Providence University College and Theological Seminary
Financial Statements
For the year ended April 30, 2025

Independent Auditor's Report

To the Corporation Members and Board of Governors of Providence University College and Theological Seminary:

Opinion

We have audited the financial statements of Providence University College and Theological Seminary (the "Institution"), which comprise the statement of financial position as at April 30, 2025, and the statements of operations, changes in fund balances 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 financial statements present fairly, in all material respects, the financial position of the Institution as at April 30, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Institution in accordance with the ethical requirements that are relevant to our audit of the 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 Information

Management is responsible for the other information. The other information comprises the information included in the Report to the Community, but does not include the financial statements and our auditor's report thereon. The Report to the Community is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Report to the Community, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institution'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 Institution or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institution’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 Institution’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institution to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Winnipeg, Manitoba

MNP LLP

August 20, 2025

Chartered Professional Accountants

Providence University College and Theological Seminary
Statement of Financial Position
As at April 30, 2025

	2025	*2024*
Assets		
Current		
Cash *(Note 3)*	**6,149,509**	3,142,575
Accounts receivable	**4,133,308**	910,782
Prepaid expenses and deposits	**278,074**	247,592
Inventory	**11,899**	11,899
Marketable securities	**2,751,202**	746,533
Mortgage receivable *(Note 4)*	**415,000**	415,000
	13,738,992	5,474,381
Capital assets *(Note 5)*	**14,091,190**	24,255,699
Land and building held for resale	**1,080,606**	11,606
Notes receivable from related parties *(Note 6)*	**210,356**	210,000
	29,121,144	29,951,686
Liabilities		
Current		
Accounts payable and accruals	**6,365,750**	2,101,288
Student fees paid in advance	**6,954,642**	6,205,855
Unearned revenue	**583,493**	514,294
Term loan due on demand *(Note 8)*	**5,600,361**	14,468,483
	19,504,246	23,289,920
Fund balances		
Unrestricted	**(8,013,267)**	(8,954,634)
Invested in capital assets	**13,673,875**	13,387,102
Internally restricted	**394,172**	435,675
Externally restricted *(Note 9)*	**3,562,118**	1,793,623
	9,616,898	6,661,766
	29,121,144	29,951,686

Approved on behalf of Board

Kenton Anderson
President

Joan Franz
Chair

The accompanying notes are an integral part of these financial statements

Providence University College and Theological Seminary
Statement of Operations
For the year ended April 30, 2025

	Operating Fund	*Capital Fund*	*Designated Fund*	*Endowment Fund*	*2025*	*2024*
Revenue						
Donations	670,289	1,069,000	50,545	1,927,107	**3,716,941**	921,353
Government funding	1,350,281	-	-	-	**1,350,281**	1,368,802
Education fees	17,215,838	-	-	-	**17,215,838**	5,072,130
Public events	486,348	-	-	-	**486,348**	438,194
Auxiliary services	3,067,414	-	-	-	**3,067,414**	3,470,475
Investment income	221,283	-	-	118,567	**339,850**	123,319
Projects	-	648	45,247	50,630	**96,525**	74,918
Other	140,266	-	-	-	**140,266**	142,652
Total revenue	**23,151,719**	**1,069,648**	**95,792**	**2,096,304**	**26,413,463**	11,611,843
Expenses						
Amortization	-	744,325	-	-	**744,325**	741,686
Projects	-	-	380,594	-	**380,594**	407,432
Auxiliary services	1,276,901	-	-	-	**1,276,901**	1,195,747
Instruction	2,991,547	-	-	-	**2,991,547**	2,588,972
Academic support	3,742,088	-	-	-	**3,742,088**	1,708,193
Student support	3,007,807	-	-	-	**3,007,807**	2,264,156
Institutional support	8,491,460	751,368	-	-	**9,242,828**	4,882,103
Campus administration	1,212,714	-	-	8,065	**1,220,779**	1,073,947
Scholarship and bursary	546,884	-	32,990	-	**579,874**	503,462
Total expenses	**21,269,401**	**1,495,693**	**413,584**	**8,065**	**23,186,743**	15,365,698
Excess (deficiency) of revenue over expenses before other items	**1,882,318**	**(426,045)**	**(317,792)**	**2,088,239**	**3,226,720**	(3,753,855)
Other items						
Gain (loss) on disposal of capital assets and land held for resale	-	(271,588)	-	-	**(271,588)**	1,250
Excess (deficiency) of revenues over expenses	**1,882,318**	**(697,633)**	**(317,792)**	**2,088,239**	**2,955,132**	(3,752,605)

The accompanying notes are an integral part of these financial statements

Providence University College and Theological Seminary
Statement of Changes in Fund Balances
For the year ended April 30, 2025

	Operating Fund	*Capital Fund*	*Designated Fund*	*Endowment Fund*	*2025*	*2024*
Excess (deficiency) of revenues over expenses	**1,882,318**	**(697,633)**	**(317,792)**	**2,088,239**	**2,955,132**	(3,752,605)
Interfund transfers *(Note 10)*	**(940,951)**	**984,406**	**39,123**	**(82,578)**	-	-
Increase (decrease) in fund balance	**941,367**	**286,773**	**(278,669)**	**2,005,661**	**2,955,132**	(3,752,605)
Fund balances, beginning of year	**(8,954,634)**	**13,387,102**	**1,793,619**	**435,679**	**6,661,766**	10,414,371
Fund balances, end of year	**(8,013,267)**	**13,673,875**	**1,514,950**	**2,441,340**	**9,616,898**	6,661,766

Providence University College and Theological Seminary
Statement of Cash Flows
For the year ended April 30, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenues over expenses	**2,955,132**	(3,752,605)
Amortization	**744,325**	741,686
(Gain) loss on disposal of capital assets and land held for resale	**271,588**	(1,250)
Donation of building	**(1,069,000)**	-
	2,902,045	(3,012,169)
Changes in working capital accounts		
Accounts receivable	**(3,222,526)**	(439,588)
Prepaid expenses and deposits	**(30,482)**	(99,342)
Inventory	**-**	(5,391)
Accounts payable and accruals	**4,264,462**	1,102,497
Student fees paid in advance	**748,787**	5,793,587
Unearned revenue	**69,199**	81,573
	4,731,485	3,421,167
Financing		
Advances of term loan due on demand	**-**	8,994,756
Repayment of term loan due on demand	**(8,868,122)**	(156,603)
	(8,868,122)	8,838,153
Investing		
Net purchase of marketable securities	**(2,004,669)**	(54,049)
Proceeds on disposal of capital assets and land held for resale	**9,314,838**	1,250
Advances of note receivable to related party	**(356)**	(10,000)
Purchase of capital assets	**(166,242)**	(9,889,169)
	7,143,571	(9,951,968)
Increase in cash resources	**3,006,934**	2,307,352
Cash resources, beginning of year	**3,142,575**	835,223
Cash resources, end of year	**6,149,509**	3,142,575

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the institution

Providence University College and Theological Seminary (the “Institution”) is a not-for-profit corporation without share capital, incorporated under the laws of Manitoba with the object of advancing and promoting the training and education of pupils and scholars.

The Institution is also a registered charitable organization and is exempt from income taxes under the provisions of the Income Tax Act.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations including the following significant accounting policies:

Basis of presentation

Fund accounting

The accounts of the Institution are maintained in accordance with the principles of "fund accounting". Fund accounting is a procedure whereby a self balancing set of accounts is provided for each accounting group established by the Institution.

For financial reporting purposes, the accounts have been classified into four funds. The activities carried out by each fund are as follows:

Operating fund

The operating fund accounts for the Institution's program delivery, administrative activities and auxiliary services.

Capital fund

The capital fund accounts for the acquisition, maintenance and disposition of the Institution's capital assets and land held for resale.

Designated fund

The designated fund accounts for the amounts held for designated purposes and for various activities of the Institution.

Endowment fund

The endowment fund accounts for the contributions that are received subject to a directive that such contributions be held either permanently or for a specified period of time for the purpose of earning income.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs. The total amount of inventory expensed during the year was $10,268 (2024 - $2,627).

Land and building held for resale

Land and building held for resale is carried at cost and includes development costs.

2. Significant accounting policies *(Continued from previous page)*

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Amortization expense is recorded in the capital fund and is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Buildings and parking lot	40 years
Library books	20 years
Furniture and equipment	10 years
Computer equipment and website	3-10 years
Computer software	10 years
Automotive and farm equipment	5 years

Assets under construction are not amortized until available for use.

Long-lived assets

Long-lived assets consist of capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Institution writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Institution’s ability to provide goods and services. An asset is also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Institution determines that a long-lived asset is impaired, its carrying amount is written down to the asset’s fair value.

Long-lived assets are classified as held for sale when all of the following criteria are met:

- Management, having the authority to approve the action, commits the Institution to a plan to sell the assets;
- The assets are available for immediate sale in its present condition;
- The Institution has initiated an active program to locate a buyer;
- The sale is probable, and is expected to qualify for recognition as a completed sale within one year;
- The asset is being actively marketed for sale at a reasonable price relative to its fair value; and
- It is unlikely that the plan to sell the assets will be withdrawn or that significant changes will be made to the plan.

Long lived assets classified as held for sale are initially measured at the lower of their carrying amount and fair value less costs to sell, and are not amortized. Subsequent increases in fair value not in excess of the cumulative loss previously recorded are recognized as gains. Disposals are reported as discontinued operations, unless the Institution has no substantial continuing operations, if the operations and cash flows of a component of the business have been, or will be, eliminated from the Institution's ongoing operations, the Institution will not have any significant continuing involvement in its operations subsequent to the disposal, and the Institution has other substantial continuing operations.

Interest capitalization

Interest costs relating to major capital projects in progress are capitalized as part of capital assets. Capitalization of interest ceases when the asset is substantially complete and ready for its intended productive use.

Marketable securities

Marketable securities consist of mutual funds and are carried at fair value. Interest, dividends, unrealized gains and losses from underlying investments are recorded as earned in the statement of operations.

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

The Institution uses the restricted fund method of accounting for revenue.

Tuition fees are recorded at their gross amount when the Institution is primarily responsible for the provision of services. Commissions or fees earned in connection with services provided by other organizations are recorded as revenue in auxiliary services.

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

Restricted contributions are recognized as revenue in the current period and retained in the designated fund balance until the related expenses are incurred.

Income on the Providence Education Fund Investments held by The Winnipeg Foundation is reported in the Endowment fund when earned, and is transferred to operations to be used for the purpose of subsidizing student loan tuition fees or for other purposes specified by the donor.

Deferred revenue

Tuition fees received in advance are recorded as unearned revenue or student fees paid in advance. Revenue is recorded as courses are provided. Any commission or fees payable to third parties are recorded as accounts payable when the necessary criteria are met.

Donations, bequests and pledges

Donations, bequests and pledges made to the Institution are not recorded in the accounts until received.

Donated materials and services provided to the Institution are recorded in the accounts of the Institution when the fair value can be reasonably estimated. Fair value is estimated through reference to the purchase of similar materials and services. During the year, $1,070,448 (2024 - $20,939) of contributed materials and services, including building units valued at $1,069,000 were recognized as donation revenue.

Financial instruments

The Institution recognizes financial instruments when the Institution becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm’s length transaction (“arm’s length financial instruments”) are initially recorded at their fair value.

At initial recognition, the Institution may irrevocably elect to subsequently measure any arm’s length financial instrument at fair value. The Institution has not made such an election during the year.

The Institution subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Institution’s performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

2. Significant accounting policies *(Continued from previous page)*

Related party financial instruments

The Institution initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Institution may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Institution has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost.

The Institution subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenues over expenses.

Financial asset impairment

The Institution assesses impairment of all its financial assets measured at cost or amortized cost. The Institution groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; or no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, or such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Institution determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Institution reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Institution reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Institution reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

2. Significant accounting policies *(Continued from previous page)*

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenues over expenses.

The Institution reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenues over expenses in the year the reversal occurs.

Interest, currency and credit risk

It is management's opinion that the Institution is not exposed to significant currency risk from financial instruments. The Institution is exposed to interest rate risk as its credit facilities and certain of its debt facilities bear interest at a variable rate.

Financial instruments that potentially subject the Institution to credit risk consist primarily of trade accounts receivable. Credit exposure is limited due to the Institution's large customer base.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable, mortgage receivable and note receivable from related parties are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. At April 30, 2025, the allowance for doubtful accounts was $100,383 (2024 - $5,845). Amortization is based on the estimated useful lives of capital assets. Management has estimated the value of inventory based upon the lower of cost or their assessment of the realizable amount less selling costs. Revenue has been recorded based on interpretation of how agreements will be applied and agreed to.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the periods in which they become known.

Accounting for cloud computing arrangement

The Institution has applied the simplification approach to account for expenditures in a cloud computing arrangement. Under the simplification approach, the Institution recognizes expenditures related to the elements in the cloud computing arrangement as an expense as incurred. In the current year, $344,883 of expenses have been recognized as institutional support in the statement of operations.

3. Cash

The Institution has an operating credit facility of $1,000,000 (2024 - $2,000,000). The facility bears interest at the credit union's prime rate and is secured as described in Note 8. As at April 30, 2025, the amount drawn against the facility was $nil (2024 - $nil).

4. Mortgage receivable

During the 2023 fiscal year, the Institution sold land and building for proceeds of $615,000. The amount received as of April 30, 2025 year was $200,000 (2024 - $200,000) and $415,000 (2024 - $415,000) was recorded as a vendor take back mortgage. The takeback mortgage is due in full on August 31, 2025 and bears interest on principal only at the Canada Revenue Agency prescribed rate plus 2.00%, 7.00% per year, payable monthly.

5. Capital assets

			2025
	Cost	***Accumulated amortization***	***Net book value***
Land	**104,175**	**-**	**104,175**
Buildings and parking lot	**21,104,916**	**7,840,717**	**13,264,199**
Library books	**2,297,862**	**1,909,108**	**388,754**
Furniture and equipment	**2,192,808**	**2,100,156**	**92,652**
Computer equipment and website	**832,111**	**637,841**	**194,270**
Computer software	**267,664**	**235,192**	**32,472**
Automotive and farm equipment	**385,919**	**371,251**	**14,668**
	27,185,455	**13,094,265**	**14,091,190**

			2024
	Cost	*Accumulated amortization*	*Net book value*
Land	104,175	-	104,175
Buildings and parking lot	30,639,282	7,334,840	23,304,442
Library books	2,282,217	1,866,973	415,244
Furniture and equipment	2,154,584	2,074,436	80,148
Computer equipment and website	817,098	518,548	298,550
Computer software	267,664	227,345	40,319
Automotive and farm equipment	375,597	362,776	12,821
	36,640,617	12,384,918	24,255,699

6. Notes receivable from related parties

	2025	*2024*
Notes receivable from related parties	**210,356**	210,000

The notes receivable are non-interest bearing so long as demand is not made, subject to the conditions of the agreement. Once demand is made the note receivables will bear interest at a rate equivalent to the rate of interest payable by the Institution as the standard prime rate at its primary lending institution.

7. Providence Education Fund

The Institution has authorized the establishment of the Providence Education Fund ("the Fund") by The Winnipeg Foundation. The purpose of the Fund will be to provide income to support post secondary education and other charitable activities carried on by the Institution. At the direction of the Institution, certain donations, bequests, contributions and legacies may be transferred to the Fund and used to purchase units in the Consolidated Trust Fund managed by The Winnipeg Foundation.

The Winnipeg Foundation retains title to the investments, and receives a management fee not to exceed one half percent of the fiscal opening market value of the contributed capital in the Fund. The Winnipeg Foundation may annually capitalize realized capital gains and up to 10% of investment income. The remaining net income from the Fund is to be paid annually to the Institution. The market value of the Fund as at April 30, 2025 was $1,085,263 (2024 - $1,040,146). At year end, the Winnipeg Foundation reported to the Institution income of $29,445 (2024 - $29,656), to be made available in the coming year. This amount has been recorded by the Institution in its Endowment Fund.

8. Term loan due on demand

	2025	*2024*
Rosenort Credit Union mortgage, due on demand and bearing variable interest at Rosenort Credit Union Commercial Mortgage Prime Rate less 0.75%, 4.20% (2024 - 6.20%) per year, payable in blended monthly principal and interest instalments of $28,240. Principal and interest payments are payable monthly until August 2045.	**5,600,361**	5,624,077
Rosenort Credit Union mortgage, due on demand and bearing variable interest, repaid in full during the year.	**-**	8,844,406
	5,600,361	14,468,483

Repayments on long-term debt in each of the next five years, assuming demand is not made and interest rates are unchanged, are estimated as follows:

2026	103,665
2027	108,019
2028	112,556
2029	117,283
2030	122,209
	563,732

As at April 30, 2025, the Rosenort Credit Union loans and credit facilities were secured by a $10,000,000 debenture with a fixed first charge covering all land and buildings, a floating charge covering all other assets, a security agreement and an assignment of fire insurance over all assets with first loss payable to the Credit Union.

The mortgage is subject to a financial covenant to which the Institution was in compliance with at April 30, 2025.

9. Externally restricted net assets

Major categories of externally imposed restrictions on net assets are as follows:

	2025	*2024*
Designated Fund		
Academic (including Faculty and Student Programs)	**681,725**	1,010,674
Fundraising and Campaigns	**237,106**	231,486
Student Assistance	**170,480**	150,868
Other	**31,467**	18,713
	1,120,778	1,411,741
Endowment Fund		
Endowment	**2,441,340**	381,882
	3,562,118	1,793,623

10. Interfund transfers

Purpose of transfer	***Operating Fund***	***Capital Fund***	***Designated Fund***	***Endowment Fund***
Rewards and scholarships	46,239	-	22,353	(68,592)
Purchase of capital assets	(233,038)	233,038	-	-
Use of internally restricted net assets	(16,770)	-	16,770	-
Interest on long-term debt	(751,368)	751,368	-	-
Legacy fund transfer	13,986	-	-	(13,986)
Net interfund transfers	(940,951)	984,406	39,123	(82,578)

11. Commitments

The Institution is committed under operating leases for equipment and a community recreation centre, with minimum annual lease payments over the next two years as follows:

2026	29,832
2027	25,000

12. Pension plan

The Institution has a defined contribution pension plan for its employees. The contributions are held in trust and the plan assets are not recorded in these financial statements. The Institution contributes up to 5% of salaries for eligible employees. The expense and payment for the year ended April 30, 2025 was $229,554 (2024 - $192,768). As a defined contribution pension plan, the Institution has no further obligation for future contributions to fund the future benefits to plan members.

13. Economic dependence

The Institution is economically dependent on the Province of Manitoba for funding to allow continuing operations.

14. Contingencies

Various claims and litigations arise in the normal course of operations. It is management's opinion based on advice and information provided by legal counsel that adequate provision has been made for any potential settlements relating to such matters. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance and actual results could differ and as adjustments become necessary they are reported in the periods in which they become known.

15. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.