

ACADIA UNIVERSITY

2024-2025 FINANCIAL YEAR-END REPORT



ACADIA
UNIVERSITY

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2024-2025 FINANCIAL YEAR IN REVIEW

Message from the VP Finance, Administration and CFO

This report provides an in-depth review of the consolidated financial statements. The report was created to assist with the communication of and the understanding of financial results across the campus. It provides insight into the financial health of the university and trending data for key indicators.

The commitment of the University to be fiscally responsible is one that management and the Board confirm each year with the budget process. Throughout the year, employees are focused on balancing service delivery and fiscal responsibility. As Acadia enters a period of financial uncertainty, challenges will be realized to require opportunities for new and improved deliverables and processes. Although the University has recognized positive financial returns in the past, management is acutely aware of how critically important managed enrolment growth, revenue diversification, and ongoing cost management are for long-term financial sustainability. With two consecutive years of losses and a budget for 2025-26 forecasted to again show a deficit, the University is facing critical decisions to ensure long-term sustainability. In light of the current financial situation, Acadia is in the process of developing a Financial Sustainability Plan for presentation to the Board in October.

The University's financial performance resulted in the fiscal year ending with a consolidated net deficit of \$4.5M (Annual Financial Statements). This is compared to the previous year's deficit of \$.5m.

Erin Beaudin

VP Finance, Administration and CFO

Acadia University

INTRODUCTION

Acadia University's Board of Governors and management team focuses on key financial reports throughout the year and at year-end. This report provides a thorough review of key statements from the Annual Audited Financial Statements and the internal Year-to-date Income Report.

The Financial Services team is responsible for the preparation, accuracy, and integrity of the externally audited Annual Financial Statements and the internal management financial reports. The 2024-25 fiscal year has been challenging for several reasons. As we move into 2025-26, the finance team will be striving towards regular and timely quarterly reporting. The Campus at large and all departments will be able to better track their performance to the budget on a regular basis.

The University's financial structure is organized and maintained using fund accounting. This accounting method enables the grouping of similar activities and objectives for accounting and reporting purposes. It also allows for budgetary control and appropriate accountability and reporting for internal and external stakeholders.

This report focuses on the audited Annual Financial Statements, and specifically the Statement of Operations. The Annual Financial Statements for the year ended March 31, 2025, are prepared by management and audited by the university's external auditors, Doane Grant Thornton, who are appointed by the Board of Governors. The financial statements have been prepared following Canadian accounting standards for not-for-profit organizations. Excerpts from the 2024-2025 Annual Financial Statements have been provided for reference. The complete financial statements and their accompanying notes can be reviewed at <https://financial-services.acadiau.ca/reports.html>. Financial Services has also prepared unaudited

financial information presented in this report and has ensured that this is consistent with the audited financial statements. The Financial Statements include all the funds of the University.

OVERVIEW OF THE UNIVERSITY'S FUND ACCOUNTING STRUCTURE

The University has classified accounts with similar characteristics into major funds.

The Operating and Ancillary Operations Funds, unrestricted funds, account for the University's primary function of instruction, including academic, support services, administrative services, facilities management, and other operating activities. They also account for ancillary operations that provide goods and services to the University community, which are supplementary to the functions of instruction, research, and services. These include residence operations, event management activities, and the university bookstore.

The University's restricted funds, consisting of the Capital Fund, Research Funds, Endowment Fund and Special Reserve Funds, account for resources made available to the University by third parties, by way of grants, service contracts or gifts. These resources are restricted in their use by third parties or the Board of Governors.

The Capital Fund, a restricted fund, accounts for the acquisition of capital assets, the amortization of capital assets and the amortization of any externally restricted contributions received to fund these assets.



The Research Funds are restricted funds that account for the activities that support research. These could be funded by governments, corporations, and other non-profit organizations.

The Endowment Fund accounts for investment income earned on the endowment principal and related expenditures such as investment management fees.

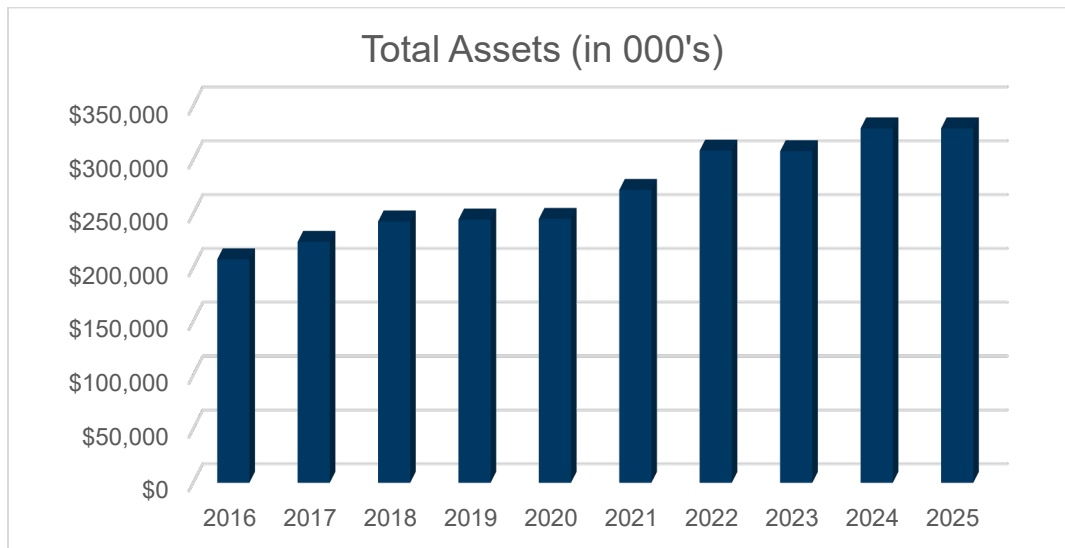
The Special Reserves Funds account for the expenditure of externally restricted contributions which are not research, endowment, capital or operating in nature. These are designated to support a specific purpose or project.

AUDITED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

While much of this report will focus on the revenue and expenditure for the 2024-2025 fiscal year, it is critical to provide an overview of the Statement of Financial Position (Balance Sheet) of the University.

Over the last 10 years, the University has continued to strengthen the balance sheet.



Total assets of the University increased by \$21.1m (or 6.9%) as of March 31, 2025, as compared to the prior year.

Assets	2025	2024	Variance	% Change
Currents assets:				
Cash and short term investments	\$72,787	\$62,379	\$10,409	16.7%
Accounts receivable (Note 3)	9,312	11,239	(1,927)	(17.1%)
Prepaid expenses	2,189	2,156	33	1.5%
	84,288	75,774	8,515	11.2%
Investments	152,166	135,496	16,670	12.3%
Other assets (Note 4)	200	200	-	-
Capital assets (Note 5)	91,805	95,299	(3,494)	(3.7%)
Intangible assets (Note 5)	758	1,263	(505)	(40.0%)
Total assets	329,217	\$308,032	\$21,185	6.9%

The University's total consolidated cash position increased by \$10.4m over the year. The increase in the cash flow is mainly because of the receipt of the nursing grant.

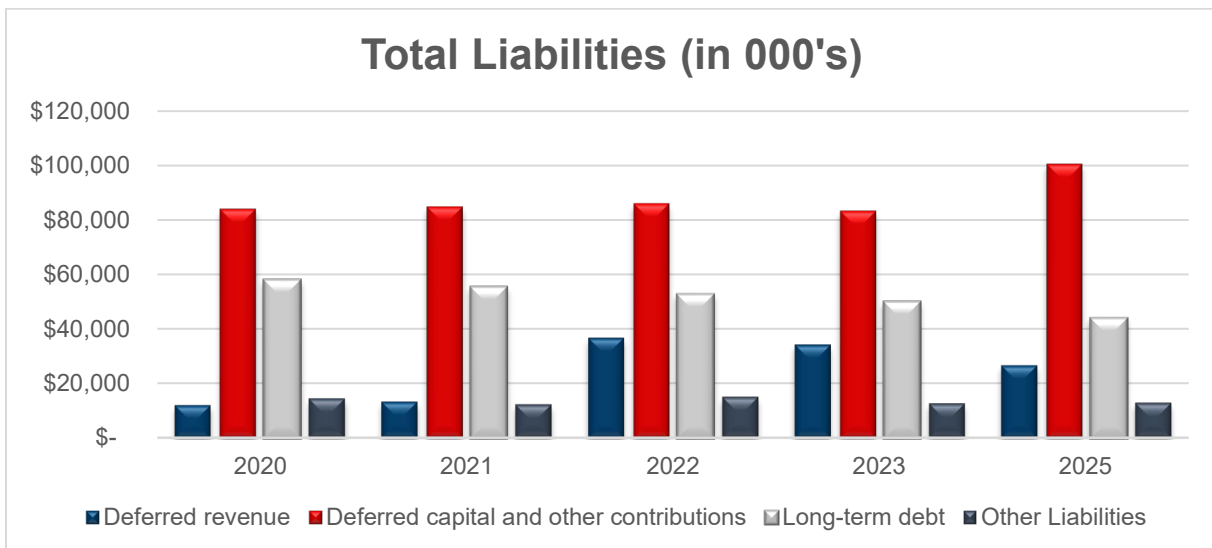
Accounts receivable decreased by \$1.9m as compared to the prior year-end. Student receivables have increased by \$1.7m. This balance is reviewed periodically and at year-end. The allowance on the student account receivable increased by \$.5m. General receivables, including the Divinity College and the Acadia Students Union, increased by \$1m. Regular review and collection efforts have not been as robust as they need to be. We are starting the process of a complete review of all our accounts receivables and vigorous collection efforts. Other receivables decreased by \$4.6m. The nursing grant decreased by \$1.9m, the NS Student Bursary decreased by \$2.25m, and the remainder relates to other smaller provincial grants.

Prepaid expenses remained relatively the same year over year, with no major fluctuations in the associated accounts.

The Investments, largely related to the endowed funds of the University, increased by 12% (\$16.7m) over the prior year. This was driven by donations of \$2.5m and investment income, offset by the annual payout.

The net book value of the University's capital assets recognized a net decrease of \$3.5m. There were \$4.9m net additions to capital assets, and these were increases to facility improvements (\$2.5m), equipment (\$1.5m), and work-in-progress (\$.9m). The amortization of the capital assets was \$8.4m for the current year.

Intangible assets' net book value decreased by \$0.5m. There was no capitalization of intangible assets (software) and the decrease relates to the current year's amortization. Total liabilities of the University increased by \$13m (or 7.6%) as of March 31, 2025, as compared to the prior year.



Liabilities, Deferred Contributions and Net Assets

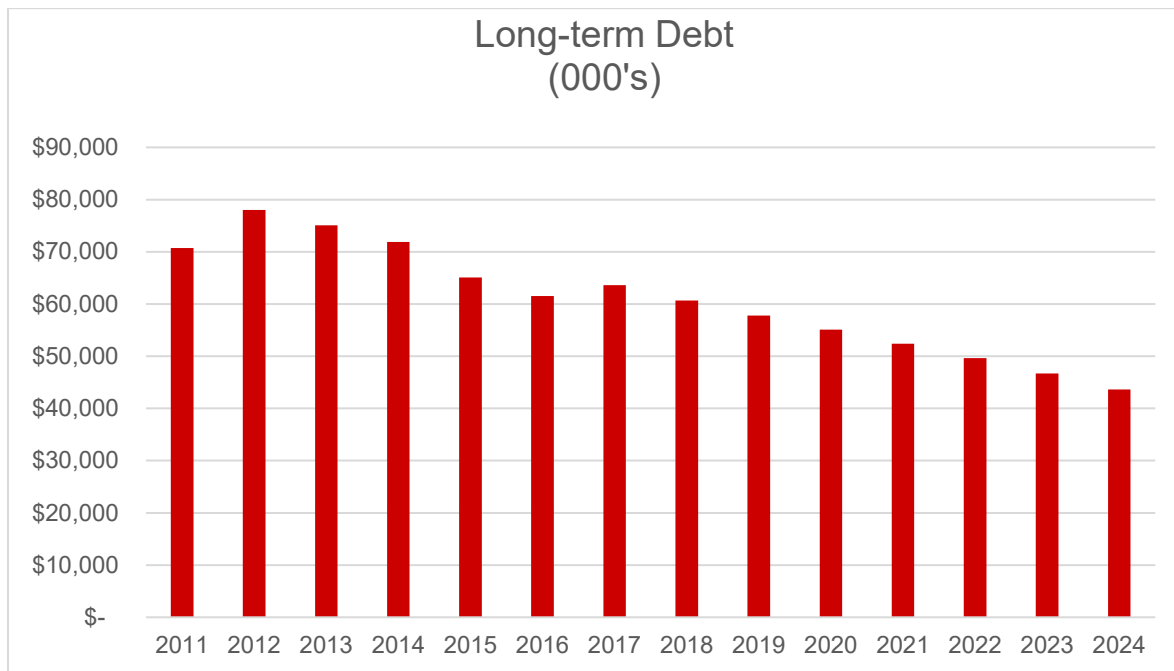
	2025	2024	Variance	% Change
Current liabilities:				
Demand loans payable (Note 6a)	\$370	\$443	(\$73)	(16.6%)
Accounts payable and accrued liabilities	10,676	7,844	2,832	36.1%
Amounts due to governments	1,800	1,694	106	6.3%
Retirement incentives	4	16	(12)	(74.5%)
Deferred revenue	26,488	30,396	(3,908)	(12.9%)
Current portion of loans payable (Note 6b)	3,067	2,976	91	3.1%
	42,405	43,369	(964)	(2.2%)
Retirement incentives	-	4	(4)	(100.0%)
Employee future benefits (Note 13)	328	557	(229)	(41.2%)
Deferred capital and other contributions (Note 7)	100,482	83,164	17,318	20.8%
Loans payable (Note 6b)	40,192	43,282	(3,090)	(7.1%)
Total liabilities and deferred contributions	183,407	170,376	13,031	7.6%
Net assets: (Note 8)				
Accumulated operating deficit	(16,257)	(17,012)	755	(4.4%)
Internally restricted	6,303	10,958	(4,655)	(42.5%)
Restricted for endowments	146,296	133,599	12,696	9.5%
Equity in capital assets	9,468	10,111	(644)	(6.4%)
	145,810	137,656	8,154	5.9%
Total liabilities, deferred contributions and net assets	\$329,217	\$308,032	\$21,185	6.9%

Current liabilities decreased by \$.9m over the prior year. The two items of notable change, as compared to 2024, are accounts payable and accrued liabilities, and deferred revenue. Accounts payable and accrued liabilities increased by \$2.8m. This increase was comprised of increases in accounts payable of \$3.2m, a decrease in accrued liabilities of \$.8m, and an increase in student dues deposits of \$.5m. The deferred revenue balance decreased by \$3.9m year over year. The three most significant changes were the reduction in the Provincial deferred maintenance grant of \$2.9m, the decrease in the computer science grant of \$.8m and the decrease in deferred revenues related to the nursing program grant of \$.3m.

Employee future benefits decreased by \$0.2m year over year. This decrease was the continued amortization of the liability from the transition to the PSSP, which is amortized over 10 years.

The total long-term debt balance was \$43.6m as of March 31, 2025, as compared to the prior year balance of \$46.7m – a decrease of \$3.1m. The University did not enter into

any additional loans in this fiscal year. The University restructured most of its outstanding debt in 2017, resulting in a consolidation to two loans, which will mature in 2037. In addition, there is an outstanding loan for the Cutten House renovation that will mature in 2029 (this loan was not part of the restructuring). The interest on the long-term debt for 2024-2025 was \$1.2m.



NET ASSETS

The accumulated operating deficit decreased by \$.8m. This change includes the operating deficit of \$.45m, which was offset by the decrease in the internally restricted balances of \$.47m and the equity in capital assets decreasing by \$.6m.

STATEMENT OF OPERATIONS (INCOME STATEMENT)

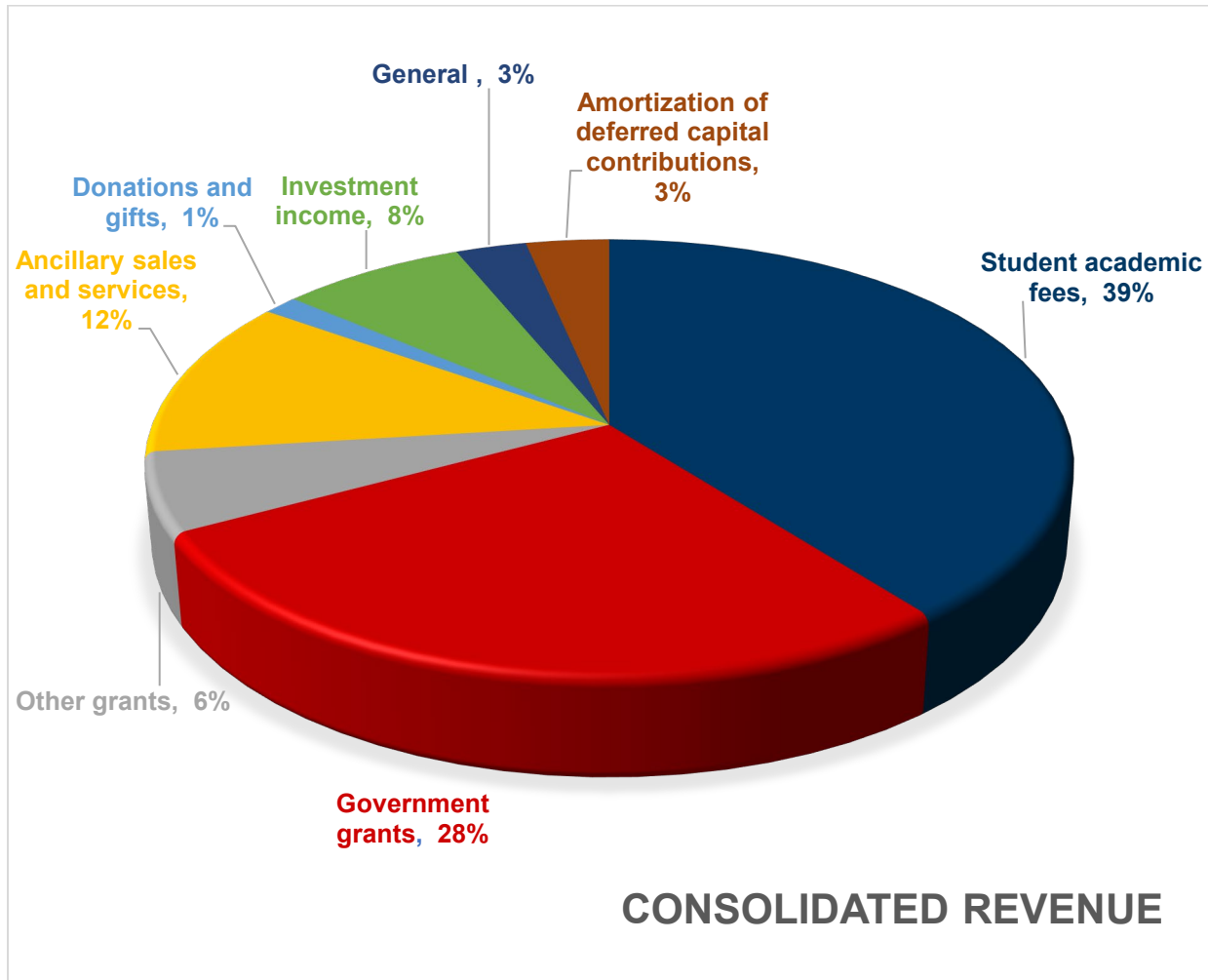
The 2024-2025 fiscal year concluded with a consolidated deficit of \$4.5m, an increase of \$4m from the prior year deficit. This deficit is the consolidated result from all the University's operations, including operating, ancillary, research, capital, and special reserves funds' activities. A breakdown by fund type can be referenced in Appendix A of the audited Financial Statements.

Total revenue increased by \$3.9m over Fiscal 2024 – an increase of 3.1%.

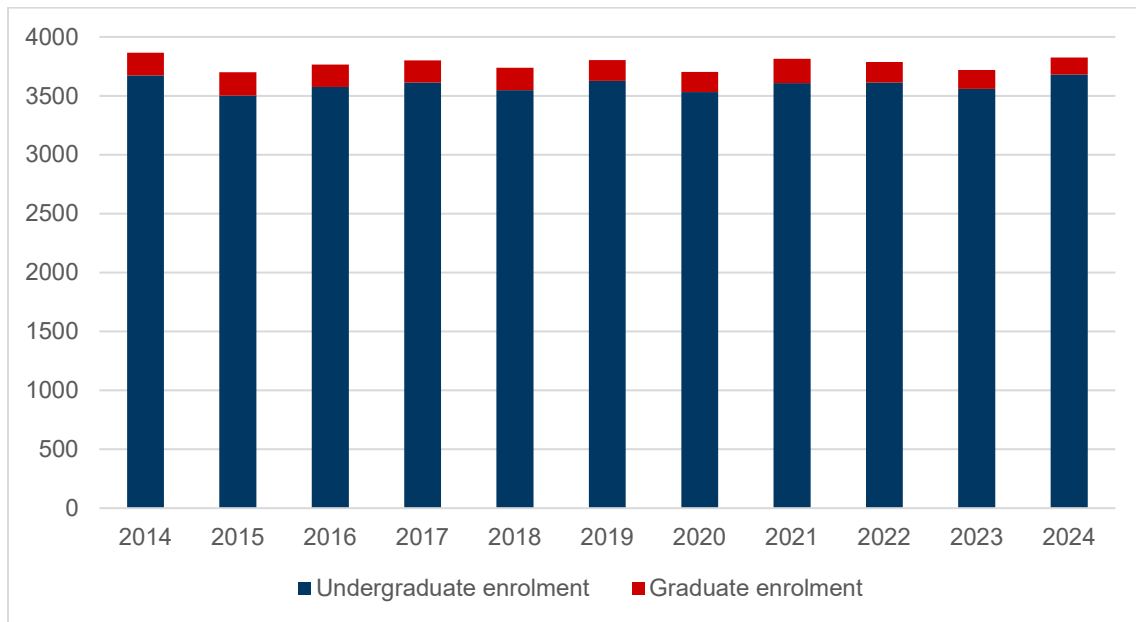
	2025	2024	Variance	% Change
Revenues:				
Student academic fees	\$50,740	\$48,116	2,624	5.5%
Government grants	35,717	36,272	(555)	(1.5%)
Other grants	7,538	7,064	474	6.7%
Ancillary sales and services	15,144	15,006	138	0.9%
Donations and gifts	1,825	1,078	747	69.3%
Investment income	9,707	10,112	(405)	(4.0%)
General	3,685	2,824	862	30.5%
Amortization of deferred capital contributions	4,342	4,352	(10)	(0.2%)
Total revenues	128,698	124,824	3,875	3.1%

Student academic fees, which are 39% of consolidated revenue, have increased by \$2.6m. This 5.5% increase primarily to a combination of: 1) an increase in non-NS domestic enrolment paired with an increase in their tuition rate by 3%, resulting in an additional \$.8m in tuition; 2) a significant increase in part-time NS tuition which more than compensated for a small reduction in NS enrolment, netting an increase of \$.6m; 3) a small increase in overall international tuition (\$.1m) – while there was a decrease in international student enrolment, it was more than compensated for by a 6% increase in international tuition rate; and 4) an increase in revenue from Open Acadia (\$.9m). Undergraduate enrolment has been flat for the last 10 years – ranging from a high of 3,673 in 2014-2015 to a low of 3,503 in 2015-2016. While we exceeded last year's

amount, it is important to note that we did not meet our budget for international students, and the increase in domestic students was not enough to compensate for the decline in international students.



The graph below provides the undergraduate and graduate full-time enrolment as of October 1, which is reported annually to the Association of Atlantic Universities (AAU).



Government grants decreased by \$.6m. The Provincial Operating Grant increased by 2% (\$0.7m). While the Provincial Operating Grant is the dominant amount in this total, there are small continuing and one-time municipal, provincial, and federal grants that fund a variety of items, including academic programs, deferred maintenance projects, student services, designated events, and scholarships. The deferred maintenance grant revenue recognized was lower by \$1.8m as this grant is intended for specific projects, and, in 2024, the grant was used to cover miscellaneous operating maintenance. The Provincial Operating grant increased by \$0.7m (net of the distribution to the Acadia Divinity College and the interest fee). The other significant increase was the Nursing program grant of \$1m to offset operating costs.

Ancillary sales and services were comparable to the prior year. There were small increases in facility and field sales, sponsorship revenue, and commission event

catering revenue. These increases were because of increases in the number of events. The University's residence occupancy provided an increase in revenue of \$0.1m from bed fee increases.

Consolidated Donations and gifts' revenue for Fiscal 2023 was \$1.8m – an increase of \$.7m from the prior year. This amount reflects the amount of non-endowed, non-capital donations that were expended on operating activities during the fiscal year. This amount can fluctuate from year to year, depending on where donors have directed their donations, the timing of spending, and whether spending is deferred maintenance or capital.

Investment income decreased by \$.4m to \$9.7m. The University's Investment income is driven by two areas. Within the operating income, the University recognized \$3.9m in interest revenue. Within the Endowment area, the University recognized \$5.5m in net investment income. The remaining \$0.3m relates to interest earned on special reserve accounts.

In Fiscal 2025, the University's External Relations team recognized \$8.4m in donations to the University. These donations have been recognized either in income (the \$1.8m in Consolidated Donations and gifts as well as the \$2.5m in Endowment Investment income) or included in Deferred capital and other contributions. These donations provide funding to activities across the University, including financial aid, research, student services, athletics, alumni activities, deferred maintenance, and capital spending.

General revenue was \$3.7m for Fiscal 2025, an increase of \$0.9m. This increase is mainly as a result of the computer science grant being recognized in the current period

in the amount of \$.8m. This revenue line includes revenue from several areas such as technology rentals, camps, Athletics revenue, service provisions, and performing arts.

In 2025, the total expenditures increased by \$11.5m (10.1%). There was a similar increase in the expenditures from 2023 to 2024. These increases are not sustainable. We must now start looking at areas for cost reductions, which is part of our sustainability project. We are also sending communications to the entire Acadia community to look closely at ways to decrease expenditures.

Expenses:	2025	2024	Variance	% Change
Salaries and wages	65,004	59,924	5,080	8.5%
Fringe benefits	10,228	9,365	862	9.2%
Pension special payments (Note 13)	177	247	(70)	(28.2%)
Supplies and materials	11,357	9,691	1,665	17.2%
Externally contracted services	11,687	11,254	433	3.8%
Amortization of capital and intangible assets	8,875	8,809	66	0.8%
Ancillary cost of goods sold	530	515	15	3.0%
Utilities	6,349	6,384	(35)	(0.5%)
Long term debt interest and other bank charges	1,315	1,623	(309)	(19.0%)
Travel	2,921	2,868	53	1.9%
Scholarships and bursaries	7,343	7,297	46	0.6%
Deferred maintenance and renovations	3,485	3,574	(90)	(2.5%)
Library acquisitions	1,241	1,236	5	0.4%
Professional fees	1,419	1,311	108	8.3%
Other	1,310	1,202	109	9.0%
Total expenses	133,241	125,300	7,942	6.3%

Salaries and wages increased by \$5.1m year over year, with wage increases for all employee types. Academic wages, including faculty, librarians and instructors, increased by \$3.0m over the prior year. This year-over-year change includes the negotiated academic grid change, academic step increases and adjustments to the AUPAT salary grid. Non-Academic salaries increased mainly in the following areas: Administrative \$1.0m; Secretarial/Clerk/Technician \$0.4m; Athletics \$0.2m; and Students \$0.2m.

Benefits and special pension payments increased by \$0.9m, and these increases relate directly to the increases in wages.

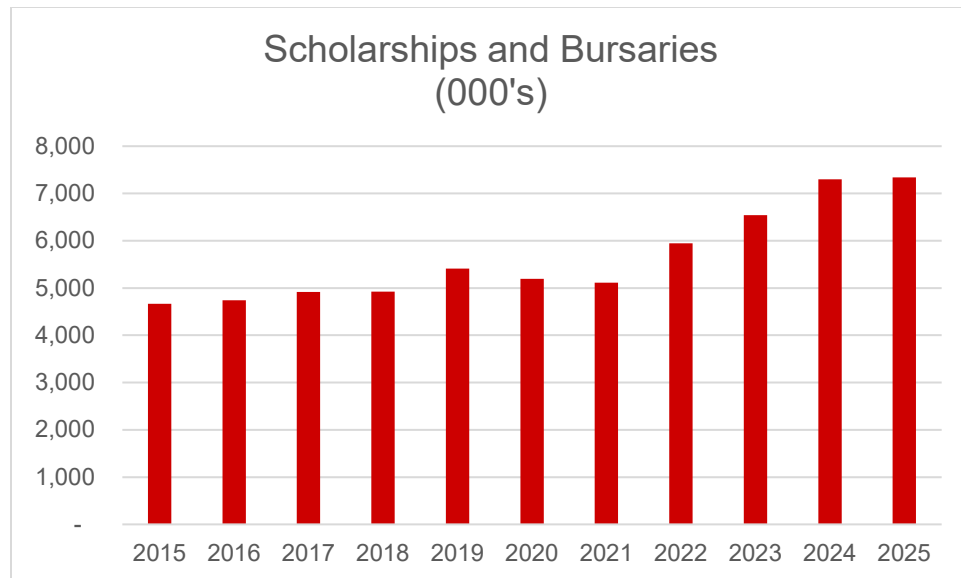
Supplies and materials increased by \$1.7m. This increase was in operations across all sectors and includes an increase in allowance for doubtful accounts of \$.5m.

Externally contracted services increased by \$0.4m. The increase was mainly in operations, specifically in academic and plant maintenance. Acadia outsources its physical plant operations to Sodexo, and this cost is the most significant in the Plant Maintenance area.

The amortization of capital and intangible assets increased slightly compared to the prior year.

Travel costs remained similar year over year.

Scholarships and bursaries expenditures increased by \$0.1m year over year to a total of \$7.3m. While the University's Excellence entrance program is funded by the Operating Fund, approximately 55% of scholarships, bursaries and awards are funded by donors and the efforts of the External Relations team.



Deferred maintenance expenditures decreased slightly year over year. This was funded primarily by the Provincial Deferred Maintenance grant, and to a lesser extent, donations and other grants.

Library acquisitions remained consistent with prior years. Professional fees increased by \$0.1m over the prior year. This mainly represented increases in audit and legal fees.

The full Statement of Operations is following on the next page. The Schedule of Operations by Fund – Schedule A – has been provided for reference at the end of this report.

Acadia University
Statement of Operations
Year Ended March 31, 2025
With Comparative Figures for March 31, 2024
 (thousands of dollars)

	2025	2024	Variance	% Change
Revenues:				
Student academic fees	\$50,740	\$48,116	2,624	5.5%
Government grants	35,717	36,272	(555)	(1.5%)
Other grants	7,538	7,064	474	6.7%
Ancillary sales and services	15,144	15,006	138	0.9%
Donations and gifts	1,825	1,078	747	69.3%
Investment income	9,707	10,112	(405)	(4.0%)
General	3,685	2,824	862	30.5%
Amortization of deferred capital contributions	4,342	4,352	(10)	(0.2%)
Total revenues	128,698	124,824	3,875	3.1%
Expenses:				
Salaries and wages	65,004	59,924	5,080	8.5%
Fringe benefits	10,228	9,365	862	9.2%
Pension special payments (Note 13)	177	247	(70)	(28.2%)
Supplies and materials	11,357	9,691	1,665	17.2%
Externally contracted services	11,687	11,254	433	3.8%
Amortization of capital and intangible assets	8,875	8,809	66	0.8%
Ancillary cost of goods sold	530	515	15	3.0%
Utilities	6,349	6,384	(35)	(0.5%)
Long term debt interest and other bank charges	1,315	1,623	(309)	(19.0%)
Travel	2,921	2,868	53	1.9%
Scholarships and bursaries	7,343	7,297	46	0.6%
Deferred maintenance and renovations	3,485	3,574	(90)	(2.5%)
Library acquisitions	1,241	1,236	5	0.4%
Professional fees	1,419	1,311	108	8.3%
Other	1,310	1,202	109	9.0%
Total expenses	133,241	125,300	7,942	6.3%
Excess of expenses over revenues	\$(4,543)	\$(476)	(4,068)	854.5%

INTERNAL MANAGEMENT FINANCIAL REPORT

As the University completes the 2025 fiscal year, the financial results fell short of the 2025 budget and the previous year.

Statement of Operations
Year Ended March 31, 2025
(thousands of dollars)

	YTD Budget*	YTD Actuals	Variance	% Change	Year End Forecast at Q3	YTD Actuals	Variance	% Change
Revenues:								
Student academic fees	51,566	50,740	(826)	(2%)	50,490	50,740	250	0%
Government grants	36,000	35,717	(283)	(1%)	36,923	35,717	(1,206)	(3%)
Other grants	6,330	7,538	1,208	19%	6,330	7,538	1,208	19%
Ancillaries sales and services	14,660	15,144	484	3%	14,505	15,144	639	4%
Donations and gifts	4,029	1,825	(2,204)	(55%)	4,029	1,825	(2,204)	(55%)
Investment income	9,480	9,707	227	2%	8,703	9,707	1,004	12%
General	2,004	3,685	1,681	84%	2,507	3,685	1,178	47%
Amortization of deferred capital contributions	4,171	4,342	171	4%	4,171	4,342	171	4%
Total Revenues	128,240	128,698	458	0%	127,658	128,698	1,040	1%
Expenses:								
Salaries and wages	60,669	65,004	(4,335)	(7%)	64,487	65,004	(517)	(1%)
Fringe benefits	9,902	10,228	(326)	(3%)	10,133	10,228	(95)	(1%)
Pension special payments	-	177	(177)		-	177	(177)	
Supplies and materials	10,121	11,357	(1,236)	(12%)	10,830	11,357	(527)	(5%)
Externally contracted services	13,114	11,687	1,427	11%	12,384	11,687	697	6%
Amortization of capital assets	8,853	8,875	(22)	(0%)	8,853	8,875	(22)	(0%)
Cost of goods sold	493	530	(37)	(8%)	809	530	279	34%
Utilities	6,115	6,349	(234)	(4%)	6,380	6,349	31	0%
Long-term debt interest	1,450	1,315	135	9%	1,474	1,315	159	11%
Travel	3,319	2,921	398	12%	2,682	2,921	(239)	(9%)
Scholarships and bursaries	6,572	7,343	(771)	(12%)	7,294	7,343	(49)	(1%)
Deferred maintenance and renovations	1,735	3,485	(1,750)	(101%)	3,083	3,485	(402)	(13%)
Library acquisitions	1,184	1,241	(57)	(5%)	1,136	1,241	(105)	(9%)
Professional fees	1,275	1,419	(144)	(11%)	1,392	1,419	(27)	(2%)
Other	1,318	1,310	8	1%	1,373	1,310	63	5%
Total expenses	126,120	133,241	(7,125)	(6%)	132,310	133,241	(935)	(1%)
Excess of revenues over expenses (expenses over revenues)	2,120	(4,543)	(6,663)	(314%)	(4,652)	(4,543)	109	(2%)

As of March 31, 2025, total revenue for the University is \$128.7m as compared to the budget of \$128.2m and forecast of \$127.7m. While the actual revenue was slightly ahead of both the budget and forecast, it was the total expenses that caused the large negative variance in the bottom line. The comparison of budget to actual and, in some cases, actual to forecast proved challenging, as the previous year's statements were in a different format. Where it is possible, we have provided commentary for the discrepancies. We have focused on the largest variance amounts and, for the most

part, have described variances from the forecast to actual. For several account classifications, the forecast was a year-to-date general ledger extraction as of the middle of March. It is natural for the amounts to change once all final invoices and adjustments are in for year-end.

Year-end student academic fee revenue was \$0.8m lower than budget, but \$0.25m higher than the Q3 Forecast. International enrolment for the year was lower than budgeted, but the difference was partially offset by an increase in domestic enrolments. The variance from the Q3 forecast was due to newly billed academic fees late in Q4 after the production of the forecast.

The following chart provides a comparison of full-time enrolment (9 credit hours and greater) for the 2023-2024 year, the 2024-2025 Budget, and actual enrolments as of December 1, 2024, and March 1, 2025.

As of December 1 Level	Actual 2023	Budget 2024	Actual 01-Dec
1	1,091	1,185	1,094
2	876	851	827
3	733	759	768
4	533	591	582
5	248	251	187*
Total	3,481	3,637	3,458
Loss between terms	97	98	83
March 1st	3,384	3,539	3,375
Average	3,433	3,588	3,417
* B.Ed. counted in Level 5 – the B.Ed. switched to all 16-month, reducing the number on Dec 1 by 1 cohort (approx. 60 students)			

Government grants were under the forecasted amount by \$1.2m. The forecast for Government grants included some computer science programming revenue that is traditionally reported as part of General revenue and had inflated the forecast value.

Government grants have also fallen short of the forecast as well as prior year value due to a reduction in the amount of revenue that has been recognized on eligible deferred maintenance spending (i.e. utilization of the provincial deferred maintenance grant).

Other Grants is an example of revenue where the new Finance team did not fully understand the impact of all the year-end entries. The forecasted value was simply what was booked in the system at the time of creating the forecasted financials. The rationale we believed at the time was that the revenue was made up of research grants that are recognized as expenses as incurred and result in a zero bottom-line impact; therefore, no adjustments would need to be made.

Like Other Grants, the forecast for donations and gifts was simply based on what the finance information system was showing at the time the forecast was prepared. This revenue line is mostly driven by restricted special reserve activity, which means revenue is recognized as expenses are incurred. There is an additional factor at play, which is that the forecast value did not appropriately reflect the way transfers from the endowment fund would impact (decrease) this revenue line.

The forecast for investment income was conservative for both interest income as well as the amount recognized for the endowment adjustment. The adjustment for the endowment entry was higher by approximately \$.3m. The variance related to interest was about \$.7m higher than the forecast.

The single largest variance within General revenue relates to computer science programming revenues, which increased over the prior year by approximately \$.6m. In the forecast column, this value was combined into the Government grants line and is partially why the actual fell short of the forecasted amount.

As of March 31, 2025, total spending for the University is \$133.2m as compared to the budget of \$126.1m (a variance of \$7.1m) and the forecast of \$132.3m (a positive variance \$.1m)

The largest variance in the expenses relates to salaries and wages. This expense was \$4.3m over budget and close to the forecast, as we had better information when the forecast was prepared. The main drivers for the budget variance were the wage adjustments for the AUFA members retroactive to July 1, 2024. This added approximately \$1m to the actuals. Other factors were unbudgeted step increases and rank progression, along with some new hires.

Fringe benefits increased because of increased wages.

Supplies and materials were higher than budget by \$1.2m and forecast by \$.5m. This increase was in operations across all sectors and includes an increase in allowance for doubtful accounts of \$.5m. This adjustment to the allowance would explain the variance from the forecast to actual, as this entry is booked at year end.

Some savings were realized in externally contracted services. Acadia beat its budget by \$1.4m and its forecast by \$.7m. This is an example of an account where the budgeted details were not evident. The contract for physical plant services makes up the largest share of this line. There was a small decrease in total billings for physical plant between 2024 and 2025. There have also been greater departmental allocations of physical plant bills to departmental expenses accounts (making up other expense lines such as supplies and materials) than was estimated when the forecast was prepared.

The forecast value for cost of goods sold lacks an adjustment that was booked during the year-end process, related to internal vs external sales/revenue transactions. In the forecast, this adjustment was made to the supplies and materials line instead of the cost of goods sold line. The large percentage variance would not have existed had the adjustment been placed on the appropriate line.

Interest on long-term debt was under forecast because of unanticipated adjustments through the hedging arrangement, which reduced the overall cost of debt in the current fiscal year.

The forecast for Travel was too light. Assumptions were made about the amount of travel expenses that had been processed and the amount yet to be submitted by departments. The final value ended within a reasonable range of the prior period's expense.

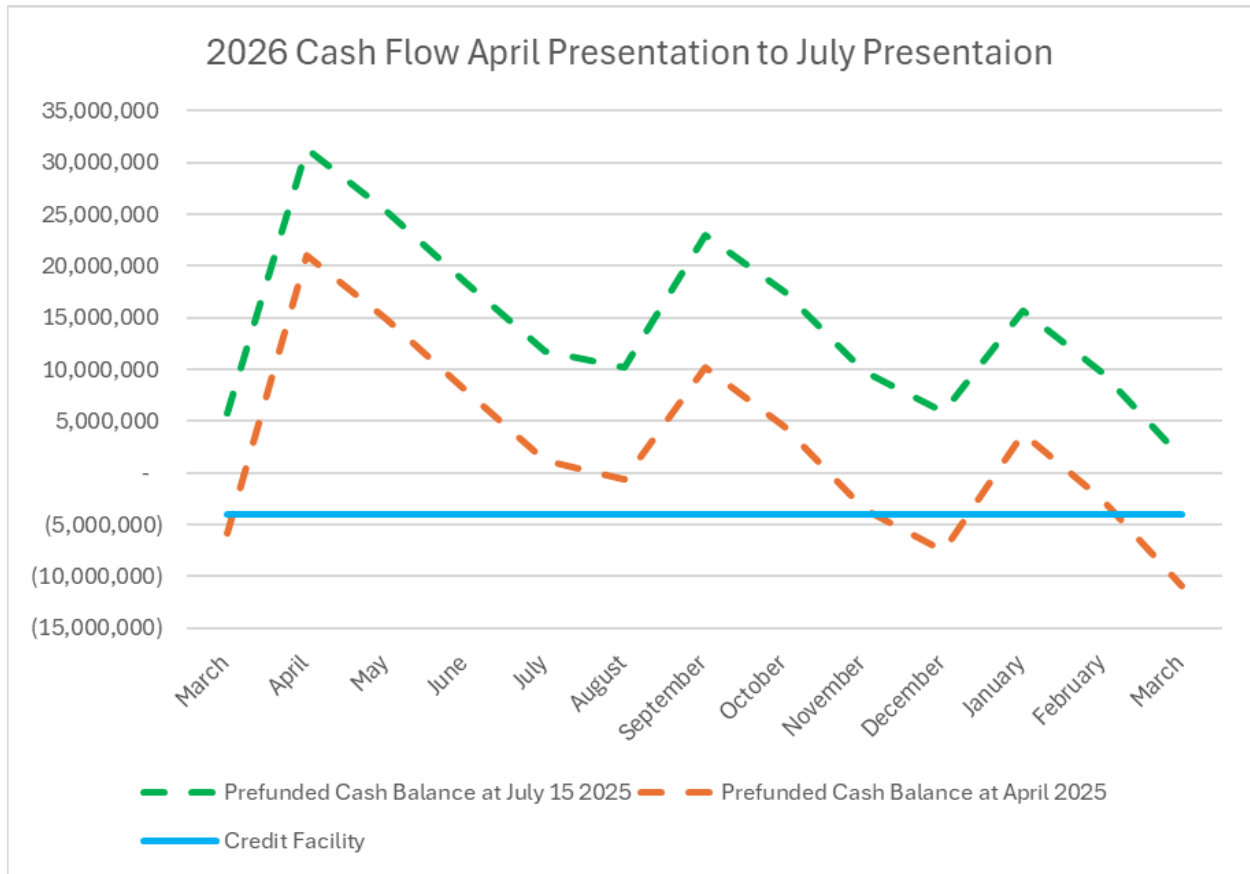
University scholarships and bursaries are above budget by \$0.7m and close to the forecast. Yearly, the total expenses for scholarships and bursaries will vary due to changes in the number of awards and award values, which are mainly tied to the entering grade averages of incoming students.

Finally, the deferred maintenance and renovation line was over budget and forecast by \$1.7m and \$.4m respectively. Our actual maintenance and renovation spending has been spread over multiple lines of the financial statements; in total, the variance in this spending was roughly \$.36m over budget. The overage against the forecast can be explained, as this was an account that the estimated forecast for year-end was calculated using the values that were in the system in mid-March. Naturally, when the year-end adjustments were made, this balance increased.

CASH FLOW

Opening cash flow has improved from previous presentations, as during the preparation of year-end financial statements, it was determined that approximately \$11m of deferred revenue previously deducted from cash should remain, as these amounts related to deferrals of current operating cash items. These amounts are made up of the various categories of deferred tuition and residence fees.

The University made \$4.8m in reversals of year-end appropriations. A year-end appropriation is an entry that enables the organization to set aside funds for a particular purpose(s) from the year-end surplus generated by the non-profit. These are often made to support capital expenditures, projects, or specific one-time costs in a future period.



NURSING

Below is the information for the audit certificate prepared to show nursing-related revenue and expenditure activities in 24-25. Providing this certificate has satisfied the grant requirements for the 2025 fiscal year.

Acadia University Schedule of Nursing Program Revenue and Expenditures

Year ended March 31, 2025

	<u>2025</u>	<u>2024</u>
Revenues		
Grant from the Province of Nova Scotia	\$ 1,849,000	\$ 1,915,811
Interest	19,719	-
	<u>1,868,719</u>	<u>1,915,811</u>
Expenditures		
Cape Breton University resources	884,109	172,691
Capital equipment and renovations	889,612	602,136
Library resources	47,207	33,621
Equipment	145,203	46,618
Office supplies	34,375	728
Travel	8,040	1,810
Faculty and staff	107,026	-
Student teaching assistants	775	2,133
	<u>2,116,347</u>	<u>859,737</u>
(Deficit) surplus of revenue over expenses	(247,628)	1,056,074
Balance carried forward from prior year	1,056,074	-
Unspent funding carried forward	<u>\$ 808,446</u>	<u>\$ 1,056,074</u>

Schedule A

	Operating/ Ancillary Operations	Special Reserves	Research	Endowment	Capital	2025 Total	2024 Total	Variance
Revenues:								
Student academic fees	\$50,740	\$ -	\$ -	\$ -	\$ -	\$50,740	\$48,116	\$2,624
Government grants	35,717	-	-	-	-	35,717	36,272	(555)
Other grants	-	-	7,538	-	-	7,538	7,064	474
Ancillary sales and services	15,144	-	-	-	-	15,144	15,006	138
Donations and gifts	186	1,639	-	-	-	1,825	1,078	747
Investment income	3,877	297	-	5,533	-	9,707	10,112	252
General	2,948	486	251	-	-	3,685	2,824	862
Amortization of deferred capital contribution	-	-	-	-	4,342	4,342	4,352	(10)
Total Revenue	108,612	2,422	7,789	5,533	4,342	128,698	124,824	4,532
Expenses:								
Wages - academic	32,853	138	447	-	-	33,438	30,726	2,712
Wages - academic other	4,070	318	3,609	-	-	7,997	7,288	709
Wages - other	23,438	84	47	-	-	23,569	21,910	1,660
Total salaries and wages	60,361	540	4,103	-	-	65,004	59,924	5,080
Fringe benefits	9,818	59	351	-	-	10,228	9,365	862
Pension special payments	177	-	-	-	-	177	247	(70)
Supplies and materials	9,419	948	990	-	-	11,357	9,691	1,665
Externally contracted services	10,377	53	1,257	-	-	11,687	11,254	433
Amortization of capital and intangible assets	-	-	-	-	8,875	8,875	8,809	66
Ancillary cost of goods sold	530	-	-	-	-	530	515	15
Utilities	6,346	3	-	-	-	6,349	6,384	(35)
Long term debt interest and other bank charges	1,315	-	-	-	-	1,315	1,623	(309)
Travel	1,915	203	803	-	-	2,921	2,868	53
Scholarships and bursaries	6,005	1,338	-	-	-	7,343	7,297	46
Deferred maintenance and renovations	3,141	344	-	-	-	3,485	3,574	(90)
Library acquisitions	1,165	76	-	-	-	1,241	1,236	5
Professional fees	704	-	-	715	-	1,419	1,311	108
Other	1,062	-	248	-	-	1,310	1,202	109
Total expenses	112,335	3,564	7,752	715	8,875	133,241	125,300	7,942
Excess of revenues over expenses (expenses over revenues)	\$(3,723)	\$(1,142)	\$37	\$4,818	\$(4,533)	\$(4,543)	\$(476)	\$(3,410)

15 University Avenue, Wolfville, Nova Scotia, B4P 2R6, Canada