

**BRIERCREST COLLEGE AND  
SEMINARY**

***NON-CONSOLIDATED FINANCIAL  
STATEMENTS***

***June 30, 2025***

## Independent Auditor's Report

To the Board of Directors of  
Briercrest College and Seminary

### Opinion

We have audited the non-consolidated financial statements of Briercrest College and Seminary (the "Organization"), which comprise the non-consolidated statement of financial position as at June 30, 2025, and the non-consolidated statements of operations and changes in fund balances, and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "non-consolidated financial statements").

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the non-consolidated 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 audit opinion.

### Responsibilities of Management and Those Charged with Governance for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 Organization'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 Organization'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 non-consolidated 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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Organization as a basis for forming an opinion on the non-consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Regina, Saskatchewan

November 6, 2025

Briercrest College and Seminary

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30

	2025				2024	
	Operating Fund \$	Capital Asset Fund \$	Restricted Fund \$	Endowment Fund \$	Total \$	Total \$
<b>ASSETS</b>						
<b>Current</b>						
Cash	831,006	218,195	182,975	226,403	1,458,579	872,135
Accounts receivable [note 3]	73,059	-	-	-	73,059	103,874
Inventory	73,833	-	-	-	73,833	77,008
Investments [note 4]	1,191,300	230,172	1,827,277	-	3,248,749	3,151,438
Prepaid expenses and supplies	278,681	-	-	-	278,681	302,033
<b>Total current assets</b>	<b>2,447,879</b>	<b>448,367</b>	<b>2,010,252</b>	<b>226,403</b>	<b>5,132,901</b>	<b>4,506,488</b>
Loans receivable [note 8]	13,984	121,980	-	-	135,964	141,850
Investments [note 4]	-	-	-	3,692,602	3,692,602	3,342,215
Capital assets [note 5]	-	6,734,715	-	-	6,734,715	7,239,199
Other assets [note 6]	241,087	99,277	-	-	340,364	284,703
	<b>2,702,950</b>	<b>7,404,339</b>	<b>2,010,252</b>	<b>3,919,005</b>	<b>16,036,546</b>	<b>15,514,455</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Current</b>						
Accounts payable and accrued charges	973,595	-	-	-	973,595	700,765
Deferred revenue and deposits [note 7]	508,004	-	-	-	508,004	505,547
Due (from) to other funds	(555,186)	301,616	(25,177)	278,747	-	-
Current portion of capital lease obligations	-	-	-	-	-	275
<b>Total current liabilities</b>	<b>926,413</b>	<b>301,616</b>	<b>(25,177)</b>	<b>278,747</b>	<b>1,481,599</b>	<b>1,206,587</b>
Life annuity bond agreements [note 8]	25,000	-	-	-	25,000	55,000
Investment loss on subsidiary	67,519	-	-	-	67,519	36,188
<b>Total liabilities</b>	<b>1,018,932</b>	<b>301,616</b>	<b>(25,177)</b>	<b>278,747</b>	<b>1,574,118</b>	<b>1,297,775</b>
<b>Fund balances</b>						
Invested in capital assets	-	7,102,723	-	-	7,102,723	7,620,015
Externally restricted	-	-	2,035,429	3,386,462	5,421,891	4,899,519
Internally restricted	-	-	-	253,796	253,796	191,916
Unrestricted	1,684,018	-	-	-	1,684,018	1,505,230
<b>Total fund balances</b>	<b>1,684,018</b>	<b>7,102,723</b>	<b>2,035,429</b>	<b>3,640,258</b>	<b>14,462,428</b>	<b>14,216,680</b>
	<b>2,702,950</b>	<b>7,404,339</b>	<b>2,010,252</b>	<b>3,919,005</b>	<b>16,036,546</b>	<b>15,514,455</b>

The accompanying notes are an integral part of the non-consolidated financial statements

Approved on behalf of the Board of Directors



**Briercrest College and Seminary**

**NON-CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES**

Year ended June 30

	Operating Fund		Restricted Funds				Endowment Fund	
	2025	2024	Capital Asset Fund	Restricted Fund	Total	Total	2025	2024
			2025	2025	2025	2024		
	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>								
Tuition and fees	8,803,959	8,479,304	-	-	-	-	-	-
Donations	2,476,587	2,041,835	169,388	532,005	701,393	1,084,221	243,041	207,992
Government grants and assistance	216,300	205,800	-	-	-	-	-	-
Investment income <i>[note 9]</i>	85,974	364,641	35,327	525,701	561,028	424,113	-	-
Ancillary operations	692,725	639,065	-	-	-	-	-	-
General sales	1,336,798	1,091,676	-	-	-	-	-	-
Rentals	972,639	939,995	-	-	-	-	-	-
Miscellaneous	95,302	43,379	28,959	-	28,959	93,327	-	-
	<b>14,680,284</b>	<b>13,805,695</b>	<b>233,674</b>	<b>1,057,706</b>	<b>1,291,380</b>	<b>1,601,661</b>	<b>243,041</b>	<b>207,992</b>
<b>EXPENSES</b>								
Operating expenses	6,476,373	6,383,253	28,129	-	28,129	11,371	-	-
Salaries and benefits	7,217,813	7,306,581	-	-	-	-	-	-
Ancillary cost of goods sold	774,725	714,566	-	-	-	-	-	-
Amortization	-	-	722,837	-	722,837	823,065	-	-
Interest	-	-	-	-	-	35	-	-
Scholarships and annuity payments	-	-	-	309,134	309,134	317,692	-	-
Program development expenses	-	-	-	405,367	405,367	483,333	-	-
Miscellaneous	32,585	111,115	-	1,994	1,994	-	-	-
	<b>14,501,496</b>	<b>14,515,515</b>	<b>750,966</b>	<b>716,495</b>	<b>1,467,461</b>	<b>1,635,496</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues over expenses	178,788	(709,820)	(517,292)	341,211	(176,081)	(33,835)	243,041	207,992
Fund balances, beginning of year	1,505,230	2,254,140	7,620,015	1,778,178	9,398,193	9,484,230	3,313,257	3,013,973
Interfund transfers <i>[note 10]</i>	-	(39,090)	-	(83,960)	(83,960)	(52,202)	83,960	91,292
<b>Fund balances, end of year</b>	<b>1,684,018</b>	<b>1,505,230</b>	<b>7,102,723</b>	<b>2,035,429</b>	<b>9,138,152</b>	<b>9,398,193</b>	<b>3,640,258</b>	<b>3,313,257</b>

The accompanying notes are an integral part of the non-consolidated financial statements

Briercrest College and Seminary

**NON-CONSOLIDATED STATEMENT OF CASH FLOWS**

Year ended June 30

	Operating Fund 2025 \$	Capital Asset Fund 2025 \$	Restricted Fund 2025 \$	Endowment Fund 2025 \$	Total 2025 \$	Total 2024 \$
<b>OPERATING ACTIVITIES</b>						
Excess (deficiency) of revenues over expenses	178,788	(517,292)	341,211	243,041	245,748	(535,663)
Realized (gain) loss on investments	(123)	(34,976)	(8,110)	(14,178)	(57,387)	219,056
Add charges to operations not requiring a current cash payment						
Unrealized (gain) loss on investments	(3,212)	12,025	(97,929)	(223,319)	(312,435)	(495,688)
Amortization of capital assets	-	722,837	-	-	722,837	823,065
Contributed capital assets	-	(13,491)	-	-	(13,491)	(5,500)
Gain on disposal of capital assets	-	(527)	-	-	(527)	(26,095)
	175,453	168,576	235,172	5,544	584,745	(20,825)
Net change in non-cash working capital balances related to operations [note 11]	363,960	(55,661)	-	-	308,299	(503,962)
<b>Cash provided by (used in) operating activities</b>	<b>539,413</b>	<b>112,915</b>	<b>235,172</b>	<b>5,544</b>	<b>893,044</b>	<b>(524,787)</b>
<b>INVESTING ACTIVITIES</b>						
Purchase of investments	(1,052,696)	(17,763)	(102,013)	(202,152)	(1,374,624)	(2,141,300)
Proceeds on disposal of investments	511,315	655,387	40,784	89,262	1,296,748	2,594,599
Addition of loans receivable	-	(1,000)	-	-	(1,000)	(9,861)
Repayment of loans receivable	6,886	-	-	-	6,886	7,047
Purchase of capital assets	-	(269,853)	-	-	(269,853)	(746,851)
Proceeds on disposal of capital assets	-	65,518	-	-	65,518	98,554
<b>Cash (used in) provided by investing activities</b>	<b>(534,495)</b>	<b>432,289</b>	<b>(61,229)</b>	<b>(112,890)</b>	<b>(276,325)</b>	<b>(197,812)</b>
<b>FINANCING ACTIVITIES</b>						
Repayment of capital lease obligations	-	(275)	-	-	(275)	(3,851)
Repayment of amounts due to (from) other funds	146,363	(379,660)	82,641	150,656	-	-
Reduction of life annuity bond agreements	(30,000)	-	-	-	(30,000)	-
<b>Cash (used in) provided by financing activities</b>	<b>116,363</b>	<b>(379,935)</b>	<b>82,641</b>	<b>150,656</b>	<b>(30,275)</b>	<b>(3,851)</b>
<b>Net increase (decrease) in cash during the year</b>	<b>121,281</b>	<b>165,269</b>	<b>256,584</b>	<b>43,310</b>	<b>586,444</b>	<b>(726,450)</b>
Cash, beginning of year	709,725	52,926	10,351	99,133	872,135	1,598,585
Interfund transfers	-	-	(83,960)	83,960	-	-
<b>Cash, end of year</b>	<b>831,006</b>	<b>218,195</b>	<b>182,975</b>	<b>226,403</b>	<b>1,458,579</b>	<b>872,135</b>

The accompanying notes are an integral part of the non-consolidated financial statements

# **BRIERCREST COLLEGE AND SEMINARY**

## **Notes to Non-Consolidated Financial Statements**

**Year Ended June 30, 2025**

### **1. PURPOSE OF THE ORGANIZATION**

Briercrest College and Seminary (the “Organization”) is a partnership of three Christ-centred, Bible-anchored, ministry-focused schools that thrive in the context of a vibrant spiritual community. The Organization operates as Briercrest Christian Academy, College and Seminary, together with various ancillary businesses. The Organization is incorporated under An Act to Incorporate Briercrest College and Seminary in the province of Saskatchewan and operates as a not-for-profit organization and is a registered charity under the Income Tax Act.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

The non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”) and reflect the following significant accounting policies:

#### **Fund accounting**

The accounts of the Organization are maintained in accordance with the principles of fund accounting in order that limitations and restrictions placed on the use of available resources are observed. Under fund accounting, resources are classified for accounting and reporting purposes into funds with activities or objectives specified. For financial reporting purposes, the accounts have been classified into the following funds:

The **Operating Fund** records the operating revenue, which includes any unrestricted contributions and revenue and expenditures, and the related assets and liabilities. It also includes funds acquired by the Organization under the terms of life annuity bond agreements previously recorded in the Annuity Fund.

The **Capital Asset Fund** records capital assets, any corresponding indebtedness, and the revenue and expenditures related to these assets and liabilities.

The **Endowment Fund** records permanently endowed contributions and investment income to be held for student and faculty scholarships, library resources and faculty chairs.

The **Restricted Fund** records donations received for the assistance and development of charitable and educational programs and investment income earned on endowed contributions for future awards. It also records donations received for mission projects previously recorded in the Mission Trust Fund.

#### **Use of estimates**

The preparation of non-consolidated financial statements in conformity with ASNPO requires management to make estimates and use assumptions that affect reported amounts of assets and liabilities at the date of the non-consolidated financial statements and the reported amounts of revenue and expenses during the year. Key components of the non-consolidated financial statements requiring management to make estimates include allowance for doubtful accounts and the useful lives of capital assets.

# **BRIERCREST COLLEGE AND SEMINARY**

## **Notes to Non-Consolidated Financial Statements**

**Year Ended June 30, 2025**

### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Revenue and expense recognition**

The Organization follows the restricted fund method whereby externally restricted contributions (grants and donations) are recognized in the fund corresponding to the purpose for which they were contributed.

Restricted contributions for which no corresponding restricted fund is presented must be recognized in the Operating Fund using the deferral method. Unrestricted contributions are recognized as revenues in the Operating Fund in the year received if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations are recorded as revenue only when received; pledges are not recorded in the accounts.

Tuition, ancillary revenue, general sales and rental income are recorded when services are provided.

Government grants and assistance towards current expenditures have been included in revenue of the Operating Fund.

Investment income includes interest income, realized investment gains and losses on sales of investments measured at amortized cost, and unrealized gains and losses on investments measured at fair value. Investment income on Endowment Fund resources that is not endowed is recognized as revenue in the Restricted Fund when earned. Investment income on the resources of all other restricted funds is recognized as revenue in the respective fund when earned. Other investment income is recognized as revenue of the Operating Fund when earned.

#### **Foreign currency translation**

Monetary assets denominated in foreign currencies are translated to Canadian dollars at the exchange rate in effect at the statement of financial position date. Revenue and expenses denominated in foreign currencies are translated to Canadian dollars at the rate in effect on the date of the transaction. Exchange gains and losses on translation are reflected in the non-consolidated statement of operations and changes in fund balances.

#### **Contributed materials**

Contributed materials normally purchased of \$13,491 (\$5,500 - 2024) are recorded at their fair value. The fair value is determined in relation to the market value of similar materials.

# **BRIERCREST COLLEGE AND SEMINARY**

## **Notes to Non-Consolidated Financial Statements**

**Year Ended June 30, 2025**

### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Financial instruments**

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments, which the Organization has measured at fair value.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction cost related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument

measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in the non-consolidated statement of operations as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Organization recognizes in the non-consolidated statement of operations an impairment loss, if any, when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the non-consolidated statement of operations in the period the reversal occurs.

#### **Cash and cash equivalents**

Cash and cash equivalents consist of cash and bank balances, including bank overdraft with a balance that fluctuate frequently from being positive to overdrawn.

#### **Inventory**

Inventory is valued at the lower of cost and net realizable value, determined on an average cost basis for the bookstore and on a first-in, first-out basis for the other inventory. Net realizable value is the estimated selling price and the estimated costs necessary to make the sale. Any write-down of inventory to its net realizable value is recognized as an expense in the period. When the net realizable value subsequently increases, the previously recognized impairment loss is reversed and recognized as a reduction in the amount of inventories expensed to cost of sales in the period the reversal occurs.

# **BRIERCREST COLLEGE AND SEMINARY**

## **Notes to Non-Consolidated Financial Statements**

**Year Ended June 30, 2025**

### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Capital assets**

Capital assets are recorded at cost. When capital assets are sold or retired, the related cost and accumulated amortization are removed from the respective accounts and any gain or loss is recorded in the non-consolidated statement of operations and changes in fund balances. Expenditures for repairs and maintenance are expensed as incurred.

Capital assets are amortized over their estimated useful lives using the straight-line method at the following rates:

Land improvements	10 years
Buildings	10 – 40 years
Electrical distribution system	25 years
Furniture and equipment	4, 5, 10 or 20 years
Library resources	4 or 20 years
Vehicles	5 years
Equip./Veh. under Capital lease	5 years

Capital assets under construction are not amortized until they are placed in service.

#### **Impairment of capital assets**

When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset shall be written down to the asset's fair value or replacement cost. The write-downs of tangible capital assets shall be accounted for as expenses in the non-consolidated statement of operations and changes in fund balances. A write-down shall not be reversed.

#### **Cloud computing arrangements**

Expenditures from cloud computing arrangements are accounted for as a software service. Any expenditures that are directly attributable to implementing the software service are capitalized as incurred. Capitalized amounts are amortized over the expected period of access to the software service of 5 years using the straight-line method.

#### **Employee future benefits**

The Organization has made contributions of \$111,248 (\$122,820 - 2024) to a defined contribution employee future benefit plan. These contributions are expensed as incurred.

#### **Subsidiaries**

Briercrest has a 100% owned subsidiary, 102141386 Saskatchewan Ltd., which is a profit-oriented organization that holds Briercrest's ownership interest in CanWest Sports Science and Performance Centre Inc. ("CanWest"). The subsidiary is accounted for using the equity method.

# BRIERCREST COLLEGE AND SEMINARY

## Notes to Non-Consolidated Financial Statements

Year Ended June 30, 2025

### 3. ACCOUNTS RECEIVABLE

	2025 \$	2024 \$
Trade	23,325	34,584
Student	42,145	37,594
Rent	4,985	8,650
Other	17,265	30,504
	87,720	111,332
Less: Allowance for doubtful accounts	14,661	7,458
	73,059	103,874

### 4. INVESTMENTS

	2025		2024	
	Cost \$	Carrying Value \$	Cost \$	Carrying Value \$
Mutual Funds – CDN Equity	428,829	574,124	476,614	530,923
Mutual Funds – Global Equity	153,612	218,078	172,794	214,039
Mutual Funds – Income	3,561,303	3,721,603	3,219,716	3,276,479
Mutual Funds – Int’l Equity	307,340	417,756	334,000	406,988
Mutual Funds – Other	1,289,357	1,336,535	1,349,127	1,377,133
Mutual Funds – Real Estate	85,032	98,588	96,291	99,752
Mutual Funds – US Equity	452,347	574,667	494,015	588,339
	6,277,820	6,941,351	6,142,557	6,493,653
Less: current portion	3,066,458	3,248,749	3,058,263	3,151,438
	3,211,362	3,692,602	3,084,294	3,342,215

### 5. CAPITAL ASSETS

	2025		2024	
	Cost \$	Accumulated Amortization \$	Cost \$	Accumulated Amortization \$
Land	213,260	-	213,260	-
Land improvements	335,955	140,749	326,017	125,159
Buildings	25,994,021	20,600,308	25,944,463	20,148,375
Electrical distribution system	7,977	6,701	7,977	6,381
Furniture and equipment	1,833,042	1,446,155	1,878,982	1,421,793
Library resources	1,172,043	710,701	1,204,331	725,173
Vehicles	677,102	594,071	672,170	581,431
Equip./Veh. under capital lease	-	-	18,370	18,059
	30,233,400	23,498,685	30,265,570	23,026,371
Less:				
Accumulated amortization	23,498,685		23,026,371	
<b>Net book value</b>	<b>6,734,715</b>		<b>7,239,199</b>	

# BRIERCREST COLLEGE AND SEMINARY

## Notes to Non-Consolidated Financial Statements

Year Ended June 30, 2025

### 6. OTHER ASSETS

	2025 \$	2024 \$
Software implementation costs	140,646	56,855
Less: Accumulated amortization	41,369	13,239
	99,277	43,616
Life insurance Cash Surrender Value	241,087	241,087
	340,364	284,703

### 7. DEFERRED REVENUE AND DEPOSITS

	2025 \$	2024 \$
Advance fees	436,221	426,979
Damage fee deposits	71,783	78,568
	508,004	505,547

The cash received for the damage fee deposits are restricted and is included in the cash held in the operating fund shown on the non-consolidated statement of financial position.

### 8. COMMITMENTS AND CONTINGENT OBLIGATIONS

The Organization has established a gift annuity plan as a form of public support and, in exchange for contributions held in trust, obligates itself to pay donors fixed annual returns for life at rates varying from 5% to 13% (life annuity bond agreements). At the time of an annuitant's death, the principal balance passes to the Organization and is recorded as a donation in the Operating Fund (formerly the Annuity Fund).

During the year \$4,449 (\$6,030 - 2024) of annuity payments were made. No external actuarial estimate of the annuity liability has been made. The carrying value of the principal amount held in trust is \$25,000 (\$55,000 - 2024).

In 2017, the Organization entered into a ten-year supply agreement ("SA") with a supplier ("Supplier") in conjunction with a business operated by the Organization at that time. The SA required the Organization to attain a certain volume of purchases over the term of the SA. The Organization subsequently sold the business to a purchaser ("Purchaser") and the Organization agreed to joint and several liability for the observance and performance of the obligations of the SA.

# BRIERCREST COLLEGE AND SEMINARY

## Notes to Non-Consolidated Financial Statements

Year Ended June 30, 2025

### 8. COMMITMENTS AND CONTINGENT OBLIGATIONS (continued)

#### *Contingency*

On July 22, 2025, the Purchaser and the Organization received a notice of breach from the Supplier with a demand for payments of \$479,613. On September 8, 2025, the Purchaser and the Organization received an additional notice from the Supplier demanding \$724,957 in the aggregate including the payments noted in the previous demand. On October 2, 2025, the Purchaser and the Organization executed an indemnity agreement which indemnifies the Organization against any and all losses, costs or damages arising from demands or actions by the Supplier. Accordingly, no provision for any liability has been made in these financial statements.

### 9. INVESTMENT INCOME

	<b>2025</b>	<b>2024</b>
	\$	\$
Interest and investment income	<b>277,180</b>	271,036
Realized gains (losses)	57,387	(219,057)
Unrealized gains	<b>312,435</b>	495,688
Life Insurance Policies Cash Surrender Value	-	241,087
	<b>647,002</b>	788,754

Investment income for the year on amounts held in the Endowment Fund of \$352,988 (\$206,865 - 2024) was allocated to the Restricted Fund.

### 10. INTERFUND TRANSACTIONS

The Restricted Fund transferred \$88,060 (\$92,932 – 2024) to the Endowment Fund to be preserved and applied towards financing future provision of scholarships.

The Endowment Fund transferred \$4,100 (\$1,640 – 2024) to the Restricted Fund to finance the provision of scholarships.

# BRIERCREST COLLEGE AND SEMINARY

## Notes to Non-Consolidated Financial Statements

Year Ended June 30, 2025

### 11. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS

	2025 \$	2024 \$
<b>(INCREASE) DECREASE IN</b>		
Accounts receivable	<b>30,815</b>	80,969
Other assets	<b>(55,661)</b>	(26,797)
Inventory	<b>3,175</b>	(2,289)
Prepaid expenses and supplies	<b>23,352</b>	(24,282)
Life insurance cash surrender value	-	(241,087)
<b>(DECREASE) INCREASE IN</b>		
Accounts payable and accrued charges	<b>272,830</b>	(393,058)
Deferred revenue and deposits	<b>2,457</b>	71,309
Investment loss on subsidiary	<b>31,331</b>	31,273
	<b>308,299</b>	(503,962)

### 12. LEASE COMMITMENTS

The Organization is committed to payments under term lease agreements as follows:

	\$
2026	<b>24,500</b>
2027	<b>24,500</b>
2028	<b>18,375</b>

### 13. RELATED PARTY TRANSACTIONS

The Organization has a loan receivable balance of \$121,980 (\$120,980 - 2024) due from CanWest. Briercrest has an ownership interest of CanWest through its ownership of 102141385 Saskatchewan Ltd.

All transactions were carried out in the normal course of operations and are recorded at exchange value. This value corresponds to the consideration agreed upon by the parties and is determined based on the costs incurred.

### 14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Organization, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments. The following analysis provides a measurement of risk at June 30, 2025.

#### *Credit Risk*

The Organization's principal financial assets are cash, investments and accounts receivable which are subject to credit risk. The carrying amount of financial assets on the non-consolidated statement of financial position represents the Organization's maximum credit exposure at the non-consolidated statement of financial position date.

# BRIERCREST COLLEGE AND SEMINARY

## Notes to Non-Consolidated Financial Statements

Year Ended June 30, 2025

### 14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The Organization's credit risk is primarily attributable to trade and student receivables. The amounts disclosed in the non-consolidated statement of financial position are net of allowance for doubtful accounts, estimated by management based on previous experience and its assessment of the current economic environment. The Organization does not have significant exposure to any individual customer and has not incurred any significant bad debts during the year.

The credit risk associated with cash is minimized as cash is held with a reputable Canadian credit union and investments are held with highly rated financial management companies.

#### *Other Price Risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Organization is exposed to other price risk through its investments in mutual funds for which the value fluctuates with the quoted market price. This risk is mitigated by maintaining a mixed asset portfolio and pooled investments.

#### *Liquidity Risk*

The Organization's objective is to have sufficient liquidity to meet its liabilities when due. The Organization monitors its cash balance and cash flows generated from operations to meet its requirements. As at June 30, 2025, the most significant financial liability is accounts payable and accrued charges.

#### *Foreign Currency Risk*

The Organization is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of operations, the Organization purchases investments, through its investments in mutual funds, that are denominated in U.S. dollars. The Organization does not enter into forward contracts to mitigate this risk but manages the risk by maintaining a mixed Canadian and U.S. dollar asset portfolio.

	2025 CDN \$	2024 CDN \$
U.S. Dollars		
Cash	429,901	20,019
Investments	574,667	588,339
	<b>1,004,568</b>	<b>608,358</b>