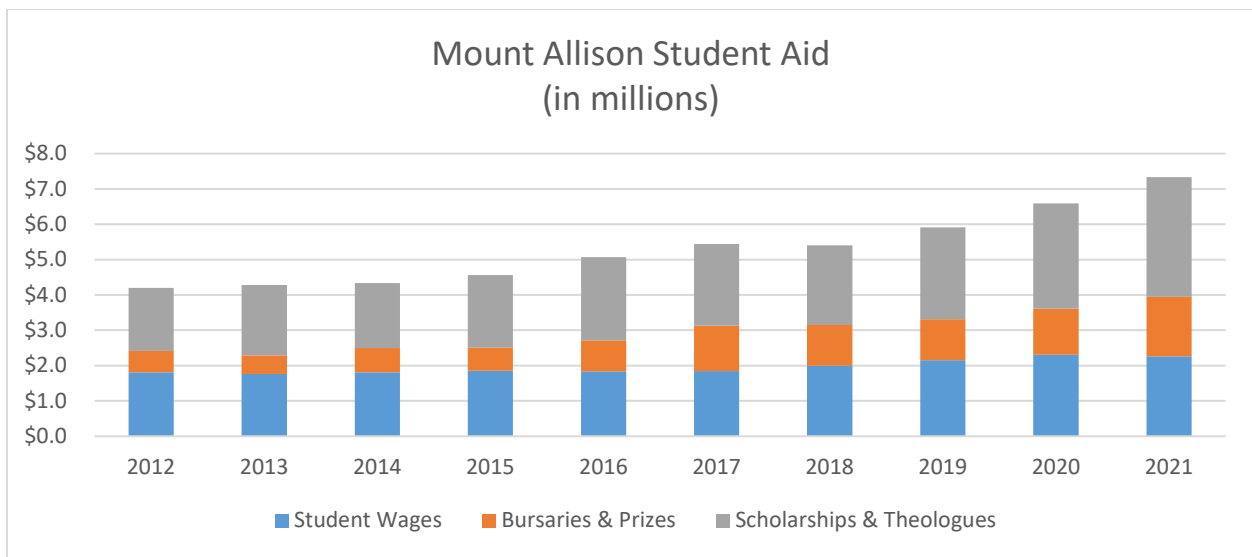
- Academic and experiential learning opportunities through summer research and other fellowships, courses delivered in foreign countries, exchange programs with other universities and field trips to various locations.
- Experiential internships - 130 students with internships (55 full-time summer); 62 partnerships with external organizations; 50 internships on campus
- Funds approximately 50 summer independent student research grants each year.
- Many departments employ students as lab assistants and tutors.
- Approximately 20 per cent of graduates completed honours' programs mentored by faculty members.

Student Experience

Financial Aid

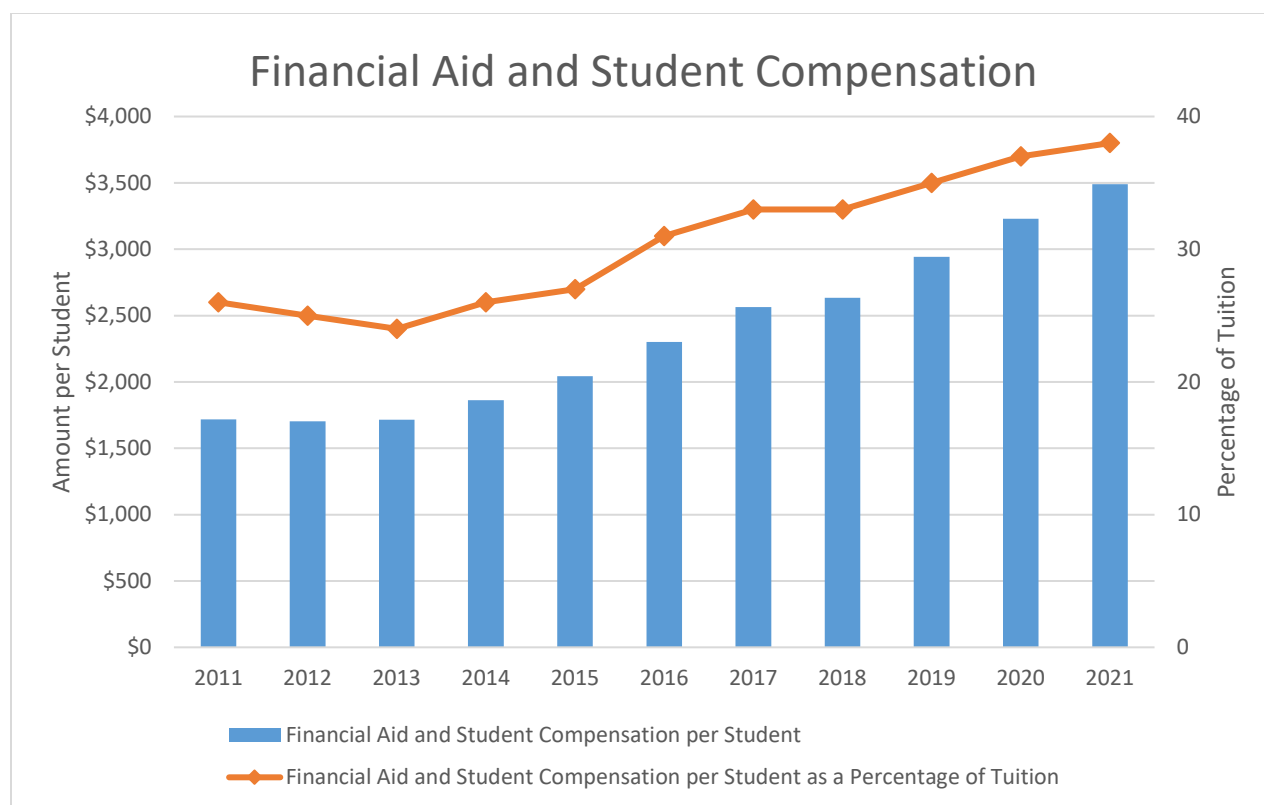
Recruiting and retaining qualified students requires significant financial aid and student employment resources. Financial Aid and student compensation per student has been steadily increasing over the years. Financial aid spending represents the largest budget item in the endowment fund budget. The University spent over \$7.3 (2020 - \$6.6) million in fiscal 2021 in financial aid and student compensation, an increase of \$700K from the prior year.

- FINANCIAL AID**
- Spent over \$7.3 million
 - Average of 38% of tuition per student
 - Spends more per FTE student than the average primarily undergraduate university



Financial aid and student compensation as a percentage of tuition was 38 per cent in 2021 and averaged 31 per cent over the past ten years. In those ten years, the amount has risen from \$1,700 per student to \$3,500 per student. Funding support for financial aid comes from endowments, non-endowed donations, external research grants and government funding such as the Future New Brunswick program. MacLean’s magazine ranked Mount Allison third among primarily undergraduate universities for spending on scholarships and bursaries.

Student Experience



Awards

Mount Allison students, in addition to receiving financial aid from University funds, successfully compete for national and international entrance and graduate scholarships such as Rhodes, Graduate NSERC, National Merit and Loran awards. To date, 55 Mount Allison students have become Rhodes Scholars — one of the best per capita records of any university in Canada. Valued at more than \$100,000, the University of Oxford's Rhodes Scholarship is one of the oldest and most prestigious in the world. *Maclean's* ranks Mount Allison third in the number of students who have won national academic awards. For more information on rankings visit mta.ca/rankings.

Extracurricular Experience

While the past academic year had much less activity on campus, we expect a much more robust campus experience in the fall of 2021. This includes a variety of opportunities to foster student development outside of the classroom. Many extracurricular and leadership activities are closely linked to the academic mission and cover intellectual, social and physical activities. They provide opportunities for students to become engaged locally and globally. Students work with local children of all ages with different physical and mental abilities through the SMILE program, while other students provide sustainable health care solutions in Honduras through Global Brigades.

Student Experience

Many student music and theatre productions take place on campus each year where students perform both on stage and behind the scenes, including lighting, set development, costumes, and much more.

The University's annual President's Speaker Series provides an opportunity for students to explore particular ideas through lectures and discussions with internationally renowned figures. The most recent series pre-pandemic, *Ideas Without Borders*, included Chef Michael Smith, one of Canada's best-known chefs, Dr. Norah McRae, Associate Provost, Co-operative and Experiential Education, University of Waterloo, and a panel of three Mount Allison graduates whose careers have centered on NGO initiatives and projects in Canada and around the globe.

Other activities focused on the extracurricular experience include:

- *Residence Life Programming*
 - o Grants allocated to residences to support unique, inclusive, community building activities
 - o Academic advising specifically tailored to residence life

- *Student Societies*
 - o Over 100 active student societies
 - o Societies range from musical (Garnet and Gold) to academic (History Society) to community focused (Habitat for Humanity)

- *Athletics*
 - o Opportunities to compete at all skill levels in a variety of sports
 - o Opportunities to compete at all skill levels in a variety of sports
 - o 74 intramural sports teams involving over 1,000 students, including individual sports such as golf and team sports such as soccer, basketball, hockey, volleyball, dodgeball
 - o Eight club sports including men's and women's rugby, cross country, lacrosse, field hockey, curling, varsity dance and ultimate frisbee
 - o Five Canadian Collegiate Athletic Association teams (men's & women's badminton / men's & women's basketball / women's volleyball)
 - o Six Canadian U SPORTS teams (football / women's hockey / men's & women's soccer / men's & women's swimming)
 - o 67 students obtaining academic all-Canadians awards in 2020, the most recent year reported

- *Employment, Internship and Related Opportunities*
 - o Over 100,000 hours of direct student employment
 - o Leadership opportunities as Assistant Dons, Residence Assistants, athletic trainers

Student Experience

Meighen Centre

Mount Allison continues to invest in student resources and supports. The team at Mount Allison's nationally recognized Meighen Centre provides services to students with learning disabilities and with accessibility needs. In addition, the Centre works to help those outside the Mount Allison community better understand disabilities and participates in and conducts research around student health, wellness, and accessibility.

The Centre provides services to students such as:

- test and exam accommodations
- academic support such as note-taking, assistive technology, alternative lecture formats, and mentoring
- learning strategies assistance
- individual and academic counselling
- limited learning disability assessments
- a self-help resource centre
- professional training both on and off campus

Supplemental Information — Operating Fund

Operating Fund Budget

Mount Allison's audited financial statements are prepared in accordance with generally accepted accounting principles as prescribed by the Chartered Professional Accountants of Canada using the deferral method of accounting.

Similar to many not-for-profit organizations in Canada, including universities, Mount Allison University accounts for its activities using the principles of fund accounting. This method ensures observance of restrictions, if any, on the use of university resources and allows for separate planning, budgeting and management of each significant University activity. For external reporting under the deferral method, all funds are consolidated on the statements of financial position and operations in the audited financial statements. Supplementary schedules provide information on the various funds' operations.

The largest fund is the General Operating Fund, and it accounts for the core mission of the University: its academic, administrative and other operating activities associated with the primary teaching and research functions.

The two main differences between budgets and audited financial statements are in the operating fund's accounting for capital assets and pension contributions for the defined benefit pension plan provided for non-academic staff as per below.

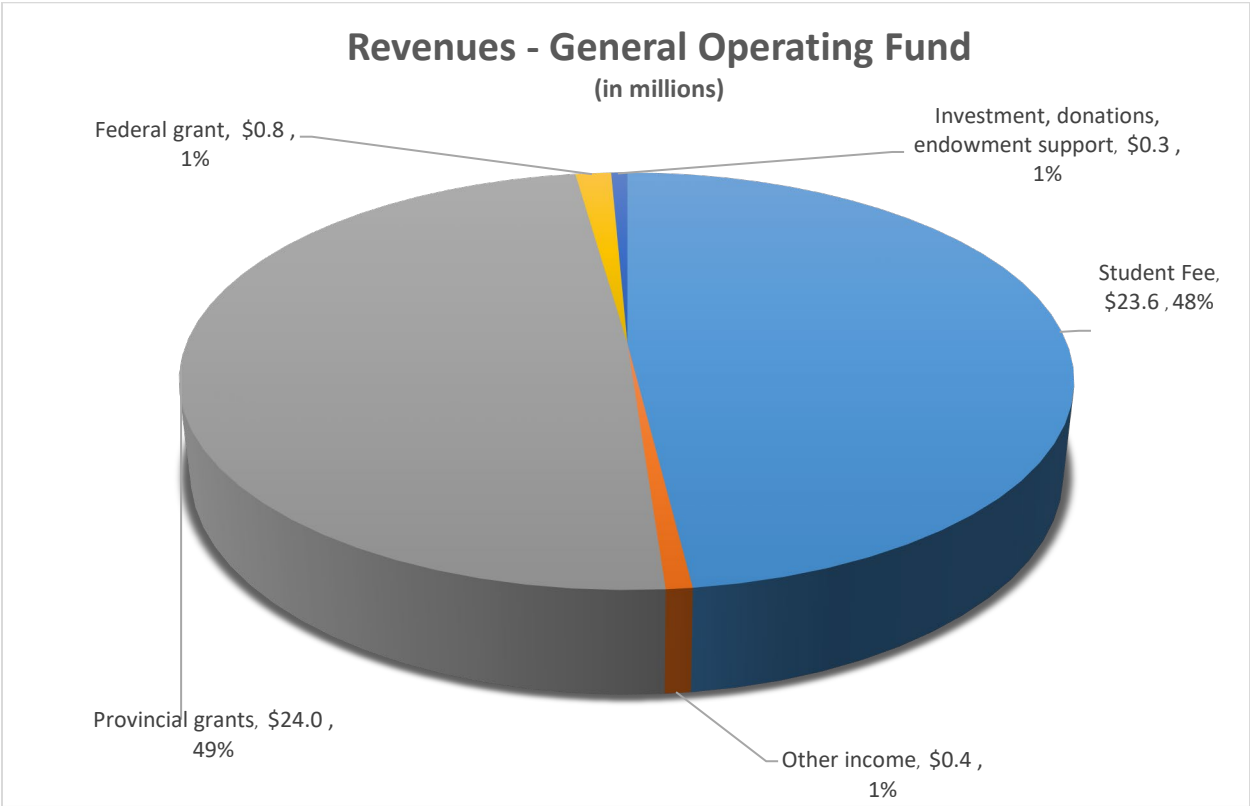
Revenues over expenses per audited financial statements, Schedule 2 – Operating fund	\$2,033,000
Alterations and renovations and equipment capitalized	(2,595,000)
Difference between pension contributions and pension expense as required by accounting principals	(223,000)
Net interfund transfers to operating fund	301,000
Other	16,000
Deficit against budget	(\$468,000)

The various interfund transfers that were completed during the year were a) planned as part of the budget, b) recorded for accounting or policy reasons, or c) resulted from decisions made during the year. The types of interfund transfers are the same as in prior years.

The University budgets its general operating fund on a modified cash basis and ended the year with a deficit for 2020-2021 of \$0.5 million (2019-2020 – a deficit of \$0.2 million). In 2021, the budget was not finalized until October of 2020 due to

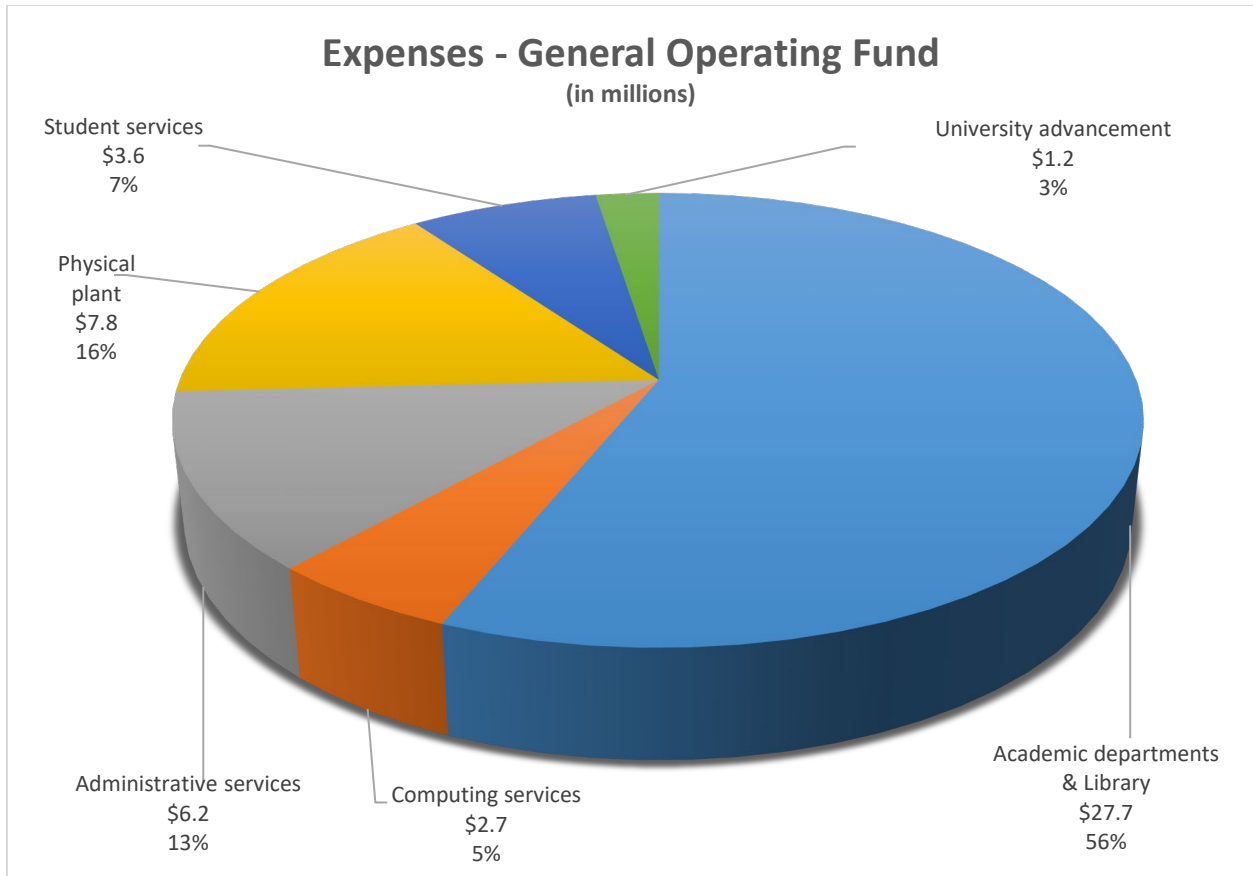
Supplemental Information — Operating Fund

so many unknowns in both revenue and expenses, an approach taken by many universities. The final approved budget for 2021 was a deficit of \$1.1 million (2020 - \$809,000 deficit). The actual deficit on this modified cash basis was less due mainly to a greater number of students and the related tuition revenue as well as a savings in salaries and wages due to a reduction in staff numbers and vacant positions.



In fiscal 2021, the General Operating Fund had revenues and transfers in from other funds of \$49.1M (2020 - \$48.0M), compared to a budget of \$48.9 million. The largest portion of University financial resources, student tuition and Provincial Grants, made up 94 per cent of the revenue in the General Operating Fund. In fiscal 2021, the operating grant provided to universities by the New Brunswick government increased by 2.7 per cent as per the final year of a four year MOU with the province. This included application of the variable portion of the funding formula which considers enrolment in proportion to the other New Brunswick universities. The actual student tuition and other fees was \$23.6 million compared to a budget of \$22.5 million.

Supplemental Information — Operating Fund



The largest expenditure in the General Operating Fund is the direct cost of academic departments and the library followed by student services (when financial aid support from the endowment fund is considered) and physical plant costs. Total expenditures and transfers out to other funds in the general operating fund were \$49.4 (2020 - \$48.2) million, compared to a budget of \$50.0 million.

A net transfer in from other funds of \$ 0.3 (2020 - \$0.4) million supplemented the operations.



Consolidated Financial Statements

Mount Allison University

April 30, 2021



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STATEMENT OF MANAGEMENT RESPONSIBILITY

The administration of the University is responsible for the preparation of the consolidated financial statements and the notes to the consolidated financial statements.

The administration has prepared the consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Chartered Professional Accountants of Canada. In order to achieve the objective of fair presentation in all material respects, the use of reasonable estimates and judgements were employed. The administration believes that the consolidated financial statements present fairly the University's financial position as at April 30, 2021 and the results of its operations for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that University assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

The Board of Regents is responsible for ensuring that administration fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out its responsibility for review of the consolidated financial statements principally through the Audit Committee. All of the members of the Audit Committee are independent, i.e., not officers or employees of the University. The Audit Committee meets regularly with administration and with the external auditors to discuss the planning and results of audit examinations and financial reporting matters. The external auditors have full access to the Audit Committee with and without the presence of administration.

The consolidated financial statements for the year ended April 30, 2021 have been reported on by Grant Thornton, LLP, Chartered Professional Accountants, the independent auditors appointed by the Board of Regents. The independent auditors' report outlines the scope of their audit and their opinion on the consolidated financial statements.

Dr. Jean-Paul Boudreau, PhD, FCPA
President and Vice-Chancellor

Robert Inglis, CPA, CA
Vice-President, Finance and Administration

Independent auditor's report

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To the Board of Regents of
Mount Allison University

Opinion

We have audited the consolidated financial statements of Mount Allison University (the "University") which comprise the consolidated statement of financial position as at April 30, 2021, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the financial position of Mount Allison University as at April 30, 2021, and its results of operations and its 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 Financial Statements* section of our report. We are independent of the University 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 matter – supplementary information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements of Mount Allison University taken as a whole. The supplementary information included in the schedules is presented for purposes of additional detail and is not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the 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 University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the University's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 University 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.

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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Halifax, Canada
October 22, 2021

Chartered Professional Accountants

Mount Allison University

Consolidated statement of financial position

As at April 30

2021

2020

Assets

Current

Cash and cash equivalents (note 3)	\$ 8,835,925	\$ 563,455
Accounts receivable (note 4)	2,967,503	3,630,732
Prepaid expenses and inventory	<u>1,470,008</u>	<u>1,595,721</u>
	<u>13,273,436</u>	<u>5,789,908</u>

Long term

Investments (note 5)	223,926,050	192,750,284
Capital assets (note 6)	133,579,324	136,103,464
Employee future benefit asset (note 10)	<u>8,400,453</u>	<u>1,467,713</u>
	<u>365,905,827</u>	<u>330,321,461</u>
	<u>\$ 379,179,263</u>	<u>\$ 336,111,369</u>

Liabilities

Current

Bank indebtedness (note 8)	\$ 660,000	\$ 9,180,000
Accounts payable and accrued liabilities (note 9)	7,543,205	5,583,108
Deferred income	<u>1,395,360</u>	<u>1,799,969</u>
	<u>9,598,565</u>	<u>16,563,077</u>

Long term

Employee future benefit obligation (note 10)	<u>1,729,568</u>	<u>1,795,296</u>
--	------------------	------------------

Deferred contributions

Related to capital assets (note 11)	63,417,361	65,615,200
Related to restricted and endowed funds (note 12)	<u>20,634,363</u>	<u>16,168,586</u>
	<u>84,051,724</u>	<u>81,783,786</u>

Net assets (deficit)

Invested in capital assets	55,745,360	53,673,963
Restricted for endowment purposes (note 13)	215,070,967	175,722,768
Restricted for employee future benefit obligation	7,984,449	1,042,327
Internally restricted (note 14)	6,677,950	5,908,091
Unrestricted	<u>(1,679,320)</u>	<u>(377,939)</u>
	<u>283,799,406</u>	<u>235,969,210</u>
	<u>\$ 379,179,263</u>	<u>\$ 336,111,369</u>

Commitments (note 16)

Contingent liabilities (note 17)

COVID-19 (note 19)

Mount Allison University

Consolidated statement of operations

Year ended April 30

2021

2020

Schedule 1

Revenues

Government grants - provincial	\$ 24,295,628	\$ 23,551,650
Government grants - federal	3,163,726	3,275,347
Student fees – tuition and other	23,606,689	22,296,797
Student fees – ancillary	8,182,442	10,863,391
Bequests and donations	3,382,103	2,287,064
Non-government grants and contracts	482,818	750,195
Bookstore and conference income	936,890	2,074,305
Investment income (note 5)	18,495,148	4,622,036
Other income	928,107	1,925,155
Amortization of deferred capital contributions (note 11)	<u>2,941,509</u>	<u>3,035,046</u>
	<u>86,415,060</u>	<u>74,680,986</u>

Expenses

Academic departments	28,684,417	28,608,891
Library	2,952,240	3,164,174
Computing services	2,505,795	2,366,724
Administrative and general services	9,953,090	10,198,947
Physical plant	8,886,759	9,788,855
Student services	10,370,289	10,517,429
Ancillary services	4,560,645	6,619,196
Amortization of capital assets	<u>5,844,346</u>	<u>5,844,165</u>
	<u>73,757,581</u>	<u>77,108,381</u>

Revenues over expenses (Expenses over revenues) 12,657,479 (2,427,395)

Invested in capital assets	(2,071,397)	(1,680,635)
Committed (to) from internally restricted endowments	(10,910,989)	4,278,638
Committed to future pension benefits	(206,615)	(145,474)
Committed to internally restricted net assets	<u>(769,859)</u>	<u>(263,448)</u>
	<u>(13,958,860)</u>	<u>2,189,081</u>

Increase in unrestricted net deficit \$ (1,301,381) \$ (238,314)

Mount Allison University

Consolidated statement of changes in net assets

Year ended April 30

	General, Ancillary and Special Program Operating Funds	Research, Special Purpose and Endowment Expendable Funds	Net Assets Invested in Capital Assets	Net Assets Restricted for Endowment Purposes	Total 2021	Total 2020
Net assets, beginning of year	\$ 664,388	\$ 5,908,091	\$ 53,673,963	\$ 175,722,768	\$ 235,969,210	\$ 247,494,085
Revenues over expenses (expenses over revenues)	14,868,838	691,478	(2,902,837)	-	12,657,479	(2,427,395)
Endowed donations	-	-	-	7,644,902	7,644,902	2,823,649
Excess/(deficiency) of investment earnings over endowment spending on externally restricted endowments	-	-	-	20,792,308	20,792,308	(8,890,430)
Employee future benefit remeasurements and other items	6,735,507	-	-	-	6,735,507	(3,030,699)
	<u>21,604,345</u>	<u>691,478</u>	<u>(2,902,837)</u>	<u>28,437,210</u>	<u>47,830,196</u>	<u>\$ (11,524,875)</u>
Transfers (from) to other funds arising from policy or approved as part of the budget	2,889,515	(2,889,515)	-	-	-	-
(Excess) deficiency of investment earnings over endowment spending on internally restricted endowments	(12,554,581)	2,790,658	-	9,763,923	-	-
Contract research overhead support and research grants	(161,228)	161,228	-	-	-	-
Donations and fundraising	(1,253,548)	43,003	-	1,210,545	-	-
Capitalized buildings and equipment - General Operating Fund	(2,595,100)	-	2,595,100	-	-	-
Capitalized buildings and equipment - other funds	(2,283,899)	(95,235)	2,379,134	-	-	-
Other	(4,763)	68,242	-	(63,479)	-	-
Transfers (from) to other funds	<u>(15,963,604)</u>	<u>78,381</u>	<u>4,974,234</u>	<u>10,910,989</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>5,640,741</u>	<u>769,859</u>	<u>2,071,397</u>	<u>39,348,199</u>	<u>47,830,196</u>	<u>(11,524,875)</u>
Net assets, end of year	<u>\$ 6,305,129</u>	<u>\$ 6,677,950</u>	<u>\$ 55,745,360</u>	<u>\$ 215,070,967</u>	<u>\$ 283,799,406</u>	<u>\$ 235,969,210</u>
Components of net assets (deficit)						
Invested in capital assets	\$ -	\$ -	\$ 55,745,360	\$ -	\$ 55,745,360	\$ 53,673,963
Restricted for endowment purposes	-	-	-	215,070,967	215,070,967	175,722,768
Restricted for employee future benefit obligation	7,984,449	-	-	-	7,984,449	1,042,327
Internally restricted	-	6,677,950	-	-	6,677,950	5,908,091
Unrestricted	<u>(1,679,320)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,679,320)</u>	<u>(377,939)</u>
	<u>\$ 6,305,129</u>	<u>\$ 6,677,950</u>	<u>\$ 55,745,360</u>	<u>\$ 215,070,967</u>	<u>\$ 283,799,406</u>	<u>\$ 235,969,210</u>

See accompanying notes to the consolidated financial statements.

Mount Allison University

Consolidated statement of cash flows

Year ended April 30

2021

2020

Operating

Revenues over expenses (expenses over revenues)	\$ 12,657,479	\$ (2,427,395)
Amortization of deferred contributions	(2,941,509)	(3,035,046)
Unrealized (gain)/loss on investments	(30,449,640)	12,395,514
Amortization of capital assets	5,844,346	5,844,165
Change in employee future benefit obligation	(262,961)	(172,714)
Change in non-cash operating working capital	<u>2,344,430</u>	<u>(2,431,655)</u>
	(12,807,855)	10,172,869

Contributions related to research and operations deferred during the year	<u>245,722</u>	<u>259,866</u>
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Net cash (used in) provided by operating activities (12,562,133) 10,432,735

Financing

(Decrease) increase in bank indebtedness	(8,520,000)	8,200,000
Contributions related to special purpose funds and endowment expendable funds deferred during the year	4,220,055	222,563
Contributions related to capital assets deferred during the year	743,670	780,474
Endowed restricted donations	<u>7,644,902</u>	<u>2,823,649</u>

Net cash provided by financing activities 4,088,627 12,026,686

Investing

Purchase of capital assets net of proceeds on disposals	(3,320,206)	(6,004,219)
Excess (deficiency) of investment earnings over endowment spending on externally restricted endowments	20,792,308	(8,890,430)
Purchase of investments net of proceeds on disposals	<u>(726,126)</u>	<u>(8,338,440)</u>

Net cash provided by (used in) investing activities 16,745,976 (23,233,089)

Net increase/(decrease) in cash 8,272,470 (773,668)

Cash and cash equivalents, beginning of year 563,455 1,337,123

Cash and cash equivalents, end of year \$ 8,835,925 \$ 563,455

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

1. Purpose of the organization

Mount Allison University (the "University") operates under the authority of the *Mount Allison University Act*, 1993, a special act of the Legislative Assembly of the Province of New Brunswick. The University is dedicated to providing a rigorous liberal education of high quality primarily to undergraduate students in a co-educational, intimate, residential environment. The University is a charitable organization and, under the provisions of section 149 of the Income Tax Act, is exempt from paying income taxes.

2. Significant accounting policies

Basis of accounting

These consolidated financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants Canada Handbook (the "Handbook").

Use of estimates and judgments

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual amounts could differ from those estimates. The areas that are most subject to estimation and judgment include the amortization periods for capital assets, the actuarial assumptions used to estimate employee future benefit obligation and the fair value measurement of investments.

Fund accounting

University accounts are maintained in accordance with the principles of fund accounting. This method ensures observance of restrictions, if any, on the use of University resources by maintaining separate accounts for each fund. Contributions that have limitations placed on their use by parties external to the University are classified as restricted funds.

The following provides a brief description of each fund group:

The General Operating Fund includes academic, administrative, and other operating activities within the primary teaching and research functions of the University which are funded by student fees, government grants and other revenue.

The Ancillary Operating Fund accounts for the provision of services of a revenue producing nature which are outside the primary University function of teaching and research. These include bookstore, residence, dining, University merchandise sales, and conference services. Expenses reported in ancillary operations include direct costs as well as an apportionment of administrative and overhead costs of the University.

The Special Program Operating Fund includes the Meighen Centre, the Purdy Crawford Teaching Centre and the University Advancement department. Unrestricted donations and the income on internally restricted and unrestricted endowments are also recorded here as revenue and then appropriated for special purposes.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

2. Significant accounting policies (continued)

Fund accounting (continued)

The Endowment Principal Fund reflects the total resources which have been endowed, either by terms imposed by the benefactor or by the University and includes investment returns that have been capitalized in accordance with the University's spending allocation policy. See Endowment income and spending allocation (note 2, p 11).

The Endowment Expendable Fund includes investment returns on the endowment principal that have been spent on restricted purposes. It also includes capitalized investment returns on internally restricted and unrestricted endowments which is reported as revenue in the Special Program Operating Fund and then transferred to the Endowment Expendable Fund. The unexpended portion of the prior year's spending allocation from externally restricted funds is recorded as either a deferred contribution and available for spending in future years or is transferred to the endowment principal. The Endowment Expendable Fund balance is comprised of the unexpended portion of internally restricted funds.

The Research Fund accounts for the expenditure of externally restricted contributions which have been received by the University from organizations or granting agencies and spent on research projects. It also accounts for funds appropriated from operating funds for research purposes. Unspent externally restricted contributions are recorded as deferred contributions on the consolidated statement of financial position. The Research Fund balance represents unspent internally restricted funds.

The Special Purpose Fund accounts for the expenditure of externally restricted contributions not related to research or endowment purposes. It also accounts for internally restricted funds appropriated from operating funds for special purposes. Unspent externally restricted funds are recorded as deferred contributions. The Special Purpose Fund balance represents unspent internally restricted funds.

The Capital Asset Fund accounts for the amortization of capital assets and the amortization of any externally restricted contributions received to fund those assets. The fund balance consists of unamortized capital assets which were financed with general operating or ancillary operating funds.

Revenue recognition

The University follows the deferral method of accounting for contributions, which include donations and government grants.

Unrestricted contributions are recognized as revenue of the Special Program Operating Fund when received or receivable if the receivable amount can be reasonably estimated and collection is reasonably assured.

Externally restricted endowment contributions and the portion of investment returns earned on externally restricted endowments are recognized as direct increases in net assets in the Endowment Principal Fund.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

2. Significant accounting policies (continued)

Revenue recognition (continued)

Contributions which are externally restricted but are not endowed are recognized as revenue of the appropriate restricted fund as it is earned. Unspent balances are recorded as deferred contributions on the consolidated statement of financial position and recognized as revenue in the year in which the related expenses are recognized.

Contributions of materials and services are not recorded.

Contributions of cash or cash equivalents restricted for capital assets are deferred and amortized on the same basis as the related capital asset costs.

Student fees are recognized as revenue as courses are held. Sales and service revenue are recognized at point of sale or when the service has been provided. Amounts received in advance are recorded as deferred income.

Pledges are recorded as revenue in the period in which they are received.

Inventory

Inventories are valued at the lower of cost and net realizable value.

Capital assets

Land is stated at the nominal value of one dollar.

Collections are defined as works of art and historical treasures which are held for public exhibition, education, or research. The University maintains five major library collections as well as the Owens Art Gallery Permanent Collection. These collections are stated at the nominal value of one dollar. Further detail on these collections is provided in note 7.

Buildings, land improvements, and equipment are stated at their appraised values as at April 30, 1992, with all subsequent additions and betterments recorded at cost.

Amortization is provided on a straight-line basis. Useful lives are estimated at 5 years for equipment and major software, 20 years for certain major equipment, 40 years for buildings, and 20-40 years for land improvements. Amortization of the capitalized costs of constructed assets begins when the asset is available for use.

Library books, which are held for circulation, are not capitalized but are recorded as an expense in the year in which they are purchased.

Management reviews estimates of the useful lives of capital assets and adjusts the estimates as required. Management regularly reviews assets for indicators of impairment and records any impairment charges when the carrying amount exceeds the recoverable amount.

Appropriations from ancillary fund operation to capital projects

Any excess of revenues over expenditures in the residence and conference operations is appropriated for capital projects related to the residence operation.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

2. Significant accounting policies (continued)

Endowment income and spending allocation

University policy limits the spending allocation and fees on endowments to the lower of 5.0% of the market value at the end of the previous fiscal year and the average market value of the sixteen quarters in the previous four fiscal years. At the end of each year, the portion allocated for spending is recorded as deferred contributions and recognized as revenue in the Endowment Expendable Fund as it is spent. The remaining investment returns are recognized as a direct increase in net assets in the Endowment Principal Fund. In years when the investment returns are less than the spending allocation and fees, or when there is a realized loss, the difference is recorded as a decrease in net assets in the Endowment Principal Fund.

Investment returns, positive or negative, earned on internally restricted or unrestricted endowments is reported as revenue (loss) in the Special Program Operating Fund and transferred to the Endowment Expendable Fund or the Endowment Principal Fund.

Financial instruments

The University considers any contract creating a financial asset, liability or equity instrument a financial instrument, except in limited circumstances. The University's financial instruments consist of the following:

- Cash and cash equivalents
- Accounts receivable
- Investments
- Accounts payable
- Bank indebtedness

The University initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The University subsequently measures all of its financial assets and financial liabilities at amortized cost except investments in equity instruments which are described below.

The University removes financial liabilities, or any portion thereof, when the obligation is discharged, cancelled or expires. Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement providing the asset is not carried at an amount, at the date of reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the consolidated statement of operations.

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and bank indebtedness approximate their fair market values due to the relatively short periods to maturity of the instruments.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

2. Significant accounting policies (continued)

Financial instruments (continued)

Investments are accounted for at fair value except for certain non-endowed long term bonds and guaranteed investment certificates which are held to maturity and recorded on a cost basis with any premium or discount amortized on the effective interest basis.

Fair value is defined as estimates of the consideration that would be agreed upon between knowledgeable, willing parties who are under no obligation to act. Publicly traded securities are valued at quoted market values in an actively traded market. Private infrastructure investments, which comprise of shares or units in an externally managed pooled investment vehicle (such as a limited partnership) with underlying investments in private infrastructure assets are valued based on the latest valuation provided by the external investment manager of the fund, adjusted for subsequent cash receipts and distributions from the fund, and cash disbursements to the fund through April 30. The University believes that the carrying amount of these financial instruments is a reasonable estimate of fair value. Because private infrastructure investments are not readily traded, their estimated values are subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed.

Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Investment returns, positive or negative, which consist of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses, are recorded as investment income (loss) or endowment contributions (drawdowns) in the consolidated statements of operations and changes in net assets.

Foreign currency

Long term investments denominated in foreign currency are translated at exchange rates as of the date of the consolidated statement of financial position. Transactions denominated in foreign currencies are translated at the exchange rate in effect on the transaction date. Exchange gains and losses are accounted for in investment gains and losses.

Employee benefit plans

The Plans' benefit obligation and service cost are determined based on the Plans' going concern obligation and current service cost as determined based on the last funding valuations and extrapolated to the fiscal year end date.

A valuation allowance will be charged against the defined benefit asset for any excess of the defined benefit asset over the expected future benefit the University expects to realize from a plan surplus. The University determines the expected future benefit as the present value of expected future employer current service costs for the current number of active employees.

Remeasurements and other items are recognized directly in net assets in the consolidated statement of changes in net assets.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

2. Significant accounting policies (continued)

Employee benefit plans (continued)

The University records pension expenses in its consolidated financial statements in accordance with applicable accounting standards. However, it budgets for pension contributions as determined by the University's actuaries in accordance with the New Brunswick Pension Benefits Act and the University's funding policy. Since pension contributions and pension cost or expenses differ under these two methods, in the case of the University's defined benefit pension plan, the difference is recorded as an internally restricted net asset (deficit).

Controlled entities

The University controls the activities of Conferences Mount Allison Inc., Mount Allison University Foundation, and The Friends of Mount Allison University, Inc. through representation on their respective boards. The University owns 100% of the shares of Conferences Mount Allison Inc., a corporation established to attract additional conference contract revenue. The Friends of Mount Allison University, Inc. is a United States incorporated, income tax exempt organization used to facilitate fundraising from United States residents. The results of operations and net assets of these entities have been consolidated in these financial statements.

3. Cash and cash equivalents

	<u>2021</u>	<u>2020</u>
Cash	\$ 8,156,852	\$ 214,455
Short term investments	<u>679,073</u>	<u>349,000</u>
	<u>\$ 8,835,925</u>	<u>\$ 563,455</u>

4. Accounts receivable

	<u>2021</u>	<u>2020</u>
Student fees	\$ 416,233	\$ 501,947
Federal and provincial governments	2,291,414	2,281,798
Other	372,856	959,987
Allowance for doubtful accounts	<u>(113,000)</u>	<u>(113,000)</u>
	<u>\$ 2,967,503</u>	<u>\$ 3,630,732</u>

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

5. Investments	<u>2021</u>	<u>2020</u>
Investments (carried at amortized cost)		
Bonds and guaranteed investment certificates	\$ <u>907,281</u>	\$ <u>1,601,636</u>
Investments (carried at fair value)		
SRI Mutual Funds	11,967	-
Bonds and notes	31,741,547	31,484,347
Canadian equities	46,282,796	37,158,948
US equities	40,237,839	30,733,027
Non-North American equities	24,731,528	22,357,973
Global small cap and low volatility equities	29,333,280	24,002,047
Emerging market equities	17,085,245	13,472,497
Hedge funds	20,034,043	17,490,124
Private infrastructure funds	13,560,524	14,449,685
	<u>223,018,769</u>	<u>191,148,648</u>
	<u>\$ 223,926,050</u>	<u>\$ 192,750,284</u>

Bonds and notes include guaranteed investment certificates, investments in a Canadian passive bond fund, notes issued by Federal, Provincial and Municipal Governments and related Crown Corporations, and Canadian corporate bonds with interest rates ranging from 2.60% to 8.75% (2020 – 1.80% to 8.75%) with maturities up to July 2025 (2020 – July 2025).

Equity investments consist of investments in units of active and passive, single and multi-manager pooled funds.

Hedge fund investments consist of units of pooled investments funds that invest primarily in cash or short term investments denominated in various currencies and which may purchase or sell exchange traded funds or options thereon, or may enter into various futures and forward contracts to gain the desired exposures to various asset classes including equities, government bonds, commodities and currencies.

Private infrastructure investments consist of units of pooled investment funds that invest primarily in private infrastructure assets and other income generating properties.

In 2021, the University's investment income of \$18,495,148 (2020 – \$4,622,036) recorded in the consolidated statement of operations consists of income related to investments held for endowments of \$18,153,601 (2020 – \$4,153,802) and income of \$341,547 (2020 – \$468,234) on investments other than those held for endowments.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

6. Capital assets			Net Book	Net Book
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Value 2021</u>	<u>Value 2020</u>
Buildings	\$ 244,213,558	\$ 124,244,161	\$ 119,969,397	\$ 123,314,030
Construction in progress	1,817,987	-	1,817,987	977,696
Land improvements	19,345,235	10,701,947	8,643,288	9,142,331
Equipment	25,264,202	22,115,552	3,145,650	2,669,405
Land	1	-	1	1
Collections	1	-	1	1
	<u>\$ 290,640,984</u>	<u>\$ 157,061,660</u>	<u>\$ 133,579,324</u>	<u>\$ 136,103,464</u>

Details of the internally financed capital projects which have various recovery terms and periods are as follows:

<u>Project</u>	<u>Funding source</u>	<u>Balance 2021</u>	<u>Balance 2020</u>
Research building	future operations	\$ 4,394,519	\$ 5,058,428
Equipment and other	future operations	95,560	405,853
Residence buildings	future ancillary operations	9,926,499	11,350,020
		<u>\$ 14,416,578</u>	<u>\$ 16,814,301</u>

Interfund loans between the General Operating Fund and the Ancillary Operating Fund are charged interest at the rate earned on the University's expendable funds or the rate paid on external indebtedness, if applicable.

7. Collections

The University maintains five permanent library collections as well as the Owens Art Gallery Permanent Collection.

Library permanent collections

The five library permanent collections are the Mary Mellish Archibald Memorial (MMAM) Collection, the Winthrop Pickard Bell (WPB) Collection of Acadiana, the Edgar and Dorothy Davidson Collection of Canadiana, the Government Documents Collection, and the Mount Allison Rare Book Collection. Additions are made to the first two collections each year from the income earned on endowments established for that purpose. The additions in 2021 on the MMAM and WPB collections were \$567 (2020 – \$1,359) and \$7,058 (2020 – \$8,573) respectively. The Government of Canada donates a large quantity of documents to the Government Documents Collection each year and, in addition, the University spent \$5,098 (2020 – \$4,853) for additions to this collection in 2021.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

7. Collections (continued)

Owens Art Gallery permanent collection

The University art gallery ("Owens Art Gallery") has a permanent collection consisting of approximately 3,500 works, including historical and contemporary paintings, works on paper and sculptures of Canadian, European and American origin. The historical component of the Collection consists of approximately 300 18th and 19th century paintings and water colours and a large collection of works by John Hammond. The contemporary collection consists of American and Canadian prints as well as paintings, sculpture, photography, and drawings. For the year ended April 30, 2021, donated artwork valued at approximately \$17,750 (2020 – \$11,850) and purchased acquisitions of approximately \$40,860 (2020 – \$69,000) were added to the permanent collection.

8. Bank indebtedness

The University has a \$7,500,000 line of credit with interest at prime less 0.7% per annum. As at April 30, 2021, the balance outstanding was \$660,000 (2020 - \$9,180,000). A second line of credit for \$13.6 million obtained in 2020 expired on October 31, 2020 with a nil balance.

In addition, the University has a lease facility of \$1,000,000 with interest at prime minus 0.7%. The University did not make use of this facility during fiscal 2021.

9. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities include government remittances payable of \$608,543 (2020 – \$561,934).

10. Employee future benefit obligation

The University has a defined benefit pension plan, a defined contribution pension plan and other post-retirement obligations.

The defined benefit plan covers most persons employed in a non-academic capacity. The plan is based on the final average earnings of members, allows for early retirement after age 55 and postponed retirement up to age 69. The pension payments are not indexed. The defined contribution plan covers primarily persons employed in an academic capacity. The University makes contributions of 8.4% (8.25% from March 1, 2017 to February 28, 2018 and 8.0% prior to March 1, 2017) of the plan members' salaries to this plan.

The University provides a retiring allowance program that provides a lump sum benefit to qualifying individuals at their date of termination or retirement. The program is available to employees in the CUPE 2338 and CUPE 3433 bargaining units and certain grandfathered non-bargaining unit and non-academic employees. The lump sum benefit paid at termination or retirement is equal to five days of pay for each year of service and is payable only if the participant has completed a minimum of ten years of employment at the date of termination of employment.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

10. Employee future benefit obligation (continued)

The most recent actuarial valuation for funding purposes of the defined benefit pension plan was as of December 31, 2020. The next actuarial valuation for funding purposes must be as of a date no later than December 31, 2021. The Plan's actuary has extrapolated the results of the December 31, 2020 actuarial valuation of the Plan for funding purposes to April 30, 2021 as follows:

	<u>Pension Benefit Plans</u>		<u>Retirement Allowance Plan</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Fair value of Plan assets	\$ 53,525,460	\$ 46,599,781	\$ -	\$ -
Defined benefit obligation	<u>45,125,007</u>	<u>45,132,068</u>	<u>1,729,568</u>	<u>1,795,296</u>
Accrued benefit asset (liability)	<u>\$ 8,400,453</u>	<u>\$ 1,467,713</u>	<u>\$ (1,729,568)</u>	<u>\$ (1,795,296)</u>

The University recorded a rereasurement gain of \$6,726,126 (2020 – loss of \$2,865,122) in the pension benefit plans and a rereasurement gain of \$9,381 (2020 – loss of \$165,577) in the retirement allowance plan. Rereasurements and other items were recorded directly in the consolidated statement of changes in net assets.

Total cash payment for employee future benefits for 2021, consisting of cash contributed by the University to its defined benefit, defined contribution and retirement allowance plan was \$2,960,527 (2020 – \$2,720,468).

11. Deferred contributions related to capital assets

Deferred contributions related to capital assets are externally restricted expendable funds received in the current period or in a prior period to support capital assets which have not yet been amortized. The amortization of deferred capital contributions is recorded as revenue in the consolidated statement of operations. Changes in the deferred contributions related to capital assets balance is detailed in the following table:

	<u>2021</u>	<u>2020</u>
Beginning balance	\$ 65,615,200	\$ 67,869,772
Add		
Contributions for capital assets deferred during the year	743,670	780,474
Less		
Deferred contributions amortized during the year	<u>(2,941,509)</u>	<u>(3,035,046)</u>
Ending balance	<u>\$ 63,417,361</u>	<u>\$ 65,615,200</u>

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

12. Deferred contributions related to restricted and endowed funds

Deferred contributions are externally restricted expendable funds received in the current period or in a prior period which have not yet been spent and the spending allocation from externally restricted endowments set aside for the following year. Changes in the deferred contributions balance are detailed in the following tables:

	<u>Research</u>	Special Purpose and Endowment <u>Expendable</u>	<u>2021</u>
Beginning balance	\$ 3,767,419	\$ 12,401,167	\$ 16,168,586
Add			
Expendable restricted contributions	3,550,528	34,905,090	38,455,618
Less			
Recognized as revenue and interfund transfers	(2,751,131)	(30,496,962)	(33,248,093)
Deferred to capital assets	<u>(553,675)</u>	<u>(188,073)</u>	<u>(741,748)</u>
Ending balance	<u>\$ 4,013,141</u>	<u>\$ 16,621,222</u>	<u>\$ 20,634,363</u>
	<u>Research</u>	Special Purpose and Endowment <u>Expendable</u>	<u>2020</u>
Beginning balance	\$ 3,507,553	\$ 12,178,604	\$ 15,686,157
Add			
Expendable restricted contributions	3,792,174	10,104,014	13,896,188
Less			
Recognized as revenue and interfund transfers	(3,270,108)	(9,363,177)	(12,633,285)
Deferred to capital assets	<u>(262,200)</u>	<u>(518,274)</u>	<u>(780,474)</u>
Ending balance	<u>\$ 3,767,419</u>	<u>\$ 12,401,167</u>	<u>\$ 16,168,586</u>

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

13. Endowments

The following table details the changes in the endowment funds

	<u>2021</u>	<u>2020</u>
Beginning balance	\$ 175,722,768	\$ 186,068,187
Donations	7,644,902	2,823,649
Investment income (loss)	<u>31,703,297</u>	<u>(13,169,068)</u>
Total	<u>\$ 215,070,967</u>	<u>\$ 175,722,768</u>

The market value of the endowment funds is disclosed in note 5. Net assets restricted for endowment purposes consists of \$149,124,080 (2020 – \$120,443,256) externally restricted endowments and \$55,946,887 (2020 – \$55,279,512) internally restricted endowments.

In 2021, investment earnings, net of fees, of \$39,182,491 were earned on endowments, of which \$8,632,048 was made available for spending, \$9,763,923 was for the preservation of capital on internally restricted endowments, and the balance of \$20,786,520 was for the preservation of capital on externally restricted endowments, which was recorded as a direct increase in endowments.

In 2020, there was an investment loss, net of fees, of \$5,321,718. To fund this investment loss and the balance for the next year's spending allocation of \$7,946,728, \$4,371,688 was deducted from internally restricted endowments, and the balance of \$8,896,758 was deducted from externally restricted endowments, recorded as a direct decrease in endowments.

14. Internally restricted net assets

	Balance <u>2021</u>	Balance <u>2020</u>
Contingency Fund to support revenue shortfalls and emergencies	\$ 1,133,539	\$ 889,039
Infrastructure and other projects support	590,332	733,491
Research support	641,785	615,334
Internally restricted endowment spending	<u>4,312,294</u>	<u>3,670,227</u>
	<u>\$ 6,677,950</u>	<u>\$ 5,908,091</u>

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

15. Financial instruments

The University is exposed to various risks in relation to its financial instruments. The main types of risks are market risk and credit risk:

Market risk

Market risk refers to the impact on the University's cash flows due to fluctuations in interest rates and the fair value of assets held in debt and equity markets. The primary risk exposures relate to investments held in foreign currencies, interest rate volatility, and other market risk. The University has formal policies and procedures in place governing asset mix and setting limits on the proportion of each asset class within the endowment or non-endowed bond and guaranteed investment certificate portfolios. Investments held in the University's endowment fund and non-endowed bond and guaranteed investment certificate portfolios are managed by professional investment managers who are monitored by University officials and committees of the University's Board of Regents. The University's policy governing its spending from investment returns earned on its endowment funds means that there is little risk to annual cash flows as the spending allocation is based on an average of the market value over the prior sixteen quarters.

Credit risk

Credit risk refers to the impact on the University's cash flows of the credit quality of the University's receivables. Credit risk mainly relates to the quality of student receivables. To reduce credit risk with student accounts, the University places restrictions on the issuance of grades and degrees until payment on account is made. The University also uses third party agencies to collect outstanding receivables. The University does not have a significant exposure to any individual customer or counterparty.

16. Commitments

The private infrastructure investment is a private fund and contains a contractual commitment to remit funds over time in response to a series of capital calls to the investors by the fund manager. As of April 30, 2021, the University's uncalled commitment was approximately \$5.8 million (2020 – \$9.0 million). The capital committed is called by the manager over a pre-defined investment period, expected to be between three to five years from the date the private fund closed and will be funded by transfers from other investment asset allocations.

The University has outstanding capital construction commitments as of April 30, 2021, estimated at \$1.8 million (2020 – \$1.3 million).

17. Contingent liabilities

The University is a member of the Canadian Universities Reciprocal Insurance Exchange ("CURIE") self-insurance program. This self-insurance reciprocal involves a contractual agreement to share the insurance of property and liability risks of member universities for a term of not less than five years. This long term period creates an environment for CURIE where financial risk can be spread over time as well as among subscribers. In addition, the reciprocal has obtained re-insurance with commercial insurers to cover catastrophic loss. In the event premiums are not sufficient to cover claim settlements, the member universities would be subject to an assessment in proportion to their participation.

Mount Allison University

Notes to the consolidated financial statements

April 30, 2021

17. Contingent liabilities (continued)

From time to time, the University is involved in litigation or proceedings relating to claims arising out of its operations in the ordinary course of business. It is the opinion of management that the aggregate amount of any potential liability is not expected to have a material adverse effect on the University's financial position or results and any claims arising out of the ordinary course of business are adequately provided for.

18. Allocated expenses

Certain costs are recorded in the General Operating Fund and then allocated to other funds. The allocations are based on staff time and supply consumption used by each fund. The following table indicates the allocations made by type of expense.

	Ancillary Operating Fund	Endowment Expendable Fund	Total 2021	Total 2020
Computing services	\$ 96,153	\$ -	\$ 96,153	\$ 104,774
Administrative and general expenses	643,665	193,175	836,840	861,614
Physical plant	1,570,684	-	1,570,684	1,834,226
Student services	200,181	-	200,181	189,858
	<u>\$ 2,510,683</u>	<u>\$ 193,175</u>	<u>\$ 2,703,858</u>	<u>\$ 2,990,472</u>

19. COVID-19

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses around the world, resulting in an economic slowdown. Global stock markets experienced great volatility and a significant weakening in 2020 but rebounded in 2021. Governments and central banks responded with monetary and fiscal interventions to stabilize economic conditions.

The adverse effects on the University's business and financial and operational performance were significant but mainly on ancillary operations, with less students living on campus. Normal spring and summer operations of the University were impacted by the pandemic. Many events and activities were cancelled and resulted in a loss of some Ancillary and Student academic fees revenue and related costs. The University provided a hybrid approach to classes for the fall 2020 and winter 2021 terms. The pandemic caused less impact than expected on enrolment as students continued to take the online courses offered. Operating costs were impacted by technology required for both online teaching and learning and remote working and additional cleaning and personal protective equipment was required for in-person activities.

Future financial impacts will depend on future developments, including the duration, spread and severity of the outbreak, physical distancing requirements, the duration and geographic scope of related travel advisories and restrictions, and the extent of disruptions to businesses globally and its related impact on the economy. Management has assessed the going concern assumptions and believes there are no issues, given the University has access to liquid resources to support operations in the coming year and that the pandemic appears to be coming to an end.

Mount Allison University

Schedule of operating funds, restricted funds and net assets invested in capital assets

April 30, 2021

Schedule 1

	From schedule 2 General, Ancillary and Special Program Operating Funds		From schedule 3 Research, Special Purpose and Endowment Expendable Funds		Net Assets Invested in Capital Assets		Total 2021	Total 2020
	2021	2020	2021	2020	2021	2020		
Revenues								
Government grants - provincial	\$ 22,570,079	\$ 22,089,161	\$ 1,725,549	\$ 1,462,489	\$ -	\$ -	\$ 24,295,628	\$ 23,551,650
Government grants – federal	750,601	692,309	2,413,125	2,583,038	-	-	3,163,726	3,275,347
Student fees – tuition	23,606,689	22,296,797	-	-	-	-	23,606,689	22,296,797
Student fees – ancillary	8,182,442	10,863,391	-	-	-	-	8,182,442	10,863,391
Bequests and donations	1,400,470	300,786	1,981,633	1,986,278	-	-	3,382,103	2,287,064
Non-government grants and contracts	-	-	482,818	750,195	-	-	482,818	750,195
Bookstore and conference income	936,890	2,074,305	-	-	-	-	936,890	2,074,305
Investment income	12,896,128	(1,274,837)	5,599,020	5,896,873	-	-	18,495,148	4,622,036
Other income	904,120	1,854,157	23,987	70,998	-	-	928,107	1,925,155
Amortization of deferred capital contributions	-	-	-	-	2,941,509	3,035,046	2,941,509	3,035,046
	<u>71,247,419</u>	<u>58,896,069</u>	<u>12,226,132</u>	<u>12,749,871</u>	<u>2,941,509</u>	<u>3,035,046</u>	<u>86,415,060</u>	<u>74,680,986</u>
Expenses								
Academic departments	25,204,580	24,491,358	3,479,837	4,117,533	-	-	28,684,417	28,608,891
Library	2,424,814	2,505,855	527,426	658,319	-	-	2,952,240	3,164,174
Computing services	2,440,286	2,366,724	65,509	-	-	-	2,505,795	2,366,724
Administrative and general services	8,751,026	8,712,928	1,202,064	1,486,019	-	-	9,953,090	10,198,947
Physical plant	8,492,406	9,662,676	394,353	126,179	-	-	8,886,759	9,788,855
Student services	4,504,824	4,960,705	5,865,465	5,556,724	-	-	10,370,289	10,517,429
Ancillary services	4,560,645	6,619,196	-	-	-	-	4,560,645	6,619,196
Amortization of capital assets	-	-	-	-	5,844,346	5,844,165	5,844,346	5,844,165
	<u>56,378,581</u>	<u>59,319,442</u>	<u>11,534,654</u>	<u>11,944,774</u>	<u>5,844,346</u>	<u>5,844,165</u>	<u>73,757,581</u>	<u>77,108,381</u>
Revenues over expenses (expenses over revenues)	\$ <u>14,868,838</u>	\$ <u>(423,373)</u>	\$ <u>691,478</u>	\$ <u>805,097</u>	\$ <u>(2,902,837)</u>	\$ <u>(2,809,119)</u>	\$ <u>12,657,479</u>	\$ <u>(2,427,395)</u>

Mount Allison University

Schedule of general, ancillary and special program operating funds

April 30, 2021

Schedule 2

	General Operating Fund		Ancillary Operating Fund		Special Program Operating Fund		Total	Total
	2021	2020	2021	2020	2021	2020	2021	2020
Revenues								
Government grants - provincial	\$ 22,551,682	\$ 21,954,387	\$ -	\$ -	\$ 18,397	\$ 134,774	\$ 22,570,079	\$ 22,089,161
Government grants - federal	750,601	692,309	-	-	-	-	750,601	692,309
Student fees - tuition	23,606,689	22,296,797	-	-	-	-	23,606,689	22,296,797
Student fees – ancillary	-	-	8,182,442	10,863,391	-	-	8,182,442	10,863,391
Bequests and donations	-	-	-	-	1,400,470	300,786	1,400,470	300,786
Bookstore and								
Conference income	-	-	936,890	2,074,305	-	-	936,890	2,074,305
Investment income	341,547	468,234	-	-	12,554,581	(1,743,071)	12,896,128	(1,274,837)
Other income	396,390	1,057,539	461,719	646,825	46,011	149,793	904,120	1,854,157
	<u>47,646,909</u>	<u>46,469,266</u>	<u>9,581,051</u>	<u>13,584,521</u>	<u>14,019,459</u>	<u>(1,157,718)</u>	<u>71,247,419</u>	<u>58,896,069</u>
Expenses								
Academic departments	25,084,838	24,265,782	-	-	119,742	225,576	25,204,580	24,491,358
Library	2,424,814	2,505,855	-	-	-	-	2,424,814	2,505,855
Computing services	2,344,133	2,261,950	96,153	104,774	-	-	2,440,286	2,366,724
Administrative and								
general services	6,079,369	5,985,647	643,665	717,003	2,027,992	2,010,278	8,751,026	8,712,928
Physical plant	5,776,352	6,300,927	2,716,054	3,361,749	-	-	8,492,406	9,662,676
Student services	3,904,206	4,227,339	200,181	189,858	400,437	543,508	4,504,824	4,960,705
Ancillary services	-	-	4,560,645	6,619,196	-	-	4,560,645	6,619,196
	<u>45,613,712</u>	<u>45,547,500</u>	<u>8,216,698</u>	<u>10,992,580</u>	<u>2,548,171</u>	<u>2,779,362</u>	<u>56,378,581</u>	<u>59,319,442</u>
Revenues over expenses (expenses over revenues)	<u>\$ 2,033,197</u>	<u>\$ 921,766</u>	<u>\$ 1,364,353</u>	<u>\$ 2,591,941</u>	<u>\$ 11,471,288</u>	<u>\$ (3,937,080)</u>	<u>\$ 14,868,838</u>	<u>\$ (423,373)</u>

Mount Allison University

Schedule of research, special purpose and endowment expendable funds

April 30, 2021

Schedule 3

	Research Fund		Special Purpose Fund		Endowment Expendable Fund		Total	Total
	2021	2020	2021	2020	2021	2020	2021	2020
Revenues								
Government grants - provincial	\$ 501,417	\$ 391,413	\$ 1,224,132	\$ 1,071,076	\$ -	\$ -	\$ 1,725,549	\$ 1,462,489
Government grants - federal	1,903,765	2,244,495	509,360	338,543	-	-	2,413,125	2,583,038
Bequests and donations	-	-	1,722,723	1,807,900	258,910	178,378	1,981,633	1,986,278
Non-government grants and income	425,261	749,878	57,557	317	-	-	482,818	750,195
Investment income	-	-	-	-	5,599,020	5,896,873	5,599,020	5,896,873
Other income	-	-	23,666	70,090	321	908	23,987	70,998
	<u>2,830,443</u>	<u>3,385,786</u>	<u>3,537,438</u>	<u>3,287,926</u>	<u>5,858,251</u>	<u>6,076,159</u>	<u>12,226,132</u>	<u>12,749,871</u>
Expenses								
Academic departments	2,425,782	2,844,985	380,984	361,747	673,071	910,801	3,479,837	4,117,533
Library	-	20,126	83,776	73,396	443,650	564,797	527,426	658,319
Computing services	-	-	65,509	-	-	-	65,509	-
Administrative and general services	25,888	23,701	80,638	483,352	1,095,538	978,966	1,202,064	1,486,019
Physical plant	-	-	203,753	26,774	190,600	99,405	394,353	126,179
Student services	14,333	45,716	2,334,503	2,098,652	3,516,629	3,412,356	5,865,465	5,556,724
	<u>2,466,003</u>	<u>2,934,528</u>	<u>3,149,163</u>	<u>3,043,921</u>	<u>5,919,488</u>	<u>5,966,325</u>	<u>11,534,654</u>	<u>11,944,774</u>
Revenues over expenses (expenses over revenues)	\$ <u>364,440</u>	\$ <u>451,258</u>	\$ <u>388,275</u>	\$ <u>244,005</u>	\$ <u>(61,237)</u>	\$ <u>109,834</u>	\$ <u>691,478</u>	\$ <u>805,097</u>