



**2023-24 Annual Report to
Alberta Advanced Education**

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Annual Report Template

Context:

This template will be used to collect the required content requested for the PSI Annual Reports which will be submitted to the Ministry of Advanced Education.

Instructions:

- Use the links in the Table of Contents tab to provide the required content requested in the Annual Report Guidelines. Ensure required content is completed in the appropriate tab.
- This template encourages short and concise submissions such as using bulleted content, instead of a narrative-style format.
- Include audited financial statements as a separate attachment to your institution's annual report submission.
- Self-generated revenue information can be inserted into the chart in Tab 5 unless it is included as a separate attachment with all necessary elements included. Use any format that is clear and complete. The self-generated revenue reporting requirement has been fulfilled for the 2023-24 fiscal year.
- Capital report information can be inserted into the chart in Tab 6 unless it is included as a separate attachment with all necessary elements included. Use any format that is clear and complete.

Institution Information

Institution name: St. Mary's University

President name: Dr. Sinda Vanderpool

Board Chair name: Mr. Gary Strother

1. Accountability Acknowledgement (a & b)

Independent Academic Institutions

a. Accountability Statement:

The institution's Annual Report for the year ended was prepared under the Board's direction in accordance with ministerial requirements established pursuant to the Post-Secondary Learning Act. All material economic, environmental, or fiscal implications of which we are aware have been considered in the preparation of this report.



Gary Strother

Board Chair, St. Mary's University

b. Management's Responsibility for Reporting:

The institution's management is responsible for the preparation, accuracy, objectivity, and integrity of the information contained in the Annual Report. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained, assets are properly accounted for and safeguarded.



Sinda Vanderpool, PhD

President & Vice Chancellor, St. Mary's University

2. Public Interest Disclosure (Whistleblower Protection) Act

Section 1 (k) of this Act states that a “public entity” means any agency, board, commission, Crown corporation or other entity designated as a public entity in the regulations.

As an Independent Academic Institution, St. Mary’s University does not fall under this definition, but supports and endorses the concepts in the Act.

3. Goals and Performance Measures

A. Student supports and services and their responsiveness to the evolving needs of students (e.g. academic, financial, mental, and physical well being etc.)

- i. Addition of campus disc golf course open to students and public
- ii. Upgraded sports court to add pickleball courts
- iii. Partnership with Calgary sport and social club to bring discounts for St. Mary’s students to participate in intramural activities.
- iv. New Terry Fox on campus fun run to support cancer research initiative
- v. Addition of Monday fitness classes open to staff and students (High Intensity Interval Training)
- vi. Updated fitness equipment in fitness centre (rowing, exercise bikes)
- vii. Expanded fitness centre hours to include Saturdays
- viii. Library hours have been expanded to accommodate more study time and gathering space.
- ix. STMU Cares initiative continues and expanded, this year 70 students self or other reported, plus use of the STMU Cares survey identified 90 students with immediate need
- x. Emergency bursary program – increased resources to provide students support with money and other services, referrals when needed
- xi. Bell Let’s talk grant counselling areas renos creating new office space and a calming environment for students
- xii. Student Success Seminars – Academic and mental health and wellness offerings
- xiii. Sexual and Gender based violence grants provided resources to create new policies and updated website resources

- xiv. Trained 30 staff and faculty and 100 students to date in Bystander training as we co-create a culture of respect and support
- xv. Peer tutoring program training expansion to better equip student tutors to support student
- xvi. Increased seating capacity in testing centre and improvement of the environment of the centre to reduce exam anxiety and other challenges
- xvii. Counselling introduced new supports, e.g. eating disorders, anxiety to calm, with focus on anxiety of our BEd students

B. Strategic research priorities (for research institutions), applied research, and scholarly activities

In our 2024 – 2029 Strategic Plan, StMU identified Academic Excellence as one of four Strategic Priorities. The key objectives that will allow StMU to achieve a high standard of academic and professional excellence include:

- i. building out our research infrastructure, especially research administration and developing institutional capacity to support both faculty and the Institution, with special emphasis on new graduate programs;
- ii. investing in the Psychology Program as our next Centre of academic excellence to enhance human flourishing through research, teaching, and providing services to the community;
- iii. creating a plan to build out scholarship and research excellence across our campus;
- iv. developing research partnerships with local, regional, and national industries, and
- v. community organizations that align with existing areas of expertise.

From 2023 to 2024 StMU faculty produced 47 published and artistic works, and 9 projects had links to the communities we serve. In addition, 64 students were engaged in research activities.

The breadth of research produced by StMU faculty is reflected in the topics that range from plant genetics: “Chasing the fitness optimum: temporal variation in the genetic and environmental expression of life-history traits for a perennial plant species” to happiness studies: “In my grasp or out of my hands? Belief about where life satisfaction comes from predicts motivation to seek it” and educational research: “Embracing the Interdisciplinary Connection of Movement Between High School Physical Education and Drama Education.”

C. Collaborations with other learning providers (e.g. publicly funded post-secondary institutions, First Nations Colleges, or Private Career Colleges)

- i. Hosted PADRA (Post secondary Accessibility and Disability Resources Association) event on campus (provincial organization) and welcomed over 250 attendees seeking resources for students with disabilities
- ii. ELAA association – St. Mary's has a representative on the Education Liaison Association of Alberta executive to bring recruitment information to schools around Alberta
- iii. New MOU agreement signed with Bow Valley College to accept block transfer of courses from BVC's University Transfer program into St. Mary's Bachelor of Arts with a Concentration in General Studies
- iv. New MOU agreement signed with Bow Valley College to accept block transfer of courses from BVC's Early Childhood Development program into St. Mary's Bachelor of Arts with a concentration in General Studies with a pathway into St. Mary's Bachelor of Education program, Elementary stream
- v. In early discussions with Lethbridge Polytechnic to facilitate a block transfer agreement of Lethbridge Polytechnic students into St. Mary's programs
- vi. In early discussions with Olds College to deliver their Business Management Diploma program on St. Mary's campus

4. Financial Information

For the year ended March 31, 2024, the University ran a deficit on operations of \$423,610 (2.73% of total revenue). *Full details can be found in the attached Audited Financial Statements.*

The deficit on operations in 2023-2024 was a result of:

- Lower than budgeted revenues of approximately \$555K as a result of:
 - i. Tuition revenue lower than budget by \$1,000K due to lower than budgeted enrolment in all semester;
 - ii. Ancillary Services lower than budget by \$56K due to the decline in enrolment;
 - iii. Offset by Donations and Fundraising higher than budget by \$350K; and,
 - iv. Also offset by Government Grants higher than budget by \$156K, due to Targeted Enrolment Expansion (TEE) grants.
- Lower than budgeted total expenditures of approximately \$132K as a result of small positive variances across most expenditure categories due to solid expenditure management.
- StMU has embarked on a new 5-year Strategic Plan, which endeavours to increase enrolment and donations. In addition, the University continues to lobby for equitable government funding in order to balance operations.

5. Self-generated Revenue

The self-generated revenue reporting requirement has been fulfilled for the 2023-24 fiscal year.

6. Capital Report

Types of Project and Funding Sources					
Type: Proposed New Expansion Maintenance	Project Description	Total Project Cost	Funding Source: % Gov of Alberta % Gov of Canada % PSI funds % donation % foundation % industry	Funding Received to Date and Source	Revised Funding Sources
Priority Projects (Top 3 Capital Priorities)					
Maintenance	Plumbing replacement and repair	\$400K	100% Donation	All Funding received, sourced through a private donation	
New	University Website	\$100K	100% PSI	All Funding received, sourced through Capital allocations by the PSI.	
Maintenance	IT Infrastructure Upgrade	\$100K	100% PSI	All Funding received, sourced through Capital allocations by the PSI.	
Other					
Proposed	Campus Master Plan	\$75K	100% Donation	All funds received from a donor.	
Proposed	Residence	\$30 Million	17% PSI 83% Donations	\$8 million (\$5 million donation and \$3 million from PSI)	
Proposed	Roofing Replacement and Maintenance	\$2000K	100% PSI	All Funding received, sourced through Capital allocations by the PSI.	

7. Free Speech Reporting

Reporting Measure 1: Free Speech Policy Information

- *Please provide the website address where your institution's free speech policy is posted.*
- *Has your institution amended its free speech policy during the 2023-24 fiscal year?*
 - *If yes, please explain the change and the reason for making the change.*
- *Outline any intersecting administrative policies or costs (e.g. venue booking fees, security costs) at your institution that could impact event booking.*

RESPONSE: St. Mary's policy of Freedom of Expression is currently available on our website at <https://stmu.ca/wp-content/uploads/2023/10/Freedom-of-Expression-doc.pdf>, with no changes being paid during this reporting period. An intersecting policy of Academic Freedom is also available on our website <https://stmu.ca/wp-content/uploads/2023/10/2A-2003-Statement-on-Academic-Freedom.pdf>. At this time we do not have any other administrative policies that would impact event booking.

Reporting Measure 2: Cancelled Events

- *During the 2023-24 fiscal year, were any events at your institution cancelled for reasons related to free speech?*
 - *If yes, provide a description of the event, including context.*
 - *Discuss the concerns which led to the event's cancellation.*
 - *Describe how the cancellation decision fit within the institution's free speech policy and include information on other institutional policies that were considered when making the decision.*
 - *If any complaints arose from the event's cancellation, please provide further details regarding the complaints under Reporting Measure 3.*

RESPONSE: During this reporting period there were no events cancelled for reasons related to free speech.

Reporting Measure 3: Free Speech-Related Complaints

- *During the 2023-24 fiscal year, did your institution receive any complaints related to free speech issues?*
- *Note: These are complaints that were submitted in accordance with the institution's free speech policy and through the procedures identified by the institution. These are not complaints related to labour disputes or other issues which are captured by agreements and contracts separate from the institution's free speech policy.*

For each complaint:

- *Please provide a description of the complaint, including context.*
- *Discuss how the institution managed the complaint. Was the complaint addressed using the procedures set out in the institution's policy? How were issues resolved?*

RESPONSE: During this reporting period there were no complaints for reasons related to free speech.

- *Provide the following summary data for free speech-related complaints submitted in accordance with the institution's free speech policy and through the procedures identified by the institution:*

RESPONSE:

Total number of complaints = 0

Total number of complaints that did not progress through the institution's resolution process as determined by institutional policy = 0

Total number of complaints where it was determined that the free speech policy was not followed = 0

Reporting Measure 4: Additional Information

- *Please provide any additional information on any other areas of concern related to campus free speech that may not be captured under the other reporting measures.*

RESPONSE: N/A

8. Board of Governors Training on For-profit Ventures

President Vanderpool confirmed with Advanced Education that this training requirement does not apply to St. Mary's University.



Financial Statements

For the year ended March 31, 2024

Independent Auditors' Report

To the Board of Governors of St Mary's University

Opinion

We have audited the financial statements of St Mary's University ("the University"), which comprise the statement of financial position as at March 31, 2024 and the statements of operations and changes in unrestricted net assets, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the University as at March 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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.

Other Information

Management is responsible for the other information. The other information comprises:

- Annual Report to Alberta Advanced Education

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The other information is expected to be made available to us after the date of this auditors' report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

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.

INDEPENDENT AUDITOR'S REPORT (continued)

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.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 auditors' 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 auditors' 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.

Calgary, Canada
June 20, 2024




Chartered Professional Accountants

**Statement of Financial Position**

For the year ended March 31, 2024

	As at March 31, 2024	As at March 31, 2023
ASSETS		
Current assets		
Cash	\$ 1,282,101	\$ 1,581,253
Accounts receivable	191,368	157,920
Prepaid Expenses	368,105	404,363
Inventory	184,825	152,948
Short-term investments - Note 3	2,476,248	3,204,242
	4,502,647	5,500,726
Investments - Note 3	30,575,270	23,050,610
Property, plant and equipment - Note 4	24,200,038	24,529,743
	\$ 59,277,955	\$ 53,081,079
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities - Note 6	\$ 827,647	\$ 869,901
Deferred revenue	1,126,472	1,314,865
Current portion of long term loan - Note 5	236,254	229,420
Current portion of future retirement obligations - Note 7	-	306,436
Deferred contributions - Note 8	560,776	303,044
	2,751,149	3,023,666
Long term loan - Note 5	2,786,352	3,022,607
Deferred contributions - Note 8	5,304,590	565,014
Deferred capital contributions - Note 9	5,540,527	5,638,985
	16,382,618	12,250,272
NET ASSETS		
Unrestricted	11,229,691	10,612,587
Invested in capital assets	15,636,905	15,638,731
Restricted for endowment purposes - Note 10	16,028,741	14,579,489
	42,895,337	40,830,807
	\$ 59,277,955	\$ 53,081,079

Approved by the Board of Governors:


Chair, Board of Governors
President

**Statement of Operations and Change in Unrestricted Net Assets**

For the year ended March 31, 2024

For the year ended March 31,	2024	2023
REVENUE		
Tuition fees	\$ 8,849,165	\$ 8,575,097
Government grants	4,122,099	4,023,976
Donations and fundraising events	922,210	708,549
Ancillary services and miscellaneous revenue	403,554	392,136
Interest and investment income - Note 3	825,271	747,386
Amortization of deferred capital contributions - Note 9	504,061	489,454
	15,626,360	14,936,598
OPERATING EXPENSES		
Salaries	8,900,168	9,024,770
Employee benefits	1,369,962	1,073,252
Materials, supplies and services	3,043,842	2,962,403
Scholarships, bursaries and awards	565,691	543,747
Maintenance and repairs	240,025	297,666
Utilities	312,877	270,200
Interest on long term debt	100,439	107,584
Cost of goods sold	202,280	187,143
Amortization	1,192,888	1,150,233
	15,928,172	15,616,998
DEFICIENCY OF REVENUE OVER EXPENSE BEFORE OTHER ITEMS	(301,812)	(680,400)
Fair value adjustment and capital gains (losses)- Note 3	917,090	(227,996)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSE	615,278	(908,396)
Investment in capital assets	(687,001)	(921,527)
Net amortization of capital assets	688,827	660,779
CHANGE IN UNRESTRICTED NET ASSETS FOR THE YEAR	617,104	(1,169,144)
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	10,612,587	11,781,731
UNRESTRICTED NET ASSETS, END OF YEAR	\$ 11,229,691	\$ 10,612,587

**Statement of Changes in Net Assets**

For the year ended March 31, 2024

	2024				2023	
	Unrestricted	Invested in Capital Assets	Endowment Fund	Total	Total	
NET ASSETS, BEGINNING OF YEAR	\$ 10,612,587	\$ 15,638,731	\$ 14,579,489	\$ 40,830,807	\$ 42,151,318	
Excess (deficiency) of revenue over expense	1,304,105	(688,827)	-	615,278	(908,396)	
Transfer from deferred contributions - Notes 8 and 10	-	-	-	-	22,112	
Endowment investment income (loss) - Note 10	-	-	1,631,787	1,631,787	(9,227)	
Endowment grants to operations - Note 10	-	-	(525,829)	(525,829)	(493,568)	
Endowment contributions - Note 10	-	-	343,294	343,294	68,568	
Investment in capital assets	(687,001)	687,001	-	-	-	
NET ASSETS, END OF YEAR	\$ 11,229,691	\$ 15,636,905	\$ 16,028,741	\$ 42,895,337	\$ 40,830,807	

**Statements of Cash Flows**

For the year ended March 31, 2024

	2024	2023
Operating Activities		
Excess (deficiency) of revenue over operating expense	\$ 615,278	\$ (908,396)
Add (deduct) non-cash items:		
Amortization	1,192,888	1,150,233
Amortization of deferred capital contributions	(504,061)	(489,454)
Loss on investments	144,372	237,236
Unrealized (gain) loss on investments	(2,901,380)	197,303
Deferred contributions recognized in donation revenue	(315,968)	(220,369)
Future retirement obligation	(28,300)	(185,000)
Net change in non-cash working capital - Note 12	(562,546)	(130,594)
	(2,359,717)	(349,041)
Financing activities		
Endowment contributions	343,294	68,568
Deferred contributions and grants received	281,689	367,114
Investment income on deferred contributions	506,476	-
Repayment of long term debt	(229,421)	(222,783)
	902,038	212,899
Investing activities		
Acquisitions of property, plant and equipment	(457,580)	(542,236)
Payables relating to capital acquisitions	24,696	22,555
Disposal (acquisition) of investments, net	485,453	(93,017)
Endowment investment income	1,631,787	(9,227)
Endowment grants to operations	(525,829)	(493,568)
	1,158,527	(1,115,493)
Decrease in cash	(299,152)	(1,251,635)
CASH, BEGINNING OF YEAR	\$ 1,581,253	\$ 2,832,888
CASH, END OF YEAR	\$ 1,282,101	\$ 1,581,253

Non-cash transactions – Note 12

**Notes to Financial Statements**

For the year ended March 31, 2024

1. Nature of Operations

St. Mary's College was established by an Act of the Alberta Legislature in 1986. In 2014, permission was granted from the Province of Alberta to change the institution's name to St. Mary's University effective September 18, 2014. St. Mary's University ('St. Mary's') offers undergraduate degree programs and graduate certificate programs to students of all faith traditions. St. Mary's is a registered charity and is exempt from income tax pursuant to Section 149 of the Income Tax Act (Canada).

2. Significant Accounting Policies**(a) Revenue recognition**

St. Mary's uses the deferral method of accounting for contributions. Restricted contributions, designated for specific purposes, are recognized as revenue in the year in which the related expense is incurred. Unrestricted contributions are recognized as revenue or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue from fundraising events is recognized when the contributions are received. Revenue from fundraising events and advance ticket sales are recognized in the period in which the event occurs.

Contributions restricted for the purchase of capital assets that will be amortized are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. Contributions restricted for the purchase of capital assets that will not be amortized are recognized as direct increases to the invested in capital assets balance.

Endowment contributions are recognized as direct increases in the endowments balance. Annual spending allocations from endowments are recognized as investment income in the year in which the related expenditures are incurred. Investment earnings on endowed funds in excess of the annual spending allocation are reported as direct increases in the endowments balance.

Revenue from sales in the bookstore is recognized at the time of sale. Revenue from rental of facilities is recognized in the period in which the facility is rented to an external party.

Amounts received for tuition fees and government grants are recognized as revenue in the period the related instructional services are provided.

(b) Investments and investment income

All investments are recorded at fair value based on quoted market bid prices at the close of business on the statement of financial position date. Contributions of publicly-traded securities are recorded at the closing market value on the date upon which they are transferred to St. Mary's. Investment income, including interest, dividends, income distributions, and realized and unrealized gains and losses, is recorded as earned. Short-term investments include restricted and unrestricted cash balances, short-term deposits and interest receivable.

**Notes to Financial Statements**

For the year ended March 31, 2024

2. Significant Accounting Policies (continued)**(c) Property, plant and equipment**

Purchased property, plant and equipment are recorded at cost. Contributed property, plant and equipment are recorded at fair market value when fair market value is reasonably determinable. Property, plant and equipment are regularly assessed for impairment and re-valued as necessary. Amortization is provided on a straight-line basis over the estimated service of the lives of the assets, which are as follows:

Buildings	25 years
Library books and materials	10 years
Furniture and equipment	10 years
Computer equipment	5 years
Land and collections	Not amortized
Assets under construction	Not amortized

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its recoverable value.

(d) Donations-in-kind, pledges and contributed services

Donated materials are recognized in the financial statements at their estimated fair market value if determinable.

Pledges from donors are recorded when payment is received by St. Mary's or the transfer of property is completed. Volunteers contribute an indeterminable number of hours each year to assist St. Mary's in carrying out its mission of post-secondary and graduate education. The fair value of these services is not determinable and accordingly is not included in the financial statements.

(e) Future retirement obligation

A liability has been established for the estimated future value of post-retirement benefits for executives based on the terms of employment contracts. Under the terms of the contract, post-retirement benefits have been paid by end of the year.

(f) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of useful lives of capital assets for amortization, the amortization of deferred capital contributions, expected costs for asset restoration obligations, future employee benefits, and provisions for contingencies. Actual results could differ from those estimates.

**Notes to Financial Statements**

For the year ended March 31, 2024

2. Significant Accounting Policies (continued)**(g) Financial instruments***Measurement*

St. Mary's initially measures its financial assets and financial liabilities at fair value. Subsequent to initial recognition, St. Mary's measures its financial assets and financial liabilities at amortized cost, except for cash, cash equivalents, equity securities quoted in an active market and any other financial asset or liability that St. Mary's elected to measure at fair value upon initial designation which are subsequently measured at fair value. Financial assets measured at amortized cost include accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, future retirement obligations and the long-term loan. All transactions costs for financial assets and liabilities are expensed when incurred.

Cash and cash equivalents include balances with banks and other short-term highly liquid investments that can be readily converted to cash without penalty.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations and changes in unrestricted net assets. When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized up to the amount of the previously recognized impairment.

(h) Credit, Currency, Market and Liquidity Risk*Credit Risk*

Credit risk is the risk that the counterparty will default on its contractual obligations resulting in a financial loss to St. Mary's. St. Mary's is exposed to credit risk on cash deposits and receivables from students and third parties. St. Mary's holds its cash deposits in a large Canadian financial institution. Delinquent accounts are monitored and contacted on a monthly basis. Credit risk for tuition is managed through strict payment deadlines, restriction of enrolment activities for students with delinquent balances and standard collection procedures.

Currency Risk

St. Mary's is exposed to currency risk on investments that are denominated in foreign currencies. St. Mary's held cash and securities denominated in US currency of \$5,717,600 (CAD \$7,747,348) as of March 31, 2024 (2023 \$4,421,773 (CAD \$5,983,551)). St. Mary's does not use derivative instruments to reduce its exposure to foreign currency risk. This risk is managed through the investment portfolio managers by using as risk management policies and practices as per the approved investment policy.

Market Risk

St. Mary's is exposed to market risk in investment earnings and long-term investment values from fluctuations and volatility in publicly-traded equity markets and foreign currencies. Market risk consists of price risk, foreign currency risk and interest rate risk. To manage market risk, St. Mary's has established a target mix of investment types designed to achieve the optimal returns with reasonable risk tolerances through diversity in holdings.



2. Significant Accounting Policies (continued)**(h) Credit, Currency, Market and Liquidity Risk (continued)***Liquidity Risk*

St. Mary's maintains a short-term line of credit with a major Canadian chartered bank that is designed to ensure sufficient available funds to meet current and forecasted financial requirements. As at March 31, 2024, St. Mary's has available borrowing facilities of \$750,000 (2023 - \$500,000), none of which had been drawn. St. Mary's must maintain a market value of \$900,000 (2022 - \$1,000,000) in unrestricted investments at all times as security for this credit facility.

Under the terms of a long-term loan agreement with the City of Calgary, St. Mary's must maintain unrestricted securities in a pledged account equal to the principal amount of the loan at all times during the 20 year repayment period. St. Mary's continues to earn investment income from pledged securities and actively manages cashflows to minimize liquidity risk.

(i) Inventories

Inventories are recorded at the lower of cost and net realizable value. Inventories that have been previously written-down are reversed if the economic circumstances have changed to support an increase in inventory value. Inventories recognized as an expense in the fiscal year ended March 31, 2024 are \$202,280 (2023 - \$187,143)

(j) Capital Management

St. Mary's ensures its continuing ability to pay current and future liabilities through maintaining a prudent base of capital, ensuring adequate liquidity, investment policies, spending policies and cash management procedures. St. Mary's must comply with externally-imposed covenants on its credit facilities and long-term loan. St. Mary's is in compliance with all requirements, with the exception of the current debt service coverage ratio covenant on the long-term loan with the City of Calgary. St. Mary's has received a waiver with regards to this from the City of Calgary for 2023 – 2024.

(k) Accrued Vacation Pay

Vacation entitlement is recorded as an expense at the time it is earned by employees. Vacation entitlement is not accrued and reported for academic faculty members as they use all available entitlement on an annual basis.

(l) Disclosure of Allocated Costs by Not-For-Profit Organizations

St. Mary's does not allocate general support and fundraising costs among functions.

(m) Disclosure of Related Party Transactions

The Roman Catholic Bishop of the Diocese of Calgary is the Chancellor of St. Mary's University. The Roman Catholic Diocese of Calgary made donations to St. Mary's University of \$24,296 in the fiscal year ended March 31, 2024 (2023 - \$10,708). Also, members of the Board of Governors donated \$91,090 in the fiscal year ended March 31, 2024 (2023 - \$58,260). At March 31, 2024, accounts receivable includes \$18,345 (2023 - \$nil) owing from related parties.

**Notes to Financial Statements**

For the year ended March 31, 2024

3. Investments and Investment Income (Loss)

	2024	2023
Cash and cash equivalents	\$ 764,579	\$ 423,560
Bonds and interest receivable	5,062,105	5,341,922
Publicly traded equities	27,113,579	20,079,904
Life insurance policy	111,255	409,466
	33,051,518	26,254,852
Less amounts reported as short-term investments	(2,476,248)	(3,204,242)
	\$ 30,575,270	\$ 23,050,610

Long-term investments include externally restricted contributions received for endowment purposes of \$16,413,640 (2023 - \$15,038,444) and restricted donations for specific capital and operating initiatives of \$5,850,255 (2023 - \$702,359). Bonds consist of government and corporate bonds. Short-term investments include cash balances and bonds maturing in the next fiscal year. The original cost of investments is \$27,089,343 (2023 - \$22,048,082).

Investment income (loss)

	2024	2023
Interest and dividend income:		
Interest and dividend	\$ 369,556	\$ 321,498
Transaction costs	(70,114)	(67,680)
Endowment grants to operations - Note 10	525,829	493,568
	825,271	747,386
Fair value adjustment and capital gains:		
Capital gains (losses)	(121,798)	(109,489)
Fair value adjustment	1,038,888	(118,507)
	917,090	(227,996)
Net Investment Income	\$ 1,742,361	519,390

The fair value adjustment is comprised of market fluctuations on investment portfolios.

**Notes to Financial Statements**

For the year ended March 31, 2024

4. Property, plant and equipment

2024				
	Cost	Accumulated Amortization	Net Book Value	
Land	\$ 13,726,119	\$ -	\$ 13,726,119	
Buildings	19,952,390	11,278,047	8,674,343	
Library books and collections	2,591,517	1,982,222	609,295	
Furniture and equipment	3,523,945	2,655,201	868,744	
Computer equipment	2,757,192	2,435,655	321,537	
Balance, end of year	\$ 42,551,163	\$ 18,351,125	\$ 24,200,038	

2023				
	Cost	Accumulated Amortization	Net Book Value	
Land	\$ 13,726,119	\$ -	\$ 13,726,119	
Buildings	19,487,911	10,482,201	9,005,710	
Library books and collections	2,572,063	1,947,947	624,116	
Furniture and equipment	3,291,601	2,455,990	835,611	
Computer equipment	2,610,286	2,272,099	338,187	
Balance, end of year	\$ 41,687,980	\$ 17,158,237	\$ 24,529,743	

5. Long Term Loan

Under the terms of the loan, St. Mary's is required to make semi-annual payments of \$161,949 which include interest at a stated rate of 2.957% over a twenty-year term in addition to an annual administration fee of 0.25% of the principal balance to the City of Calgary. Interest payable of \$28,009 (2023 - \$30,011) as of March 31, 2024 is included in accounts payable and accrued liabilities.

The loan is secured by unrestricted long-term investments in a pledged account equal to the principal amount of the loan. St. Mary's must confirm the market value of the pledged account to the City of Calgary on a quarterly basis. The aggregate amount of principal repayments required in each of the next five years and thereafter is as follows:

2025	\$ 236,254
2026	243,292
2027	250,539
2028	258,002
2029	265,687
Thereafter	1,768,832
Balance, end of year	\$ 3,022,606
Less current portion	236,254
Long term loan balance, March 31, 2024	\$ 2,786,352

**Notes to Financial Statements**

For the year ended March 31, 2024

6. Accounts payable and accrued liabilities

	2024	2023
Accounts payable and accrued liabilities	\$ 664,354	\$ 695,097
Accrued vacation pay	163,293	174,804
Accounts payable and accrued liabilities, end of year	\$ 827,647	\$ 869,901

7. Future Retirement Obligations

A liability has been established for the estimated post-retirement benefits for executive administrative leave and a Supplemental Executive Retirement Plan. Under the terms of the employment contract, post-retirement benefits have been fully paid by the end of the year. A whole life insurance policy is held to provide life insurance coverage during the executive's active tenure and assist in funding future retirement obligations.

	2024	2023
Balance , beginning of year	\$ 306,436	\$ 769,824
Retirement benefits paid	(278,136)	(278,388)
Accrued for future obligations (adjustment)	(28,300)	(185,000)
Balance , end of year	-	306,436
Less portion reported as short-term	-	(306,436)
Long term retirement obligations	\$ -	\$ -

8. Deferred Contributions

Deferred contributions represent unspent externally restricted contributions and grants. The changes in the deferred contributions balance are as follows:

	2024	2023
Balance , beginning of year	\$ 868,058	\$ 743,425
Grants, contributions, and donations received	281,689	367,114
Contribution of publicly traded securities received	4,525,111	-
Grants, contributions, and donations - in kind	10,230	13,137
Investment Income	506,476	-
Recognized as revenue	(315,968)	(220,369)
Transferred to endowment fund - Note 10	-	(22,112)
Transferred to unamortized deferred capital contributions - Note 9	(10,230)	(13,137)
Balance , end of year	5,865,366	868,058
Less short-term deferred contributions	(560,776)	(303,044)
Long term deferred contributions, end of year	\$ 5,304,590	\$ 565,014

**Notes to Financial Statements**

For the year ended March 31, 2024

8. Deferred Contributions (continued)

The balance consists of funds externally restricted for:

	2024		2023	
	Current	Long Term	Current	Long Term
Capital	\$ -	5,193,690	\$ -	160,955
Education program	36,894	-	13,811	-
Scholarships and program enhancements	523,882	110,900	289,233	404,059
Balance, end of year	\$ 560,776	5,304,590	\$ 303,044	565,014

9. Deferred Capital Contributions

Deferred capital contributions represent unamortized donations used to fund property, plant and equipment. The amortization of deferred capital contributions is recorded as revenue in the statement of operations and changes in unrestricted net assets. The changes in deferred capital contributions balance are as follows:

	2024	2023
Balance, beginning of year	\$ 5,638,985	\$ 6,115,302
Additions from deferred contributions - Note 8	10,230	13,137
Additions from unrestricted contributions	395,373	-
Amortization to revenue	(504,061)	(489,454)
Balance, end of year	\$ 5,540,527	\$ 5,638,985

10. Endowment Fund

Endowments consist of permanently restricted donations to St. Mary's, the principal of which is required to be maintained intact in perpetuity (externally restricted), as well as internal allocations by the Board of Governors (internally restricted). The investment income generated from endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. A formal policy has been established with the objective of protecting the real value of the endowments by limiting the amount of spending allocations and reinvestment of unexpended income.

**Notes to Financial Statements**

For the year ended March 31, 2024

10. Endowment Fund (continued)

The composition of endowment is as follows:

	2024	2023
Balance, beginning of year	\$ 14,579,489	\$ 14,991,604
Endowment contributions	343,294	68,568
Transferred from deferred contributions - Note 8	-	22,112
	14,922,783	15,082,284
Endowment investment income:		
Interest and dividend income	348,884	301,050
Capital gains	(68,840)	(127,757)
Fair value adjustment	1,459,684	(78,409)
Less commissions	(107,941)	(104,111)
Total endowment investment income	1,631,787	(9,227)
Endowment funds before transfer to operations	16,554,570	15,073,057
Endowment transfer to operations - Note 3	(525,829)	(493,568)
Balance, end of year	\$ 16,028,741	\$ 14,579,489

11. Fundraising Expenses

As required under the Charitable Fundraising Act of Alberta, St. Mary's incurred expenses of \$719,600 (2023 - \$797,602) for the purposes of soliciting contributions. Of these expenditures, \$399,775 (2023 - \$540,549) was paid as remuneration to employees of St. Mary's whose primary duties involve fundraising.

12. Net changes in non-cash working capital and non-cash transactions

	2024	2023
(Increase) in accounts receivable	(33,448)	(16,176)
Decrease (Increase) in prepaid expenses	36,258	(148,299)
(Increase) in inventory	(31,877)	(77,808)
(Decrease) increase in accounts payable and accrued liabilities, net of amounts for capital	(55,439)	231,061
(Decrease) in accrued vacation pay	(11,511)	(16,744)
(Decrease) in future retirement obligation	(278,136)	(278,388)
(Decrease) increase in deferred revenue	(188,393)	175,760
Net change in non-cash working capital	\$ (562,546)	\$ (130,594)

The statement of cash flows does not include donated property, plant and equipment of \$10,230 (2023 - \$13,137), donated publicly traded securities received of \$4,525,111 (2023 - \$nil) and deferred contributions transferred to endowment funds of \$nil (2023 - \$22,112).



Supplemental Schedule of Revenue and Expenses by Function

For the year ended March 31, 2024

For the year ended March 31,	2024	2023
REVENUE		
Tuition fees	\$ 8,849,165	\$ 8,575,097
Provincial government grants	4,122,099	4,023,976
Interest and investment income - Note 3	825,271	747,386
Amortization of deferred capital contributions - Note 9	504,061	489,454
Ancillary services	263,452	290,817
Rental and miscellaneous revenue	140,102	101,319
	14,704,150	14,228,049
OPERATING EXPENSES		
Academics and library	6,915,147	6,425,684
Student and campus services	2,209,536	2,411,116
Facilities and technology	1,504,735	1,531,317
Amortization and accretion	1,192,887	1,150,233
Finance and administration	1,347,320	1,454,862
President's office and board	719,790	614,117
Communications	815,941	721,399
Ancillary Services	402,777	403,084
Interest on long-term debt	100,439	107,584
	15,208,572	14,819,396
Deficiency of revenue over expense excluding fundraising and other	(504,422)	(591,347)
Fair value adjustment and capital gains - Note 3	917,090	(227,996)
Excess (deficiency) of revenue over expense excluding fundraising	\$ 412,668	\$ (819,343)
Donations and fundraising events revenue	922,210	708,549
Advancement and fundraising events expenses	(719,600)	(797,602)
Excess (deficiency) of revenue over expense	\$ 615,278	\$ (908,396)

Supplemental Schedule of Net Proceeds from Fundraising Activities

For the year ended March 31, 2024

	2024	2023
Proceeds from donations and fundraising events	\$ 792,443	\$ 694,031
Endowment contributions - Note 10	343,294	68,568
Deferred donations	4,806,800	367,442
Less expenses for development office and fundraising events - Note 11	(719,600)	(797,602)
Net proceeds from fundraising activities	\$ 5,222,937	\$ 332,439