# BRIERCREST COLLEGE AND SEMINARY

## *NON-CONSOLIDATED FINANCIAL STATEMENTS*

***June 30, 2026***

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# 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, 2026, 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 "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2026, 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 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 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 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 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 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 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 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 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
November 6, 2026

**Briercrest College and Seminary**

## NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30

| | 2026 | | | | | 2025 |
|---|---|---|---|---|---|---|
| | Operating Fund $ | Capital Asset Fund $ | Restricted Fund $ | Endowment Fund $ | Total $ | Total $ |
| **ASSETS** | | | | | | |
| **Current** | | | | | | |
| Cash | 701,203 | 217,029 | 59,305 | 433,575 | 1,411,112 | 1,458,579 |
| Accounts receivable *[note 3]* | 142,678 | - | - | - | 142,678 | 73,059 |
| Inventory | 68,510 | - | - | - | 68,510 | 73,833 |
| Investments *[note 4]* | 1,327,054 | 244,410 | 2,010,297 | - | 3,581,761 | 3,248,749 |
| Prepaid expenses and supplies | 255,970 | - | - | - | 255,970 | 278,681 |
| **Total current assets** | 2,495,415 | 461,439 | 2,069,602 | 433,575 | 5,460,031 | 5,132,901 |
| Loans receivable *[note 8]* | 21,725 | - | - | - | 21,725 | 135,964 |
| Investments *[note 4]* | - | - | - | 4,109,539 | 4,109,539 | 3,692,602 |
| Capital assets *[note 5]* | - | 6,483,197 | - | - | 6,483,197 | 6,734,715 |
| Other assets *[note 6]* | 300,943 | 134,730 | - | - | 435,673 | 340,364 |
| | 2,818,083 | 7,079,366 | 2,069,602 | 4,543,114 | 16,510,165 | 16,036,546 |
| **LIABILITIES AND FUND BALANCES** | | | | | | |
| **Current** | | | | | | |
| Accounts payable and accrued charges | 858,481 | - | - | - | 858,481 | 973,595 |
| Deferred revenue and deposits *[note 7]* | 523,015 | - | - | - | 523,015 | 508,004 |
| Due (from) to other funds | (395,150) | 395,150 | (188,794) | 188,794 | - | - |
| Current portion of capital lease obligations *[note 12]* | - | 30,798 | - | - | 30,798 | - |
| **Total current liabilities** | 986,346 | 425,948 | (188,794) | 188,794 | 1,412,294 | 1,481,599 |
| Life annuity bond agreements *[note 8]* | - | - | - | - | - | 25,000 |
| Capital lease obligations *[note 12]* | - | 103,341 | - | - | 103,341 | - |
| Investment loss on subsidiary | - | - | - | - | - | 67,519 |
| **Total liabilities** | 986,346 | 529,289 | (188,794) | 188,794 | 1,515,635 | 1,574,118 |
| **Fund balances** | | | | | | |
| Invested in capital assets | - | 6,550,077 | - | - | 6,550,077 | 7,102,723 |
| Externally restricted | - | - | 2,258,396 | 3,868,488 | 6,126,884 | 5,421,891 |
| Internally restricted | - | - | - | 485,832 | 485,832 | 253,796 |
| Unrestricted | 1,831,737 | - | - | - | 1,831,737 | 1,684,018 |
| **Total fund balances** | 1,831,737 | 6,550,077 | 2,258,396 | 4,354,320 | 14,994,530 | 14,462,428 |
| | 2,818,083 | 7,079,366 | 2,069,602 | 4,543,114 | 16,510,165 | 16,036,546 |

*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 | |
|---|---|---|---|---|---|---|---|---|
| | **2026** | 2025 | **Capital Asset Fund 2026** | **Restricted Fund 2026** | **Total 2026** | Total 2025 | **2026** | 2025 |
| | **$** | $ | **$** | **$** | **$** | $ | **$** | $ |
| **REVENUES** | | | | | | | | |
| Tuition and fees | **9,362,961** | 8,803,959 | **-** | **-** | **-** | - | **-** | - |
| Donations | **2,077,943** | 2,476,587 | **47,711** | **876,467** | **924,178** | 701,393 | **481,634** | 243,041 |
| Government grants and assistance | **217,900** | 216,300 | **-** | **-** | **-** | - | **-** | - |
| Investment income *[note 9]* | **113,606** | 85,974 | **14,237** | **608,996** | **623,233** | 561,028 | **-** | - |
| Ancillary operations | **665,395** | 692,725 | **-** | **-** | **-** | - | **-** | - |
| General sales | **1,338,814** | 1,336,798 | **-** | **-** | **-** | - | **-** | - |
| Rentals | **1,065,221** | 972,639 | **-** | **-** | **-** | - | **-** | - |
| Miscellaneous | **102,487** | 95,302 | **82,420** | **-** | **82,420** | 28,959 | **-** | - |
| | **14,944,327** | 14,680,284 | **144,368** | **1,485,463** | **1,629,831** | 1,291,380 | **481,634** | 243,041 |
| **EXPENSES** | | | | | | | | |
| Operating expenses | **6,329,702** | 6,476,373 | **45,677** | **-** | **45,677** | 28,129 | **-** | - |
| Salaries and benefits | **7,499,640** | 7,217,813 | **-** | **-** | **-** | - | **-** | - |
| Ancillary cost of goods sold | **786,255** | 774,725 | **-** | **-** | **-** | - | **-** | - |
| Amortization | **-** | - | **708,146** | **-** | **708,146** | 722,837 | **-** | - |
| Interest | **-** | - | **-** | **-** | **-** | - | **-** | - |
| Scholarships and annuity payments | **-** | - | **-** | **359,360** | **359,360** | 309,134 | **-** | - |
| Program development expenses | **-** | - | **-** | **670,708** | **670,708** | 405,367 | **-** | - |
| Miscellaneous | **2,223** | 32,585 | **121,980** | **-** | **121,980** | 1,994 | **-** | - |
| | **14,617,820** | 14,501,496 | **875,803** | **1,030,068** | **1,905,871** | 1,467,461 | **-** | - |
| Excess (deficiency) of revenues over expenses | **326,507** | 178,788 | **(731,435)** | **455,395** | **(276,040)** | (176,081) | **481,634** | 243,041 |
| Fund balances, beginning of year | **1,684,018** | 1,505,230 | **7,102,723** | **2,035,429** | **9,138,152** | 9,398,193 | **3,640,258** | 3,313,257 |
| Interfund transfers *[note 10]* | **(178,788)** | - | **178,788** | **(232,428)** | **(53,640)** | (83,960) | **232,428** | 83,960 |
| **Fund balances, end of year** | **1,831,737** | 1,684,018 | **6,550,076** | **2,258,396** | **8,808,472** | 9,138,152 | **4,354,320** | 3,640,258 |

*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 2026 $ | Capital Asset Fund 2026 $ | Restricted Fund 2026 $ | Endowment Fund 2026 $ | Total 2026 $ | Total 2025 $ |
|---|---|---|---|---|---|---|
| **OPERATING ACTIVITIES** | | | | | | |
| Excess (deficiency) of revenues over expenses | **326,507** | **(731,435)** | **455,395** | **481,634** | **532,101** | 245,748 |
| Realized gain on investments | **(1,425)** | **(603)** | **(6,804)** | **(15,906)** | **(24,738)** | (57,387) |
| Add charges to operations not requiring a current cash payment | | | | | | |
| Unrealized (gain) loss on investments | **2,964** | **(2,064)** | **(103,480)** | **(261,953)** | **(364,533)** | (312,435) |
| Amortization of capital assets | **-** | **708,146** | **-** | **-** | **708,146** | 722,837 |
| Contributed capital assets | **-** | **(3,198)** | **-** | **-** | **(3,198)** | (13,491) |
| Gain on disposal of capital assets | **-** | **(23,768)** | **-** | **-** | **(23,768)** | (527) |
| Write off of loans receivable *[Note 14]* | **-** | **121,980** | **-** | **-** | **121,980** | 6,886 |
| Forgiveness of life annuity bond agreements *[Note 8]* | **(25,000)** | **-** | **-** | **-** | **(25,000)** | (30,000) |
| Investment (gain) loss on subsidiary | **(67,519)** | **-** | **-** | **-** | **(67,519)** | 31,331 |
| | **235,527** | **69,058** | **345,111** | **203,775** | **853,471** | 592,962 |
| Net change in non-cash working capital balances related to operations *[note 11]* | **(201,544)** | **(35,453)** | **-** | **-** | **(236,997)** | 276,968 |
| **Cash provided by (used in) operating activities** | **33,983** | **33,605** | **345,111** | **203,775** | **616,474** | 869,930 |
| **INVESTING ACTIVITIES** | | | | | | |
| Purchase of investments | **(2,847,898)** | **(17,109)** | **(136,308)** | **(310,542)** | **(3,311,857)** | (1,374,624) |
| Proceeds on disposal of investments | **2,710,605** | **5,539** | **63,572** | **171,464** | **2,951,180** | 1,296,748 |
| Addition of loans receivable | **(7,741)** | **-** | **-** | **-** | **(7,741)** | (1,000) |
| Purchase of capital assets | **-** | **(510,594)** | **-** | **-** | **(510,594)** | (269,853) |
| Proceeds on disposal of capital assets | **-** | **80,932** | **-** | **-** | **80,932** | 65,518 |
| **Cash (used in) provided by investing activities** | **(145,034)** | **(441,232)** | **(72,736)** | **(139,078)** | **(798,080)** | (283,211) |
| **FINANCING ACTIVITIES** | | | | | | |
| Addition of capital lease obligations | **-** | **156,936** | **-** | **-** | **156,936** | - |
| Repayment of capital lease obligations | **-** | **(22,797)** | **-** | **-** | **(22,797)** | (275) |
| Repayment of amounts due to (from) other funds | **160,036** | **93,534** | **(163,617)** | **(89,953)** | **-** | - |
| **Cash provided by (used in) financing activities** | **160,036** | **227,673** | **(163,617)** | **(89,953)** | **134,139** | (275) |
| **Net (decrease) increase in cash during the year** | **48,985** | **(179,954)** | **108,758** | **(25,256)** | **(47,467)** | 586,444 |
| Cash, beginning of year | **831,006** | **218,195** | **182,975** | **226,403** | **1,458,579** | 872,135 |
| Interfund transfers | **(178,788)** | **178,788** | **(232,428)** | **232,428** | **-** | - |
| **Cash, end of year** | **701,203** | **217,029** | **59,305** | **433,575** | **1,411,112** | 1,458,579 |

*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, 2026**

## 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.

## 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 non-consolidated 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 $3,198 ($13,491 - 2025) are recorded at their fair value. The fair value is determined in relation to the market value of similar materials.

### 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.

### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Financial instruments (continued)**

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 fluctuates 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.

**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:

### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Capital assets (continued)**

| | |
|---|---|
| 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 $114,319 ($111,248 - 2025) to a defined contribution employee future benefit plan. These contributions are expensed as incurred.

**Subsidiaries**

Briercrest had a 100% owned subsidiary, 102141386 Saskatchewan Ltd., which was a profit-oriented organization that held Briercrest’s ownership interest in CanWest Sports Science and Performance Centre Inc. (“CanWest”). The subsidiary was accounted for using the equity method.

CanWest and 1021414386 Saskatchewan Ltd. were dissolved during the year.

## 3. ACCOUNTS RECEIVABLE

| | **2026** $ | 2025 $ |
|---|---|---|
| Trade | **15,387** | 23,325 |
| Student | **44,050** | 42,145 |
| Rent | **9,289** | 4,985 |
| Other | **85,746** | 17,265 |
| | **154,472** | 87,720 |
| Less: Allowance for doubtful accounts | **11,794** | 14,661 |
| | **142,678** | 73,059 |

## 4. INVESTMENTS

| | **2026** | | 2025 | |
|---|---|---|---|---|
| | **Cost** $ | **Carrying Value** $ | Cost $ | Carrying Value $ |
| Mutual Funds – CDN Equity | **399,441** | **641,205** | 428,829 | 574,124 |
| Mutual Funds – Global Equity | **150,795** | **239,431** | 153,612 | 218,078 |
| Mutual Funds – Income | **3,844,892** | **4,092,328** | 3,561,303 | 3,721,603 |
| Mutual Funds – Int'l Equity | **311,983** | **482,529** | 307,340 | 417,756 |
| Mutual Funds – Other | **1,394,268** | **1,453,961** | 1,289,357 | 1,336,535 |
| Mutual Funds – Real Estate | **85,856** | **115,473** | 85,032 | 98,588 |
| Mutual Funds – US Equity | **475,999** | **666,373** | 452,347 | 574,667 |
| | **6,663,234** | **7,691,300** | 6,277,820 | 6,941,351 |
| Less: current portion | **3,296,888** | **3,581,761** | 3,066,458 | 3,248,749 |
| | **3,366,346** | **4,109,539** | 3,211,362 | 3,692,602 |

## 5. CAPITAL ASSETS

| | **2026** | | 2025 | |
|---|---|---|---|---|
| | **Cost** $ | **Accumulated Amortization** $ | Cost $ | Accumulated Amortization $ |
| Land | **213,260** | **-** | 213,260 | - |
| Land improvements | **335,955** | **156,340** | 335,955 | 140,749 |
| Buildings | **26,237,537** | **21,071,408** | 25,994,021 | 20,600,308 |
| Electrical distribution system | **7,977** | **7,020** | 7,977 | 6,701 |
| Furniture and equipment | **1,820,962** | **1,568,372** | 1,833,042 | 1,446,155 |
| Library resources | **1,059,656** | **617,669** | 1,172,043 | 710,701 |
| Vehicles | **653,340** | **575,598** | 677,102 | 594,071 |
| Equip./Veh. under capital lease | **156,936** | **6,019** | - | - |
| | **30,485,623** | **24,002,426** | 30,233,400 | 23,498,685 |
| Less: Accumulated amortization | **24,002,426** | | 23,498,685 | |
| **Net book value** | **6,483,197** | | 6,734,715 | |

### 6. OTHER ASSETS

| | **2026** $ | 2025 $ |
|---|---|---|
| Software implementation costs | **220,124** | 140,646 |
| Less: Accumulated amortization | **85,394** | 41,369 |
| | **134,730** | 99,277 |
| Life insurance Cash Surrender Value | **300,943** | 241,087 |
| | **435,673** | 340,364 |

### 7. DEFERRED REVENUE AND DEPOSITS

| | **2026** $ | 2025 $ |
|---|---|---|
| Advance fees | **446,728** | 436,221 |
| Damage fee deposits | **76,287** | 71,783 |
| | **523,015** | 508,004 |

The cash received for the damage fee deposits is 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.

During the year $522 ($4,449 - 2025) of annuity payments were made. No external actuarial estimate of the annuity liability has been made. The final annuitant passed away during the year and the remaining liability was written off and recorded as income. The carrying value of the principal amount held in trust is now nil ($25,000 - 2025).

### 9. INVESTMENT INCOME

| | **2026** $ | 2025 $ |
|---|---|---|
| Interest and investment income | **287,712** | 277,180 |
| Realized gains | **24,738** | 57,387 |
| Unrealized gains | **364,533** | 312,435 |
| Life Insurance Policies Cash Surrender Value | **59,856** | - |
| | **736,839** | 647,002 |

Investment income for the year on amounts held in the Endowment Fund of $421,222 ($352,988 - 2025) was allocated to the Restricted Fund.

### 10. INTERFUND TRANSACTIONS

The Restricted Fund transferred $235,928 ($88,060 – 2025) to the Endowment Fund to be preserved and applied towards financing future provision of scholarships.

The Endowment Fund transferred $3,500 ($4,100 – 2025) to the Restricted Fund to finance the provision of scholarships.

The Operating Fund transferred $178,788 ($0 – 2025) to the Capital Asset Fund of surplus funds from the previous year.

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

| | **2026** $ | 2025 $ |
|---|---|---|
| **(INCREASE) DECREASE IN** | | |
| Accounts receivable | **(69,619)** | 30,815 |
| Other assets | **(35,453)** | (55,661) |
| Inventory | **5,323** | 3175 |
| Prepaid expenses and supplies | **22,711** | 23,352 |
| Life insurance cash surrender value | **(59,856)** | - |
| **(DECREASE) INCREASE IN** | | |
| Accounts payable and accrued charges | **(115,114)** | 272,830 |
| Deferred revenue and deposits | **15,011** | 2,457 |
| | **(236,997)** | 276,968 |

## 12. CAPITAL LEASE OBLIGATIONS

| | **2026** $ | 2025 $ |
|---|---|---|
| Capital lease obligations repayable to RACP Leasing at rates of 1.50%, repayable in monthly installments of $2,716, maturing in September 2030. | **134,139** | - |
| | **134,139** | - |
| Less: current portion | **30,798** | - |
| | **103,341** | - |

Principal repayments due in each of the next five years are as follows:

| | $ |
|---|---|
| 2027 | **30,798** |
| 2028 | **31,263** |
| 2029 | **31,735** |
| 2030 | **32,214** |
| 2031 | **8,129** |
| | **134,139** |

## 13. LEASE COMMITMENTS

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

| | $ |
|---|---|
| 2027 | **24,500** |
| 2028 | **18,375** |
| | **42,875** |

## 14. RELATED PARTY TRANSACTIONS

The Organization had a loan receivable balance of $121,980 due from CanWest. Briercrest had an ownership interest of CanWest through its ownership of 102141385 Saskatchewan Ltd. CanWest has since been dissolved and the loan receivable has been written off.

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.

### 15. 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, 2026.

*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.

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, 2026, 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.

| | **2026**<br>CDN $ | 2025<br>CDN $ |
|---|---|---|
| U.S. Dollars | | |
| Cash | **73,817** | 429,901 |
| Investments | **666,373** | 574,667 |
| | **740,190** | 1,004,568 |