

**FIRST NATIONS UNIVERSITY
OF CANADA INC.**

FINANCIAL STATEMENTS

March 31, 2023

FIRST NATIONS UNIVERSITY OF CANADA INC.

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March 31, 2023

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Independent Auditor's Report

To the Board of Directors of
First Nations University of Canada Inc.

Opinion

We have audited the financial statements of First Nations University of Canada Inc. (the "University"), which comprise the statement of financial position as at March 31 2023, and the statements of operations and changes in fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the University as at March 31 2023, and 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 University in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
Regina, Saskatchewan
November 1, 2024

FIRST NATIONS UNIVERSITY OF CANADA INC.

Statement of Financial Position

As at March 31, 2023

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	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	\$ 21,480,363	\$ 19,282,183
Accounts receivable (Note 3)	2,722,165	3,664,462
Prepaid expenses	447,454	410,253
	24,649,982	23,356,898
CAPITAL ASSETS (Note 4)		
Tangible assets	21,952,989	21,596,035
Intangible assets	158,770	170,567
COLLECTIONS (Note 5)	1	1
INVESTMENTS (Note 6)	2,599,289	2,606,616
TOTAL ASSETS	\$ 49,361,031	\$ 47,730,117
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 2,618,184	\$ 1,626,727
Deferred income	964,982	788,128
Deferred revenue (Note 8)	2,967,324	3,080,586
Current portion of demand instalment loan (Note 10)	661,025	624,329
Current portion of deferred contributions (Note 11)	551,652	542,278
	7,763,167	6,662,048
Demand instalment loan (Note 10)	7,183,821	7,841,882
	14,946,988	14,503,930
Deferred contributions (Note 11)	11,221,260	11,385,547
TOTAL LIABILITIES	26,168,248	25,889,477
FUND BALANCES		
Maintained permanently as endowments	565,550	565,550
Externally restricted trust and research funds (Note 12)	1,108,547	968,806
Internally restricted trust and research funds (Note 12)	17,176,802	16,550,099
Invested in capital assets	2,494,002	1,372,566
Unrestricted funds	1,847,882	2,383,619
	23,192,783	21,840,640
	\$ 49,361,031	\$ 47,730,117

Commitments (Note 14)

See accompanying notes to financial statements

ON BEHALF OF THE BOARD OF GOVERNORS

 Governor

 Governor

FIRST NATIONS UNIVERSITY OF CANADA INC.
Statement of Operations and Changes in Fund Balances

Year ended March 31, 2023

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	General	Restricted		Endowment	Total 2023	Total 2022
		Trust	Research			
REVENUES						
Administration fees	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ 81,630
Amortization of deferred contributions (Note 11)	542,597	-	-	-	542,597	542,278
Community-based program academic fees	660,209	-	-	-	660,209	619,439
COVID-19 (Note 8)	1,517,047	-	-	-	1,517,047	1,357,221
Daycare	1,083,198	-	-	-	1,083,198	884,706
Donations	231,250	131,927	-	-	363,177	399,463
Facility lease	106,336	-	-	-	106,336	91,238
Federal government grant	7,000,000	-	-	-	7,000,000	7,000,000
Indigenous Centre for Continuing Education	1,081,060	-	-	-	1,081,060	379,210
Interest	499,548	-	-	-	499,548	441,479
Investment (loss) income	-	(1,729)	-	-	(1,729)	38,092
Miscellaneous	92,140	-	-	-	92,140	26,793
Parking lot revenue	14,989	-	-	-	14,989	-
Provincial government grant	3,920,900	-	-	-	3,920,900	3,869,900
Research projects	-	-	408,867	-	408,867	364,701
Special projects (Note 8)	698,039	-	-	-	698,039	1,113,051
Sponsorship	30,000	-	-	-	30,000	-
Student academic fees	9,455,991	-	-	-	9,455,991	8,572,368
Total revenues	26,945,304	130,198	408,867	-	27,484,369	25,781,569
EXPENSES						
Academic instruction	9,594,180	-	-	-	9,594,180	8,425,065
Administration	4,135,563	-	-	-	4,135,563	3,844,616
Amortization of capital assets	1,228,637	-	-	-	1,228,637	1,143,442
Parking lot expenses	134,107	-	-	-	134,107	101,196
Computing and communications	764,828	-	-	-	764,828	960,237
Community-based academic programs	1,000,471	-	-	-	1,000,471	380,969
Daycare	1,050,795	-	-	-	1,050,795	785,254
Indigenous Centre For Continuing Education	933,213	-	-	-	933,213	167,706
Interest on demand installment loan	514,176	-	-	-	514,176	549,752
Library	449,082	-	-	-	449,082	391,330
Physical plant	2,682,553	-	-	-	2,682,553	2,170,778
Research projects	-	-	304,083	-	304,083	202,303
Scholarships, bursaries, grants	-	111,625	-	-	111,625	97,312
Special projects	698,039	-	-	-	698,039	1,113,051
Student services	2,530,874	-	-	-	2,530,874	2,261,385
Total expenses	25,716,518	111,625	304,083	-	26,132,226	22,594,396
EXCESS OF REVENUES OVER EXPENSES	\$ 1,228,786	\$ 18,573	\$ 104,784	\$ -	\$ 1,352,143	\$ 3,187,173
Fund balances, beginning of year	3,756,185	17,336,069	182,836	565,550	21,840,640	18,653,467
Interfund transfers (Note 13)	(643,087)	643,087	-	-	-	-
Fund balances, end of year	\$ 4,341,884	\$ 17,997,729	\$ 287,620	\$ 565,550	\$ 23,192,783	\$ 21,840,640

See accompanying notes to financial statements

FIRST NATIONS UNIVERSITY OF CANADA INC.**Statement of Cash Flows**

Year Ended March 31, 2023

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	2023	2022
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 1,352,143	\$ 3,187,173
Items not involving cash:		
Amortization of capital assets	1,228,637	1,143,442
Amortization of deferred contributions	(542,597)	(542,278)
Interest income (loss) on investments and reinvested	7,327	(161,397)
Change in non-cash operating items:		
Accounts receivable	942,297	(2,028,668)
Prepaid expenses	(37,201)	(146,537)
Accounts payable and accrued liabilities	991,457	(208,779)
Deferred income	176,854	196,631
Deferred revenue	(113,262)	592,943
	4,005,655	2,032,530
CASH FLOWS FROM (USED IN)		
INVESTING ACTIVITIES		
Purchase of capital assets	(1,573,794)	(614,530)
	(1,573,794)	(614,530)
CASH FLOWS FROM (USED IN)		
FINANCING ACTIVITIES		
Receipt of deferred contributions	387,684	69,868
Repayment of demand installment loan	(621,365)	(586,871)
	(233,681)	(517,003)
INCREASE IN CASH	2,198,180	900,997
CASH, BEGINNING OF YEAR	19,282,183	18,381,186
CASH, END OF YEAR	\$ 21,480,363	\$ 19,282,183

See accompanying notes to financial statements

1. PURPOSE OF ORGANIZATION

The First Nations University of Canada Inc. (the "University") is a First Nations controlled, post-secondary educational institution providing educational opportunities to both First Nations and non-First Nations students. It is incorporated under the *Non-profit Corporations Act of Saskatchewan*, and its Regina campus is located on the atim kâ-mihkosit reserve, which is federally-designated urban reserve land.

The University's mission is to enhance the quality of life, and to preserve, protect, and interpret the history, language, culture, and artistic heritage of First Nations.

The University is a registered charity under the *Income Tax Act (Canada)* and accordingly is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the year ended March 31, 2023 have been prepared in accordance with Canadian accounting standards for not-for-profit organizations outlined in Part III of the CPA Canada Handbook. The following summary of significant accounting policies contains a description of the accounting methods and practices that are used by the University:

a) Fund accounting

The University follows the restricted fund method of accounting for contributions. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with specified activities or objectives.

The statement of operations and changes in fund balances shows the total revenues and expenses of the University after elimination of interfund transactions with ancillary and internal cost recoveries. The University has classified accounts with similar characteristics into major funds as follows:

The General Fund

The General Fund accounts for the University's program delivery, service and administrative activities. This fund reports unrestricted contributions and revenue, as well as restricted contributions for the purchase of capital assets and funds restricted for special projects.

The Endowment Fund

The Endowment Fund reports permanently restricted contributions and revenue that are subject to externally imposed restrictions stating that the resources contributed are to be maintained permanently.

The Restricted Fund

The Restricted Fund reports only restricted resources that are to be used for specific purposes. The Restricted Fund is further classified as Research and Trust.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)*a) Fund accounting (continued)**The Restricted Fund (continued)*

The Research Fund records revenue and expenses specifically restricted for research projects as identified by the granting agencies, research institutions and other public and private organizations.

The Trust Fund consists of both internally and externally restricted resources that may be used in their entirety within the restrictions established by the provider of the funds or the Board of Governors. These funds are restricted for the provision of scholarships, and for capital maintenance.

b) Tangible and intangible capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized. When a tangible or intangible capital asset no longer contributes to the University's ability to provide services, its carrying amount is written down to its residual value.

Capitalized assets are amortized on a straight-line basis over their estimated useful lives as follows:

Building	40 years
Daycare playground	20 years
Library	10 years
Furniture, fixtures and equipment	8 years
Leasehold improvements	5 years
Signage	5 years
Computer equipment	4 years
Intangible asset (software)	life of agreement
Intangible asset (licensing agreement)	50 years

Patents, research and development licenses and internally developed websites have not been recorded by the University as intangible assets. Amounts of future economic benefit that the University may receive from these items are not able to be measured or determined with any certainty nor is the cost of creating or obtaining the items able to be reliably determined.

c) Collections

The University has acquired collections of artifacts and works of art that are rare and unique and are of an historic, cultural or artistic interest to the University. Collection items are protected and preserved and held for public display, education and research purposes. Collections are recorded at nominal value since cost cannot be reasonably determined. Artwork is treated as a collection and, accordingly, is not being amortized.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Revenue recognition

The University follows the restricted fund method whereby externally restricted revenue is recognized in the fund corresponding to the purpose for which they were contributed.

Restricted revenue for which no corresponding restricted fund is presented is recognized in the General Fund in accordance with the deferral method. Unrestricted revenue is recognized in the General Fund in the year they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Since there is no corresponding fund, contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets. In addition, funds used or restricted for special projects are deferred until there is a related expense, at which time the funds are recognized into revenue.

Student academic fees are recognized as revenue in the year the related classes are held. Investment income is recognized as revenue when the revenue is earned.

e) Financial instruments

The University initially measures its financial assets and liabilities at fair value. The University subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in the period incurred as unrealized gains or losses in the statement of operations and changes in fund balances.

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Hedge accounting

The University has entered into an interest rate swap agreement to manage the risk of fluctuating interest rates on its variable rate debt.

When both at the inception of a hedging relationship and throughout its term the University has reasonable assurance that the critical terms of the hedging item and the hedged item are the same, the University may choose to apply hedge accounting.

The University holds interest rate swaps to protect against changes in interest rates on floating-rate debt, which it designates as a hedge of an interest-bearing liability and to which it applies hedge accounting. When hedge accounting is applied, interest rate swaps are not recognized in the balance sheet.

Interest rate swaps in qualifying hedging relationships are not recognized until their maturity. Net amounts receivable or payable on the interest rate swap are recognized as an adjustment to the interest expense on the hedged item in the period during which they accrue.

Hedge accounting may not be electively discontinued. If an interest rate swap is discontinued, any gain or loss is recognized as an adjustment to the debt and amortized to excess of revenues over expenses as interest payments are accrued.

g) Use of estimates

The preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the underlying estimations of useful lives of capital assets, the carrying amounts of accounts receivable and underlying provision for bad debts and the assessment of contingencies and accrued liabilities. Actual results could differ from those estimates.

3. ACCOUNTS RECEIVABLE

	2023	2022
Accounts receivable - general	\$ 1,841,481	\$ 1,786,934
Tuition receivable	708,587	450,351
Due from the University of Regina	154,040	1,401,162
Operating and travel advances	18,057	16,312
GST receivable	-	9,703
	\$ 2,722,165	\$ 3,664,462

During the year, \$13,875 of bad debts were recovered and recorded through administration expenses (2022 - \$131,513 of bad debt expense were recorded in administration expenses).

FIRST NATIONS UNIVERSITY OF CANADA INC.**Notes to the Financial Statements**

Year ended March 31, 2023

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4. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2023</u>	<u>2022</u>
Tangible assets				
Land	\$ 106,625	\$ -	\$ 106,625	\$ 106,625
Land development costs	447,268	-	447,268	230,243
Building - Regina	38,079,542	18,405,416	19,674,126	20,524,128
Daycare playground	287,819	-	287,819	30,973
Signage	52,359	13,303	39,056	36,301
Furniture, fixtures and equipment	5,930,986	5,571,528	359,458	189,315
Computer equipment	2,769,219	2,741,887	27,332	15,195
Leasehold improvements	1,038,069	411,245	626,824	68,232
Library	3,383,204	2,998,723	384,481	395,023
	<u>\$ 52,095,091</u>	<u>\$ 30,142,102</u>	<u>\$ 21,952,989</u>	<u>\$ 21,596,035</u>
Intangible assets				
Licensing agreement	75,000	3,750	71,250	72,750
Software	102,965	15,445	87,520	97,817
	<u>\$ 177,965</u>	<u>\$ 19,195</u>	<u>\$ 158,770</u>	<u>170,567</u>

5. COLLECTIONS

	<u>2023</u>	<u>2022</u>
Artwork & Artifacts	<u>\$ 1</u>	<u>\$ 1</u>

During the year the University did not purchase or dispose of any artwork in their collections.

6. INVESTMENTS

	<u>2023</u>	<u>2022</u>
Pooled funds		
- Endowment	\$ 1,985,827	\$ 1,991,424
- Scholarships	613,462	615,192
	<u>\$ 2,599,289</u>	<u>\$ 2,606,616</u>

Pooled fund investments are held in a balanced pooled fund on behalf of the University by the University of Regina. The pooled fund has no fixed distribution rate and fund returns are based on the success of the fund manager.

7. RISK MANAGEMENT

Exposure to credit risk, liquidity risk and market risk (consisting of interest rate risk, fair value risk, and equity price risk) arise in the normal course of the University's business.

Credit Risk

The University's principal financial assets are cash, accounts receivable and investments. The carrying amounts of the financial assets in the statement of financial position represent the University's maximum credit exposure at the statement of financial position date.

The amounts disclosed in the statement of financial position are net of allowance for doubtful accounts, estimated based on previous experience and an assessment of the current economic environment. With the exception of amounts receivable from the University of Regina, the University does not have significant exposure to any individual customer.

The credit risk associated with investments is minimized substantially by ensuring that these assets are held with highly rated financial management companies.

Liquidity Risk

Liquidity risk is the risk that the University is unable to meet its financial obligations as they fall due. The University manages this risk by managing its cash resources and having a line of credit available to it (Note 9).

The University is required to submit its financial statements to the bank and certain funders within 120 days of year-end. As the audit report is dated after this date, the University is in violation of this covenant.

Market Risk

The University is exposed to interest rate risk on its demand instalment loan, the details of which are discussed in Note 10.

The University has entered into an interest rate swap agreement to address the interest rate risk inherent in the demand instalment loan, which accrues interest at prime plus 1.25%. Under the terms of the agreement, the University receives from the counterparty a monthly payment equal to the variable amount of interest on the demand instalment loan and pays the counterparty a fixed rate of 5.725%. The notional value of the interest rate swap is \$7,844,846 with a term maturity of June 30, 2032. The impact of the rates on the demand instalment loan and on the interest rate swap is reflected in the statement of operations and changes in fund balances as interest on demand instalment loan of \$514,176 (2022 - \$549,752).

The University's investments are in a pooled fund (Note 6) and, accordingly, are subject to equity price risk.

The University is not subject to foreign exchange risk.

8. DEFERRED REVENUE

The deferred revenue represents restricted operating funding received in the current period for Special Projects that is intended to cover operating expenses for these various projects in the subsequent period. Deferred revenue also contains unexpended funding received from Indigenous Services Canada for Covid-19 relief that is intended to cover various supports and relief in the subsequent period. Changes in the deferred operating funding are as follows:

	<u>2023</u>	<u>2022</u>
Special Projects and Covid-19 Relief		
Balance, beginning of year	\$ 3,080,586	\$ 2,487,643
Less: Amount recognized in the year	(2,215,086)	(2,470,272)
Plus: Amount received for the following year	2,101,824	3,063,215
Balance, end of year	<u>\$ 2,967,324</u>	<u>\$ 3,080,586</u>

9. LINE OF CREDIT

The University has an authorized line of credit to a maximum of \$500,000 bearing interest at prime (Note 10), secured by a general security agreement. At March 31, 2023, no amounts were drawn against this line of credit (2022 - \$Nil).

10. DEMAND INSTALMENT LOAN

	<u>2023</u>	<u>2022</u>
Mortgage payable at an interest rate of CIBC prime plus 1.25% repayable in monthly installments during the year, averaging of \$99,668, and due June 2032. Secured by a first mortgage on the Regina Building located at the University of Regina Campus, Saskatchewan, and a general security agreement. Recallable on demand.	\$ 7,844,846	\$ 8,466,211
Less: repayable in next 12 months	(661,025)	(624,329)
	<u>\$ 7,183,821</u>	<u>\$ 7,841,882</u>

The CIBC prime interest rate at March 31, 2023 is 6.70% (2022 – 2.70%).

Required principal repayments on long-term debt in each of the next five years and thereafter, calculated using the minimum required payments and assuming the loans are refinanced on similar terms and conditions, are approximately as follows:

2024	\$ 661,025
2025	699,878
2026	741,014
2027	784,568
2028	830,682
Thereafter	4,127,679

11. DEFERRED CONTRIBUTIONS

Deferred contributions relate to capital assets and contributions received for specified other purposes, for which no fund is maintained and for which expenses will be incurred in a future period. The amortization of deferred contributions is recorded as revenue in the statement of operations and changes in fund balances as the related capital assets are amortized or as the related expenses are incurred:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 11,927,825	\$ 12,400,235
Additional contributions received	387,684	69,868
Amortization of deferred contributions	<u>(542,597)</u>	<u>(542,278)</u>
	11,772,912	11,927,825
Less: current portion	<u>(551,652)</u>	<u>(542,278)</u>
	<u>\$ 11,221,260</u>	<u>\$ 11,385,547</u>

12. RESTRICTED FUND BALANCES

Externally restricted funds

	<u>2023</u>	<u>2022</u>
Restricted for scholarships	\$ 820,927	\$ 785,970
Restricted for research	287,620	182,836
	<u>\$ 1,108,547</u>	<u>\$ 968,806</u>

Internally restricted funds

Internally restricted fund for scholarships includes trust funds and investment income that are expendable for scholarships at the discretion of the University's Scholarship Committee. The non-expendable capital maintenance fund consists of interest earned on an endowment balance of \$400,000, from which the Board of Governors has restricted 4% compounding interest per annum, amounting to \$1,087,249 (2022 - \$1,030,047).

	<u>2023</u>	<u>2022</u>
Prince Albert campus development	\$ 7,850,000	\$ 7,850,000
Growth	2,968,619	2,500,000
Student support and traditional knowledge	1,091,570	573,430
Research	510,000	700,000
Indigenous Centre for Continuing Education	400,000	400,000
Non-expendable capital maintenance	1,087,249	1,030,047
Investment in capital assets	2,425,587	2,696,759
Expendable restricted for scholarships	<u>843,777</u>	<u>799,863</u>
	<u>\$ 17,176,802</u>	<u>\$ 16,550,099</u>

FIRST NATIONS UNIVERSITY OF CANADA INC.

Notes to the Financial Statements

Year ended March 31, 2023

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13. INTERFUND TRANSFERS

Each year, the University transfers amounts between its funds for various purposes, including reassigning fund balances to support certain activities. Transfers from the General Fund to the Restricted Funds during the year were:

	<u>2023</u>	<u>2022</u>
Growth	\$ 468,619	\$ 2,500,000
Investment (loss) income - scholarships	(1,132)	13,242
Investment in capital assets	(271,172)	2,500,000
Non-expendable capital maintenance	57,202	55,002
Research	(190,000)	700,000
Scholarships - net	61,430	22,070
Student support and traditional knowledge	518,140	623,430
	<u>\$ 643,087</u>	<u>\$ 6,413,744</u>

14. COMMITMENTS

The University has entered into lease agreements for its office equipment and buildings. The following is a schedule of the future minimum payments for the next five years and thereafter for these commitments.

2024	\$ 931,751
2025	677,252
2026	531,811
2027	510,180
2028	505,814
Thereafter	2,372,472

15. BOARD & EXECUTIVE COMPENSATION

During the year, the University paid honorariums and expenses totaling \$20,310 (2022 - \$22,632) to board members.

Executive compensation is reflected in salaries and benefits in Administration.

16. COMPARATIVE FIGURES

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

FIRST NATIONS UNIVERSITY OF CANADA INC.

Schedule 1 - Expenses - Unaudited

Year Ended March 31, 2023

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	Functional Area										2023	2022
	Academic Instruction	Community-based Academic Programs	Daycare	Student Services	Physical Plant	Library	Computing and Communications	Administration	Indigenous Centre for Continuing Education			
Salaries & benefits	\$ 8,591,167	\$ 861,488	\$ 970,231	\$ 1,887,318	\$ 723,117	\$ 380,411	\$ 290,819	\$ 2,644,918	\$ 455,579	\$ 16,805,048	\$ 14,618,196	
Space rental and occupancy	-	-	-	595	1,674,298	-	99,871	-	873	1,775,637	1,424,068	
Student activities	103,192	-	-	138,304	-	-	-	128,687	-	370,183	511,249	
Supplies and service	790,568	21,843	80,564	440,628	284,201	57,440	367,928	1,114,415	475,901	3,633,488	2,734,013	
Travel	109,253	117,140	-	64,029	937	11,231	6,210	247,543	860	557,203	99,814	
Total	\$ 9,594,180	\$ 1,000,471	\$ 1,050,795	\$ 2,530,874	\$ 2,682,553	\$ 449,082	\$ 764,828	\$ 4,135,563	\$ 933,213	\$ 23,141,559	\$ 19,387,340	
Amortization of capital assets								\$ 1,228,637		\$ 1,228,637	\$ 1,143,442	
Parking lot expenses								134,107		134,107	101,196	
Interest on demand installment loan								514,176		514,176	549,752	
Scholarship, bursaries and grants								111,625		111,625	97,312	
Research projects (Schedule 4)								304,083		304,083	202,303	
Special projects (Schedule 5)								698,039		698,039	1,113,051	
Total										2,990,667	3,207,056	
										\$ 26,132,226	\$ 22,594,396	

Executive compensation is included in salaries and benefits in the Administration area.

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 2 - Research Projects Revenue - Unaudited**

Year ended March 31, 2023

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	2023	2022
University of Regina	\$ 260,509	\$ 173,767
University of Saskatchewan	137,000	10,000
Regina Treaty/Status Indian Services	7,512	-
University of Alberta	7,091	-
University of Quebec	279	1,924
Canadian Institutes of Health Research	-	117,460
Federation of Sovereign Indigenous Nations	-	50,000
Library and Archives	-	11,550
	412,391	364,701
Less: Refund to University of Saskatchewan	(3,524)	-
Total Research Project Revenue	\$ 408,867	\$ 364,701

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 3 - Special Project Revenue - Unaudited**

Year ended March 31, 2023

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	2023	2022
FEDERAL GOVERNMENT		
Indigenous Services Canada		
Funding received (Schedule 9)	\$ 1,132,120	\$ 860,381
Transferred from deferred revenue (Schedule 9)	456,346	151,801
Transferred to deferred revenue (Schedule 9)	(1,449,419)	(413,982)
Minister of Canadian Heritage	232,707	297,020
PROVINCIAL GOVERNMENT		
Sask Power	21,656	57,359
Ministry of Education	4,237	2,532
Ministry of Economy	-	350
OTHER		
Regina - First Nations University Annual Pow Wow	205,770	1,750
University of Regina	13,187	28,420
Inspirit Foundation	12,861	58,272
Other	8,192	1,309
Medicine of the Arts Project	6,064	-
Nutrien	5,486	-
Starblanket Cree Nation	5,161	17,230
Mosaic	5,000	-
Northern Lights Community Development Corporation	4,744	-
Organization of Sask Arts Councils	4,731	-
Canadian Journalism Foundation	4,600	-
Let's Talk Science	3,754	1,950
Enbridge	3,500	-
K + S Potash	3,500	-
Information Services Corporation	3,500	-
Fill Hill Qu'Appelle Development	2,500	-
First Nations University Regina Student Association	2,222	57
Natural Science and Engineering Research Council	2,158	7,015
CARFAC Sask	1,591	-
Suncor Energy Foundation	1,193	-
Saskatchewan Indian Equity Foundation	678	-
Regina Treaty Status Indian Services Inc.	-	37,725
Saskatchewan Arts Board	-	2,424
Arzu Sardarli	-	1,438
Total Special Project Revenue	\$ 698,039	\$ 1,113,051

First Nations University of Canada

Schedule 4 - Research Projects Expenditures - Unaudited

Year ended March 31, 2023

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	2023	2022
2022 Indigenizing University Mathematics Conference	\$ 3,975	\$ -
Application of Traditional Indigenous Knowledge to Modern Technology	3,897	-
Earth Teaching & Insights from Elders on Culture Camps	6,412	3,569
Explanatory English-Cree Dictionary of Mathematics Terms	200	-
FSIN 2021	5,133	19,283
Indigenous Elders' Stories	(150)	1,049
Indigenous Elders' Stories of Traditional Birthing and Child-Rearing Practices	67,210	975
Indigenous Social Entrepreneurship	-	-
Influence of Temp on Birth & Death Time	3,906	612
IPHRC	-	150,944
Moving Across Spaces	1,221	510
Natural Resource Partnership and New Venture Creation in First Nations Context	-	1,941
Partnership on University Plagiarism Prevention	1,231	972
Reconnecting People, Land & Language	11,311	10,900
Sask Centre for Patient-Oriented Research (SCPOR)	80,603	-
Southern Saskatchewan Medicinal Plant	249	-
These stories have walked a long way	-	11,547
Virtual Pediatric Care in Northern Indigenous Communities	118,885	-
Total Research Project Expenditures	\$ 304,083	\$ 202,303

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 5 - Special Project Expenses - Unaudited**

Year ended March 31, 2023

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	<u>2023</u>	<u>2022</u>
Aboriginal Youth Entrepreneurship Camp	\$ 29,166	\$ -
Birth Support Worker	108,195	-
Elder Self-care Medicine Teaching Program	1,749	-
Elders Cultural Traditional Based Activities	2,996	-
Elder's Teaching Program	-	-
First Nations University Pow Wow - Regina	205,770	1,750
Indigenous Language Broadcasting	-	58,272
Indigenous Leadership & Governance Program Training	-	60,000
Indigenous Leadership Program	13,187	22,383
Indigenous Mapping Workshop	-	(500)
Indigenous Teaching Fellowships in Indigenous Media Narratives	12,861	-
Indigenous Youth Comic Book Art Camp	1,591	-
Journalism Schools Canada	4,600	-
ka-nêhiyaw-kiyokânaw initiative	1,193	-
Let's Talk Science	3,754	7,987
Library SA	2,222	57
Medicine of the arts	10,795	2,424
National Science Camp 2018-2019	395	-
National Science Laboratory Video	6,228	7,015
Native Prairie Area Project	-	350
NCCIE - Year 4	-	50,725
NCCIE - Year 5	-	331,067
Online Administration Certificate (Schedule 9)	-	8,966
Regina Daycare	-	-
Regina Daycare COVID Grant	4,237	2,507
Regina Daycare Literacy Grant	-	25
SaskPower Grant	16,656	57,359
Science Camp for Indigenous Youth 2020	1,183	-
Seed funding for Research In Indigenous Studies	2,938	1,309
Sharing Sask Endangered Languages on Radio and Online	232,707	297,020
Star Blanket Cree Nation Community Plan	5,161	17,230
Student Mentorship Project 2019/2020	-	87,978
Student Mentorship Project 2020/2021 (Schedule 9)	19,282	59,146
Summer Students RTSIS 2021	-	37,725
Summer Work Exp (Schedule 9)	-	818
Wasakama Make A Circle	11,173	-
Wiseman Mathematics Contest	-	1,438
Total Special Project Expenses	698,039	1,113,051

FIRST NATIONS UNIVERSITY OF CANADA INC.
Schedule 6 - Indigenous Services Canada - Funding Revenue - Unaudited
For the year ended March 31, 2023

Fund	336	520	336	520	324	324	337	337	9313	307	
Functional Area	PSPP Design & Delivery	COVID-19 Safe RE PSE	PSPP Design & Delivery	Skill Link Program	Healthy Child Development & Health Human Resources	Healthy Child Development & Health Human Resources	Youth Employment Strategy	Youth Employment Strategy	Waste Management Infrastructure	Indigenous Governance and Capacity	
Budget Activity	B3423	B3428	B3423	B3417	B2910	B2910	P2109	B3417	ZA32A	B5516	TOTAL
Total funding	\$ 7,000,000	\$ -	\$ -	\$ -	\$ 116,000	\$ 935,000	\$ -	\$ -	\$ -	\$ 81,120	\$ 8,132,120
Opening fund balance	-	2,061,824	27,730	55,141	331,111	-	35,282	4,564	2,518	-	2,518,170
Expenses recognized	11,938,577	1,517,047	-	19,282	108,196	11,174	395	-	-	-	13,594,671
Ending fund balance	-	544,777	27,730	35,859	338,915	923,826	34,887	4,564	2,518	81,120	1,994,196
REVENUE RECOGNIZED	\$ 7,000,000	\$ 1,517,047	\$ -	\$ 19,282	\$ 108,196	\$ 11,174	\$ 395	\$ -	\$ -	\$ -	\$ 8,656,094
	(Schedule 7)	(Schedule 8)	(Schedule 9)	(Schedule 9)	(Schedule 9)	(Schedule 9)	(Schedule 9)	(Schedule 9)	(Schedule 9)	(Schedule 9)	
TRANSFER TO DEFERRED CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-	-
DEFERRED REVENUE	\$ -	\$ 544,777	\$ 27,730	\$ 35,859	\$ 338,915	\$ 923,826	\$ 34,887	\$ 4,564	\$ 2,518	\$ 81,120	\$ 1,994,196

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 7 - Indigenous Services Canada - Post Secondary Partnership Program - Unaudited**

For the year ended March 31, 2023

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	2023	2023	2022
	Budget	Actuals	Actuals
FUNDING RECEIVED			
Indigenous Services Canada	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000
Total Funding Received	7,000,000	7,000,000	7,000,000
EXPENSES			
Aboriginals/Elders who provide mentoring, tutoring, and cultural programs and services	415,000	946,828	802,991
Administrative Costs	427,000	1,216,061	1,165,592
Digitization/conversion of instructional materials for online use	200,000	6,181	82,227
Elders/Guest speakers	35,000	47,444	23,131
Equipment rental	5,000	44,909	36,224
Other	-	716,898	637,473
Printing and publishing costs	5,000	204,235	196,819
Professional services/consulting fees	38,000	188,706	39,298
Purchase of learning and/or instructional materials	125,000	307,279	246,458
Salaries and benefits	5,750,000	8,260,036	7,821,801
Total Expenses	7,000,000	11,938,577	11,052,014
DEFICIT	\$ -	\$ (4,938,577)	\$ (4,052,014)

Deficit funded through general fund revenues

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 8 - Indigenous Services Canada - COVID 19 Funding - Unaudited**

For the year ended March 31, 2023

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	<u>2023</u>	<u>2022</u>
	<u>Actuals</u>	<u>Actuals</u>
FUNDING RECEIVED		
Indigenous Services Canada	\$ -	\$ 2,138,832
Total Funding Received	-	2,138,832
EXPENSES		
Adapting courses for online learning	264,345	524,589
Automating services to process student applications and registrations	20,954	31,612
Culturally responsive counselling for students	373,903	262,388
Development of specific COVID-19 resources to support staff and instructors	848,480	353,375
Implementing public health guidelines related to the pandemic	9,365	185,257
Total Expenses	1,517,047	1,357,221
(DEFICIT) SURPLUS BEFORE TRANSFERS	(1,517,047)	781,611
Opening fund balance	2,061,824	1,322,577
Transfer to deferred contributions	-	(42,364)
Revenue recognized in amortization of deferred contributions	1,095	1,095
ENDING FUND BALANCE (TRANSFER TO DEFERRED REVENUE)	\$ 544,777	\$ 2,061,824

FIRST NATIONS UNIVERSITY OF CANADA INC.
Schedule 9 - Indigenous Services Canada - Special Project Funding - Unaudited
For the year ended March 31, 2023

2023									
Fund	Fund 336	Fund 520	Fund 324	324	337	337	9313	307	Total
Functional Area	PSPP Design & Delivery	Skill Link Program	Healthy Child Development & Health Human Resources	Healthy Child Development & Health Human Resources	Youth Employment Strategy	Youth Employment Strategy	Waste Management Infrastructure	Indigenous Governance and Capacity	
Budget Activity	B3423	B3417	B2910 & B3110	B2910	P2109	B3417	ZA32A	B5516	2023
	2023	2023	2023	2023	2023	2023	2023	2023	2023
FUNDING RECEIVED									
Indigenous Services Canada	\$ -	\$ -	\$ 116,000	\$ 935,000	\$ -	\$ -	\$ -	\$ 81,120	\$ 1,132,120
TOTAL FUNDING RECEIVED (Schedule 6)	-	-	116,000	935,000	-	-	-	81,120	1,132,120
EXPENSES									
Consulting	-	-	4,208	-	-	-	-	-	4,208
Curriculum development fees	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	10,899	-	-	-	-	10,899
Instructional supplies	-	-	2,339	-	-	-	-	-	2,339
Meetings and workshops	-	-	540	275	21	-	-	-	836
Miscellaneous supplies	-	-	2,689	-	-	-	-	-	2,689
Salaries & benefits	-	19,282	95,954	-	374	-	-	-	115,610
Travel	-	-	2,466	-	-	-	-	-	2,466
TOTAL EXPENSES (Schedule 6)	-	19,282	108,196	11,174	395	-	-	-	139,047
SURPLUS (DEFICIT) BEFORE TRANSFERS	\$ -	\$ (19,282)	\$ 7,804	\$ 923,826	\$ (395)	\$ -	\$ -	\$ 81,120	\$ 993,073
Opening fund balance	27,730	55,141	331,111	-	35,282	4,564	2,518	-	456,346
ENDING FUND BALANCE	\$ 27,730	\$ 35,859	\$ 338,915	\$ 923,826	\$ 34,887	\$ 4,564	\$ 2,518	\$ 81,120	\$ 1,449,419
REVENUE RECOGNIZED (Schedule 3)	-	19,282	108,196	11,174	395	-	-	-	139,047