

Financial Statements of

**ST. THOMAS UNIVERSITY**

And Independent Auditors' Report thereon

Year ended April 30, 2021



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## INDEPENDENT AUDITORS' REPORT

To the Board of Governors

### ***Opinion***

We have audited the financial statements of St. Thomas University (the "University"), which comprise:

- the statement of financial position as at April 30, 2021
- the statement of operations and changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies.

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of St. Thomas 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.



### ***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 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.

### ***Auditors' 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 auditors' 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 the 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.



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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 auditors' 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants

Fredericton, Canada

October 16, 2021

# ST. THOMAS UNIVERSITY

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Year ended April 30, 2021

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# ST. THOMAS UNIVERSITY

## Statement of Financial Position

Year ended April 30, 2021, with comparative information for 2020

	2021	2020
<b>Assets</b>		
Current assets:		
Cash	\$ 883,715	\$ -
Prepaid expenses	119,505	130,980
Accounts receivable:		
Students (note 2)	1,574,017	1,675,121
Other	205,716	455,157
	<u>2,782,953</u>	<u>2,261,258</u>
Investments (note 3)	22,825,742	22,555,556
Capital assets (note 4)	31,389,075	28,925,884
	<u>\$ 56,997,770</u>	<u>\$ 53,742,698</u>


## Liabilities, Deferred Contributions and Fund Balances

Current liabilities:		
Bank indebtedness (note 5)	\$ -	\$ 82,435
Accounts payable and accrued liabilities (note 6)	4,918,200	4,745,851
Fees received in advance	310,526	354,046
Construction financing – Vanier Hall (note 5)	3,350,000	-
Current portion of capital lease obligation (note 8)	73,116	73,116
Current portion of long-term debt (note 9)	185,000	180,000
	<u>8,836,842</u>	<u>5,435,448</u>
Deferred contributions (note 7)	3,256,440	2,357,044
Capital lease obligation (note 8)	834,984	916,618
Long-term debt (note 9)	5,003,000	5,188,000
Fund balances:		
Unrestricted	239,739	231,734
Ancillary	(3,027,801)	(860,446)
Internally restricted	829,531	918,040
Endowments	444,300	444,300
Other externally restricted	22,895,105	21,037,513
Capital assets (note 10)	17,685,630	18,074,447
	<u>39,066,504</u>	<u>39,845,588</u>
	<u>\$ 56,997,770</u>	<u>\$ 53,742,698</u>

See accompanying notes to financial statements.

On behalf of the Board:

  
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Governor  
**Peter R. Forestell, Q.C.**

  
\_\_\_\_\_  
Governor  
Krista Han, CPA, CA

# ST. THOMAS UNIVERSITY

## Statement of Operations and Changes in Fund Balances

Year ended April 30, 2021, with comparative information for 2020

						2021	2020
	General Operating	Ancillary	Internally restricted	Endowments and other externally restricted	Capital assets	Grand total	Grand total
<b>Revenues:</b>							
Provincial operating grant	\$ 14,726,406	\$ -	\$ -	\$ -	\$ -	\$ 14,726,406	\$ 14,507,635
Other grants	2,129,584	-	-	227,522	241,601	2,598,707	2,071,882
Student fees	15,849,448	487,307	-	-	-	16,336,755	19,035,096
Gain in fair value of - investments	169,199	-	314,526	2,296,514	-	2,780,239	795,060
Donations	150,874	100,000	20,475	911,714	-	1,183,063	2,274,722
Athletic revenues	21,318	-	-	-	-	21,318	270,048
Miscellaneous	457,974	16,858	58,000	164	-	532,996	628,240
	33,504,803	604,165	393,001	3,435,914	241,601	38,179,484	39,582,683
<b>Expenses:</b>							
Academic	19,049,519	-	235,931	521,100	-	19,806,550	19,741,240
Computing services	1,387,650	-	-	-	-	1,387,650	1,063,511
Administrative and general	4,927,575	453,140	9,221	139,152	-	5,529,088	5,991,217
Student services	2,247,770	89,633	-	-	-	2,337,403	3,073,614
Physical plant	2,295,163	1,518,465	-	-	-	3,813,628	4,586,247
Scholarships and awards	1,718,287	118,640	-	718,070	-	2,554,997	3,022,433
Grant transfer to UNB	1,989,200	-	-	-	-	1,989,200	1,959,800
Amortization	-	-	-	-	1,540,052	1,540,052	1,642,284
	33,615,164	2,179,878	245,152	1,378,322	1,540,052	38,958,568	41,080,346
Excess (deficiency) of revenues over expenses	(110,361)	(1,575,713)	147,849	2,057,592	(1,298,451)	(779,084)	(1,497,663)
Fund balance, beginning of year	231,734	(860,446)	918,040	21,481,813	18,074,447	39,845,588	41,343,251
	121,373	(2,436,159)	1,065,889	23,539,405	16,775,996	39,066,504	39,845,558
Transfers	118,366	(591,642)	(236,358)	(200,000)	909,634	-	-
Fund balance, end of year	\$ 239,739	\$ (3,027,801)	\$ 829,531	\$ 23,339,405	\$ 17,685,630	\$ 39,066,504	\$ 39,845,588

See accompanying notes to financial statements.

# ST. THOMAS UNIVERSITY

## Statement of Cash Flows

Year ended April 30, 2021, with comparative information for 2020

	2021	2020
Cash flows from operating activities:		
Excess (deficiency) of revenues over expenses	\$ (779,084)	\$ (1,497,663)
Amortization of capital assets, not involving cash	1,540,052	1,642,284
Unrealized gain on investments	(2,780,239)	(795,060)
Deferred contributions recognized as revenue	(2,263,924)	(1,048,791)
Net change in non-cash operating working capital	490,849	484,408
	<u>(3,792,346)</u>	<u>(1,214,822)</u>
Financing and investing activities:		
Draw on investments	2,500,000	–
Investment management fees	114,869	117,752
Donation of investments	(104,816)	(320,794)
Capital assets acquired	(4,003,243)	(126,170)
Contributions received and deferred	3,163,320	2,054,669
Construction financing Vanier Hall	3,350,000	–
Principal payment on long-term debt	(180,000)	(176,000)
Principal payment on capital lease obligation	(81,634)	(81,635)
	<u>4,758,496</u>	<u>1,467,822</u>
Decrease in bank indebtedness	966,150	253,000
Bank indebtedness, beginning of year	(82,435)	(335,435)
Cash (bank indebtedness), end of year	<u>\$ 883,715</u>	<u>\$ (82,435)</u>

See accompanying notes to financial statements.



# ST. THOMAS UNIVERSITY

Notes to Financial Statements

Year ended April 30, 2021

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St. Thomas University (the University) is a university incorporated by Special Act of the Legislative Assembly of New Brunswick providing undergraduate liberal arts and professional programs. The University is a registered charity under the Income Tax Act.

## 1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

### (a) Basis of accounting:

The University follows the fund basis of accounting, which provides for a separate self-balancing group of accounts established to enable separate accountability for particular legal or contractual activities or for purposes of segregating assets that are to be used for certain designated purposes. Separate accounts are maintained for each fund. For financial statement purposes, funds that have similar characteristics have been combined into fund groups as follows:

Unrestricted funds are those which are not subject to restrictions by external parties as to use of the funds. Included in this category are the following:

#### General:

Includes all ordinary academic and administrative operations of the University as well as ancillary operations.

#### Internally restricted:

Includes funds established by the Board for various specific purposes as follows:

Capital

Pension

Scholarship

Special projects

Aquinas Chair in Interdisciplinary Studies

John XXIII Chair in Catholic Theology

# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

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## 1. Significant accounting policies (continued):

### (a) Basis of accounting (continued):

Other externally restricted includes funds established with contributions by external parties that require the funds and investment income to be expended for specific purposes as follows:

#### Endowments:

Includes resources contributed whereby contributors have directed that the original capital contributed must remain unspent and investment income is subject to restriction and is reported as restricted. Included in endowments are the following:

Chair in Canadian Citizenship and Human Rights

The Dr. Bernie Vigod Memorial Lectures Trust

Includes funded chairs in Gerontology, Native and Aboriginal Cultures of Atlantic Canada, Irving Chair in Journalism and Studies in Criminology and Criminal Justice and restricted interest.

#### Capital assets

### (b) Investments:

Investments are recorded at fair value.

### (c) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Assets acquired under capital leases are amortized over the estimated life of the assets or over the lease term, as appropriate. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized. When a capital asset no longer contributes to the University's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a declining-balance basis using the following annual rates:

Asset	Rate
Building under capital lease	5%
Land improvements	5%
Buildings	5%
Equipment	10%

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# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

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## 1. Significant accounting policies (continued):

### (d) Revenue recognition:

The University uses the restricted fund method of accounting for contributions from donations and government grants. The deferral method is used on a limited basis where no specific restricted fund has been established.

Contributions and pledges are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when earned and recorded as unrestricted or restricted if so directed by the contributor.

Revenue from student fees is recognized when the services are rendered, collections of amounts are fixed or determinable and the relevant receivable is reasonably assured.

### (e) Asset impairment:

When a tangible capital asset no longer has any long-term service potential to the University, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

### (f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The University has elected to carry all other investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

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## 1. Significant accounting policies (continued):

### (f) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the University determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the University expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Derivative financial instruments are utilized by the University in the management of its interest rate exposure. The University's policy is not to utilize derivative financial instruments for trading or speculative purposes. Derivative instruments are recorded on the statement of financial position as assets and liabilities and are measured at fair value. Changes in the derivative instruments' fair value are recognized in the statement of operations unless specific hedge accounting criteria are met. Changes in the fair value of effective cash flow hedges are included directly in the fund balances.

The University entered into an interest rate swap in order to reduce the impact of fluctuating interest rates on its long-term debt. The swap agreement requires the periodic exchange of payments without the exchange of the notional principal amount on which the payment is based. The University designated its interest rate hedge agreement as the hedge of the underlying debt. Interest expense on the debt is adjusted to include the payment made under the interest rate swap.

### (g) Management estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of capital assets, and accounts receivable at the dates of the financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates.

## 2. Student accounts receivable:

	2021	2020
Accounts receivable	\$ 2,228,040	\$ 2,928,144
Less: allowance for doubtful accounts	(654,023)	(1,253,023)
	<u>\$ 1,574,017</u>	<u>\$ 1,675,121</u>

# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

### 3. Investments:

	2021	2020
Canadian fixed income	\$ 10,919,223	\$ 11,096,598
Canadian equities	4,052,350	3,787,845
US equities	4,125,961	3,838,634
International equities	3,512,501	3,729,450
Other	215,707	103,029
	<u>\$ 22,825,742</u>	<u>\$ 22,555,556</u>

The Canadian fixed income investments have an effective interest rate of 1.90% to 4.93% (2020 - 1.90% to 4.93%) and mature between June 2021 and May 2035.

### 4. Capital assets:

April 30, 2021	Cost	Accumulated amortization	Net book value
Building under capital lease	\$ 2,006,753	\$ 941,864	\$ 1,064,889
Land improvements	2,680,193	1,717,515	962,678
Buildings	55,371,993	28,231,629	27,140,364
Equipment	11,281,314	9,060,170	2,221,144
	<u>\$ 71,340,253</u>	<u>\$ 39,951,178</u>	<u>\$ 31,389,075</u>

April 30, 2020	Cost	Accumulated amortization	Net book value
Building under capital lease	\$ 2,006,753	\$ 810,526	\$ 1,196,227
Land improvements	2,680,193	1,666,848	1,013,345
Buildings	51,420,585	27,100,551	24,320,034
Equipment	11,229,479	8,833,201	2,396,278
	<u>\$ 67,337,010</u>	<u>\$ 38,411,126</u>	<u>\$ 28,925,884</u>

Buildings for 2021 include \$3,749,751 relating to renovations of Vanier Hall. This and \$368,779 of the remaining net book value associated with Vanier Hall has not been subject to amortization for the 2021 fiscal year as the building was not available for use.

# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

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## 5. Bank indebtedness:

The University has an operating loan agreement in the amount of \$2,000,000, which is due on demand and bears interest at the bank's prime rate.

The University has available a \$4,000,000 revolving demand facility which bears interest at renewable Banker's Acceptance floating rates, plus stamping fees. The balance outstanding at April 30, 2021 was \$Nil (2020 - \$Nil).

The University has outstanding \$3,350,000 in construction financing for Vanier Hall in the form of a revolving demand facility which bears interest at renewable Banker's Acceptance floating rates, plus stamping fees of .35%.

Subsequent to year end, the outstanding financing to a maximum of \$7,640,000 will be consolidated into a term facility repayable in quarterly instalments of \$59,000, plus interest, due October 2041. The term credit facility will bear interest at Banker's Acceptance floating rates, renewable quarterly, plus stamping fees, totalling 2.23%.

## 6. Accounts payable and accrued liabilities:

Accounts payable and accrued liabilities includes \$363,253 (2020 - \$24,416) in amounts owing for government remittances including payroll deductions and HST.

## 7. Deferred contributions:

Deferred contributions relate to expenses of future periods and represent time-restricted contributions as well as unspent externally restricted contributions for purposes of research and other academic projects.

	2021	2020
Balance, beginning of year	\$ 2,357,044	\$ 1,351,166
Less amounts recognized as revenue in the year	(2,263,924)	(1,048,791)
Add amounts received related to future periods	3,163,320	2,054,669
Balance, end of year	\$ 3,256,440	\$ 2,357,044

# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

## 8. Capital lease obligation:

The University has financed dedicated space at the Grant-Harvey Centre by entering into a capital leasing arrangement. Capital lease repayment is due as follows:

	2021	2020
2022	\$ 119,390	\$ 119,390
2023	119,390	119,390
2024	119,390	119,390
2025	119,390	119,390
2026	119,390	119,390
Thereafter	745,061	864,451
Total minimum lease payments	1,342,011	1,461,401
Less amount representing interest	(433,911)	(471,667)
Present value of net minimum capital lease payments	908,100	989,734
Current portion of capital lease obligation	73,116	73,116
	\$ 834,984	\$ 916,618

Interest of \$38,072 relating to capital lease obligation has been included in interest expense. The total amount of assets under capital lease is \$2,006,753 with related accumulated amortization of \$941,864.

# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

## 9. Long-term debt:

	2021	2020
Term facility repayable in monthly instalments of \$15,000-\$17,000 plus interest, due September 2027. The facility bears interest at Bankers' Acceptance floating rates, renewable monthly, plus stamping fees, totalling 2.48%.	\$ 5,188,000	\$ 5,368,000
Less:		
Current portion of long-term debt	185,000	180,000
	\$ 5,003,000	\$ 5,188,000

The University has entered into a swap agreement whereby the University has fixed its interest rate on the renewable monthly banker's acceptances. Swap payments are reflected as interest expense and accounted for on an accrual basis.

Principal due within each of the next five years on long-term debt is approximately as follows:

2022	\$ 185,000
2023	190,000
2024	194,000
2025	199,000
2026	204,000

Subsequent to year end, Vanier Hall construction financing to a maximum of \$7,640,000 will be consolidated into a term facility repayable in quarterly instalments of \$59,000, plus interest, due October 2041.

## 10. Capital assets:

Investment in capital assets is calculated as follows:

	2021	2020
Capital assets	\$ 31,389,074	\$ 28,925,884
Long-term debt and construction financing	(8,538,000)	(5,368,000)
Capital lease obligation	(908,100)	(989,734)
Due to internally restricted fund	(4,257,344)	(4,493,703)
Invested in capital assets	\$ 17,685,630	\$ 18,074,447



# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

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## 11. Pension plan:

The "Pension Plan for the Employees of St. Thomas University" is a defined-contribution pension plan under which contributions are made by both St. Thomas University and its employees. For the fiscal year ended April 30, 2021, the University expensed contributions of \$1,431,055 (2020 - \$1,341,181) under the terms of the Plan.

## 12. Financial risks:

Financial risk refers to the impact on the University's cash flows as a result of fluctuations in interest rates and the credit quality of student receivables and counterparties to financial instruments. The University manages its financial risk as follows:

### (a) Interest rate risk:

Interest rate is minimized as fixed interest rates or interest rate swaps are entered into to fix interest rates on variable rate mortgages.

### (b) Derivatives:

The notional amount of interest rate swaps outstanding at year end is \$12,828,000 CAD (2020 - \$5,368,000 CAD). At April 30, 2021, the interest rate swap agreements had a fair value of \$584,136 (2020 - \$(264,309)).

### (c) Credit risk:

The University is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. Credit exposure is minimized by dealing with credit-worthy counterparties such as highly rated financial institutions.

To reduce credit risk with student accounts, the University places restrictions on registering for courses and the issuance of grades and degrees, until payment on account is made. The University also uses third party agencies to collect outstanding receivables.

### (d) Currency risk:

The University realizes a small portion of its revenues in foreign currencies and is thus exposed to foreign exchange fluctuations. This risk is minimized, where possible, by timing the conversion of such revenues to Canadian dollars based on market conditions. In addition, all foreign currency is reflected in Canadian dollars for financial statement purposes.

# ST. THOMAS UNIVERSITY

Notes to Financial Statements (continued)

Year ended April 30, 2021

## 13. Expense allocation:

In adherence to CPA HB Section 4470, *Disclosure of allocated expenses by not-for-profit organizations*, the following allocations were made during the year:

Salaries and wages have been allocated to Ancillary based on estimated time spent as follows:

	2021	2020
Physical plant	\$ 83,854	\$ 154,189
Administrative	155,907	161,669
Support	55,729	49,167
	<u>\$ 295,490</u>	<u>\$ 365,025</u>

In addition, salaries and wages of \$Nil (2020 - \$25,000) for student wages were allocated to Ancillary.

## 14. COVID-19:

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of the coronavirus, the “COVID-19 outbreak”. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. As a result of this, on March 16, 2020, the government of New Brunswick ordered the closure of all non-essential businesses effective March 17, 2020. In addition, the Canadian government imposed travel restrictions to Canada until further notice.

On March 19, 2020, the University closed its campus. The campus was re-opened to the public on August 4, 2020. For the Academic Year 2020-21, courses were delivered remotely. Due to the reduced number of students in residence, the University only operated one large residence in 2020-21.

The University plans to return to in person classes as well as some on-line courses in the fall of 2021 with health and safety measures in place for campus and residence operations.

COVID-19 could have implications on future enrolment and therefore impact tuition and ancillary revenue. Management continued to actively monitor the effect on its financial condition, liquidity, operations, suppliers, and employees. Because of the daily evolution of the COVID-19 pandemic, and the uncertainty of the future global response and threat, the University is not able to fully estimate the effects of COVID-19 on its results of operations, financial condition, or liquidity at this time.

# ST. THOMAS UNIVERSITY

## Schedule of Ancillary Enterprises

Year ended April 30, 2021, with comparative information for 2020  
(Unaudited)

	2021	2020
<b>Revenues:</b>		
Student fees:		
Residence fees	\$ 487,307	\$ 2,746,527
English language programs	–	110,111
	<u>487,307</u>	<u>2,856,638</u>
Miscellaneous:		
Conference rentals	–	70,155
Other	116,858	169,286
	<u>116,858</u>	<u>239,441</u>
	<u>\$ 604,165</u>	<u>\$ 3,096,079</u>
<b>Expenses:</b>		
Residence bursaries	\$ 118,640	\$ 291,546
Student services:		
Bus services	8,086	70,175
Miscellaneous	31,359	25,125
Proctor services	50,188	187,001
	<u>89,633</u>	<u>282,301</u>
Administrative and general:		
Administrative salaries	453,140	466,239
Bad debts	–	50,000
	<u>453,140</u>	<u>516,239</u>
Physical plant:		
Cleaning and janitorial	150,375	274,894
Communications	265,789	282,514
Electricity	253,046	285,148
Furniture and equipment	–	6,598
Heat	92,007	262,132
Insurance	45,140	46,259
Interest on long-term debt	131,167	135,369
Kitchen fuel	18,099	37,772
Laundry and linen	–	6,707
Maintenance and repairs	118,871	222,291
Miscellaneous	713	1,902
Physical plant salaries	83,854	154,189
Rigby Hall lease and property taxes	167,053	174,445
Security	163,693	162,298
Water and sewage	28,658	47,505
	<u>1,518,465</u>	<u>2,100,023</u>
	<u>\$ 2,179,878</u>	<u>\$ 3,190,109</u>

# ST. THOMAS UNIVERSITY

## Schedule of Academic Expenses from Operations

Year ended April 30, 2021, with comparative information for 2020  
(Unaudited)

	2021	2020
Wages and salaries:		
Full-time	\$ 11,635,705	\$ 11,482,924
Part-time	2,175,688	2,213,660
On leave	1,223,927	1,160,474
	<hr/>	<hr/>
	15,035,320	14,857,058
Staff other than academic	404,377	448,269
Employee benefits	2,074,044	1,987,554
Departmental:		
Teaching supplies and support	98,371	121,062
Special projects	29,236	105,646
Native Studies BSW Program	201,340	170,977
Miscellaneous	18,367	47,600
	<hr/>	<hr/>
	347,314	445,285
Travel, study and research:		
Professional development and travel allowances	310,991	288,316
Research projects and academic conferences	698,101	639,673
	<hr/>	<hr/>
	1,009,092	927,989
General academic:		
Materials and supplies	14,701	32,261
Postage	12,823	15,120
Telephone	13,249	16,401
Graduation	8,299	75,525
Recruiting	17,633	17,947
Relocation	7,405	33,439
Special projects	26,768	39,005
Service contracts	15,461	26,091
Fees and dues	63,033	98,351
	<hr/>	<hr/>
	179,372	354,140
	<hr/>	<hr/>
	\$ 19,049,519	\$ 19,020,295

# ST. THOMAS UNIVERSITY

## Schedule of Computing Services Expenses from Operations

Year ended April 30, 2021, with comparative information for 2020  
(Unaudited)

	2021	2020
Wages and salaries	\$ 573,514	\$ 567,967
Employee benefits	106,695	96,367
Computing licenses and support	412,111	399,177
Distance technology and support	295,330	–
	\$ 1,387,650	\$ 1,063,511

# ST. THOMAS UNIVERSITY

## Schedule of Administrative and General Expenses from Operations

Year ended April 30, 2021, with comparative information for 2020  
(Unaudited)

	2021	2020
Wages and salaries	\$ 3,325,409	\$ 3,219,067
Employee benefits	518,364	466,526
Administrative general and supplies:		
Association fees	84,816	88,918
Bad debts	199,657	242,535
Conferences and special events	–	17,386
Committees	600	6,669
Credit card fees	28,638	29,602
Interest expense	11,084	19,295
Marketing and publications	373,282	384,503
Miscellaneous	32,452	50,803
Office supplies	29,657	32,795
Payroll processing fees	2,674	2,666
Postage	43,149	50,390
Professional fees	88,514	156,092
Staff recruiting	4,929	6,909
Student recruitment	126,016	256,971
Service contracts	24,289	40,763
Special projects	22,178	64,872
Telephone	9,790	9,959
Travel	1,383	32,544
University hospitality	694	23,970
	1,083,802	1,517,642
	\$ 4,927,575	\$ 5,203,235

# ST. THOMAS UNIVERSITY

## Schedule of Student Services Expenses from Operations

Year ended April 30, 2021, with comparative information for 2020  
(Unaudited)

	2021	2020
Wages and salaries	\$ 1,661,965	\$ 1,652,592
Employee benefits	217,279	202,337
Athletics	164,411	681,737
Campus Ministry	2,905	9,517
Student support programs	201,210	245,130
	<u>\$ 2,247,770</u>	<u>\$ 2,791,313</u>

## Schedule of Physical Plant Expenses from Operations

Year ended April 30, 2021, with comparative information for 2020  
(Unaudited)

	2021	2020
Wages and benefits	\$ 251,565	\$ 154,193
Utilities and insurance:		
Heat	457,174	550,905
Electricity	179,030	231,890
Water and sewage	8,210	19,916
Telephone	162,764	177,805
Insurance	68,757	72,097
	<u>875,935</u>	<u>1,052,613</u>
Cleaning and janitorial	599,924	545,105
Furniture and equipment	95,513	220,933
Maintenance and repairs	401,570	449,602
Interest on Grant-Harvey lease	38,082	38,143
Security	32,574	25,635
	<u>\$ 2,295,163</u>	<u>\$ 2,486,224</u>

# ST. THOMAS UNIVERSITY

## Schedule of Transfers of Funds

Year ended April 30, 2021  
(Unaudited)

	To	From	To (From)	To (From)	From
	General Operating	Ancillary	Internally restricted	Endowments and other externally restricted	Capital assets
Gerontology Chair	\$ 200,000	\$ -	\$ -	\$ (200,000)	\$ -
Ancillary	-	(591,642)	-	-	591,642 <sup>(3)</sup>
Special projects	-	-	(236,358)	-	236,358 <sup>(4)</sup>
Grant-Harvey principal	(81,634)	-	-	-	81,634 <sup>(4)</sup>
	\$ 118,366	\$ (591,642)	\$ (236,358)	\$ (200,000)	\$ 909,634

Year ended April 30, 2020  
(Unaudited)

	To	From	To (From)	To (From)	From
	General Operating	Ancillary	Internally restricted	Endowments and other externally restricted	Capital assets
Fund adjustment	\$ -	\$ -	\$ 4,493,703	\$ -	\$ (4,493,703) <sup>(1)</sup>
Fund adjustment	-	-	(2,812,086)	2,812,086	- <sup>(2)</sup>
Gerontology Chair	300,000	-	-	(300,000)	-
Ancillary	-	(216,903)	-	-	216,903 <sup>(3)</sup>
Special projects	-	-	(81,635)	-	81,635 <sup>(4)</sup>
	\$ 300,000	\$ (216,903)	\$ 1,599,982	\$ 2,512,086	\$ (4,195,165)

(1) In prior years, the Boards of Governors approved the transfer of funds from Internally Restricted Funds to the Capital Fund in order to assist the financing of large capital projects.

A receivable has been set up in 2019-2020 in the Internally Restricted Fund from the Capital Fund to reflect the expectation that these funds are to be repaid as funds become available. Potential sources of funds include future transfers of surpluses from the Ancillary Fund and potential sale of fixed assets.

(2) Endowments and Other Externally Restricted Funds have been used for purposes as defined by their respective terms of reference. In previous years, funds were transferred from the Endowments and Other Externally Restricted Funds to the Internally Restricted Fund to temporarily assist with cash flow to enable the funding of the projects that were not fully funded by external means. These transfers did not affect the investment returns allocated to these funds or affect the fund's annual expenditures limits. This transfer from Internally Restricted Funds will restate total Externally Restricted Funds to their actual balances as per the University's records.

(3) Principal payments for Harrington Hall long-term debt and net ancillary asset additions.

(4) 2019-2020 principal payments for Grant-Harvey lease funded from special projects from Internally Restricted Funds in 2019-2020 and General Operating for 2020-2021. The 2020-2021 transfer from Special Projects to Capital Fund represents Grant-Harvey lease payments from years prior to 2019-2020.