
Financial statements of St. Francis Xavier University

March 31, 2023

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Independent Auditor's Report

To the Board of Governors
St. Francis Xavier University

Opinion

We have audited the financial statements of St. Francis Xavier University (the "University"), which comprise the statement of financial position as at March 31, 2023, 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the University as at March 31, 2023, and its financial performance 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 ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the 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.

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.

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 GAAS 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 GAAS, 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 University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

Deloitte LLP

Chartered Professional Accountants
June 16, 2023

St. Francis Xavier University
Statement of financial position
As at March 31, 2023

	Notes	2023 \$	2022 \$
Assets			
Cash		14,320,860	17,124,045
Short-term investments		36,183,166	975,659
Accounts receivable	3 and 15	18,040,209	6,696,847
Inventories and other assets		1,651,799	1,111,898
		70,196,034	25,908,449
Accrued pension benefit asset	6	2,171,800	3,918,400
Investments	4	184,183,487	184,018,565
Tangible capital assets	5	236,565,411	243,302,608
		493,116,732	457,148,022
Liabilities			
Accounts payable and accruals	15	21,446,948	9,148,446
Current portion of long-term debt	10	5,887,988	5,736,440
Deferred revenue		7,117,459	10,420,052
		34,452,395	25,304,938
Other employee future benefits	7	5,828,347	5,664,902
Deferred revenue other - restricted	11	44,056,454	43,818,960
Deferred revenue capital - restricted	11	164,516,559	123,965,395
Long-term debt	10	75,278,219	81,250,739
		324,131,974	280,004,934
Net assets			
Fund balances		168,984,758	177,143,088
		493,116,732	457,148,022

The accompanying notes are an integral part of the financial statements.

St. Francis Xavier University
Statement of operations
Year ended March 31, 2023

	Operating fund	Restricted fund	Capital fund	2023 Total funds	2022 Total funds
Schedules & Notes	\$	\$	\$	\$	\$
Revenue					
SCH 1					
Tuition and fees	53,541,084	—	—	53,541,084	54,012,098
Government grants	39,093,960	—	—	39,093,960	38,678,956
Endowment and other	24,566,697	2,255,021	—	26,821,718	10,675,458
Sponsored research funds	—	9,471,307	—	9,471,307	7,144,195
Ancillary enterprises	28,291,734	—	—	28,291,734	23,939,509
Amortization of deferred revenue	—	—	5,961,131	5,961,131	5,674,406
	145,493,475	11,726,328	5,961,131	163,180,934	140,124,622
Expenditure					
SCH 2					
Instruction and non-sponsored research	58,354,786	—	—	58,354,786	53,957,184
Information technology services	4,630,292	—	—	4,630,292	4,014,469
Library	3,045,802	—	—	3,045,802	2,985,769
Student services	13,346,267	—	—	13,346,267	12,256,577
Advancement	4,041,359	—	—	4,041,359	3,530,262
Administration and general	5,509,854	—	—	5,509,854	5,454,557
Facilities management	11,123,516	—	—	11,123,516	9,812,218
Sponsored research	—	9,471,307	—	9,471,307	7,144,195
Other	14,663,908	2,255,021	—	16,918,929	2,495,281
Ancillary enterprises	27,299,902	—	—	27,299,902	24,080,197
Amortization expense	—	—	12,226,649	12,226,649	12,723,153
	142,015,686	11,726,328	12,226,649	165,968,663	138,453,862
(Deficit) surplus before undernoted	3,477,789	—	(6,265,518)	(2,787,729)	1,670,760
Coady Institute surplus	2,622	—	—	2,622	1,136
(Deficit) surplus	3,480,411	—	(6,265,518)	(2,785,107)	1,671,896

The accompanying notes are an integral part of the financial statements.

St. Francis Xavier University
Statement of cash flows
Year ended March 31, 2023

	Schedules & Notes	2023 \$	2022 \$
Operating activities			
(Deficit) surplus		(2,785,107)	1,671,896
Amortization		12,226,649	12,723,153
Deferred revenue amortization		(5,961,131)	(5,674,406)
Change in other employee future benefits		163,445	(525,132)
Change in accrued pension benefit asset		1,746,600	(812,900)
Pension remeasurement and settlement		(1,562,500)	1,271,100
Development program transfer	SCH 5	(1,088,274)	42,171
Net change in deferred revenue other - restricted	11	237,494	24,349,245
Net change in non-cash working capital	14	(2,887,354)	(1,326,992)
		89,822	31,718,135
Investing activities			
Tangible capital asset acquisitions, net of disposals		(5,489,452)	(6,270,266)
Investment disposals		9,468,600	8,773,075
Investment acquisitions		(14,721,801)	(12,332,668)
		(10,742,653)	(9,829,859)
Financing activities			
Donations for investments acquisitions	SCH 5	2,365,830	7,124,438
Change in deferred revenue capital - restricted	11	46,512,295	7,622,313
Decrease in bank loans		—	(13,998,999)
Repayments of long-term debt		(5,820,972)	(5,507,590)
		43,057,153	(4,759,838)
Net cash inflow		32,404,322	17,128,438
Cash, beginning of year		18,099,704	971,266
Cash, end of year		50,504,026	18,099,704
Cash is comprised of			
Cash		14,320,860	17,124,045
Short-term investments		36,183,166	975,659
		50,504,026	18,099,704

The accompanying notes are an integral part of the financial statements.

St. Francis Xavier University
Statement of changes in fund balances
Year ended March 31, 2023

	Schedules & Notes	Operating fund \$	Capital fund \$	Endowment fund \$	2023 Total funds balance \$	2022 Total funds balance \$
Balance, beginning of year		(11,471,941)	3,353,036	185,261,993	177,143,088	155,659,231
Transactions during the year						
Bequests and donations		—	—	2,365,830	2,365,830	7,124,438
Unendowed funds		—	—	(43,393)	(43,393)	(138,312)
Reinvested earnings		—	—	289,729	289,729	498,569
Dividends and interest income		—	—	4,089,399	4,089,399	4,464,066
Realized gains		—	—	16,347,727	16,347,727	7,411,555
Unrealized (loss) gains		—	—	(16,346,534)	(16,346,534)	7,773,137
Withdrawals and management expense		—	—	(9,425,207)	(9,425,207)	(8,634,763)
Development program - net	SCH 5	—	(1,088,274)	—	(1,088,274)	42,171
Pension remeasurement	6 and 7	(1,562,500)	—	—	(1,562,500)	1,271,100
(Deficit) surplus		3,480,411	(6,265,518)	—	(2,785,107)	1,671,896
Transfer from operating to cover capital		(6,265,518)	6,265,518	—	—	—
Balance, end of year		(15,819,548)	2,264,762	182,539,544	168,984,758	177,143,088

The accompanying notes are an integral part of the financial statements.

1. Description

St. Francis Xavier University (the "University" or "St. F.X.") was established in 1853. The University has all the powers, rights and privileges ordinarily enjoyed or exercised by universities, including the powers conferred by Chapter 29 of the Acts of Nova Scotia, 2014, and legal amendments since, entitled "St. Francis Xavier University Act".

St. F.X. is primarily an undergraduate institution of approximately 4,200 students located in Antigonish, a northeastern Nova Scotia community. The University offers major, advanced major and honors programs through departments in its Faculties of Arts, Science, Business and Education. Approximately 50% of the student body is from Nova Scotia, and the remainder is welcomed from other Canadian provinces and from countries around the world.

The University is a not-for-profit organization and, as such, is exempt from income taxes under the Income Tax Act (Canada).

2. Significant accounting policies

The financial statements of the University are prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook applied within the framework of the accounting policies summarized below.

Fund accounting and revenue recognition

The University maintains its accounts in accordance with the fund accounting method. This method observes limitations, if any, on the use of University resources by maintaining separate accounts for each fund. Fund accounts are further classified as either unrestricted or restricted funds.

The unrestricted Operating Fund accounts include those resources over which the University's Board of Governors has sole authority and which are expendable for any purposes in the fulfilment of the University's objectives.

The restricted funds, consisting of the Research Fund, Capital Fund and Endowment Fund, account for those resources made available to the University by outside organizations and individuals, by way of grants, service contracts or gifts. These resources, although expendable in the course of normal operations, are restricted as to use by the outside party. These restricted funds also include expendable amounts restricted as to use by action of the University's Board of Governors.

The University uses the deferral method of accounting for revenue with the multi-column format. The method includes deferring restricted revenues to future accounting periods and recognizing in the period that the related expenditure is incurred. Contributions for capital purchases are deferred and recognized as revenue on the same basis as the acquired capital asset is amortized.

Endowment contributions are recognized directly in net assets.

Pledged contributions are recorded when received.

Student academic fees and ancillary revenue are recognized when the services are provided or the goods are sold and collection is reasonably assured. The University recognizes unrestricted revenue when persuasive evidence of an arrangement exists, delivery has occurred, the price to the buyer is fixed or determinable and collection is reasonably assured.

Cash

Cash includes cash on hand, cash on deposit with financial institutions and amounts drawn on the University's lines of credit. Use of the University's bank loans are considered to be financing activities on the statement of cash flows.

2. Significant accounting policies (continued)

Inventories

Inventories are recorded at the lower of cost and net realizable value. The cost of inventory is determined using the weighted average method. Net realizable value is the estimated selling price less the estimated cost of completion and the estimated costs necessary to make the sale.

Tangible capital assets

Purchased tangible capital assets including collections are recorded at cost. Contributions of capital assets and collection items are capitalized at their fair value at the date of contribution. Tangible capital assets are amortized on a straight-line basis over their useful lives as follows:

	Years
Buildings	40
Building renovations and betterments	10-20
Equipment and furnishings	5-10
Library books	10
Motor vehicles	3.5
Paving	8
Asset under capital lease	5

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

Pension plans

The University recognizes defined benefit obligations as employees render services giving them the right to earn the pension benefit. The defined benefit obligation at the statement of financial position date is determined using the most recent actuarial valuation report prepared for funding purposes.

The University recognizes in its statement of financial position the defined benefit obligation less the fair value of the plan assets, adjusted for any valuation allowance in the case of a net defined benefit asset. The plan cost for the year is recognized in the Operating Fund in the statement of operations.

Re-measurements and other items are recognized in the statement of changes in fund balances in the year in which they occur.

Other employee future benefits

The cost of employee future benefits, other than pension, earned by employees is determined using the most recent actuarial valuation report prepared for accounting purposes as at the date of the statement of financial position.

The University recognizes in the statement of financial position, the defined benefit obligation adjusted for re-measurement and other items.

Re-measurements and other items are recognized in the statement of changes in fund balances in the year in which they occur.

2. Significant accounting policies (continued)

Use of estimates

The preparation of the financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported assets and liabilities and the reported amounts of revenue and expenses for the period then ended. Significant estimates used in these financial statements include allowance for doubtful accounts, useful lives for the amortization of tangible capital assets, deferred revenue, the fair value of investments and the valuation of obligations for pension plans, other employee future benefits and certain accruals. Actual results could materially differ from those estimates.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and subsequently at amortized cost, with the exception of short-term investments and investments which are measured at fair value.

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

For financial assets measured at cost or amortized cost, the University determines whether there are indications of possible impairment. When there is an indication of impairment, and the University determines that a significant adverse change has occurred during the period in the expected timing of amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Hedge accounting

Certain derivative financial instruments held by the University are eligible for hedge accounting. To be eligible for hedge accounting, an instrument has to meet generally accepted criteria with respect to identification, designation, documentation and effectiveness of the hedging relationship. In the event that the interest rate swap agreement is terminated or ceases to be effective in part or in whole prior to maturity of debt any associated realized or unrealized gain or loss is recognized in deficit or surplus. In the event that the designated debt is extinguished or matures prior to the termination of the related interest rate swap agreement any realized or unrealized gain or loss is recognized in deficit or surplus.

3. Accounts receivable

	2023	2022
	\$	\$
Accounts receivable - students	2,145,830	2,851,030
Accounts receivable - general (Note 15)	14,664,301	2,040,463
Accounts receivable - internally restricted	1,530,078	2,105,354
Allowance for doubtful accounts - students	(300,000)	(300,000)
	18,040,209	6,696,847

4. Investments

	2023	2022
	\$	\$
Pooled funds, market value - Endowment Fund, restricted	181,108,317	180,635,926
Pooled funds, market value - Endowment Fund, unrestricted	3,075,170	3,382,639
	184,183,487	184,018,565

5. Tangible capital assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
	\$	\$	\$	\$
Land	4,411,829	—	4,411,829	4,411,829
Buildings	368,999,298	153,614,537	215,384,761	221,564,445
Equipment and furnishings	56,715,503	40,266,202	16,449,301	16,915,884
Equipment under capital lease	421,713	421,713	—	84,343
Library books	5,133,365	4,899,853	233,512	270,517
Motor vehicles	717,890	631,882	86,008	55,590
	436,399,598	199,834,187	236,565,411	243,302,608

6. Pension plans

The University maintains one defined benefit pension plan and one defined contribution plan for its employees.

The most recent actuarial valuation of the defined benefit pension plan for funding purposes was as of December 31, 2019. The next required valuation for the pension plan will be as of December 31, 2022 and is in the process of being completed.

The accrued benefit obligation as at March 31, 2023 was measured by extending the measurement period by 39 months from the most recent December 31, 2019 funding valuation.

It is the policy of the University to ensure the defined benefit plan is funded in compliance with all legislative and regulatory requirements per the Superintendent of Pensions.

Information about the defined benefit plan is as follows:

	2023	2022
	\$	\$
Fair value of plan assets	29,587,500	30,331,000
Accrued benefit obligation	27,415,700	26,412,600
Accrued pension benefit asset	2,171,800	3,918,400

The University recorded a re-measurement loss of \$1,866,400 (gain of \$778,100 in 2022) relating to the defined benefit plan in the Statement of changes in fund balances.

6. Pension plans (continued)

Employer and employee contributions to the defined benefit plan were \$377,957 (\$398,597 in 2022) and \$223,643 (\$235,856 in 2022) respectively for the year ended March 31, 2023.

Employer and employee contributions to the defined contribution plan were \$4,588,178 (\$4,426,372 in 2022) and \$3,117,257 (\$2,886,548 in 2022) respectively for the year ended March 31, 2023.

7. Other employee future benefits

The University's recorded employee future benefits obligation, other than pension, is comprised of amounts accrued for non-funded post-retirement benefits for certain employees and future benefits earned by the President of the University under his employment contract as well as senior administration under their employment contracts.

The University recorded a re-measurement gain of \$303,900 (gain of \$493,000 in 2022) in the statement of changes in fund balances.

8. Development program (Schedule 5)

A program has been established to accumulate gifts arising from the University's development program. The purpose of the development program is to enrich endowment funds and provide funds for university projects.

9. Bank loans

The University has an operating line of credit with the Bank of Nova Scotia for \$15,000,000 with interest payable at the bank's prime rate. The amount drawn on the operating line of credit as of March 31, 2023, was nil (nil in 2022).

The University also has a capital line of credit with the Bank of Nova Scotia for \$20,000,000 to be used for interim financing for the Xaverian Commons project. The capital line of credit has interest payable at the bank's prime rate. The amount drawn on capital short term loan facilities as of March 31, 2023, was nil (nil in 2022).

St. Francis Xavier University
Notes to the financial statements
March 31, 2023

10. Long-term debt

	2023	2022
	\$	\$
Bank of Montreal 25 year SWAP - 3.22%, average monthly repayments of \$84,400, due October 3, 2039 (O'Regan and Riley)	23,624,692	24,726,793
Bank of Montreal 25 year SWAP - 5.93%, average monthly repayments of \$60,426, due September 2, 2031 (Governors Hall Construction)	9,423,461	10,275,279
Bank of Nova Scotia 15 year SWAP - 3.49%, average monthly repayments of \$33,302, due November 24, 2032 (Academic Renovations)	5,218,212	5,661,732
Manulife 18.5 year loan - 4.47%, average monthly repayments of \$28,578, due July 1, 2034 (ESCO Project)	10,084,946	10,561,295
Bank of Nova Scotia 15 year SWAP - 2.59%, average monthly repayments of \$48,617, due January 2, 2032 (Mount St. Bernard & nursing Department)	6,350,205	6,981,940
Bank of Montreal 15 year SWAP - 4.66%, average monthly repayments of \$90,075, due December 1, 2032 (Refinanced Residence Mortgages)	15,690,330	16,933,076
Bank of Nova Scotia 15 year SWAP - 3.54%, average monthly repayments of \$66,970, due February 9, 2033 (Unfunded projects)	10,774,361	11,750,645
Obligations under Cisco capital lease - non-interest bearing, annual repayment of \$96,419, due July 11, 2023 (Wireless project)	—	96,419
	81,166,207	86,987,179
Less: current portion	5,887,988	5,736,440
	75,278,219	81,250,739

10. Long-term debt (continued)

The minimum principal repayments of long-term debt for the next five fiscal years ending March 31 are as follows:

	\$
2024	5,887,988
2025	6,156,695
2026	6,433,122
2027	6,720,773
2028	7,021,340
	<u>32,219,918</u>

The University has entered into three interest rate swaps with the Bank of Montreal to which hedge accounting is applied. The swaps are used to hedge the University's exposure to interest rate risk related to long-term debt bearing interest at the prevailing Canadian Dollar Offer Rate plus the applicable credit spread. Under the swaps, the University receives interest at the prevailing Canadian Dollar Offer Rate and pays interest at a fixed rate ranging from 2.82% to 5.38%. The swaps provide for the net settlement of interest received and paid.

The University has entered into three interest rate swaps with the Bank of Nova Scotia to which hedge accounting is applied. The swaps are used to hedge the University's exposure to interest rate risk related to long-term debt bearing interest at the BA Rate. Under the swaps, the University receives interest at the BA Rate and pays interest at a fixed rate ranging from 1.84% to 2.79%. The swaps provide for the net settlement of interest received and paid.

11. Deferred revenue – restricted

Restricted deferred revenue represents the donations, grants and revenues received for specified purposes. The changes in the deferred revenue restricted balance are as follows:

	2023 \$	Change \$	2022 \$
Endowment fund	8,845,558	548,511	8,297,047
Restricted fund - research	5,667,250	205,348	5,461,902
Restricted fund - other	29,543,646	(516,365)	30,060,011
	44,056,454	237,494	43,818,960

Deferred revenue – capital fund

Restricted deferred revenue represents the unamortized amount of donations, grants and revenues received for the purchase of tangible capital assets. The changes in the deferred revenue restricted balance are as follows:

	2023 \$	2022 \$
Deferred revenue - capital fund balance, beginning of year	123,965,395	122,017,488
Additions from		
Donations	6,729,768	3,882,898
Restricted fund	329,059	1,060,266
Government	39,176,583	878,956
Other	276,885	1,800,193
	46,512,295	7,622,313
Recognition of deferred revenue	(5,961,131)	(5,674,406)
Deferred revenue - capital fund balance, end of year	164,516,559	123,965,395

12. Financial instruments

Financial risk refers to the impact on the University's cash flows due to fluctuations in interest rates, debt and equity markets, and the credit quality of student receivables. The University manages its financial risks as follows:

Market risk

Market risk is the risk that the fair value of future cash flows of the University's financial instruments will fluctuate because of changes in market prices. The University is subject to market risk with respect to its investments. The University manages this risk by investing in diversified pooled funds and by utilizing various third-party investment managers.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The University is exposed to interest rate risk on its floating interest rate financial instruments. Interest rate risk is minimized as the University uses interest rate swaps to fix interest rates on its long-term debt, with the exception of the Manulife loan and Cisco capital lease obligation.

Credit risk

To reduce credit risk with student accounts, the University places restrictions on the issuance of grades and degrees until payment on account is made. The University also uses third party agencies to collect outstanding receivables. A provision for doubtful student accounts has been recorded, see note 3.

Liquidity risk

The University's objective is to have sufficient liquidity to meet its liabilities when due. The University monitors its cash balances and cash flows generated from operations to meet its requirements. The University maintains short-term credit facilities with major financial institutions that are designed to ensure sufficient funds are available to meet current and forecasted requirements in a timely and cost-effective manner.

13. Capital management

The University's objective in managing its capital is to safeguard its ability to continue to attract students to a residential primarily undergraduate university experience. The University's capital consists of its fund equities and its long-term debt. Changes to the University's capital structure would require additional funding through contributions or through incurring debt.

	2023	2022
	\$	\$
Fund equities	168,954,396	177,143,088
Long-term debt	81,166,207	86,987,179
	250,120,603	264,130,267

The University must comply with externally imposed covenants on its long-term debt and bank loans. The University was not in compliance with its covenants relating to the BMO loans for the period ended March 31, 2023. The lender agreed to waive the covenant for 2022-23 and has since 2019-20. Subsequent to year-end, an amendment to the existing debt service covenant was agreed upon with the lender.

Restricted net assets must be used for the purpose designated by the contributor. Pay-outs to the University from the endowment fund equities is restricted to 4% of the three-year rolling average of the market value as at December 31 of the previous three years.

14. Change in non-cash working capital

	2023	2022
	\$	\$
Accounts receivable	(11,343,362)	866,306
Inventories and other assets	(539,901)	11,041
Accounts payable and accruals	12,298,502	1,169,500
Deferred revenue	(3,302,593)	(3,373,839)
	(2,887,354)	(1,326,992)

15. Specific events

During the current year, the University recognized insurance claims for damages to its capital infrastructure resulting from a series of unusual events, including natural weather events such as Hurricane Fiona, the 2023 Polar Vortex, equipment failure, and human error. The damages incurred were covered under the University's insurance policies, and insurance claims were filed to recover the costs associated with repair and restoration. As of March 31, 2023, the organization has received total cost recoveries of \$2,500,000 and has accrued receivables totaling \$9,772,151-related to these events. Related expenses totaling \$12,791,986 have been recognized in 2022-23, and accrued payables of \$8,965,541 are outstanding as at March 31, 2023. Management continues to work closely with the insurance provider to assess and process the remaining claims, and any necessary adjustments will be made based on further evaluation and discussions with the insurance provider.

16. Comparative figures

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

Bequests, donations and non-government grants (\$1,197,976), miscellaneous (\$1,354,659), and special purpose and trust income (\$7,232,240) presented in the 2021-22 statement of operations are now presented as Endowment & other (\$10,675,458).

Instruction and non-sponsored research (\$53,199,412), Continuing education / training and development (\$151,723), and the office of the Vice President, Academic (reported within administration and general, \$606,049) presented in the 2021-22 statement of operations are now presented as Instruction and non-sponsored research (\$53,957,184).

Information and technology services (\$3,636,940) and information and technology funding (\$377,528) presented in the 2021-22 statement of operations are now presented as information and technology services (\$4,014,469).

Administration and general (\$6,892,129) included interest, bank fees, and foreign exchange (\$831,522) and the office of the Vice President, Academic (\$606,049) in the 2021-22 statement of operations and are now presented without interest, bank fees, and foreign exchange and Vice President, Academic (\$5,454,557).

Facilities management (\$9,617,575) was presented with energy reduction project interest (\$472,526), general insurance (\$300,650) in the 2021-22 statement of operations. Facilities management expense (\$9,812,218) is now presented without interest, general insurance, but includes repairs and maintenance (\$967,819), previously disclosed separately. Interest and general insurance are now presented as Other (\$1,604,698 operating fund together with \$890,583 as presented in the restricted fund).

Deferred revenue other – restricted (\$44,586,131) included internally-funded research commitments (\$767,171) in the 2021-22 statement of financial position and are now presented without these commitments (\$43,818,960). Accounts payable and accrued liabilities (\$8,381,275) presented in the 2021-22 statement of financial position now include these commitments (\$9,148,446).

St. Francis Xavier University

Schedule 1 - Revenue

Year ended March 31, 2023

	Schedules & Notes	2023 \$	2022 \$
Tuition and fees			
Full-time tuition		36,964,934	35,501,941
Tuition bursary		3,067,941	3,181,167
Part-time tuition		5,862,413	7,782,692
Summer school tuition		2,893,301	3,149,487
Continuing education/training and development		291,138	165,650
Information and technology fee		2,122,522	2,101,035
Recreational Fee		258,119	249,946
Facilities renewal fee		1,029,130	1,020,007
Other		1,051,586	860,173
		53,541,084	54,012,098
Government grants			
Provincial - operating		35,353,528	35,506,400
Provincial special - operating		2,958,300	2,400,000
Federal - indirect research		782,132	772,556
		39,093,960	38,678,956
Endowment and other			
Scholarship and bursary funding		3,992,040	3,795,415
Special purpose endowments		321,717	295,982
Chairs of study		850,345	939,398
Mulroney Institute		759,727	559,884
McKenna Centre		102,508	125,123
Athletic Donations, gate and endowments		847,592	646,513
Comprehensive funding campaign		763,074	701,778
Advancement endowment funding		1,336,000	1,415,000
Other		2,074,434	1,139,445
Cost recoveries	15	12,272,151	—
Annual Giving Fund - unrestricted	SCH 5	1,247,109	166,337
		24,566,697	9,784,875
Ancillary enterprises	SCH 4	28,291,734	23,939,509
Total revenue		145,493,475	126,415,438

St. Francis Xavier University**Schedule 2 - Expenditure**

Year ended March 31, 2023

	2023	2022
	\$	\$
Instruction and non-sponsored research		
Salaries		
Instruction and research	37,873,862	35,425,897
Support and other	8,354,940	7,783,125
Fringe benefits	6,931,077	6,537,685
Post retirement expense	142,800	167,300
Outside services	207,514	315,949
Operational supplies	3,182,821	2,521,275
Travel	745,056	266,555
Chairs of studies	916,716	939,398
	58,354,786	53,957,184
Information technology services		
Salaries	2,037,375	1,899,321
Fringe benefits	425,470	377,476
Operational supplies	973,046	866,306
Service of equipment	747,989	493,119
Technology projects & allocations	405,549	377,529
Travel	40,863	718
	4,630,292	4,014,469
Library		
Salaries	1,430,091	1,401,165
Fringe benefits	260,598	279,327
Library acquisitions	1,301,871	1,275,728
Operational supplies	47,060	29,255
Travel	6,182	294
	3,045,802	2,985,769
Student services		
Salaries	3,733,663	3,474,645
Fringe benefits	735,415	662,043
Operational supplies	1,420,602	1,139,228
Scholarships, bursaries and prizes	6,595,114	6,354,371
Travel	861,473	626,290
	13,346,267	12,256,577

St. Francis Xavier University
Schedule 2 - Expenditure (continued)
Year ended March 31, 2023

	Schedules & Notes	2023 \$	2022 \$
Advancement			
Salaries		2,170,410	2,107,328
Fringe benefits		413,868	387,589
Operational supplies		1,340,141	1,011,242
Travel		116,940	24,103
		4,041,359	3,530,262
Administration and general			
Salaries		3,260,981	3,179,455
Fringe benefits		637,344	590,557
Operational supplies		632,495	565,110
Institutional dues, legal, audit and other		884,819	1,065,958
Travel		94,215	53,477
		5,509,854	5,454,557
Facilities management			
Salaries		4,029,395	3,918,306
Fringe benefits		923,374	952,062
Operational supplies		1,632,383	1,569,362
Repairs & maintenance		1,182,684	967,819
Utilities		3,355,680	2,404,669
		11,123,516	9,812,218
Other			
Interest, bank fees & foreign exchange loss		1,062,555	1,304,048
Specific events - repairs	15	12,242,387	—
- asset impairment	15	549,599	—
Insurance		361,393	300,650
Digital projects		166,613	—
Other		281,361	—
		14,663,908	1,604,698
Ancillary enterprises	SCH 4	27,299,902	24,080,197
Total expenditure		142,015,686	117,695,931

St. Francis Xavier University
Coady Institute
Schedule 3 - Statement of revenue and expenditure
Year ended March 31, 2023

	2023	2022
	\$	\$
Revenue		
Project and program	6,131,578	7,393,774
Tuition	54,793	56,281
Endowments and annual giving	1,376,788	821,778
Other	8,850	891
	7,572,009	8,272,724
Expenditure		
Salaries	3,291,064	3,039,239
Fringe benefits	564,823	565,500
Outside services	442,316	374,542
Operational supplies	828,668	973,223
Project disbursements	1,633,366	3,127,221
Travel	554,306	84,380
Room and board	161,033	9,751
Facilities and services	93,811	97,732
	7,569,387	8,271,588
Surplus recovered from University contribution	2,622	1,136

St. Francis Xavier University
Ancillary enterprises
Schedule 4 - Statement of revenue and expenditure
Year ended March 31, 2023

	2023	2022
	\$	\$
Revenue		
Residence fees		
Students	18,312,545	17,763,088
Others	3,944,278	2,423,129
Bookstore sales	2,052,192	2,116,009
Other ancillary services	3,982,719	2,352,881
Pandemic response	—	(715,598)
	28,291,734	23,939,509
Expenditure		
Food service expenses	9,747,497	7,218,162
Facilities management expenses	8,609,162	7,808,656
Bookstore expenses	2,170,614	2,147,720
Administrative expenses	2,558,983	2,771,914
Other ancillary services	1,863,735	1,435,163
Interest on ancillary debt	2,313,071	2,450,711
Pandemic response	36,840	247,871
	27,299,902	24,080,197
Surplus (deficit)	991,832	(140,688)

St. Francis Xavier University
Development program (Note 8)
Schedule 5 - Statement of fund receipts and disposition
Year ended March 31, 2023

	2023	2022
	\$	\$
Cash receipts	13,476,165	15,024,488
Allocated to		
Purchase of tangible capital assets - Capital Fund		
Academic Lab Equipment	69,214	41,073
Amelia Saputo Centre for Healthy Living	5,054,339	2,547,619
Mulroney Hall	1,562,666	1,293,834
Other	43,549	372
	6,729,768	3,882,898
Endowment Fund - Investments	2,365,830	7,124,438
Unendowed Funds	(43,393)	(138,312)
Annual Giving - Unrestricted Revenue	1,247,109	166,337
Specific operating accounts	4,265,125	3,946,956
	14,564,439	14,982,317
(Decrease) increase in development program capital	(1,088,274)	42,171
Development program capital, beginning of year	1,088,274	1,046,103
Development program capital, end of year	—	1,088,274