
Financial statements of St. Francis Xavier University

March 31, 2026

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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, 2026, 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, 2026, 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 ("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 19, 2026

St. Francis Xavier University
Statement of financial position

As at March 31, 2026

| | Notes | 2026 | 2025 |
|---------------------------------------|-------|--------------------|-------------|
| | | \$ | \$ |
| Assets | | | |
| Cash | | 14,697,231 | 3,480,854 |
| Short-term investments | | 33,873,332 | 38,970,366 |
| Accounts receivable | 3 | 8,142,066 | 15,075,653 |
| Inventories and other assets | | 1,872,826 | 2,197,268 |
| | | 58,585,455 | 59,724,141 |
| Accrued pension benefit asset | 6 | 5,789,400 | 5,979,700 |
| Investments | 4 | 269,030,152 | 228,057,521 |
| Tangible capital assets | 5 | 246,008,640 | 243,727,935 |
| | | 579,413,647 | 537,489,297 |
| Liabilities | | | |
| Accounts payable and accruals | | 15,624,462 | 16,120,342 |
| Current portion of long-term debt | 10 | 6,720,773 | 6,433,122 |
| Deferred revenue | | 7,695,791 | 7,530,746 |
| | | 30,041,026 | 30,084,210 |
| Other employee future benefits | 7 | 6,794,532 | 7,589,729 |
| Deferred revenue other - restricted | 11 | 35,695,122 | 37,293,355 |
| Deferred revenue capital - restricted | 11 | 186,676,393 | 181,890,251 |
| Long-term debt | 10 | 55,731,836 | 62,655,165 |
| | | 314,938,909 | 319,512,710 |
| Net assets | | | |
| Fund balances | | 264,474,738 | 217,976,587 |
| | | 579,413,647 | 537,489,297 |

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

St. Francis Xavier University

Statement of operations

Year ended March 31, 2026

| | | Operating | Restricted | Capital | 2026 | 2025 |
|---|------------|--------------------|-------------------|--------------------|--------------------|-------------|
| | Schedules | fund | fund | fund | Total | Total |
| | & Notes | \$ | \$ | \$ | funds | funds |
| | | | | | \$ | \$ |
| Revenue | | | | | | |
| | Schedule 1 | | | | | |
| Tuition and fees | | 54,988,703 | — | — | 54,988,703 | 54,496,205 |
| Government grants | | 42,233,613 | — | — | 42,233,613 | 41,483,546 |
| Endowment and other | | 18,156,665 | 1,395,150 | — | 19,551,815 | 19,927,186 |
| Sponsored research funds | | — | 11,786,379 | — | 11,786,379 | 10,624,332 |
| Coady Institute | Schedule 3 | 6,090,875 | — | — | 6,090,875 | 8,341,200 |
| Ancillary enterprises | Schedule 4 | 33,921,165 | — | — | 33,921,165 | 29,425,531 |
| Gain on disposal of tangible capital assets | | — | — | — | — | 920,482 |
| Amortization of deferred revenue | | — | — | 7,464,898 | 7,464,898 | 7,354,545 |
| | | 155,391,021 | 13,181,529 | 7,464,898 | 176,037,448 | 172,573,027 |
| Expenditure | | | | | | |
| | Schedule 2 | | | | | |
| Instruction and non-sponsored research | | 63,053,569 | 712,566 | — | 63,766,135 | 60,760,550 |
| Information technology services | | 4,941,764 | — | — | 4,941,764 | 5,015,608 |
| Library | | 3,286,566 | — | — | 3,286,566 | 3,273,088 |
| Student services | | 16,662,762 | 582,875 | — | 17,245,637 | 16,081,266 |
| Advancement | | 4,256,691 | — | — | 4,256,691 | 4,157,711 |
| Administration and general | | 5,477,179 | — | — | 5,477,179 | 5,289,420 |
| Facilities management | | 12,414,404 | — | — | 12,414,404 | 11,307,907 |
| Sponsored research | | — | 11,786,379 | — | 11,786,379 | 10,624,332 |
| Other | | 2,285,338 | 99,709 | — | 2,385,047 | 2,940,801 |
| Coady Institute | Schedule 3 | 6,081,597 | — | — | 6,081,597 | 8,495,325 |
| Ancillary enterprises | Schedule 4 | 28,926,199 | — | — | 28,926,199 | 27,084,590 |
| Amortization of tangible capital assets | | — | — | 13,912,496 | 13,912,496 | 14,015,567 |
| | | 147,386,069 | 13,181,529 | 13,912,496 | 174,480,094 | 169,046,165 |
| Surplus (deficit) | | 8,004,952 | — | (6,447,598) | 1,557,354 | 3,526,862 |

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, 2026

| | Operating fund \$ | Capital fund \$ | Endowment fund \$ | 2026 Total funds balance \$ | 2025 Total funds balance \$ |
|--|-------------------------|-----------------------|-------------------------|--------------------------------------|--------------------------------------|
| Balance, beginning of year | (12,054,608) | 2,264,762 | 227,766,433 | 217,976,587 | 193,027,736 |
| Transactions during the year | | | | | |
| Bequests and donations | — | — | 2,999,758 | 2,999,758 | 3,729,914 |
| Canadian Heritage Grant | — | — | 10,000,000 | 10,000,000 | — |
| Other donors | — | — | 7,939,858 | 7,939,858 | — |
| Unendowed funds | — | — | (10,514) | (10,514) | (487,573) |
| Reinvested earnings | — | — | 657,597 | 657,597 | 252,547 |
| Dividends and interest income | — | — | 11,472,287 | 11,472,287 | 6,355,874 |
| Realized gains | — | — | 15,410,102 | 15,410,102 | 10,357,696 |
| Unrealized gains | — | — | 8,584,512 | 8,584,512 | 11,128,216 |
| Withdrawals and management expense | — | — | (11,956,503) | (11,956,503) | (10,755,085) |
| Pension remeasurement | (156,300) | — | — | (156,300) | 840,400 |
| Surplus (Deficit) | 8,004,952 | (6,447,598) | — | 1,557,354 | 3,526,862 |
| Transfer from operating to cover capital | (6,447,598) | 6,447,598 | — | — | — |
| Balance, end of year | (10,653,554) | 2,264,762 | 272,863,530 | 264,474,738 | 217,976,587 |

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

St. Francis Xavier University

Statement of cash flows

Year ended March 31, 2026

| | Schedules & Notes | 2026 \$ | 2025 \$ |
|---|----------------------|---------------------|---------------------|
| Operating activities | | | |
| Surplus (deficit) | | 1,557,354 | 3,526,862 |
| Amortization of tangible capital assets | | 13,912,496 | 14,015,567 |
| Amortization of deferred revenue | | (7,464,898) | (7,354,545) |
| Change in other employee future benefits | | (795,197) | 621,582 |
| Change in accrued pension benefit asset | | 190,300 | (1,038,800) |
| Pension remeasurement and settlement | | (156,300) | 840,400 |
| Net change in deferred revenue other - restricted | 11 | (1,598,233) | (268,577) |
| Net change in non-cash working capital | 14 | 6,927,194 | (8,265,310) |
| | | 12,572,716 | 2,077,179 |
| Investing activities | | | |
| Tangible capital asset acquisitions, net of disposals | | (16,193,200) | (10,772,224) |
| Investment disposals | | 11,967,017 | 11,242,658 |
| Investment acquisitions | | (28,782,169) | (13,631,976) |
| | | (33,008,352) | (13,161,542) |
| Financing activities | | | |
| Donations for investments acquisitions | Schedule 5 | 20,939,617 | 3,729,914 |
| Change in deferred revenue capital - restricted | 11 | 12,251,040 | 8,216,260 |
| Repayments of long-term debt | | (6,635,678) | (6,274,360) |
| | | 26,554,979 | 5,671,814 |
| Net cash inflow (outflow) | | 6,119,343 | (5,412,549) |
| Cash, beginning of year | | 42,451,220 | 47,863,769 |
| Cash, end of year | | 48,570,563 | 42,451,220 |
| Cash is comprised of | | | |
| Cash | | 14,697,231 | 3,480,854 |
| Short-term investments | | 33,873,332 | 38,970,366 |
| | | 48,570,563 | 42,451,220 |

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 4,000 full-time and 1,000 part-time 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)

Short-term investments

Short-term investments consist of Guaranteed Investment Certificates issued by Canadian chartered banks with terms to maturity of less than one year.

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.

2. Significant accounting policies (continued)

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.

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

| | 2026 | 2025 |
|--|------------------|------------|
| | \$ | \$ |
| Accounts receivable - students | 1,587,169 | 1,399,968 |
| Accounts receivable - general | 3,930,865 | 11,996,274 |
| Accounts receivable - restricted | 2,824,032 | 1,879,410 |
| Allowance for doubtful accounts - students | (200,000) | (200,000) |
| | 8,142,066 | 15,075,653 |

4. Investments

| | 2026 | 2025 |
|---|--------------------|-------------|
| | \$ | \$ |
| Pooled funds, market value - Endowment Fund, restricted | 264,952,135 | 224,373,530 |
| Pooled funds, market value - Endowment Fund, unrestricted | 4,078,017 | 3,683,991 |
| | 269,030,152 | 228,057,521 |

5. Tangible capital assets

| | Cost | Accumulated amortization | 2026 Net book value | 2025 Net book value |
|-------------------------------|--------------------|---------------------------------|----------------------------|---------------------|
| | \$ | \$ | \$ | \$ |
| Land | 4,376,979 | — | 4,376,979 | 4,376,979 |
| Buildings | 411,291,102 | 185,231,381 | 226,059,721 | 223,470,793 |
| Equipment and furnishings | 57,435,082 | 42,405,736 | 15,029,346 | 15,454,676 |
| Equipment under capital lease | 421,713 | 421,713 | — | — |
| Library books | 5,248,900 | 5,062,825 | 186,075 | 200,410 |
| Motor vehicles | 1,142,417 | 785,898 | 356,519 | 225,077 |
| | 479,916,193 | 233,907,553 | 246,008,640 | 243,727,935 |

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, 2022. The next required valuation for the pension plan will be as of December 31, 2025.

The accrued benefit obligation as at March 31, 2026 was measured by extending the measurement period by 39 months from the most recent December 31, 2022 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.

6. Pension plans (continued)

Information about the defined benefit plan is as follows:

| | 2026 | 2025 |
|-------------------------------|--------------------|------------|
| | \$ | \$ |
| Fair value of plan assets | 35,446,200 | 33,726,100 |
| Accrued benefit obligation | 28,551,500 | 27,680,900 |
| Valuation allowance | (1,105,300) | (65,500) |
| Accrued pension benefit asset | 5,789,400 | 5,979,700 |

The University recorded a re-measurement loss of \$301,800 (gain of \$1,003,900 in 2025) relating to the defined benefit plan in the Statement of changes in fund balances.

Employer and employee contributions to the defined benefit plan were \$327,674 (\$305,187 in 2025) and \$237,445 (\$234,311 in 2025) respectively for the year ended March 31, 2026.

Employer and employee contributions to the defined contribution plan were \$5,274,357 (\$5,001,089 in 2025) and \$3,650,531 (\$3,466,483 in 2025) respectively for the year ended March 31, 2026.

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 \$145,500 (loss of \$163,500 in 2025) 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, 2026, was nil (nil in 2025).

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, 2026, was nil (nil in 2025).

10. Long-term debt

| | 2026 | 2025 |
|--|-------------------|------------|
| | \$ | \$ |
| Bank of Montreal 25 year SWAP - 3.87%, average monthly repayments of \$97,164, due October 3, 2039 (O'Regan and Riley) | 20,125,860 | 21,325,138 |
| Bank of Montreal 25 year SWAP - 6.43%, average monthly repayments of \$79,030, due September 2, 2031 (Governors Hall Construction) | 6,575,652 | 7,576,309 |
| Bank of Nova Scotia 15 year SWAP - 3.49%, average monthly repayments of \$39,662, due November 24, 2032 (Academic Renovations) | 3,758,387 | 4,250,713 |
| Manulife 18.5 year loan - 4.77%, average monthly repayments of \$48,332, due August 1, 2034 (ESCO Project) | 8,139,112 | 8,978,366 |
| Bank of Nova Scotia 15 year SWAP - 2.59%, average monthly repayments of \$55,379, due January 2, 2032 (Mount St. Bernard & nursing Department) | 4,354,641 | 5,037,761 |
| Bank of Montreal 15 year SWAP - 5.16%, average monthly repayments of \$119,658, due December 1, 2032 (Refinanced Residence Mortgages) | 11,595,698 | 13,024,524 |
| Bank of Nova Scotia 15 year SWAP - 3.54%, average monthly repayments of \$79,832, due February 9, 2033 (Unfunded projects) | 7,903,259 | 8,895,476 |
| | 62,452,609 | 69,088,287 |
| Less: current portion | 6,720,773 | 6,433,122 |
| | 55,731,836 | 62,655,165 |

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

| | \$ |
|------|-------------------|
| 2027 | 6,720,773 |
| 2028 | 7,021,340 |
| 2029 | 7,337,770 |
| 2030 | 7,668,222 |
| 2031 | 8,014,932 |
| | 36,763,037 |

The University holds three interest rate swaps with the Bank of Montreal and 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 prevailing Canadian Overnight Repo Rate Average ("CORRA") plus the applicable credit spread. Under the swaps, the University receives interest at the prevailing CORRA and pays interest at a fixed rate. The interest payable ranges from 2.82% to 5.38% for Bank of Montreal loans and 1.84% to 2.79% for the Bank of Nova Scotia Loans. 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:

| | 2026 \$ | Change \$ | 2025 \$ |
|----------------------------|-------------------|--------------------|-------------------|
| Endowment fund | 9,395,103 | (665,384) | 10,060,487 |
| Restricted fund - research | 7,436,168 | 1,843,048 | 5,593,120 |
| Restricted fund - other | 18,863,851 | (2,775,897) | 21,639,748 |
| | 35,695,122 | (1,598,233) | 37,293,355 |

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 capital balance are as follows:

| | 2026 \$ | 2025 \$ |
|---|--------------------|-------------|
| Deferred revenue - capital fund balance, beginning of year | 181,890,251 | 181,028,536 |
| Additions from | | |
| Donations | 6,183,202 | 5,954,639 |
| Restricted fund | 235,750 | 648,618 |
| Federal government | 3,128,791 | 710,756 |
| Provincial government | 1,921,867 | 902,247 |
| Other | 733,730 | - |
| Disposals | 47,700 | - |
| | 12,251,040 | 8,216,260 |
| Recognition of deferred revenue | (7,464,898) | (7,354,545) |
| Deferred revenue - capital fund balance, end of year | 186,676,393 | 181,890,251 |

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.

12. Financial instruments (continued)

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.

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.

A new two-year bilateral agreement was signed with the Province of Nova Scotia's Department of Advanced Education that covers fiscal 2025-26 and 2026-27. It states that a portion of the funding to be given to the University is contingent on conditions being met as set out in the agreement.

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.

| | 2026 | 2025 |
|----------------|--------------------|-------------|
| | \$ | \$ |
| Fund equities | 264,474,738 | 217,976,587 |
| Long-term debt | 62,452,609 | 69,088,287 |
| | 326,927,347 | 287,064,874 |

The University must comply with externally imposed covenants on its long-term debt and bank loans. The University was in compliance with its covenants relating to the BMO loans for the period ended March 31, 2026.

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

| | 2026 | 2025 |
|-------------------------------|------------------|-------------|
| | \$ | \$ |
| Accounts receivable | 6,933,587 | (676,782) |
| Inventories and other assets | 324,442 | (125,243) |
| Accounts payable and accruals | (495,880) | (7,911,679) |
| Deferred revenue | 165,045 | 448,394 |
| | 6,927,194 | (8,265,310) |

15. Brian Mulroney Institute Canadian Heritage Endowment

The University received a restricted grant from Canadian Heritage, along with donations from independent donors, which together represent the Brian Mulroney Institute Canadian Heritage Endowment. These funds are included within the university's pooled investments (Note 4) and are subject to the same investment policies and procedures.

| | Contributions | Change | 2026 Endowed funds | 2025 Endowed funds |
|-------------------|----------------------|------------------|-----------------------------------|--------------------------|
| | \$ | \$ | \$ | \$ |
| Canadian Heritage | 10,000,000 | 1,069,563 | 11,069,563 | — |
| Other donors | 7,939,858 | 260,032 | 8,199,890 | — |
| | 17,939,858 | 1,329,595 | 19,269,453 | — |

For fiscal 2025-26, there was no income generated from these funds.

16. Contingency

The University is subject to a claim that constitutes a contingency. Management has recognized a provision for its best estimate of the amount required to settle the obligation. Although the final outcome of the matter cannot be determined at this time, management believes the University has a strong position.

17. Comparative figures

The comparative figures in Schedule 2 have been reclassified where appropriate to conform with current year presentation.

St. Francis Xavier University
Schedule 1 - Operating revenue

Year ended March 31, 2026

| | Schedules and Notes | 2026 \$ | 2025 \$ |
|---|------------------------|--------------------|-------------|
| Tuition and fees | | | |
| Full-time tuition | | 37,903,413 | 38,121,844 |
| Tuition bursary | | 3,258,994 | 3,052,767 |
| Part-time tuition | | 4,975,129 | 4,992,299 |
| Summer schol tuition | | 3,844,497 | 3,433,002 |
| Continuing education/training and development | | 360,252 | 298,907 |
| Information and technology fee | | 2,307,030 | 2,213,055 |
| Recreation fee | | 271,187 | 263,446 |
| Facilities renewal fee | | 1,118,757 | 1,072,077 |
| Other | | 949,444 | 1,048,808 |
| | | 54,988,703 | 54,496,205 |
| Government Grants | | | |
| Provincial - operating | | 37,134,713 | 36,412,339 |
| Provincial - nursing | | 3,981,000 | 4,048,200 |
| Federal - indirect research | | 1,117,900 | 1,023,007 |
| | | 42,233,613 | 41,483,546 |
| Endowment and other | | | |
| Scholarship and bursary funds | | 5,734,078 | 4,665,522 |
| Special purpose endowments | | 1,315,163 | 1,017,139 |
| Chairs of study | | 1,371,263 | 1,011,252 |
| Mulroney Institute | | 299,932 | 238,941 |
| McKenna Centre | | 132,210 | 95,638 |
| Athletic donations, gate and endowments | | 1,151,254 | 1,161,851 |
| Comprehensive funding campaign | | 983,216 | 806,408 |
| Advancement endowment funding | | 2,020,000 | 1,715,000 |
| Other | | 1,274,839 | 1,346,300 |
| Interest revenue | | 1,718,194 | 2,750,771 |
| Cost recoveries | | 343,320 | — |
| Targeted government grants | | 411,272 | 402,621 |
| Annual giving fund - unrestricted | Schedule 5 | 1,401,924 | 3,275,862 |
| | | 18,156,665 | 18,487,305 |
| Coady Institute | Schedule 3 | 6,090,875 | 8,341,200 |
| Ancillary enterprises | Schedule 4 | 33,921,165 | 29,425,531 |
| Total revenue | | 155,391,021 | 152,233,787 |

St. Francis Xavier University
Schedule 2 - Operating expenditures
Year-ended March 31, 2026

| Schedules and Notes | 2026 \$ | 2025 \$ |
|---|-------------------|------------|
| Instruction and non-sponsored research | | |
| Salaries | | |
| Instruction and research | 41,831,361 | 39,802,476 |
| Support and other | 7,915,636 | 7,679,636 |
| Fringe benefits | 8,205,324 | 7,266,631 |
| Post retirement (recovery) | (607,800) | 94,000 |
| Outside services | 347,250 | 333,198 |
| Operational supplies | 3,140,085 | 2,701,489 |
| Travel | 850,450 | 1,015,967 |
| Chairs of studies | 1,371,263 | 1,186,551 |
| | 63,053,569 | 60,079,948 |
| Information technology services | | |
| Salaries | 2,451,543 | 2,467,348 |
| Fringe benefits | 533,539 | 504,842 |
| Operational supplies | 1,002,686 | 988,698 |
| Service of equipment | 761,593 | 815,879 |
| Technology projects and allocations | 190,332 | 234,215 |
| Travel | 2,071 | 4,627 |
| | 4,941,764 | 5,015,609 |
| Library | | |
| Salaries | 1,521,405 | 1,544,323 |
| Fringe benefits | 297,857 | 280,750 |
| Library acquisitions | 1,434,227 | 1,417,365 |
| Operational supplies | 25,107 | 23,555 |
| Travel | 7,970 | 7,096 |
| | 3,286,566 | 3,273,089 |
| Student services | | |
| Salaries | 4,750,916 | 4,578,051 |
| Fringe benefits | 907,053 | 868,141 |
| Operational supplies | 1,786,388 | 1,512,147 |
| Scholarships, bursaries and prizes | 8,296,052 | 7,538,488 |
| Travel | 922,353 | 910,797 |
| | 16,662,762 | 15,407,624 |

St. Francis Xavier University
Schedule 2 - Operating expenditures (continued)

Year-ended March 31, 2026

| | Schedules and Notes | 2026 \$ | 2025 \$ |
|---|------------------------|--------------------|--------------------|
| Advancement | | | |
| Salaries | | 2,666,392 | 2,536,955 |
| Fringe benefits | | 543,057 | 501,457 |
| Operational supplies | | 894,905 | 995,249 |
| Travel | | 152,337 | 124,050 |
| | | 4,256,691 | 4,157,711 |
| Administrative and general | | | |
| Salaries | | 3,362,233 | 3,222,318 |
| Fringe benefits | | 658,247 | 622,613 |
| Operational supplies | | 602,056 | 586,196 |
| Institutional dues, legal, audit and other | | 791,424 | 800,126 |
| Travel | | 63,219 | 58,167 |
| | | 5,477,179 | 5,289,420 |
| Facilities management | | | |
| Salaries | | 4,628,854 | 4,513,160 |
| Fringe benefits | | 947,938 | 931,286 |
| Operational supplies | | 1,598,693 | 1,624,627 |
| Repairs and maintenance | | 2,216,517 | 1,383,445 |
| Utilities | | 3,022,402 | 2,855,389 |
| | | 12,414,404 | 11,307,907 |
| Other | | | |
| Interest, bank fees and foreign exchange loss | | 1,149,986 | 1,366,398 |
| Specific events - repairs | | 522,404 | 150,978 |
| Insurance | | 486,753 | 539,860 |
| Digital projects | | 48,919 | 168,708 |
| Other | | 77,276 | 406,734 |
| | | 2,285,338 | 2,632,678 |
| Coady Institute | Schedule 3 | 6,081,597 | 8,495,325 |
| Ancillary enterprises | Schedule 4 | 28,926,199 | 27,084,590 |
| Total operating expenditure | | 147,386,069 | 142,743,901 |

St. Francis Xavier University**Coady Institute****Schedule 3 - Statement of revenue and expenditure**

Year ended March 31, 2026

| | 2026 | 2025 |
|--------------------------|------------------|-----------|
| | \$ | \$ |
| Revenue | | |
| Project and program | 4,624,840 | 6,877,627 |
| Tuition | 16,981 | 116,169 |
| Endowment and donations | 1,449,054 | 1,347,404 |
| | 6,090,875 | 8,341,200 |
| Expenditure | | |
| Salaries | 3,027,061 | 3,393,083 |
| Fringe benefits | 540,941 | 588,907 |
| Outside services | 394,422 | 572,112 |
| Operational supplies | 364,624 | 449,386 |
| Project disbursements | 1,147,230 | 2,549,240 |
| Travel | 491,926 | 551,907 |
| Room and board | 23,375 | 294,417 |
| Facilities and services | 92,018 | 96,273 |
| | 6,081,597 | 8,495,325 |
| Surplus (deficit) | 9,278 | (154,125) |

St. Francis Xavier University**Ancillary enterprises****Schedule 4 - Statement of revenue and expenditure**

Year ended March 31, 2026

| | 2026 | 2025 |
|--------------------------------|-------------------|------------|
| | \$ | \$ |
| Revenue | | |
| Residence fees | | |
| Students | 22,418,320 | 19,267,059 |
| Others | 4,456,667 | 4,007,153 |
| Bookstore sales | 1,988,715 | 1,866,086 |
| Other ancillary services | 5,057,463 | 4,285,233 |
| | 33,921,165 | 29,425,531 |
| Expenditure | | |
| Food service expenses | 10,622,345 | 9,493,581 |
| Facilities management expenses | 8,431,543 | 8,749,171 |
| Administrative expenses | 3,386,230 | 2,721,117 |
| Bookstore expenses | 1,949,959 | 2,024,596 |
| Other ancillary services | 2,529,556 | 1,920,142 |
| Interest on ancillary debt | 2,006,566 | 2,175,983 |
| | 28,926,199 | 27,084,590 |
| Surplus | 4,994,966 | 2,340,941 |

St. Francis Xavier University
Development program (Note 8)
Schedule 5 - Statement of fund receipts and disposition
As at March 31, 2026

| | Notes | 2026 \$ | 2025 \$ |
|---|---------|-------------------|------------|
| Brian Mulroney Institute Canadian Heritage Endowment | | | |
| Canadian Heritage Grant | Note 15 | 10,000,000 | - |
| Donations | Note 15 | 7,939,858 | - |
| Donations | | 15,202,297 | 17,572,458 |
| | | 33,142,155 | 17,572,458 |
| Allocated to | | | |
| Purchase of tangible capital assets - capital fund | | | |
| Amelia Saputo Centre for Healthy Living | | 2,492,539 | 1,979,625 |
| Centre for Innovation in Health | | 3,007,959 | 3,007,067 |
| Mulroney Hall | | 682,704 | 967,297 |
| Other | | - | 650 |
| | | 6,183,202 | 5,954,639 |
| Endowment Fund - Investments | | 20,939,617 | 3,729,914 |
| Unendowed funds | | (10,514) | (487,573) |
| Repayment of StFX Students' Union Investments held in trust | | - | 378,058 |
| Annual Giving - Unrestricted Revenue | | 1,401,924 | 3,275,862 |
| Specific operating accounts | | 4,627,926 | 4,721,558 |
| | | 33,142,155 | 17,572,458 |