Consolidated Financial Statements of
(In thousands of dollars)

CONCORDIA UNIVERSITY

Year ended April 30, 2026

CONCORDIA UNIVERSITY

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(In thousands of dollars)

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STATEMENT OF ADMINISTRATOR'S RESPONSIBILITY

The management of Concordia University (the "University") is responsible for the preparation of the consolidated financial statements, the notes and all other financial information contained in this financial report.

Management has prepared the consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations. In order to achieve the objective of fair presentation in all material respects, reasonable estimates and professional judgments were used. Management believes the consolidated financial statements present fairly the University's consolidated financial position as at April 30, 2026, and the consolidated results of its operations, consolidated changes in fund balances and consolidated cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal control designed to provide reasonable assurance that the University's assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements. The system of internal controls is monitored by the University's internal audit service.

The Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting, and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through the Audit Committee. All members of the Audit Committee are not officers or employees of the University. The Audit Committee meets with management, the external auditor as well as the internal auditor to discuss the results of audit examinations and financial reporting matters to satisfy itself that each party is properly discharging its responsibilities. The external and internal auditor have full access to the Audit Committee with or without the presence of management.

The financial statements as at and for the year ended April 30, 2026 have been audited by KPMG LLP, the auditor appointed by the Board of Governors. The independent auditor's report outlines the scope of its audit and its opinion on the preparation of the information included in the consolidated financial statements.

Original signed by Graham Carr

Graham Carr
President and Vice-Chancellor

Orginal signed by Kathleen Lizé

Kathleen Lizé
Chief Financial Officer

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INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of Concordia University

Opinion

We have audited the consolidated financial statements of Concordia University (the "University"), which comprise:

- the consolidated statement of financial position as at April 30, 2026
- the consolidated statement of operations and changes in fund balances for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the University as at April 30, 2026, and its consolidated results of operations and its consolidated 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 ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's 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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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 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 the 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 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.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP*

Montréal, Canada

October 30, 2026

*CPA auditor, public accountancy permit No. A120585

CONCORDIA UNIVERSITY

Consolidated Statement of Financial Position
(In thousands of dollars)

April 30, 2026, with comparative information for 2025

	Total Funds		Operating Fund		Restricted Funds					
					Research Fund		Designated Fund		Capital Asset Fund	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	$	$	$	$	$	$	$	$	$	$
Assets										
Current assets:										
Cash	47,169	84,477	47,169	84,477	–	–	–	–	–	–
Amount receivable from the ministère de l'Enseignement supérieur (« MES ») (note 4)	59,115	40,670	–	–	–	–	–	–	59,115	40,670
Grants receivable (note 2)	149,846	93,153	78,798	8,064	64,580	76,196	2,241	2,358	4,227	6,535
Accounts receivable (note 3)	18,252	17,098	16,779	15,317	–	–	1,379	1,614	94	167
Prepaid expenses and other assets	17,700	12,689	11,958	11,185	382	426	–	–	5,360	1,078
	292,082	248,087	154,704	119,043	64,962	76,622	3,620	3,972	68,796	48,450
Long-term assets:										
Amount receivable from the MES (note 4)	248,978	332,948	–	–	–	–	–	–	248,978	332,948
Grants receivable (note 2)	7,258	13,653	–	–	–	–	–	–	7,258	13,653
Amount due from other funds, without interest	–	–	–	–	87,657	94,351	272,454	256,173	46,573	46,507
Investments (note 5)	531,108	429,916	531,108	429,916	–	–	–	–	–	–
Tangible capital assets (note 6)	977,130	977,208	–	–	–	–	–	–	977,130	977,208
Intangible capital assets (note 7)	43,754	48,873	–	–	–	–	–	–	43,754	48,873
Software service assets	6,632	2,183	–	–	–	–	–	–	6,632	2,183
	2,106,942	2,052,868	685,812	548,959	152,619	170,973	276,074	260,145	1,399,121	1,469,822

See accompanying notes to consolidated financial statements.

CONCORDIA UNIVERSITY

Consolidated Statement of Financial Position (continued)
(In thousands of dollars)

April 30, 2026, with comparative information for 2025

	Total Funds		Operating Fund		Restricted Funds					
					Research Fund		Designated Fund		Capital Asset Fund	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	$	$	$	$	$	$	$	$	$	$
Liabilities and Fund Balances										
Current liabilities:										
Bank loans (note 8)	287,727	161,791	267,973	122,670	–	–	–	–	19,754	39,121
Trade payables and other liabilities	135,062	148,079	113,311	117,577	758	1,751	6,036	10,823	14,957	17,928
Agency and fiduciary accounts	16,524	14,777	16,524	14,777	–	–	–	–	–	–
Unearned revenues	24,951	24,669	24,951	24,669	–	–	–	–	–	–
Deferred contributions (note 9)	177,441	194,806	–	–	151,861	169,222	–	–	25,580	25,584
Current portion of the long-term debt (note 10)	77,178	60,021	–	–	–	–	–	–	77,178	60,021
	718,883	604,143	422,759	279,693	152,619	170,973	6,036	10,823	137,469	142,654
Long-term liabilities:										
Deferred contributions (note 9)	607,099	597,727	–	–	–	–	79,804	77,155	527,295	520,572
Amount due to other funds, without interest	–	–	406,684	397,031	–	–	–	–	–	–
Long-term debt (note 10)	634,534	711,454	–	–	–	–	–	–	634,534	711,454
Employee future benefits liability (note 11)	165,458	156,567	165,458	156,567	–	–	–	–	–	–
	2,125,974	2,069,891	994,901	833,291	152,619	170,973	85,840	87,978	1,299,298	1,374,680
Fund surplus (deficit):										
Unrestricted deficit	(250,008)	(244,129)	(250,008)	(244,129)	–	–	–	–	–	–
Deficit from employee future benefits obligation	(165,458)	(156,567)	(165,458)	(156,567)	–	–	–	–	–	–
Internally restricted (note 12)	218,331	217,367	106,377	116,364	–	–	–	–	111,954	101,003
Endowments (note 13)	190,234	172,167	–	–	–	–	190,234	172,167	–	–
Invested in capital assets	(12,131)	(5,861)	–	–	–	–	–	–	(12,131)	(5,861)
	(19,032)	(17,023)	(309,089)	(284,332)	–	–	190,234	172,167	99,823	95,142
Commitments (note 20) Contingencies (note 21) Subsequent events (note 25)										
	2,106,942	2,052,868	685,812	548,959	152,619	170,973	276,074	260,145	1,399,121	1,469,822

See accompanying notes to consolidated financial statements. On behalf of the Board:

Original signed by Helen Antoniou

_____ Chair of the Board

Original signed by Pat Di Lillo

_____ Governor

CONCORDIA UNIVERSITY

Consolidated Statement of Operations and Changes in Fund Balances
(In thousands of dollars)

Year ended April 30, 2026, with comparative information for 2025

	Total Funds		Operating Fund		Restricted Funds					
					Research Fund		Designated Fund		Capital Asset Fund	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	$	$	$	$	$	$	$	$	$	$
Revenues:										
Tuition fees	186,744	202,225	186,744	202,225	–	–	–	–	–	–
Grants (note 14)	513,862	473,998	377,856	359,578	93,306	67,262	8,644	10,721	34,056	36,437
Services to the community, students and other income	64,619	60,391	61,705	57,786	64	102	2,287	1,981	563	522
Ancillary services and rental properties (note 15)	18,656	18,404	18,656	18,404	–	–	–	–	–	–
Donations	15,041	17,433	224	523	327	2,119	12,790	11,671	1,700	3,120
Investment income (loss) (note 5)	30,362	17,240	9,066	5,422	(20)	(274)	6,583	6,646	14,733	5,446
	829,284	789,691	654,251	643,938	93,677	69,209	30,304	31,019	51,052	45,525
Expenses:										
Academic activities and support (note 16)	349,322	359,399	349,322	359,399	–	–	–	–	–	–
Research	125,643	96,379	31,966	27,170	93,677	69,209	–	–	–	–
Institutional services and support (note 16)	129,482	134,513	129,482	134,513	–	–	–	–	–	–
Services to the community, students and other expense	37,123	32,655	37,123	32,655	–	–	–	–	–	–
Endowed and restricted projects	29,878	30,850	–	–	–	–	29,878	30,850	–	–
Employee future benefits (note 11)	59,860	57,665	59,860	57,665	–	–	–	–	–	–
Ancillary services and rental properties (note 15)	8,031	8,580	8,031	8,580	–	–	–	–	–	–
Capital maintenance projects	4,173	7,709	–	–	–	–	–	–	4,173	7,709
Interest on bank loans	6,277	10,185	5,932	9,080	–	–	–	–	345	1,105
Interest on the long-term debt (note 10)	27,055	35,890	–	–	–	–	–	–	27,055	35,890
Software service expense	26	–		–	–	–	–	–	26	–
Amortization of tangible capital assets	47,760	47,773	–	–	–	–	–	–	47,760	47,773
Amortization of intangible capital assets	4,795	4,841	–	–	–	–	–	–	4,795	4,841
	829,425	826,439	621,716	629,062	93,677	69,209	29,878	30,850	84,154	97,318
(Deficiency) Excess of revenues over expenses before interfund transfers and voluntary retirement program	(141)	(36,748)	32,535	14,876	–	–	426	169	(33,102)	(51,793)
Interfund transfers (note 17)	–	–	(37,461)	(46,754)	–	–	(322)	(30)	37,783	46,784
(Deficiency) Excess of revenues over expenses after interfund transfers and before voluntary retirement program	(141)	(36,748)	(4,926)	(31,878)	–	–	104	139	4,681	(5,009)
Voluntary Retirement Program (note 23)	(10,938)	–	(10,938)	–	–	–	–	–	–	–
(Deficiency) Excess of revenues over expenses	(11,079)	(36,748)	(15,864)	(31,878)	–	–	104	139	4,681	(5,009)

See accompanying notes to consolidated financial statements.

CONCORDIA UNIVERSITY

Consolidated Statement of Operations and Changes in Fund Balances (continued)
(In thousands of dollars)

Year ended April 30, 2026, with comparative information for 2025

	Total Funds		Operating Fund		Restricted Funds					
					Research Fund		Designated Fund		Capital Asset Fund	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	$	$	$	$	$	$	$	$	$	$
(Deficiency) excess of revenues over expenses after interfund transfers (balance brought forward)	(11,079)	(36,748)	(15,864)	(31,878)	–	–	104	139	4,681	(5,009)
Remeasurements and other items (note 11)	(8,893)	2,788	(8,893)	2,788	–	–	–	–	–	–
Endowment contributions received (note 13)	8,146	9,917	–	–	–	–	8,146	9,917	–	–
Investment gain on endowments (note 5)	9,817	3,488	–	–	–	–	9,817	3,488	–	–
	(2,009)	(20,555)	(24,757)	(29,090)	–	–	18,067	13,544	4,681	(5,009)
Fund balances, beginning of year	(17,023)	3,532	(284,332)	(255,242)	–	–	172,167	158,623	95,142	100,151
Fund balances, end of year	(19,032)	(17,023)	(309,089)	(284,332)	–	–	190,234	172,167	99,823	95,142

See accompanying notes to consolidated financial statements.

CONCORDIA UNIVERSITY

Consolidated Statement of Cash Flows
(In thousands of dollars)

Year ended April 30, 2026, with comparative information for 2025

	2026	2025
Cash provided by (used in):		
Operating:		
Deficiency of revenues over expenses	$ (11,079)	$ (36,748)
Items not involving cash:		
Amortization of deferred contributions related to capital assets (note 9)	(26,337)	(28,431)
Amortization of tangible capital assets	47,760	47,773
Amortization of intangible assets	4,795	4,841
Software service expense	26	–
Change in fair value of investments	1,730	17,408
Gain on disposal of investments (note 5)	(17,552)	(40,902)
Employee future benefits expense over funding contributions (note 11)	(2)	3,430
Net change in working capital items	(87,519)	21,906
	(88,178)	(10,723)
Financing:		
Bank loans	125,936	(54,998)
Amount receivable from the MES	65,525	39,874
Issuance of the long-term debt	–	100,000
Repayment of the long-term debt	(59,763)	(49,442)
Deferred contributions – Capital Asset Fund (note 9)	33,056	70,426
Endowment contributions distributed for spending (note 13)	(6,630)	(5,446)
Endowment contributions received (note 13)	8,146	9,917
	166,270	110,331
Investing:		
Acquisition of investments	(323,142)	(279,106)
Re-invested capital	(4,826)	(14,875)
Proceeds from disposal of investments	259,533	301,594
Acquisition of software service assets	(611)	(2,183)
Acquisition of tangible capital assets	(44,050)	(68,866)
Acquisition of intangible assets	(2,304)	(1,966)
	(115,400)	(65,402)
Net (decrease) increase in cash and cash equivalents	(37,308)	34,206
Cash and cash equivalents, beginning of year	84,477	50,271
Cash and cash equivalents, end of year	$ 47,169	$ 84,477
Supplemental cash flow information:		
Non-monetary transactions excluded from cash flows:		
Remeasurements and other items on pension plan	$ 8,893	$ (2,787)
Acquisition of investments included in net investment purchases payable	488	–
Acquisition of capital assets additions in accounts payable and accrued liabilities	4,868	6,190
	$ 14,249	$ 3,403

See accompanying notes to consolidated financial statements.

Concordia University (the "University") was incorporated under the *Concordia University Act*, S.Q. 1948 c. 91 as amended by S.Q. 1959-60, c. 191 and S.Q. 2006, c. 69. The University's mission includes post-secondary and graduate education, research and public service. The University is a registered charity under Section 149 of the *Income Tax Act* and it is exempt from the payment of income tax.

1. Significant accounting policies:

The University's consolidated financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook*.

(a) Basis of presentation:

These consolidated financial statements include the assets, liabilities, revenues, expenses and other transactions of Concordia University and the Concordia University Intergenerational Fund, an entity controlled by the University. All transactions, assets and liabilities between the two entities have been eliminated. These consolidated financial statements do not include the assets, liabilities and operations of eConcordia.com, the Concordia University Press, Innovations Galilei 2 and the Kenneth Woods Portfolio Management Foundation since these controlled entities are not material to the consolidated financial statements of Concordia University. Refer to Note 18 for required disclosures on the other controlled entities.

(b) Use of estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the amounts recorded in the consolidated financial statements and notes to consolidated financial statements. In particular, significant estimates are made regarding the valuation of receivables, fair values of assets and liabilities of non-publicly traded investments and financial instruments, provisions for contingencies, valuation of allowance on pension plan and employee future benefits. These estimates are based on management's knowledge of current events and actions that the University may undertake in the future. Actual results may differ from these estimates.

(c) Financial assets and liabilities:

(i) Initial measurement:

Upon initial measurement, the University's financial assets and liabilities are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs. Transaction costs relating to financial assets and liabilities that will be measured subsequently at fair value are recognized in operations in the year they are incurred.

1. Significant accounting policies (continued):

(c) Financial assets and liabilities (continued):

(ii) Subsequent measurement:

At each reporting date, the University measures its financial assets and liabilities at amortized cost (including any impairment in the case of financial assets), except for life insurance policies which are measured at the greater of fair value at acquisition and cash surrender value, and investments in equities, bonds and funds which are measured at fair value.

Financial assets and liabilities measured at amortized cost are calculated using the effective interest method (including any impairment in the case of financial assets). Interest calculated using the effective interest method is presented in the consolidated statement of operations and changes in fund balances under net investment income, interest on bank loans or interest on long-term debt, as appropriate.

With respect to financial assets measured at amortized cost, the University assesses whether there are any indicators of impairment. When there is an indication of impairment, and if the University determines that during the year there was a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it will then recognize a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on a financial asset measured at amortized cost is recognized in operations in the year the reversal occurs.

(d) Derivative financial instruments:

The University uses derivative financial instruments to manage its interest rate risk exposure. It does not use these derivative financial instruments for trading or speculative purposes. These interest rate swaps require the periodic exchange of interest payments without an exchange of the notional (capital) amount on which payments are calculated. The University has not elected to use hedge accounting; therefore, the fair value of those swaps is recorded at year-end as an asset or liability and changes in fair value are recorded as an income or an expense in the statement of operations.

(e) Fund presentation:

The Operating Fund is used to account for the University's academic and administrative services. Unrestricted resources as well as internally restricted resources are reported in this fund.

The Research Fund is used to report externally restricted resources that are used for research and research-related purposes.

1. Significant accounting policies (continued):

(e) Fund presentation (continued):

The Designated Fund is used to account for funds received from external entities for specific purposes imposed by the outside donor or party.

The University complies with the ministère de l'Enseignement supérieur (MES) regarding the fund accounting treatment of specific grants, as declared in MES *Règles budgétaires*.

Assets, liabilities, revenues and expenses related to the capital assets owned and managed by the University are reported in the Capital Asset Fund, including the cost of capital assets purchased, funded and expensed by other funds in the year of acquisition.

(f) Revenue recognition:

The University follows the deferral method of accounting for contributions, comprised of grants and donations. Under this method, contributions restricted for future period expenses are deferred and are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions and restricted investment income earned on endowments and not available for distribution are recognized as direct increases in net assets in the period in which they are received or earned. Investment income earned on endowment and available for distribution are deferred and recognized as revenue in the period in which the related expenses are incurred and contributions in capital assets that are not subject to amortization are reported as direct increases in the appropriate fund balance.

Investment income, excluding restricted investment income earned on endowment and designated funds, is comprised of interest, dividends, income distributions from pooled funds and realized and unrealized gains and losses, and is recorded as revenue in the consolidated statement of operations.

Interest income is recognized on a time apportionment basis.

The University's principal sources of revenue, aside from contributions, are tuition fees, services to the community, student services, ancillary services, other income and rental of properties. Revenue is recognized when the following criteria are met:

- Persuasive evidence of an arrangement exists.
- Delivery has occurred and services have been rendered.
- The price is fixed or determinable.
- Collection is reasonably assured.

Revenue is recognized as services are provided. Receipts for which revenue is not yet earned are recorded as unearned revenue.

1. Significant accounting policies (continued):

(g) Contributed supplies and services:

The University may recognize contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations.

(h) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, bank balances and short-term investments with original maturities of three months or less, net of bank overdrafts whenever they are an integral part of the University's cash management process.

(i) Other assets:

Tenant inducements and commissions on rental of properties included in other assets are deferred and amortized on a straight-line basis over the duration of the respective leases.

(j) Tangible and intangible assets:

Tangible and intangible assets are recorded at cost. Interest related to capital assets under construction is capitalized at rates reflecting the financing costs of such assets. Contributed capital assets are recorded at fair value at the date of contribution.

Construction in progress includes buildings under construction and other major capital projects. Once completed, projects are transferred to their respective asset class and amortized.

The art collections received by gift and bequest are recorded in the Capital Asset Fund at cost or nominal value at the date of contribution if they can be reasonably estimated, and they are not amortized.

Information technology development in progress includes internally developed systems software. Once completed, projects are transferred to their respective asset class and amortized.

(k) Software service assets:

Concordia analyzes its cloud computing arrangements to determine if a software element in the arrangement is a software service asset. Any such asset is accounted for as a software service asset; if the software element is not an asset, Concordia accounts for it as a software service and expenses it as incurred.

1. Significant accounting policies (continued):

(k) Software service assets (continued):

In accordance with AcG-20, Concordia has elected to capitalize expenditures on implementation activities that are directly attributable to preparing the software service for its intended use and that do not give rise to a separate intangible asset. Once in use, the asset for implementation of software services will be expensed using the straight-line method over ten years in software service expense in the capital fund.

(l) Amortization:

(i) Tangible and intangible assets subject to amortization are amortized on a straight-line basis over their estimated useful lives as prescribed by the MES over the following periods:

Assets	Period
Tangible capital assets:	
Land improvements	20 years
Buildings	40 to 50 years
Building alterations	25 to 40 years
Leasehold improvements	Lease term (max. 10 years)
Furniture and equipment	3 to 15 years
Library collection	10 years
Intangible assets:	
Information technology	10 to 15 years

Amortization is recorded in the Capital Asset Fund.

(ii) Write-down:

Tangible capital assets, intangible assets and other assets subject to amortization are tested for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. The carrying amount of a long-lived asset is not recoverable when it exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposal. In such a case, an impairment loss must be recognized and is equivalent to the excess of the carrying amount of a long-lived asset over its fair value.

1. Significant accounting policies (continued):

(m) Foreign currency translation:

The University uses the temporal method to translate transactions denominated in a foreign currency. Under this method, monetary assets and liabilities are translated at the exchange rate in effect at the consolidated statement of financial position date. Non-monetary assets and liabilities are translated at historical exchange rates, with the exception of those recognized at fair value, which are translated at the exchange rate in effect at the statement of financial position date. Revenues and expenses are translated at the exchange rate in effect at the date they are recognized. The related exchange gains and losses are recognized in the statement of operations.

(n) Employee future benefits:

The University accrues its obligations under the defined benefit pension plans and the other benefit plans as the employees render the services necessary to earn the pension benefits. More specifically, the University recognizes its obligations under the defined benefit plans on the consolidated statement of financial position, net of the fair value of plan assets. The University determines the defined benefit obligations using the most recent actuarial valuation prepared for accounting purposes, which is extrapolated to the University's year-end. The total defined benefit plan cost includes current service cost and finance cost and is recognized in operations under Employee future benefits. Remeasurements and other items, which include actuarial gains and losses related to the obligations, the difference between the actual return on plan assets and interest income deducted from the finance cost as well as past service cost, are recognized separately on the statement of changes in fund balances. Remeasurements and other items are not classified to the statement of operations in a subsequent year.

(o) Internally restricted fund balance:

The internally restricted fund is used for two types of transactions:

- The University has adopted a policy to internally restrict the Operating Fund balance of unspent budgeted amounts relating to specific programs. The programs covered by this policy are described in Note 12.
- Management has chosen to internally restrict unspent budgeted amounts from the Operating Fund that relate to specific key University's priorities.

1. Significant accounting policies (continued):

(p) Leases:

The University classifies leases as either finance lease or operating lease based on the substance of the transaction. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases are recognized as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Lease incentives received are recognized as a reduction of lease expenses over the lease term on a straight-line basis.

2. Grants receivable:

					2026
	Operating	Research	Designated	Capital	Total
Current:					
Amount receivable from the MES	$ 78,768	$ –	$ 668	$ 3,219	$ 82,655
Amount receivable from federal agencies	30	49,868	641	–	50,539
Amount receivable from provincial agencies (other than the MES)	–	4,508	932	1,008	6,448
Amount receivable from other sources	–	10,204	–	–	10,204
	78,798	64,580	2,241	4,227	149,846
Long-term:					
Amount receivable from federal agencies	–	–	–	1,008	1,008
Amount receivable from provincial agencies (other than the MES)	–	–	–	6,250	6,250
	–	–	–	7,258	7,258
	$ 78,798	$ 64,580	$ 2,241	$ 11,485	$ 157,104

2. Grants receivable (continued):

	Operating	Research	Designated	Capital	2025 Total
Current:					
Amount receivable from the MES	$ 8,034	$ –	$ 513	$ 3,559	$ 12,106
Amount receivable from federal agencies	30	56,510	786	–	57,326
Amount receivable from provincial agencies (other than the MES)	–	6,213	1,059	2,976	10,248
Amount receivable from other sources	–	13,473	–	–	13,473
	8,064	76,196	2,358	6,535	93,153
Long-term:					
Amount receivable from federal agencies	–	–	–	6,204	6,204
Amount receivable from provincial agencies (other than the MES)	–	–	–	7,449	7,449
	–	–	–	13,653	13,653
	$ 8,064	$ 76,196	$ 2,358	$ 20,188	$ 106,806

3. Accounts receivable:

	2026	2025
Operating Fund:		
Tuition fees, net of an allowance for doubtful accounts [(i)]	$ 6,537	$ 6,289
Services, advances and other	9,568	8,442
Accounts receivable and advances to a wholly-owned subsidiary of a controlled entity	–	17
Net investment sales receivable	674	569
	$ 16,779	$ 15,317

(i) As at April 30, 2026, the gross carrying amount of tuition fees receivable totals $11,645 (2025 - $12,026). These tuition fees receivable are presented in the financial statements net of an allowance for doubtful accounts of $5,108 (2025 - $5,737).

4. Amount receivable from the MES:

The amount receivable from the MES represents capital grants approved by the MES that are funded through a long-term debt issuance to the University or not yet funded. It is anticipated that the current portion will be collected in the upcoming fiscal year. This amount represents forgiveness of the capital portion of the long-term debt (note 10) serviced by the Government of Québec and bank loan (note 8) serviced by MES with Fonds de financement. All other capital amounts due are presented as long-term receivable.

5. Investments:

	2026		2025	
	Fair value	Cost	Fair Value	Cost
Equities	$ 31,391	$ 30,821	$ 72,335	$ 70,637
Bonds	35,032	35,082	88,894	88,882
Investment funds	446,034	408,045	265,604	242,615
Futures including margin receivable	8,762	8,757	–	–
Cash held at Institutions	6,806	6,845	–	–
Fair value of life insurance policies	3,083	3,083	3,083	3,083
	$ 531,108	$ 492,633	$ 429,916	$ 405,217

Life insurance represents the greater of either the fair market value of insurance policies at acquisition or the current cash surrender value of insurance policies held.

As at April 30, 2026, the weighted average interest rate of the bonds is 4.26% (2025 - 1.9%) and the weighted average duration is 7.97 years (2025 - 3.32 years).

Income earned on investments in the year was as follows:

	2026	2025
Investment income:		
Dividends	$ 639	$ 3,960
Interest	3,910	3,484
Partnership income	603	1,162
Pooled fund income	259	899
	5,411	9,505
Realized gains	17,552	40,902
Unrealized gains (losses)	21,063	(30,172)
Other	(72)	(102)
	$ 43,954	$ 20,133

5. Investments (continued):

Based on the University's revenue recognition method, investment income was recognized in the consolidated financial statements as follows:

	2026	2025
Investment gain on endowments	$ 9,817	$ 3,488
Recognized as investment income	30,362	17,240
Net change in deferred contributions	3,775	(595)
	$ 43,954	$ 20,133

6. Tangible capital assets:

			2026
	Cost	Accumulated amortization	Net book value
Land	$ 78,050	$ –	$ 78,050
Land improvements	5,727	2,996	2,731
Buildings, building alterations and leasehold improvements	1,307,845	492,988	814,857
Furniture and equipment	106,667	56,195	50,472
Library collection	52,520	26,285	26,235
Art collections	4,785	–	4,785
	$ 1,555,594	$ 578,464	$ 977,130

			2025
	Cost	Accumulated amortization	Net book value
Land	$ 78,050	$ –	$ 78,050
Land improvements	5,727	2,743	2,984
Buildings, building alterations and leasehold improvements	1,278,210	463,526	814,684
Furniture and equipment	111,442	60,092	51,350
Library collection	51,442	25,487	25,955
Art collections	4,185	–	4,185
	$ 1,529,056	$ 551,848	$ 977,208

During the year, the University has written off fully amortized tangible capital assets totalling $21,145 (2025 - $12,155) and transferred $1,236 (2025 - nil) from tangible capital assets to software service assets.

7. Intangible capital assets:

	2026		
	Cost	Accumulated amortization	Net book value
Information technology - development in progress	$ 2,381	$ –	$ 2,381
Information technology	68,061	26,688	41,373
	$ 70,442	$ 26,688	$ 43,754

	2025		
	Cost	Accumulated amortization	Net book value
Information technology - development in progress	$ 3,422	$ –	$ 3,422
Information technology	68,233	22,782	45,451
	$ 71,655	$ 22,782	$ 48,873

During the year, the University has written off fully amortized intangible capital assets totalling $889 (2025 – $28,701) and transferred $2,628 (2025 - nil) from intangible capital assets to software service assets.

8. Bank loans:

The University has an unsecured on-demand revolving credit facility of $560,500 (2025 – $520,500) which includes a cross-currency swap strategy and may be drawn through prime rate, CORRA or SOFR loans. The following table summarizes the balance of the credit facility:

	2026	2025
SOFR loans, bearing interest at 2.50% (2025 – 2.89%)	$ 267,973	$ 120,950
Prime rate loans, bearing interest at 4.45% (2025 – 4.95%)	–	1,720
	$ 267,973	$ 122,670

The weighted average rate on all credit line financing was 2.50% (2025 – 2.92%).

In accordance with the MES periodic review, in July 2026, the University received authorization to use credit lines up to $565,364 (2025 – $498,461), which includes $27,864 (2025 – $53,461) of a credit line serviced by MES with Fonds de financement to finance capital expenses funded in the Plan Quinquennal des Investissements Universitaires. As at April 30, 2026, the total use of the Fonds de financement credit line amounted to $19,754 (2025 - $39,121).

8. Bank loans (continued):

In July 2026, the University issued an extension to the irrevocable letter of credit to the U.S. Department of Education, for US$623 (2025 - US$712). The irrevocable letter of credit bears a term of 12 months, ending on May 31, 2027. The amount represents 50% of the Title IV, Higher Education Act Program funds received by the University under the U.S. Federal Student Aid Program.

9. Deferred contributions:

The deferred contributions represent unused resources that are allocated to specific purposes imposed by the outside donor or party.

	Research	Designated	Capital	2026 Total	2025 Total
Balance, beginning of year	$ 169,222	$ 77,155	$ 546,156	$ 792,533	$ 747,173
Amount received in the current year	76,316	32,953	33,056	142,325	174,019
Amount recognized in the current year	(93,677)	(30,304)	(26,337)	(150,318)	(128,659)
	151,861	79,804	552,875	784,540	792,533
Current portion of deferred contributions	151,861	–	25,580	177,441	194,806
Long-term deferred contributions	$ –	$ 79,804	$ 527,295	$ 607,099	$ 597,727

10. Long-term debt:

	2026	2025
Capital Asset Fund:		
Serviced by the University:		
Loans, bearing interest at Canadian Overnight Repo Rate Average ("CORRA"), payable in monthly varying instalments, maturing between March 2030 and March 2045 [(i)]	$ 149,398	$ 167,775
6.550% $200,000 Series A Senior Unsecured Debentures, due September 2, 2042, issued by the University and subject to a trust indenture, which contains certain covenants placing restrictions on the University with respect to the giving of security, disposition of assets and other matters	191,937	191,679
3.678% $50,000 Series B Senior Unsecured Debentures, due February 10, 2059, issued by the University and subject to a trust indenture, which contains certain covenants placing restrictions on the University with respect to the giving of security, disposition of assets and other matters	50,000	50,000
3.626% $25,000 Series C Senior Unsecured sustainable Debentures, due February 10, 2039, issued by the University and subject to a trust indenture, which contains certain covenants placing restrictions on the University with respect to the giving of security, disposition of assets and other matters	25,000	25,000
Serviced by the Government of Québec:		
Financement-Québec loans bearing interest at rates ranging between 1.731% and 4.955%, maturing between September 2026 and February 2044	295,377	337,021
	711,712	771,475
Less current portion of the long-term debt	77,178	60,021
Long-term debt	$ 634,534	$ 711,454

(i) The University has entered into several long-term interest rate swap loan agreements to manage its interest rate risk. These transactions are effective at fixed rates ranging between 1.714% and 4.197% with an underlying CORRA of 2.30% (2025 – 2.77%). The combined notional amount of outstanding swap agreements at April 30, 2026 is $149,398 (2025 - $167,775). The combined fair value of assets of the agreements calculated according to information obtained from the financial institution is $4,625 (2025 – $308).

10. Long-term debt (continued):

The MES makes two types of grants to universities: operating grants and capital grants. Capital grants are authorized under the five-year university capital investment plan and are funded by the Government of Québec out of public borrowing in the University's name (a process known as grant bonds). As a result, the long-term debt listed above is managed, administered and serviced by the Government of Québec.

In accordance with its charter and the government decrees adopted pursuant to its charter (the last such decree 1057-2018 was adopted on August 7, 2018), the University may have an outstanding aggregate principal amount of debentures and debt securities, which may not exceed $1,000,000 at any time, excluding amounts borrowed by way of loan or promissory note.

The proceeds from the Series A, Series B and Series C Senior Unsecured Debentures were used primarily to finance the University's capital projects in the last several years. These offerings were separate and distinct from the existing "grant bonds" process, which have been used by the Government of Québec to finance capital spending in the education system, in which grant bonds are managed, administered and serviced by the Government of Québec. The debentures are direct obligations of the University.

Repayments of principal over the next years are scheduled as follows:

	Serviced by the University	Serviced by the Government of Québec	Total
2027	$ 17,054	$ 60,124	$ 77,178
2028	21,330	36,258	57,588
2029	16,708	23,332	40,040
2030	16,755	23,215	39,970
2031	10,800	20,672	31,472
Thereafter	333,688	131,776	465,464
	$ 416,335	$ 295,377	$ 711,712

10. Long-term debt (continued):

The University has created a sinking fund in its internally restricted funds to support the repayment of this long-term debt. See Note 20 for further details on the University's capital asset management and financing policy.

Interest on long-term debt:

	2026	2025
Serviced by the Government of Québec	$ 9,583	$ 10,546
Serviced by the University	21,789	19,626
Changes in fair value of the derivative financial instrument	(4,317)	5,718
	$ 27,055	$ 35,890

11. Employee future benefits:

The University measures its accrued benefit obligations and the fair value of plan assets for accounting purposes as at April 30th of each year. Additionally, the financial status of the funded defined benefit pension plan is also measured through actuarial valuations for funding purposes at least once every three years. These financial statements were prepared using assumptions from actuarial valuations performed as at December 31, 2024, or April 30, 2026 depending on the program.

The employee future benefit liability is as follows:

				2026
	Registered Pension Plan	Other retirement-related benefit plans	Post-retirement and post-employment benefits	Total
Balance, beginning of year	$ –	$ 46,072	$ 110,495	$ 156,567
Expense	39,795	3,472	16,593	59,860
Funding contributions	(36,745)	(7,071)	(16,046)	(59,862)
Remeasurements and other items [(i)]	(3,050)	4,777	7,166	8,893
Net employee future benefit liability end of year	$ –	$ 47,250	$ 118,208	$ 165,458

[(i)] An increase in the valuation allowance of $4,391 is included in the remeasurements and other items of the Registered Pension Plan for the year ended April 30, 2026. In addition, $923 of interest is added to the valuation, for a net increase of $5,314.

11. Employee future benefits (continued):

				2025
	Registered Pension Plan	Other retirement-related benefit plans	Post-retirement and post-employment benefits	Total
Balance, beginning of year	$ –	$ 40,749	$ 115,175	$ 155,924
Expense	39,488	4,055	14,122	57,665
Funding contributions	(39,674)	(4,183)	(10,378)	(54,235)
Remeasurements and other items [ii]	186	5,451	(8,424)	(2,787)
Net employee future benefit liability, end of year	$ –	$ 46,072	$ 110,495	$ 156,567

[ii] A reduction in the valuation allowance of $42,353 is included in the remeasurements and other items of the Registered Pension Plan for the year ended April 30, 2025. In addition, $3,231 of interest is added to the valuation, for a net reduction of $39,122.

(a) Reconciliation of the funded status of the benefit plans to the amounts recorded in the consolidated financial statements:

				2026
	Registered Pension Plan	Other retirement-related benefit plans	Post-retirement and post-employment benefits	Total
Defined benefit obligations	$ 1,612,997	$ 47,250	$ 132,860	$ 1,793,107
Fair value of plan assets	1,633,953	–	14,652	1,648,605
Surplus (deficit)	20,956	(47,250)	(118,208)	(144,502)
Valuation allowance [iii]	(20,956)	–	–	(20,956)
Net employee future benefit liability, end of year	$ –	$ (47,250)	$ (118,208)	$ (165,458)

[iii] Since the Registered Pension Plan's funding policy states that in no event can the University take contribution holidays, the expected future benefit that the University can expect to realize from the plan assets is nil and, therefore, a valuation allowance of $20,956 (2025 - $15,642) was applied against the surplus as at April 30, 2026.

11. Employee future benefits (continued):

(a) Reconciliation of the funded status of the benefit plans to the amounts recorded in the consolidated financial statements (continued):

	2025			
	Registered Pension Plan	Other retirement-related benefit plans	Post-retirement and post-employment benefits	Total
Defined benefit obligations	$ 1,539,938	$ 46,072	$ 118,385	$ 1,704,395
Fair value of plan assets	1,555,580	–	7,890	1,563,470
Surplus (deficit)	15,642	(46,072)	(110,495)	(140,925)
Valuation allowance [iii]	(15,642)	–	–	(15,642)
Net employee future benefit liability, end of year	$ –	$ (46,072)	$ (110,495)	$ (156,567)

(b) Significant assumptions:

The significant assumptions used are as follows:

	2026		
	Registered Pension Plan	Other retirement-related benefit plans	Post-retirement and post-employment benefits
Accrued benefit obligations:			
Discount rate	5.90%	4.60%	4.96%
Rate of compensation increase	2.50%	2.50%	2.50%
Benefits costs:			
Discount rate	5.90%	4.50%	4.82%
Rate of compensation increase	2.50%	2.50%	2.50%

11. Employee future benefits (continued):

(b) Significant assumptions (continued):

	2025		
	Registered Pension Plan	Other retirement-related benefit plans	Post-retirement and post-employment benefits
Accrued benefit obligations:			
Discount rate	5.90%	4.50%	4.82%
Rate of compensation increase	2.50%	2.50%	2.50%
Benefits costs:			
Discount rate	5.90%	5.15%	5.19%
Rate of compensation increase	2.50%	2.50%	2.50%

Assumed health care cost trend rates are based on the following:

	2026	2025
Initial health care cost trend rate	5.69%	4.11%
Cost trend rate declines to	3.57%	3.15%
Year when the rate reaches the level at which it is assumed to remain	2046	2038

(c) Benefits paid:

Benefits paid by the Pension Plan for the Employees of Concordia University were $80,009 (2025 - $74,363), benefits paid by the other retirement-related benefit plans totaled $7,071 (2025 - $4,183), and post-retirement and post-employment benefits paid amounted to $8,999 (2025 - $7,929).

12. Internally restricted fund balances:

	2026	2025
Academic-related:		
Institutional projects	$ 49,818	$ 56,267
Services to students and the community	20,359	23,156
Employee and faculty development	4,575	4,613
	74,752	84,036
Research-related:		
Internally funded projects	25,280	25,552
Infrastructure for research units	4,308	5,545
	29,588	31,097
Capital and technology projects	2,037	1,231
Total - Operating Fund	106,377	116,364
Capital Asset Fund - sinking fund for the long-term debt repayment (note 20)	111,954	101,003
	$ 218,331	$ 217,367

13. Endowments:

Endowment funds are composed of restricted donations received by the University. Donations that have been internally designated as endowments are accounted for as transfers to the endowment funds. Investment returns generated from endowments are used in accordance with the various purposes established by the donors at the discretion of the University. The University protects the future purchasing power of its endowments by designating a portion of the annual investment income earned to endowments, known as capital protection. In accordance with the University's endowment spending policy, 4.0% (2025 – 3.5%) of endowment income is available for annual spending. Of this amount, 3.8% (2025 – 3.5%) is allocated to the purposes specified in the endowment agreements, and 0.2% (2025 – nil) is allocated to the Concordia Philanthropy Fund. The purpose of this policy is to allow the University to distribute a consistent amount of income from endowment on an annual basis regardless of the investment income earned in the fiscal year.

13. Endowments (continued):

Activities in the endowments were as follows:

	2026	2025
Balance, beginning of year	$ 172,167	$ 158,623
Endowment contributions received	8,146	9,917
Investment income	16,447	8,934
Investment income distributed for spending	(6,630)	(5,446)
Transfers from other funds	104	139
	18,067	13,544
Balance, end of year	$ 190,234	$ 172,167

14. Grants:

					2026
	Operating	Research	Designated	Capital	Total
Government of Québec	$ 372,932	$ 7,774	$ 7,134	$ 29,515	$ 417,355
Government of Canada	4,760	74,290	687	4,243	83,980
Non-governmental grants	164	11,242	823	298	12,527
	$ 377,856	$ 93,306	$ 8,644	$ 34,056	$ 513,862

					2025
	Operating	Research	Designated	Capital	Total
Government of Québec	$ 354,232	$ 7,934	$ 9,195	$ 31,616	$ 402,977
Government of Canada	5,141	47,523	653	4,522	57,839
Non-governmental grants	205	11,805	873	299	13,182
	$ 359,578	$ 67,262	$ 10,721	$ 36,437	$ 473,998

15. Ancillary services and rental properties:

	Revenues	Expenses	2026 Excess
Retail stores	$ 257	$ –	$ 257
Residences	8,939	3,772	5,167
Parking	2,811	1,044	1,767
Food and conference services	1,142	692	450
Other services	876	384	492
Rental properties	4,631	2,139	2,492
	$ 18,656	$ 8,031	$ 10,625

	Revenues	Expenses	2025 Excess
Retail stores	$ 236	$ 6	$ 230
Residences	8,603	3,996	4,607
Parking	2,635	870	1,765
Food and conference services	1,124	1,066	58
Other services	1,072	446	626
Rental properties	4,734	2,196	2,538
	$ 18,404	$ 8,580	$ 9,824

16. Expenses:

	2026	2025
Academic activities and support:		
Academic	$ 307,650	$ 316,999
Library	12,385	13,789
Instructional and information technology services	29,287	28,611
	349,322	359,399
Institutional services and support:		
Administration	79,258	83,662
Facilities and operation services	43,938	44,537
Rented facilities	6,286	6,314
	$ 129,482	$ 134,513

17. Interfund transfers:

The University manages its cash centrally in the Operating Fund. Receipts and disbursements of other funds are recorded as amounts due to or from the Operating Fund.

The balances are non-interest-bearing and have no fixed terms of repayment.

				2026
	Operating	Research Fund	Designated Fund	Capital Asset Fund
Contributions towards the following:				
Major renovation or construction projects	$ (7,422)	$ –	$ (50)	$ 7,472
Interest on capital debt	(21,294)	–	–	21,294
Equipment	(9,017)	–	–	9,017
Specific university projects	272	–	(272)	–
	$ (37,461)	$ –	$ (322)	$ 37,783

				2025
	Operating	Research Fund	Designated Fund	Capital Asset Fund
Contributions towards the following:				
Major renovation or construction projects	$ (6,962)	$ –	$ 126	$ 6,836
Interest on capital debt	(18,913)	–	–	18,913
Equipment	(20,785)	–	(250)	21,035
Specific university projects	(94)	–	94	–
	$ (46,754)	$ –	$ (30)	$ 46,784

18. Related party transactions:

(a) eConcordia.com:

The University exercises significant influence over eConcordia.com, a registered charity under the *Income Tax Act*. eConcordia.com provides courses for the advancement of learning on electronic or other new media. There are no significant differences in accounting policies between eConcordia.com and the University.

The University incurred service fees from eConcordia.com for the delivery of courses to students of the University. The expense (net of rebates) amounted to approximately $8,173 (2025 - $8,884). The University invoiced operating costs and management fees amounting to approximately $70 (2025 - $73). The University has accounts receivable and non-interest-bearing advances totalling $227 (2025 - $246) and trade payables of $182 (2025 – nil).

(b) Controlled entities:

(i) Concordia University Press:

The Concordia University Press is incorporated under the *Canada Not-for-profit Corporations Act* for the purposes of publishing scholarly books that cross disciplinary boundaries and propel scholarly inquiries into new areas and wishes to assist the University by publishing scholarly works in order to disseminate knowledge and educate. The University exercises control over Concordia University Press by virtue of the fact that the majority of its board members hold senior management positions at the University.

(ii) Innovations Galilei 2:

The University exercises control over Innovations Galilei 2, which is incorporated under Part II of the *Canada Business Corporations Act*. The purpose of the entity is to provide consulting and other services to new businesses and entrepreneurs.

(iii) The Kenneth Woods Portfolio Management Foundation:

The Kenneth Woods Portfolio Management Foundation is incorporated under Part II of the *Canada Business Corporations Act* as a not-for-profit organization and is a registered charity under the *Income Tax Act*. It provides financial support, investment resources, assistance and training for students at Concordia University in the Kenneth Woods Portfolio Management Program and the Calvin Patter Fellowship Program. The University exercises control over the Kenneth Woods Portfolio Management Foundation by virtue of the fact that the majority of its board members hold senior management positions at the University.

18. Related party transactions (continued):

(b) Controlled entities (continued):

The University's related party transactions were concluded in the normal course of operations and are measured at the exchange amount, which is the amount established and accepted by the parties.

The following table presents condensed financial information of its controlled entities:

	2026	2025
	Total	Total
Statement of earnings:		
Revenues	$ 1,944	$ 2,690
Expenses	2,533	1,914
(Deficiency) Excess of revenues over expenses	(589)	776
Statement of financial position:		
Total assets	6,849	7,183
Total liabilities	1,241	490
Surplus	5,608	6,693
Statement of cash flows:		
Operating activities	(109)	68
Investing activities	(74)	(591)
Financing activities	30	(250)

19. Financial risks:

The University is subject to the following financial risks from its financial instruments:

(a) Credit risk:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The University is exposed to credit risk from its debtors. A significant portion of the University's receivables are due from governments, which are believed to be at low risk of default. The University considers tuition fees receivable as a financial asset with greater credit risk exposure and the concentration of the remaining risks to be minimal given the large base of counterparties. See Note 3 for details on the gross carrying amount of tuition receivables and the allowance for doubtful accounts that addresses this risk.

19. Financial risks (continued):

(a) Credit risk (continued):

The University is also exposed to credit risk from investments in corporate bonds, since failure of any of these parties to fulfill their obligations could result in significant financial losses for the University. The risk is mitigated by adhering to the investment policy targets as described in the investment policy. In addition, monitoring by investment managers is done on a regular basis. Currently, the allocation to corporate bonds in the University's portfolio is low. Additionally, some investment funds indirectly expose the University to credit risk.

(b) Market risk:

Market risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

The University's financial instruments expose it to market risk, and in particular, to interest rate risk and currency risk, resulting from both its investing and financing activities.

(i) Interest rate risk:

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

The University is exposed to interest rate risk as a result of short-term floating rate bank indebtedness and the variable interest rate on the long-term debt serviced by the University. The long-term debt serviced by the Government of Québec does not bear any interest rate risk since the debt service is financed by the Government of Québec.

The University's other financial instruments do not comprise any interest rate risk since they do not bear interest.

The University manages the interest rate risk on short-term bank indebtedness by locking in to fixed rates as described in Note 8. Interest rate risk on long-term debt serviced by the University has been mitigated by entering into an interest rate swap agreement as described in Note 10.

(ii) Currency risk:

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to foreign currency exposure.

The University is exposed to currency risk due to cash and cash equivalents and investments denominated in U.S. dollars. As at April 30, 2026, financial assets in foreign currency represent cash and cash equivalents of $30,494 (2025 - $40,160) and investments totalling $330,376 (2025 - $153,046). The University is also exposed to currency risk from a $267,973 (2025 - $120,950) bank loan denominated in U.S. dollars.

19. Financial risks (continued):

(b) Market risk (continued):

(ii) Currency risk (continued):

The risk associated with this foreign currency bank loan is mitigated by a cross-currency interest rate swap agreement as described in Note 8.

(iii) Other price risk:

Price risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk).

The University is exposed to other price risk due through its investments in common shares and investment funds since changes in market prices could result in changes in the fair value or cash flows of these instruments. Additionally, some investment funds also indirectly expose the University to other price risk.

(c) Liquidity risk:

The University's liquidity risk represents the risk that the University could encounter difficulty in meeting obligations associated with its financial liabilities. The University is exposed to this risk mainly in respect of bank loans, completion of the work funded via deferred contributions, and long-term debts it services. The University manages its liquidity risk by monitoring its operations. The University prepares budgets and cash forecasts approved by the MES to ensure it has sufficient funds to fulfill its obligations. The University's liquidity risk has been impacted in the past 3 years by the effect of deficiencies of revenues over expenses. This risk is mitigated by continuous support from the MES, and available line of credit of $292,500 from its lenders and investments strategies.

Management believes that these financial risks are appropriately mitigated and do not pose significant risk to the University's operations in the future. There have been no significant changes in the policies, procedures, and methods used to manage these risks in the year.

20. Commitments:

(a) Operational commitments:

As part of its operations, the University has entered into various long-term agreements. The most significant agreements have led to the following contractual obligations:

- An amount of $19,883 for the construction, renovations and land improvement agreements to be completed during fiscal years 2027 and 2028.
- As at April 30, 2026, the University has lease commitments totalling $95,346 maturing through to April 30, 2039. Future minimum lease payments for the next five years are $6,031 in 2027, $6,341 in 2028, $6,214 in 2029, $6,415 in 2030 and $6,195 in 2031.

20. Commitments (continued):

(b) Investment commitments:

The University has committed to making investments that will be funded in future years in accordance with the terms and conditions agreed in the agreements. As at April 30, 2026, the University has committed $84,721 to private equity investments. The financing of the commitments can be requested at various dates until 2031.

21. Contingencies:

As with other large institutions of a similar nature, the University is party to various legal proceedings, including claims such as grievances arising under its collective agreements, claims instituted by building contractors for additional payments, claims for damages, other claims which may present themselves from time to time under the laws regulating employment matters, and various other claims instituted by students, former students, employees, former employees and co-contracting parties.

While it is not possible at this time to definitively assess the outcome of those claims, the University has serious grounds to defend them and it is confident that they will be resolved without material effect on the University's financial position. The University has, however, accrued an amount that it currently deems sufficient to cover any potential losses arising from these claims.

Additionally, there are certain other claims pending against Concordia which are outside of the ordinary course of claims typically encountered by the University. While the University is currently confident with its arguments and its various legal positions regarding these claims, each of them are at very preliminary stages, with preliminary motions still to be filed and heard by the Court and, as a result, at this time: (i) the outcomes of these claims are not determinable; and (ii) estimates of the quantum of any possible condemnations are also not determinable. In light of the foregoing, the University has not yet accrued any amounts to cover any potential losses that could result from these claims.

22. Pledges receivable:

Pledges receivable from donors are not recorded in the consolidated statement of operations and changes in fund balances for the restricted funds. Pledges receivable amounted to $ 49,917 as at April 30, 2026 (2025 - $39,793).

These pledges will be recognized in the financial statements when collected.

23. Voluntary retirement program:

During the year, the University implemented a voluntary retirement program as part of its strategic workforce planning initiatives.

Under the program, eligible employees were offered enhanced retirement and separation benefits. As a result, the University recognized an expense of $10,938 during the year ended April 30, 2026, representing the contractual benefits payable to participants under the program.

Management considers the voluntary retirement program to be an initiative that is not reflective of the University's ongoing operating activities. Accordingly, the related expense has been presented separately in the consolidated statement of operations.

As of April 30, 2026, cumulative payments of $2,969 had been made under the voluntary retirement program. The remaining liability of $7,969 represents amounts payable to participating employees and is scheduled to be paid during fiscal 2027.

24. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

25. Subsequent events:

On July 7, 2026, the University completed the sale of the property known as the Samuel Bronfman Building for total consideration of $4,800. As the transaction closed subsequent to the University's year-end of April 30, 2026, no gain or loss relating to the disposal has been recognized in these consolidated financial statements. The net book value of this asset as at April 30, 2026 was $1,826. The proceeds from the sale and the resulting gain or loss on disposal will be recognized in the fiscal year ending April 30, 2027. The University received a closing payment in respect of the transaction on July 8, 2026.