



ANNUAL REPORT

2024 - 2025



Fiscal year ended
April 30, 2025



LaurentianUniversity
Université **Laurentienne**



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LAND ACKNOWLEDGMENT

We would like to acknowledge the Robinson-Huron Treaty of 1850. We also further recognize that Laurentian University is located on the traditional lands of the Atikameksheng Anishinaabek and that the City of Greater Sudbury, also includes the traditional lands of the Wahnapitae First Nation. We extend our deepest respect to Indigenous peoples – as a sign of our continued relationship we will support Laurentian University's Truth and Reconciliation Task Force Recommendations. Miigwech.

Ka ke ginwaamdanaa Aki Gaabijidebendaagwak Robinson Huron Naakinegewin ode 1850. Miinwa ginwaamdandaa Laurentian University Chi-kinomaagegamik gewii teg maanpii gidaa kiimina Atikameksheng Anishinaabek debendaagwak miinwa Chi-odeno Sudbury miinwa gewii debendaagwak Wahnapitae Anishinaabe kiing. Gichipiitenmananig Anishinaabek- ga nakiitaanaa weweni maanpii Laurentian University Chi-kinomaagegamik Debwewin miinwa Minadaapnagewin Nakii Naadmageh Makwataagziiwin. Miigwech.



VISION

Bring the power of Northern Ontario values, resilience, innovation, and Indigenous ways of knowing to the world.



MISSION

Prepare the leaders of tomorrow through an inclusive, intellectually curious and connected bilingual and tricultural learning community.



Introduction

Laurentian University was incorporated on March 28, 1960, pursuant to an *Act to incorporate Laurentian University of Sudbury*, S.O. 1960, c. 151 C. 154. For over 65 years, Laurentian University of Sudbury (“Laurentian University”) has operated as a publicly funded, bilingual and tricultural post-secondary institution in Northern Ontario, providing high-quality, postsecondary education to domestic and international undergraduate and graduate students.

Laurentian’s bilingual and tricultural nature is unique in Ontario and its impact on outcomes in the region is vital and crucial. Laurentian University is an important source of learning, research, and innovation for Northern Ontario and the thousands of students who can access post-secondary education in the North.

Purpose of the Annual Financial Report

This report provides a detailed review of the consolidated financial statements for the year ending April 30, 2025. The University continues to face a challenging financial landscape shaped by various external pressures, including Ontario’s extended tuition freeze, static government grants, and inflationary pressures.

The focus this past year continued to be advancing on our journey to stabilize our institution while making progress against our commitments under the Plan of Arrangement, supported by the \$35 million in long-term financing from the Province. The University remains committed to securing its financial resilience and supporting its vibrant academic and research environment.

Laurentian University’s Strategic Plan

The Strategic plan puts forward a vision and mission based on the values of community, integrity, student success, stewardship and collaboration.

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Prepare the leaders of tomorrow through an inclusive, intellectually curious and connected bilingual and tricultural learning community.

The path forward emphasizes the importance of and the University’s dedication to deepening partnerships and fostering collaborations with the Laurentian University community in four priority areas:

- **Enhancing the student experience;**
- **Energizing the academic and research mission;**
- **Building up the communities we serve; and**
- **Valuing and supporting our people.**

A renewed Board and senior management, along with a new Academic Plan, a Strategic Research Plan and a detailed Transformation Plan that includes a comprehensive transformation of the University’s governance, and administrative processes, systems, and policies, have marked this past year. This comprehensive framework will continue to guide the University’s journey toward the achievement of its goals and long-term financial sustainability.

The University’s renewed Board of Governors is comprised of the following members:

- > Barbeau, Jean Pierre - July 13, 2023
Board President since June 20, 2025
- > Cameron, Vern - March 31, 2022
Board Vice-President since June 20, 2025
- > Barltrop, James - June 20, 2024
- > Barry, Aaron - November 15, 2022
(renewed January 16, 2025)
- > Bouchard, Roxanne - December 15, 2023
(renewed December 15, 2024)
- > Farrow, Catherine - June 20, 2025
- > Guay, Andre - November 15, 2022
- > Kurkimaki, Laura - August 15, 2022
- > Manitowabi, Tammy - December 9, 2022
- > Minor, Ryan - December 13, 2024
- > Patel, Jeet (Student) - July 1, 2025
- > Prudhomme, Rachel - December 13, 2024
- > Ramakko, Brian - July 13, 2023
- > Wells, Lynn - April 1, 2024
- > Yassine, Rafael (Student) - July 1, 2025



The University is thankful for the contributions of the following outgoing members:

- > Kasunich, Staysha (*Student*) - June 20, 2025
- > Alvarez-Sierra, Christian (*Student*) - June 20, 2025
- > Harquail, David - June 20, 2025
- > Recollet, Angela - October 2, 2024

The Board has five standing committees, which include Audit and Risk, Finance and Property, Governance, Human Resources, and the Joint Committee on Bilingualism.



Transformation Plan

The University’s Transformation Plan is a journey that aligns with the University’s Strategic Plan. The Transformation Plan and the roadmaps for the implementation of the transformation program is based on best practices of governance, accountability, process excellence and a continuous improvement culture in service delivery. The five-year financial projections set a \$32.5 million budget for the program. The Transformation Plan focuses on the following foundational work streams:

- > Registration Services and Student Affairs
- > Finance
- > Human Resources
- > Information Technology



Laurentian by the numbers

Available Expendable Resources **\$108.1M¹**
 (\$53.0M last year, restated)

Capital Spending **\$10.0M**
 (\$6.2M last year)

TOTAL REVENUE **\$247.5M**
 (\$205.8M last year)

Excess revenue over expenses, after other items

Endowment per FTE student **\$8,295**
 (\$8,408 last year)

Total Expenses **\$192.4M**
 (\$167.8M last year)

REVENUE PER FTE STUDENT **\$39,094**
 (\$39,627 last year)

TOTAL NET ASSETS **\$287.1M**
 (\$231.4M last year)

\$55.2M
 (\$37.9M last year)

Enrolment FTE - excluding St. Lawrence) **6,332**
 (6,247 last year)

¹Expendable Net Assets include Unrestricted and Internally Restricted Net Assets (as outlined in the University's audited financial statements).



Operating Environment

The University continues to be guided by the five-year Financial Plan prepared at the emergence from the CCAA proceedings in November 2022, and operating with reduced staffing levels as a result of those proceedings.

The University continues to face a challenging financial landscape shaped by various external pressures, including Ontario's extended tuition freeze, static government grants, and inflationary pressures. The Ministry of Colleges, Universities, Research Excellence and Security (MCURES) announced in February 2024 that it would maintain the tuition freeze for the 2024-25 to 2026-27 academic years.

MCURES Tuition Fee Framework (TFF), however, provided the flexibility to increase tuition fees for domestic out-of-province students up to 5% (subject to the submission of an application and ministry approval), and the option to increase tuition fees for certain programs with lower-than-sector-average tuition rates (applicable to first-year incoming students). Laurentian University sought approval for a 3% increase for its domestic out-of-province student fees and increased its international student fees by 3-5%.

In terms of provincial government funding, Laurentian University completed its Year 5 Strategy Mandate Agreement (SMA3) annual evaluation covering the fiscal year 2024-25, for which the performance-based funding was activated for the second year. While the funding was in fact re-coupled, Laurentian University was "held harmless" and received 100% of the allocated performance funding.

On January 22, 2024, the Government of Canada announced a two-year intake cap on international student permit applications, which resulted in a reduction of approximately 35% in approved study permits from 2023. A significant portion of the University's tuition revenue is derived from international students, accounting for 52% of tuition revenues in 2024-25. Most of the University's international growth was at the graduate level, which was not impacted by this new cap in 2024-25. Of overall international enrolment, 83% was made up of students studying in graduate-level programs. The government announced additional restrictions, cutting the intake cap for 2025 by a further 10%. The most significant development was that the student cap now applies to graduate students.

The University signed its 2025-30 Strategic Mandate Agreement (SMA4) on June 23, 2025. SMA4. Under SMA4, funding is provided in three areas:

1) corridor funding based on the number of students enrolled; **2)** performance-based funding, which would be allocated based on key performance indicators; and

3) Science, Technology, Engineering, and Mathematics (STEM) funding, which would be allocated based on the number of students enrolled in these fields. The corridor floor for SMA4 Year 1 (2025-26) will be lowered by the University's historical five-year average STEM enrolment. In SMA4 Year 2, the corridor floor will be lowered by an updated rolling average of STEM enrolment. The corridor floor will revert to the SMA3 level in SMA4 Years 3 to 5. For the University, this means \$185,040 in STEM funding annually at the current funding rates.

The 2025-26 budget planning process started in the fall of 2024. As in prior years, consultations with stakeholders were an integral part of the planning process. The budget process discussions focused not only on priorities but also on the financial challenges. In the end, the budget was prepared with the goal of stabilizing the University's operations, emphasizing financial sustainability for the short, medium and long terms while still focusing on key areas identified in its Strategic Plan. The priorities were also framed by the Plan of Compromise and Arrangement as well as the financial covenants for the Exit Loan Agreement. The Consolidated 2025-26 Budget was approved by the Board of Governors on April 25, 2025.

In 2024-25, MCURES announced increased operational funding of 3% in Year 1, 2% in Year 2 and another 2% in Year 3 under the Postsecondary Educational Sustainability Fund (PSESF). This resulted in an increase of \$1,648,928, \$2,781,192 and \$3,936,100 in operational funding for the 2024-25, 2025-26 and 2026-27 fiscal years respectively. In addition, MCURES provided the University with one time top up funding of \$3,847,498 for 2024-25 and \$1,898,000 for 2025-26.



Plan of Compromise and Arrangement

The focus in 2024-25 continued to be stabilizing our institution while making progress against our commitments under the November 28, 2022 Plan of Compromise and Arrangement, including closely monitoring the financial covenants of the \$35 million long-term financing from the Province.



Sale of Laurentian University Real Estate

As part of its support of the University, the Province of Ontario committed to purchase designated real estate owned by Laurentian University for an aggregate purchase price of a minimum of \$43.5M and up to \$53.5 million. Under the Plan, the proceeds of sale would be paid into the Distribution Pool, which would be used to pay the University's creditors. The Plan provided for any real estate sale transactions to be completed within three years of the Plan Implementation Date, therefore by November 28, 2025.

The University negotiated an agreement through a Term Sheet with the Province of Ontario for the sale of certain real estate, with estimated proceeds of \$53.5 million. This Term Sheet outlined a proposed structure for the transaction which would allow the Province to purchase the properties. The total land identified in the Term Sheet covered 68.75 acres, which represented approximately 9% of the University's total 750+ acres. There were also five buildings identified in the Term Sheet, which the University expected to be fully or partially leased back.

They included:

- > the East Residence
- > the Vale Living with Lakes Centre and Watershed Building
- > the Northern Ontario School of Medicine
- > the Health Sciences Building, and
- > the Security and Maintenance Building

On May 1, 2024, the property known as the President's House was sold for proceeds of \$0.9 million. On January 29, 2025, the Vale Living with Lakes Centre and Watershed Building was sold to the Province for proceeds of \$8 million. From these combined proceeds of \$8.9 million, \$6.0 million was retained by the University for payments made to holders of Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims, and \$2.9 million was paid to the Distribution Pool.

On August 28, 2025 the remaining properties were sold for proceeds of \$45.5 million, and \$44.6 million was paid to the Distribution Pool. This completed the sale of designated real estate under the Plan.



Academic Accomplishments 2024–2025



The 2024–2025 academic year was one of renewal and achievement for Laurentian University, as the University advanced its new Academic Plan, strengthened institutional capacity, and reinforced its reputation as a destination of choice and a nexus for Northern solutions.

Key to this progress was the creation of the Office of Faculty Support and the expansion of Institutional Planning & Analysis, which drove transparent academic budget processes, multi-year strategic enrolment forecasting, and the successful negotiation of SMA4 with MCURES. Strategic enrolment management moved from planning to practice, yielding stronger recruitment and retention outcomes across programs.

Across the faculties, significant progress was made in program quality, research, and student experience. The Faculty of Arts expanded experiential learning through initiatives such as Model Parliament and student-led journals, while renewing program sustainability with new tenure-track hires and strengthening Indigenous and Francophone offerings. The Faculty of Management reinstated work-integrated learning across its programs, re-engaged with international accreditation networks, and expanded global partnerships to bolster recruitment, especially in flagship programs such as SPAD. The Faculty of Science, Engineering and Architecture secured reaccreditation in Engineering and Architecture, launched a new Bachelor of Environmental Solutions with Cambrian College, revitalised research infrastructure, and advanced a Critical Minerals Research Network, while community outreach helped drive a 27% increase in confirmations. The Faculty of Education and Health, in its first year as a merged unit, completed major professional accreditations across Education, Nursing, and Social Work, unified its English and French Education streams, advanced simulation and practicum modernisation, and strengthened leadership structures to stabilise delivery and prepare for future growth. Complementing these efforts, the Goodman School of Mines expanded its leadership certificate program, relaunched its lecture series, and hosted the international Goodman Gold Challenge, raising \$137,000 while engaging thousands of Northern Ontario learners. Graduate Studies and International streamlined admissions and scholarships and developed a new International Strategy Framework to guide future growth.

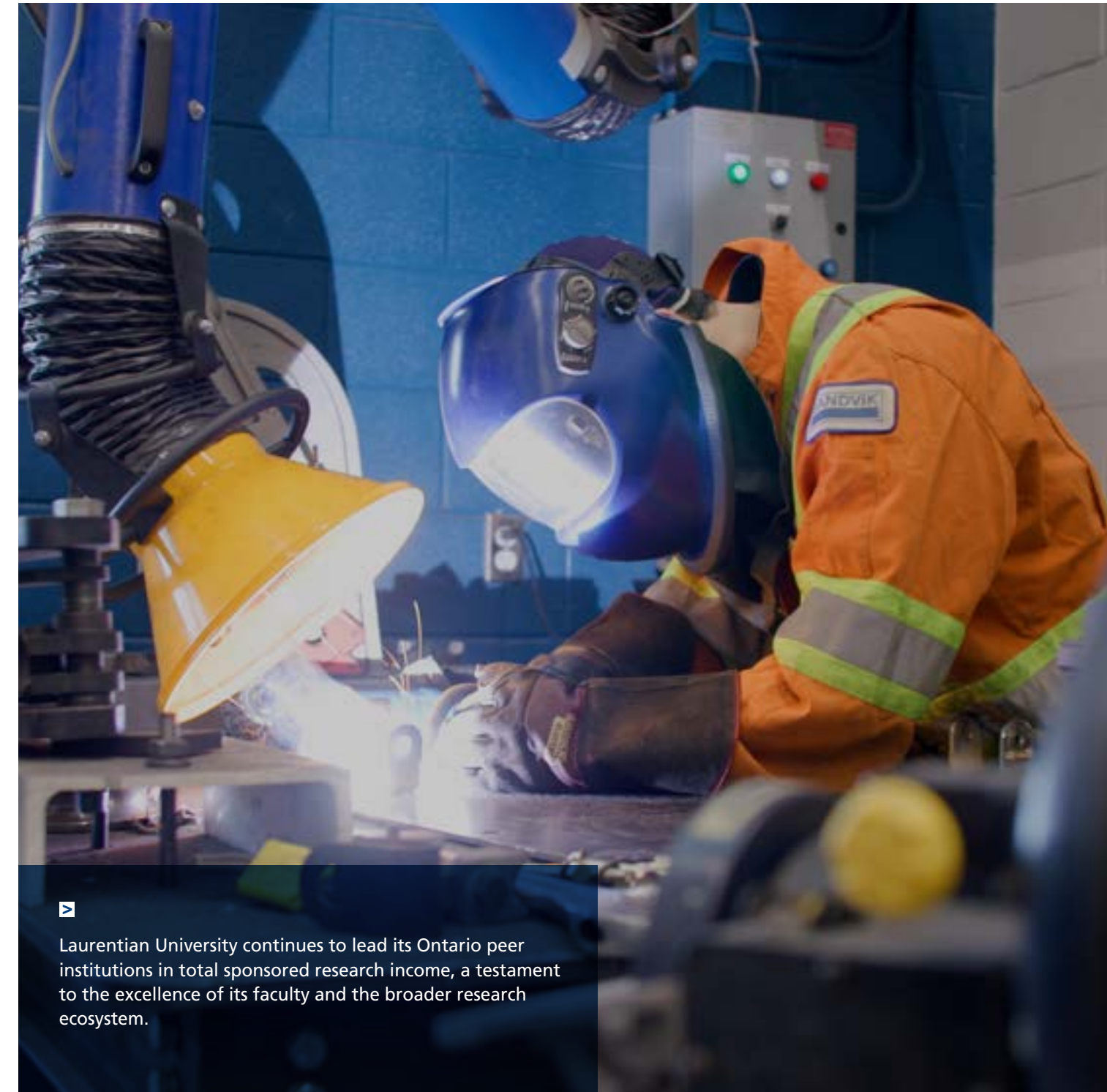
Student learning and support services also grew stronger through both academic and co-curricular initiatives. The Centre for Teaching and Continuing Learning delivered nearly half of all course registrations online, scaled micro-credentials, and led institutional innovation in accessible course design and generative AI. Student Success eliminated advising backlogs, implemented a new Mental Health Policy, expanded peer and accessibility programs, improved career readiness initiatives, and launched the campus Free Store.

Laurentian University also deepened its bilingual and Indigenous mandates. Francophone Affairs strengthened the Bilingualism Policy, launched the Francophonie Dashboard, and signed an MOU with Collège Boréal. Indigenous programs and partnerships were advanced through the AVP, Academic and Indigenous Programs, who hosted the 2024 National Building Reconciliation Forum, led the National Day for Truth and Reconciliation Symposium, and expanded collaborations with Indigenous communities including Wahnapiitae First Nation and Atikameksheng Anishnaabek. The Library and Archives secured new funding for resources and technology, launched modernized digital infrastructure, and partnered with Shingwauk Kinooomaage Gamig to advance the Robinson Huron Treaties repository.

Together, these accomplishments demonstrate that Laurentian University has restored stability and confidence in academic leadership, strengthened its professional program accreditations, enriched the student experience, and reinforced its distinct role in advancing the priorities of Northern Ontario and beyond.



Research and Innovation Highlights



Laurentian University continues to lead its Ontario peer institutions in total sponsored research income, a testament to the excellence of its faculty and the broader research ecosystem.

In 2024-2025 Laurentian University faculty, staff, students and our affiliated research partners secured \$16M in research funding, a notable increase from \$13.5M in the previous year.

This external grant and contract revenue is crucial for fostering fundamental discoveries, mobilizing knowledge, driving innovation, and developing new talent. Earned research revenue also helps to support costs associated with research administration, including salary support for staff in the Office of Research Services, funds to support library holdings and costs associated with research security.



Laurentian University's 2025-2030 Strategic Research Plan highlights five distinct research strengths, all of which attracted external funding, with a few notable examples highlighted.



Making an impact in Mining, Mineral Exploration and Critical Minerals, Drs. Ashley Scott and Corey Laamanen received over \$500K in funding from the Natural Sciences and Engineering Research Council (NSERC) with in-kind contributions from Glencore Sudbury Integrated Nickel Operations (Glencore) to research microalgal biosorption of critical minerals from mining-related tailing ponds with the goal to recover key metals to better protect aquatic systems and water supplies.



Advancing research in Environmental Solutions, Dr. Jackie Litzgus secured a \$1.35M NSERC Alliance Grant, supported by Vale and Glencore, for research on conservation and restoration of aquatic diversity in the face of legacy and emerging stressors.



Leading social innovation in Health, Wellness, Health Equity and Social Justice, Dr. Isabelle Coté was awarded a Social Sciences and Humanities Research Council (SSHRC) Insight Grant of over \$100K for her research on integrating the concept of coercive control into professional practices addressing domestic violence.

In the field of Culture, Language and Education, Drs. Roxanne Bélanger and Chantal Mayer-Crittenden received funding from the Centre national de formation en santé (CNFS) for their project studying the characteristics of robust vocabulary teaching that facilitate new word learning by preschool francophone children.

Laurentian University faculty also continue to build robust interdisciplinary collaborations to address research challenges best tackled by multidisciplinary teams engaged with community and industry partners. For example, under the leadership of Chantal Sarrazin-Delay, "Up North on Climate", was awarded over \$500K in funding from Natural Resources Canada's Climate Change Adaptation Program, a collaboration with four Northern Ontario Tribal Councils. Interdisciplinary research is being led by Dr. Luckny Zephyr in partnership with Rio Tinto and funding from NSERC to study the integration of renewable energy into power networks and hydroelectric reservoir management. Funding was also received to establish the Institute for Northern Housing Innovation led by Professor Steven Beites, along with Drs. Marc Arsenault, Emile Pinard, Meng Cheng Lau, and Jordan Babando.

Our research enterprise also contributed to advancements under the four pillars of the 2024-2029 Strategic Plan, including "Valuing Our People" with the establishment of nine Research Fellowships:

- > Dr. Albrecht Schulte-Hostedde, *Research Fellowship in the Faculty of Science, Engineering and Architecture*
- > Dr. Kerry McGannon, *Research Fellowship in the Faculty of Education and Health*
- > Dr. Mark Kuhlberg, *Research Fellowship in the Faculty of Arts*
- > Dr. Kamran Eshghi, *Research Fellowship in the Faculty of Management*
- > Dr. Sharlene Webkamigad, *Research Fellowship to Advance Indigenous Research*
- > Dr. Emilie Pinard, *Research Fellowship to Advance Francophone Research*
- > Dr. Jacqueline Litzgus, *Dr. Jane Goodall Research Fellowship in Biology Conservation*
- > Prof. Steven Beites, *Kathryne Kril-Atkins and Michael R Atkins Innovation Fellowship*
- > Dr. Mateus Pepinelli, *Kathryne Kril-Atkins and Michael R Atkins Innovation Fellowship*



Dr. Tammy Gaber's excellence in research was also recognized with the 2025 Laurentian University Research Excellence Award for her significant contributions to architectural history, particularly in the study of sacred spaces and their impact on communities.

Research activities led out of Laurentian's 10 Senate-approved Research Centres and its Affiliated Research entities, SNOLAB and MIRARCO, played a vital role in advancing Laurentian's Strategic Plan by "Energizing Our Academic and Research Mission", "Building Up the Communities We Serve", and "Enhancing the Student Experience". In 2024-2025 external research funding was earned by faculty affiliated with the Maamwizing Indigenous Research Institute, Centre for Research in Occupational Safety and Health, Cooperative Freshwater Ecology Unit, Centre for Rural and Northern Health Research, and the Mineral Exploration Research Centre. Affiliates also secured research funding to advance discovery in quantum science at SNOLAB and the Centre for Mine Waste Biotechnology at MIRARCO. Centre-led research is often in collaboration with community or industry partners with the training of students across all aspects of the research process critical to talent development required to drive economic development in our region.

Finally, our research infrastructure has improved with funding from the Canada Foundation for Innovation, Ontario Research Fund and the Ontario Training, Equipment and Renewal Fund resulting in new equipment to support research, innovation and student training led by Dr. Thomas Merritt, Dr. Ashley Scott and Professor Steven Beites.

Through these research and innovation efforts, faculty, staff and students are making an impact by contributing to northern solutions in areas such as housing innovation, environmental reclamation, wildland firefighting, language preservation, and economic reconciliation. As we continue to advance the goals of our Strategic Research Plan, we remain deeply committed to fostering research that addresses the priorities of our region and partners, strengthens the communities we serve, and prepares our students to become the next generation of leaders.

Enrolment Trends

Laurentian University had a significant enrolment increase in the 2023-24 academic year. This trend was due entirely to a spike in international enrolment, especially in graduate programs, and was expected to diminish significantly following the implementation of international study permit caps by the Canadian government.

As expected, headcount enrolment was relatively stable in 2024-25, resulting in a total of 8,234 individual students or 6,458 Full Time Equivalent (FTE) enrolments (+1%) (See Tables 1a and 1b). Domestic enrolment declined slightly over this period, in contrast to the increases to international enrolments. More specifically, international returning graduate enrolments contributed to Laurentian University's ability to maintain stable enrolment figures.

As noted, overall domestic enrolment was lower year over year in 2024-25, with a 2% (97 FTE) decrease across all levels and programs. As a result, the actual domestic enrolments were 8% below the budgeted FTE enrolments for 2024-25 (See Table 2).

Immigration status aside, returning enrolments improved year over year, with returning FTE enrolments rising 8% from 4,335 in 2023-24 to 4,692 FTE in 2024-25. In contrast, new enrolments declined during this period, decreasing by 13% or a total of -264 FTE. This drop in new enrolments was due almost entirely to a 48% decline in new international enrolment, while new domestic enrolment experienced a modest 5% increase.

Domestic undergraduate enrolment decreased by 1% resulting in 4,436 FTE. Contributing to this decrease was a 4% decline in returning enrolments, contrasting the 6% increase in the new incoming FTEs. It is important to note that while there was a small reduction in domestic undergraduate enrolments and Laurentian University did not meet its anticipated domestic undergraduate budgeted targets, overall FTE enrolments were only 1% short of the planned enrolments due to international enrolments offsetting the domestic decline.



Table 1a: Fall Headcount Official Enrolment 2022F - 2024F

Immigration Status	Academic Group	Admit Type	Headcount					
			2022F		2023F		2024F	
Domestic	Undergraduate	New	1,509.0	-32%	1,442.0	-4%	1,528.0	6%
		Returning	4,798.0	-14%	4,602.0	-4%	4,389.0	-5%
		Total	6,307.0	-19%	6,044.0	-4%	5,917.0	-2%
	Graduate	New	272.0	-22%	242.0	-11%	230.0	-5%
		Returning	512.0	-8%	494.0	-4%	441.0	-11%
		Total	784.0	-13%	736.0	-6%	671.0	-9%
Total			7,091.0	-19%	6,780.0	-4%	6,588.0	-3%
International	Undergraduate	New	69.0	-41%	121.0	75%	101.0	-17%
		Returning	233.0	-18%	215.0	-8%	237.0	10%
		Total	302.0	-25%	336.0	11%	338.0	1%
	Graduate	New	155.0	177%	590.0	281%	314.0	-47%
		Returning	163.0	17%	495.0	204%	994.0	101%
		Total	318.0	63%	1,085.0	241%	1,308.0	21%
Total			620.0	4%	1,421.0	129%	1,646.0	16%
Grand Total			7,711.0	-17%	8,201.0	6%	8,234.0	0%

Table 1b: Fall FTE Official Enrolment 2022F - 2024F

Immigration Status	Academic Group	Admit Type	Fall FTE					
			2022F		2023F		2024F	
Domestic	Undergraduate	New	1,191.5	-34%	1,149.7	-4%	1,217.9	6%
		Returning	3,530.2	-17%	3,337.7	-5%	3,218.0	-4%
		Total	4,721.6	-22%	4,487.4	-5%	4,436.0	-1%
	Graduate	New	210.4	-21%	189.5	-10%	185.9	-2%
		Returning	331.4	-11%	334.4	1%	300.3	-10%
		Total	541.8	-15%	523.9	-3%	486.2	-7%
Total			5,263.4	-21%	5,011.3	-5%	4,922.2	-2%
International	Undergraduate	New	54.3	-46%	100.7	85%	80.4	-20%
		Returning	187.0	-21%	169.1	-10%	191.5	13%
		Total	241.2	-28%	269.7	12%	271.8	1%
	Graduate	New	155.0	177%	590.0	281%	282.0	-52%
		Returning	160.9	19%	493.6	207%	982.2	99%
		Total	315.9	65%	1,083.6	243%	1,264.2	17%
Total			557.1	6%	1,353.3	143%	1,536.0	14%
Grand Total			5,820.6	-19%	6,364.6	9%	6,458.2	1%

International undergraduate enrolment remained stable (+1% or +2 FTE) year over year. This came as a result of a higher number of returning international undergraduate students, which increased by 13% year over year. On the other hand, as expected, the number of new students among this group decreased 20% (20 FTE) from the previous fall term.

Enrolment in graduate programs increased by 9%, as Laurentian University saw a high volume of returning international graduate students. International graduate enrolment grew from 1,084 FTE in Fall 2023 to 1,264 FTE in Fall 2024. Increases to international graduate enrolment were once again driven by course-based Master's programs, including Computational Science, MBA, and Engineering Science. There was a decline in graduate level enrolment among domestic students, falling 7% year over year to a total of 486 FTE due to decreases in both new intake and returning enrolments.

Remote and flexible learning options increased subtly, rising 1% in online degree program enrolment among domestic undergraduate students for a total of 1,217 FTE. While demand for online learning increased, domestic undergraduate enrolment for on campus programs declined slightly by 2%, a reduction of 69 FTE. Due to the high international enrolment offsetting the drop in domestic, overall on campus registrants did see a 2% increase. The overall proportion of students studying in a French language degree program rose slightly year over year, from 23% in Fall 2023 to 24% in Fall 2024.

The proportion of international students studying at Laurentian University rose again, increasing from 17% in 2023-24 to 20% in 2024-25. Finally, the proportions of both First Generation and Indigenous students held steady, with First Generation enrolment remaining at 51%, and Indigenous student enrolment at 12% of the total student population (See Figure 1).

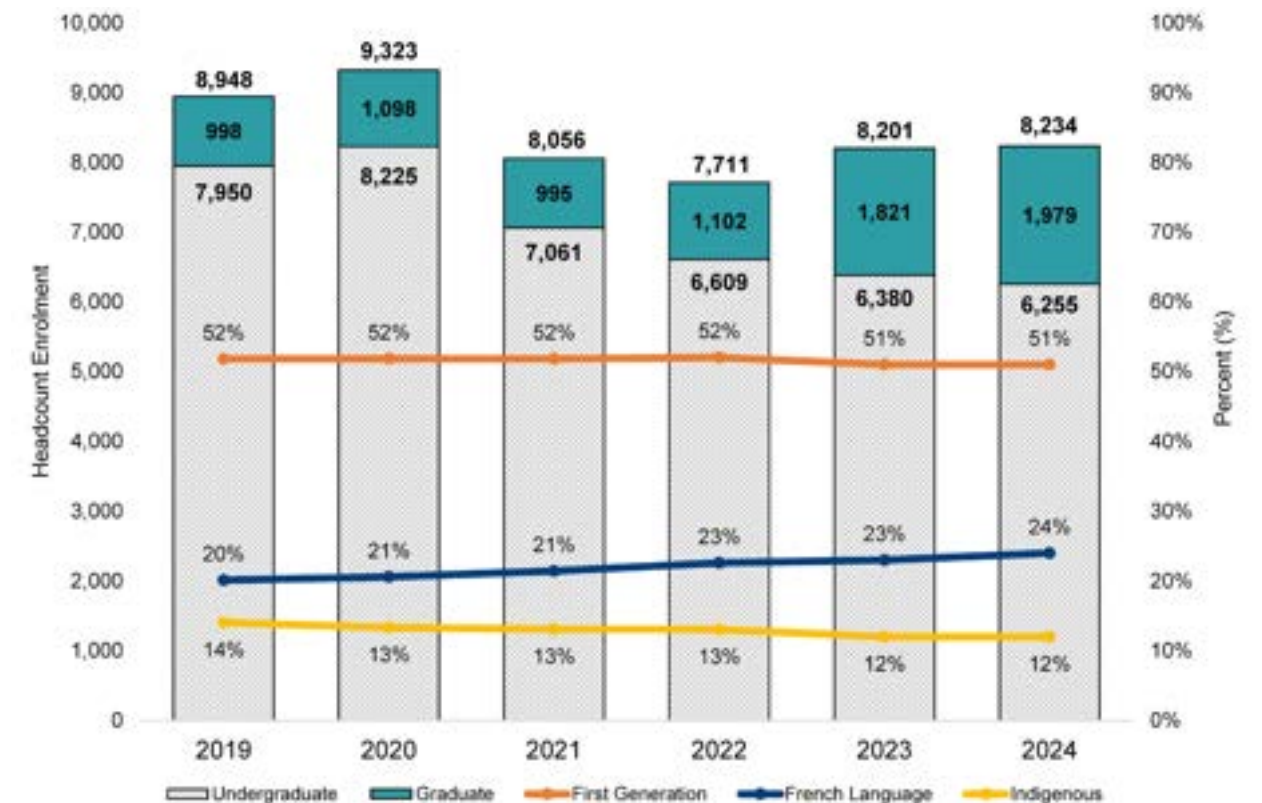


Table 2: Fall FTE - Historic Official Enrolment vs Planned Enrolments

Fall FTE Enrolment*		Official Enrolment**				Deltas						2024-25 Planned Enrolments (Budget)			
Immigration Status	Academic Level	Historic			Official	YoY Change		Achieved compared to Planned		Planned YoY Change					
		2021	2022	2023	2024	Delta 2024 Official vs 2023 Official	Delta 2024 Official vs 2024 Planned	Delta 2024 Official vs 2024 Planned	Delta 2024 Planned vs 2023	2024	2025	2026	2027		
Domestic	UG	4,010	4,605	4,375	4,316	-59	-1%	-326	-7%	269	6%	4,644	4,644	4,644	4,644
	GR	554	542	524	486	-38	-7%	-90	-16%	52	10%	576	576	576	576
	Total	5,464	5,147	4,899	4,802	-97	-2%	-419	-8%	323	7%	5,221	5,221	5,221	5,221
International	UG	290	239	265	266	1	0%	0	0%	1	0%	266	266	266	266
	GR	193	316	1,064	1,264	181	17%	330	35%	-150	-14%	934	934	934	934
	Total	482	555	1,348	1,530	182	13%	330	28%	-148	-11%	1,200	1,200	1,200	1,200
Grand Total		5,946	5,701	6,247	6,332	85	1%	-89	-1%	174	3%	6,421	6,421	6,421	6,421

*Total may not add up due to rounding and aggregation at a higher level
 **Official enrolments exclude St. Lawrence to align with Planned Enrolments (Budget)

Figure 1: Headcount Enrolment with Proportions - Fall Totals 2019-2024



Financial Review

Consolidated Statement of Operations

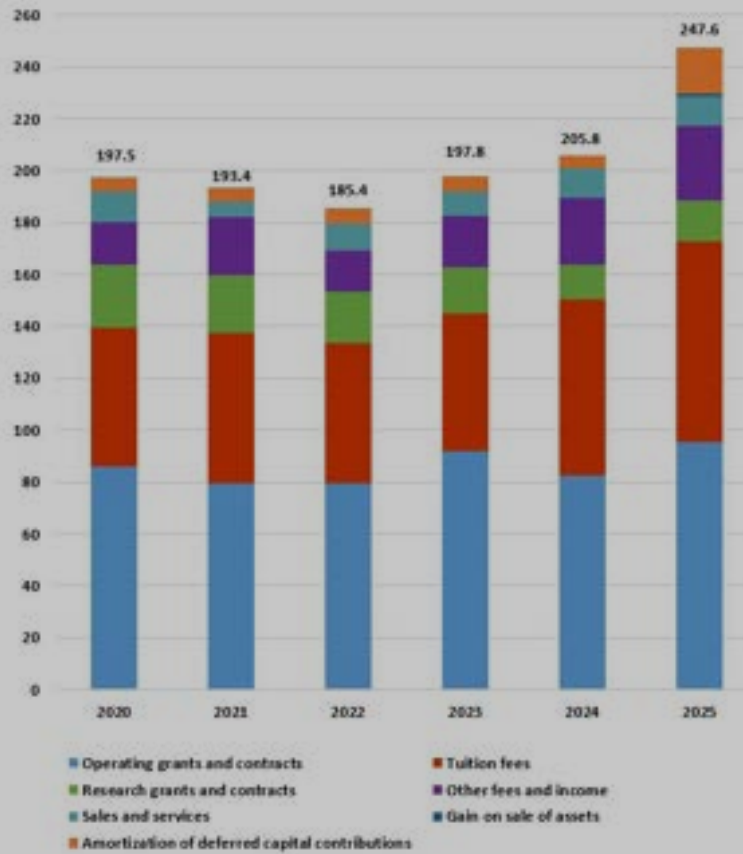
The University generated an Excess of Revenue over Expenses of \$55.2 million in 2024-25, compared to \$37.9 million in 2023-24. Excluding transformation costs, the University generated an Excess of Revenue over Expenses of \$57.9 million compared to \$41.6 million in 2023-24.

Consolidated revenue of \$247.5 million increased \$41.8 million (20.0%) from the previous year, while consolidated expenses of \$192.4 million increased \$24.6 million (15%).

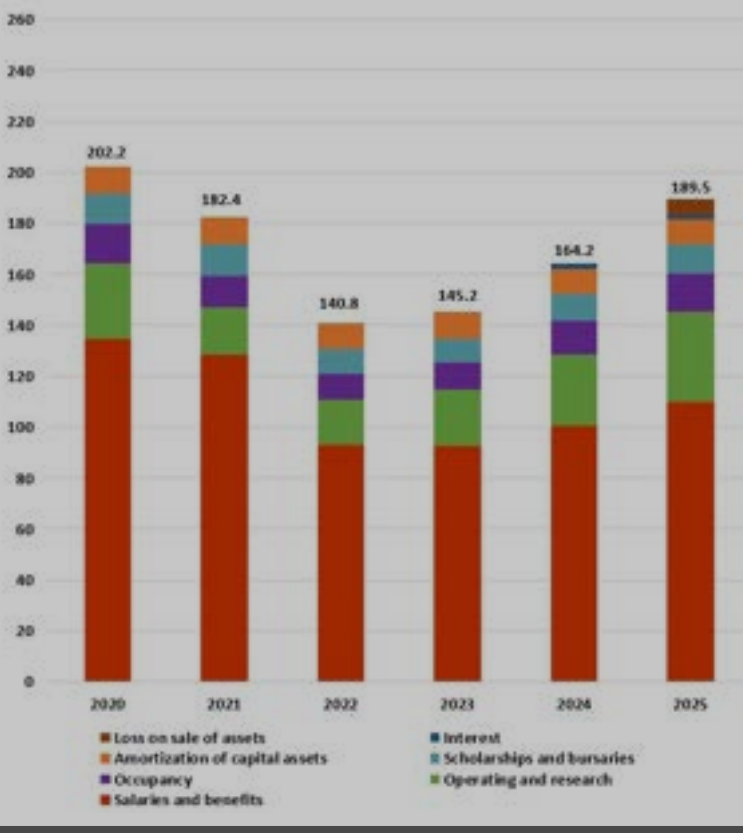
The sale of the Vale Living with Lakes Centre and Watershed Building to the Province resulted in a one-time revenue of \$12.9M from unamortized capital grants relating to the assets. The sale also resulted in a loss on sale of \$6.1 million as the proceeds of \$8 million were less than net book value of \$14.1 million.

The Excess of Revenue over Expenses excluding the impact of sale of the Living with Lakes Centre and the President's House would have been \$49.1M.

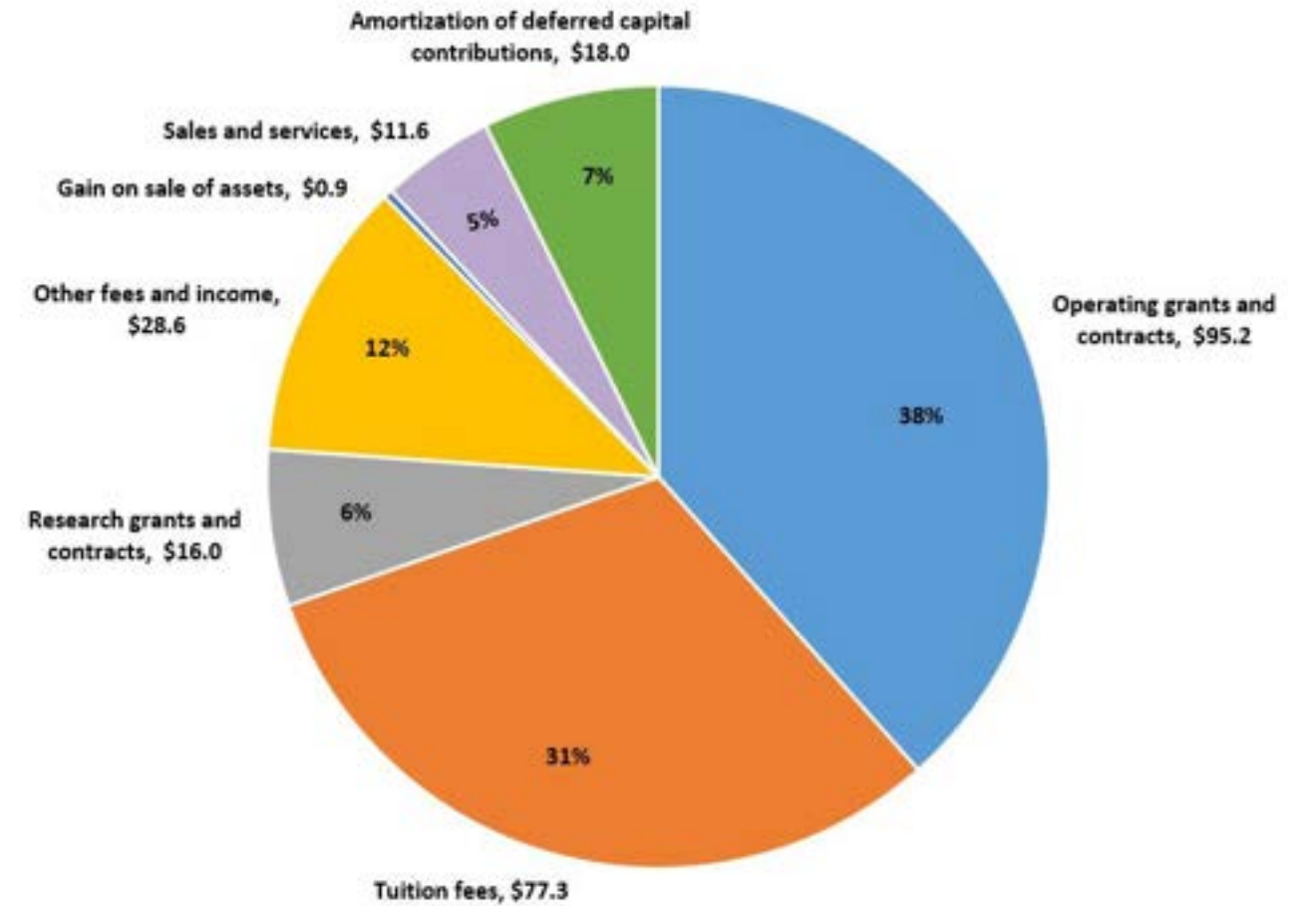
Revenue (\$Million)



Expenses, excluding other items (\$Million)



2024-25 Consolidated Revenue (\$Million)



Key Information

Total revenue of \$247.5 million in 2024-25 was \$41.8 million higher than the previous year, with the main contributor being a 15% increase in Operating Grants and Contracts mainly due to a new sustainability fund grant as well as increases in other grants. Tuition revenue saw a \$9.5 million or 14% increase due to an increase in international graduate enrollment. The sale of the Vale Living with Lakes Centre and Watershed Building to the Province in January 2025 resulted in a one-time revenue of \$12.9M from unamortized capital grants relating to the assets, which are included in amortization of deferred capital contributions. Other fees and income increased 12% due to a Section 211 HST claim of \$1.6 million as well as increases in administrative and course fees. Research grants and contracts increased by \$2.5 million or 18.5%.

Revenue

Operating Grants and Contracts

At \$95.2 million in 2024-25, Operating Grants and Contracts represent 38% of Laurentian University's total revenue, up \$12.7 million from the previous year mainly due to a new sustainability fund grant of \$6.0 million as well as increases in the northern grant, francophone grants and nursing grants.

In the current Strategic Mandate Agreement (SMA3), the Province of Ontario set metrics against which institutional performance would be assessed, and provided details of the mechanism that would be used to evaluate institutions' performance and the impacts to funding of the performance grant. Beginning in 2020-21, 25% of provincial funding was to be linked to active performance metrics, rising to 60% by the 2024-25 academic year. However, as a result of the COVID-19 pandemic, MCURES decided to

delay the activation of the performance-based grant and later announced for the past two years the re-activation of performance-based funding at the system-wide proportion of 10% in Year 4 (2023-24) and 25% in Year 5 (2024-25).

In June 2025, Laurentian University signed its fourth Strategic Mandate Agreement (SMA4) with the Ministry. As part of SMA4, MCURES is offering a number of measures to try to mitigate potential funding risk. This includes: corridor protection funding in 2024-25 for those institutions below their enrolment corridor; additional Postsecondary Education Sustainability Funding (PSESF) top-up funding for the 2025-26 academic year; and additional funding by way of a midpoint adjustment based on STEM enrolments. In addition, in 2025-26, MCURES is implementing corridor protection based on STEM enrolments, and will continue to offer the protection in Year 2 to institutions who meet their overall domestic growth targets in Year 1. It is important to note that the Ministry will be performing an in-depth funding formula review, which creates uncertainties around the specifics of funding from Year 3 (2027-28) forward.

Tuition Fees

Revenue from tuition fees increased from \$67.8 million in 2023-24 to \$77.3 million in 2024-25. The higher overall tuition revenue is driven by an increase in international graduate enrollment driven by course-based Master's programs, including Computational Science, MBA, and Engineering Science.

Domestic tuition fees continued to be frozen in 2024-25, however the Ministry did allow for anomalous increases in pre-approved programs, which for Laurentian University included B. Computer Science (+3%), B. Engineering (+7.5%) and M. Architecture (+7.5%). Tuition fees for out-of-province undergraduate students increased by +3% and for international students increased by a range of 3-5%.

Tuition fees from international students amounted to \$40.5 million, a significant increase from \$29.8 million in 2023-24. International students pay higher tuition fees than domestic students to make-up for the absence of operating grants.

Research Grants and Contracts

Research grants and contracts recognized during the year amounted to \$16.0 million, an increase of \$2.5 million (19%) from the previous year. Research revenue includes the research expenditures of the University's subsidiary and joint venture, namely: the Mining Innovation Rehabilitation and Applied Research Corporation ("MIRARCO"), which is a wholly controlled entity, and the Sudbury Neutrino Observatory Laboratory ("SNOLAB"), where the University recognizes its proportionate share (20%) of SNOLAB's revenue and expenses.

Research revenue is recognized in the period in which research expenditures occur. Unspent research funding is reflected as deferred contributions and represented \$11.8 million on April 30, 2025 compared to \$14.9 million in the previous year.

Sales and Services

Sales and Services revenue come primarily from ancillary operations, which are expected to generate sufficient revenue from user fees and sales and services to cover total costs, including required capital re-investments.

In 2024-25, Sales and Services revenues amounted to \$11.6 million, compared to \$11.3 million in 2023-24. This increase is mainly due to an increase in residence rates of 2%. Overall residence occupancy rates were 76% in 23-24 and 77% in 2024-25.

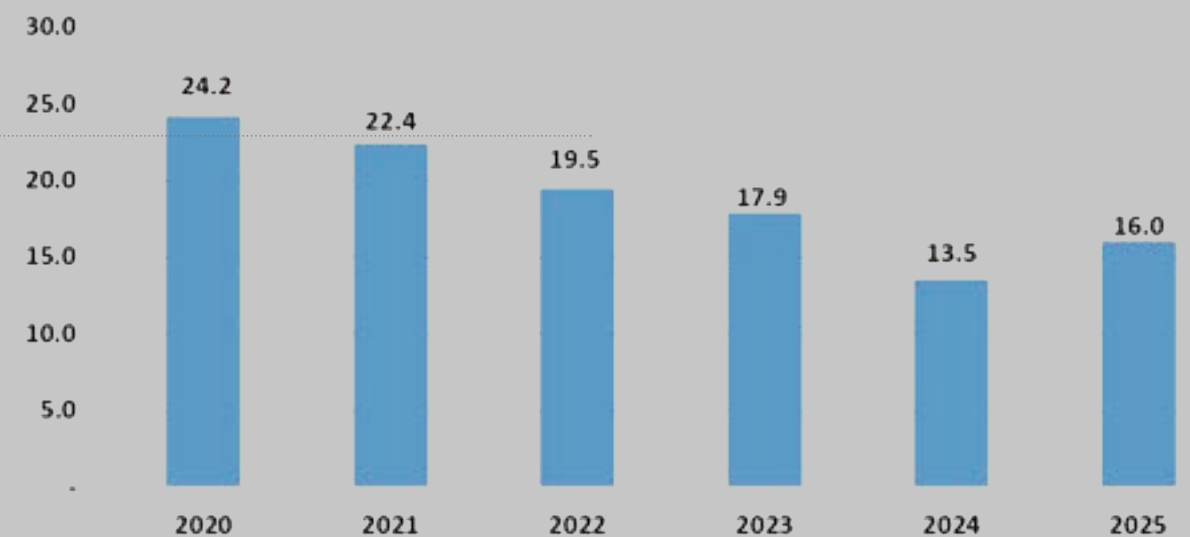
During 2024-25, ancillary spending totalled \$7.1 million, an increase of \$0.3 million from the previous year. Overall in 2024-25, ancillary operations generated an excess of revenue over expenses of \$3.4 million to cover future capital maintenance costs, consistent with the previous year.

Other Fees and Income

Other fees and income represent realized restricted contributions for scholarships and bursaries, compulsory fees, sponsored students, administration fees and other items. Other Fees and Income amounted to \$28.6 million in 2024-25, an increase of \$3.1 million from the previous year, which related primarily to a Section 211 HST claim of \$1.6 million as well as increase in administrative and course fees.

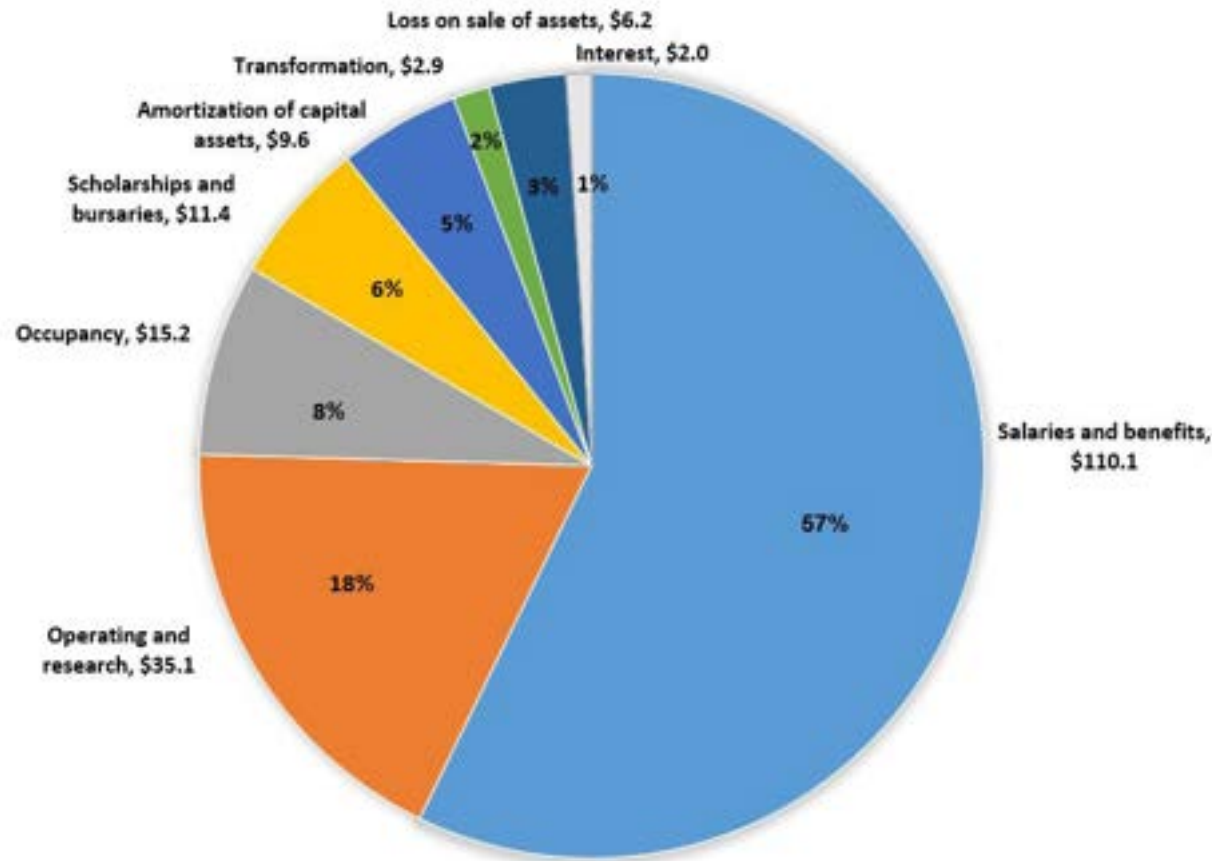


Research Grants and Contracts (\$Million)



Expenses

2024-25 Consolidated Expenses (\$Million)



➤ In 2024-25, the University's expenses totalled \$192.4 million, including transformation costs of \$2.8 million, an increase of \$24.6 million from the previous year related mostly to increased salaries and benefits and increases in operating and occupancy costs, as well as a loss on sale of assets of \$6.1 million from sale of the Vale Living with Lakes Centre and Watershed Building.

Salaries and Benefits

Salaries and benefits represent the largest expense category item for Laurentian University. At \$110.1 million in 2024-25, salaries and benefits were \$9.6 million (9.5%) higher than the previous year, and accounted for 57.2% of overall expenditures in the consolidated financial statements (59.9% in 2023-24).

The increase in salary expenses was due mainly to an increase in staffing of critical positions approved in the 2024-25 budget, as well as economic increase, progress-through the rank increases, and salary increases as per the newly negotiated collective agreement for the Laurentian University Staff Union effective July 1, 2024.

Operating and Research

Operating and research expenses of \$35.1 million in 2024-25 were \$7.8 million higher than the previous year, representing increased research spending, international agent fees, recruitment travel, information technology renewal, as well as inflation.

Other Expenses

Occupancy expenses of \$15.2 million were \$1.4 million higher than the previous year due to increase in electricity and various repairs and maintenance projects.

Scholarships and bursaries of \$11.4 million are up \$0.7 million mostly due to more endowment scholarships being awarded. Amortization of \$9.6 million was comparable to the previous year. Interest expense of \$2.0 million represents interest paid on the exit loan agreement with the Province of Ontario.



Transformation

As part of the Plan of Compromise and Arrangement, the University developed a detailed Transformation Plan for undertaking a comprehensive operational restructuring and transformation. The estimated budget for the Transformation program is \$32.5 million starting in 2023-24, and is included in the five-year financial projections to the MCURES. During 2024-25, \$2.8 million was spent on the setting of the Transformation Implementation Office and initial investments in transformation projects, \$3.6 million was spent in 2023-24.

Capital Investments

Capital expenditures in 2024-25 amounted to \$10.0 million and related mostly to roof replacements, new STEM Hub and new Language Laboratory.

Laurentian University continues to manage a considerable deferred maintenance backlog estimated at over \$150.0 million. The University is focusing its limited operating funding resources to address the most urgent capital maintenance projects, and those capital projects that qualify for funding under the annual Facility Renewal Program grant provided by MCURES.



Consolidated Statement of Financial Position

Assets

Laurentian University ended the year with cash and short-term investments of \$212.1 million compared to \$174.5 million in 2023-24. The increase consists of \$49.9 million in positive cash flows from operating activities, \$5.4 million from financing, and a decrease of \$6.3 million in investing activities.

Accounts receivable of \$15.8 million increased \$5.5 million from previous year, mainly due to \$2.1 million increase in Harmonized Sales Tax (HST) receivable, and increases in MCURES grants receivable of \$2.1 million, and SNOLAB receivable of \$1.1 million. Prepaid expenses were the same as prior year at \$3.7 million and are mainly made up of legal retainer, software and licenses, as well as prepaid insurance and employee benefits.

Investments totalling \$58.6 million were \$5.4 million higher than the previous year due to strong investment returns in 2024-25. Laurentian University's investments include endowed funds received from donors, whose income is used in accordance with the various purposes established by the donors.

Capital assets (includes assets held for sale) totaled \$227.4 million in 2024-25, compared to \$241.6 million in 2023-24. The reduction in capital assets resulted from amortization expenses of \$9.6 million, offset by new capital acquisitions of \$10 million, as well as, the sale of the Vale Living with Lakes Centre and Watershed building in January 2025, with a net book value of \$14.1 million.

On August 28, 2025, the University announced the completion ahead of schedule of the sale of designated real estate to the Province of Ontario. This was a critical and necessary step in implementing the Plan of Arrangement negotiated with creditors and in exiting the CCAA process. The sale of designated properties was to generate net proceeds up to a maximum of \$53.5 million to fund the distribution pool.

Liabilities

Laurentian University's liabilities decreased from \$252.0 million in 2023-24 to \$230.7 million in 2024-25 primarily due to decreases in deferred capital contributions (\$13.9M), payable to CCAA distribution pool (\$2.9M),

accounts payable and accrued liabilities (\$1.8M), long-term debt (\$1.7M) and deferred contributions (\$1.7M).

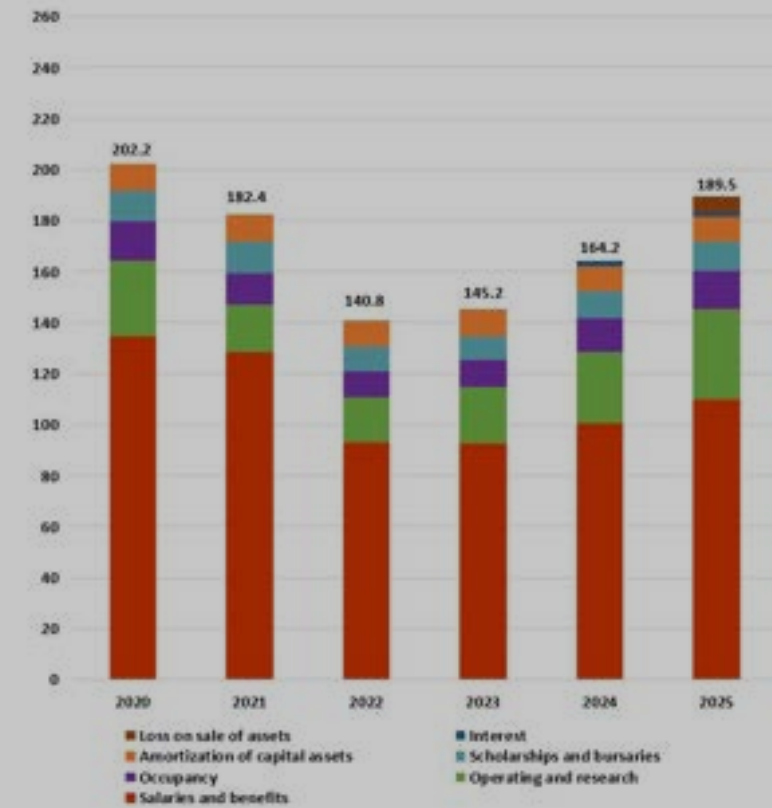
Deferred capital contributions of \$102.6 million represent grants and contributions related to capital assets that are amortized on the same basis as the assets. These deferred contributions decreased by \$13.9 million in the year due to amortization of \$18.0 million offset by new capital grants of \$4.1 million. The 2024-25 amortization of \$18.0 million includes \$12.5 million recognition of deferred capital contributions related to sale of the Vale Living with Lakes Centre.

In 2023-24, the Payable to Distribution Pool amount of \$47.5 million was equal to the expected proceeds from sale of assets of \$53.5 million less amounts paid regarding Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims of \$6.0 million that were legally discharged by the University and released upon the implementation of the Plan.

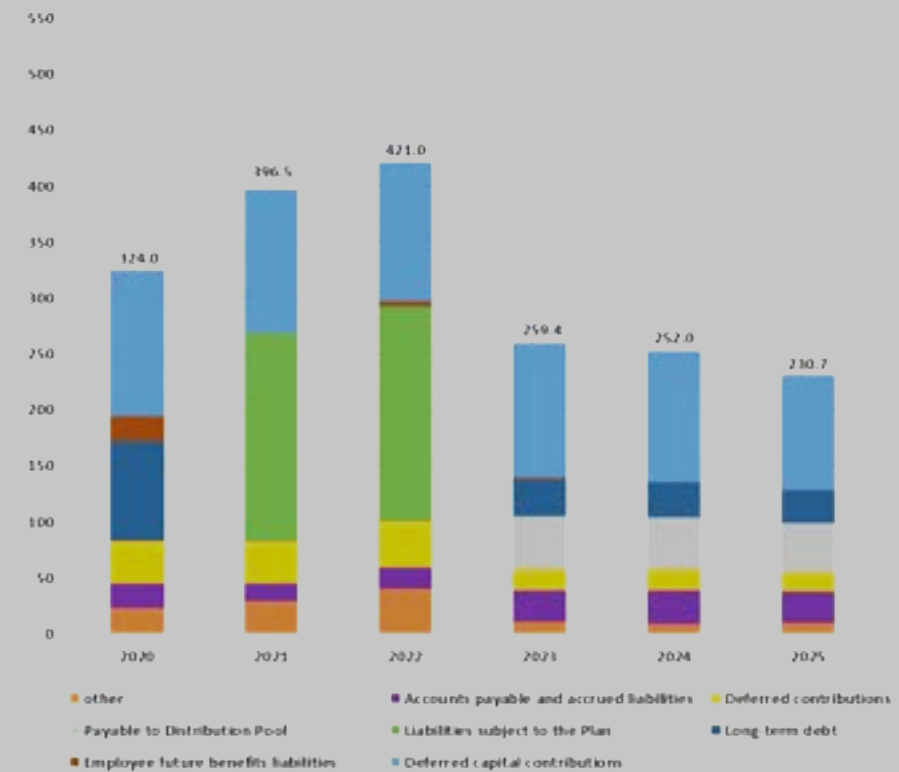
During 2024-25, a net \$2.9 million was paid to the Distribution Pool, from proceeds of the sale of the Vale Living with Lakes Centre, Watershed Building and President's House properties. The Vale Living with Lakes Centre and Watershed Building properties sold on January 29, 2025 for proceeds of \$8.0 million and the President's House property sold on May 1, 2024 for proceeds of \$0.9 million. From these proceeds, \$6.0 million was retained by the University for payments made to holders of Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims and \$2.9 million was paid to the Distribution Pool leaving a balance to be paid of \$44.6 million.

Upon implementation of the Plan in the CCAA proceedings, a new secured long-term loan agreement was finalized with the Province of Ontario. During 2024-25, the University made principal repayments totalling \$1.6 million and interest payments of \$2.0 million, leaving a balance owing on this long-term debt of \$31.3 million at April 30, 2025 compared to \$32.9 million last year. The Exit Loan Agreement contains six financial covenants that must be maintained over the life of the agreement. The first loan covenant commenced in 2023-24 and was met in fiscal 2023-24 and 2024-25. Two financial covenants will be required by fiscal 2025-26, with the remaining three financial covenants required by fiscal 2027-28.

Assets (\$Million)



Liabilities and Deferred Contributions (\$Million)



Accounts payable and accrued liabilities of \$28.0 million are mostly payables to vendors and students as well as payroll liabilities. These decreased by \$1.8 million, mostly due to decreases in commissions payable to recruitment agents at year-end.

Deferred contributions are externally restricted funding received primarily for research projects and other expenditures and these amounted to \$16.4 million, a \$1.7 million decrease from prior year, mainly due to spending of research grants.

Deferred contributions

	2024-25	2023-24
	<i>(\$Thousand)</i>	
Research grants	\$11,822	\$14,862
Other grants and contracts	3,727	2,648
Scholarships and bursaries	857	625
	\$ 16,406	\$18,135

Employees' Future Benefits

The University provides employee future benefits to its employees through the Pension Plan.

Future benefit improvements under the Pension Plan are subject to plan sustainability measures under the terms of a Benefits and Funding Policy and no benefit improvements were to be considered prior to July 1, 2025.

An actuarial calculation of the future assets/liabilities including an allowance for benefit reinstatement was completed and forms the basis for the accrued benefit obligation. As at April 30, 2025, the University reflected a Pension Plan liability of \$nil consistent with prior year.



Financial Ratios per Loan Covenants

(in thousands of dollars, where applicable)

	2024-25	2023-24
i) Net Income/Loss Ratio (Min. 1.5% starting 2027-28)	22.3%	18.4%
ii) Primary Reserve Ratio (Min. 30 days starting 2025-26)	205.2 days	115.3 days
iii) In Year Excess of Revenue >0 starting 2027-28	\$55,155	\$37,942
iv) Expendable Net Assets >0 starting 2025-26	\$108,089	\$53,021
v) Debt Coverage Ratio > 1:1 starting 2023-24	13.7	12.5
vi) Net Operating Revenue (Min. 5%, starting 2027-28)	15.6%	22.0%

Net Assets

The University had Net Assets of \$287.1 million at the end of fiscal year 2024-25, an improvement of \$55.7 million from the previous year. The main contributors were the excess of revenue over expenses of \$55.2 million, along with an increase in endowments of \$2.9 million.

Post-CCAA Exit Loan Agreement

At the effective Plan implementation date, MCURES provided the University with a \$35 million single-draw, non-revolving term loan facility, repayable in annual installments of blended principal and interest over a 15-year period with a fixed maturity April 30, 2038 at an annual rate of interest of 6.11%. The loan agreement calls for various conditions, including the following six financial ratios:

- i) For each fiscal year starting 2027-28, Laurentian shall have a Net Income Ratio of not less than 1.5%;
- ii) At each fiscal year end starting 2025-26, Laurentian shall have a Primary Reserve Ratio of not less than 30 days;
- iii) For each fiscal year starting 2027-28, Laurentian shall have an In-Year Excess of Revenue Over Expenses of not less than \$0;
- iv) At each fiscal year end starting 2025-26, Laurentian shall have Expendable Net Assets of not less than \$0;
- v) At each fiscal year end starting 2023-24, Laurentian shall have a Debt Service Coverage Ratio of not less than 1.1; and;
- vi) At each fiscal year end starting 2027-28, Laurentian shall have a Net Operating Revenue Ratio of not less than 5.0%.

Conclusion

With 6,332 FTE, Laurentian University realized a 1% increase in student enrolment over the prior year and 1% less than budgeted for the 2024-25 fiscal year. Domestic enrolment decreased by 2%, while international enrolment rose by 13% year-over-year.

Laurentian University continues to experience pressure with its domestic enrolment, with enrolment outside the established corridor levels eligible for core funding from the Province. The University had identified this risk within its Enterprise Risk Framework and the 2025-26 budget continues to maintain conservative enrolment assumptions as a result.

Research and other contributions, although lower than previous years, demonstrated ongoing support from our funding partners.



As shown in the Consolidated Statement of Operations, Laurentian University produced Excess of Revenue over Expenses of \$55.2 million in 2024-25 (\$37.9 million in 2023-24), which increased Expendable Net Assets (Unrestricted and internally restricted net assets) from \$53.0 million in 2023-24 to \$108.1 million in 2024-25. Cash and short-term investments totalled \$212.1 million at the end of April 2025 (\$174.5 million in 2023-24), including \$15.0 million in restricted cash.





**CONSOLIDATED
FINANCIAL STATEMENTS**

of Laurentian University of Sudbury

Year ended April 30, 2025



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360 Oakville Place Drive, Suite 500
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Independent Auditor's Report

To the Board of Governors of Laurentian University of Sudbury

Opinion

We have audited the consolidated financial statements of Laurentian University of Sudbury (the "University"), which comprise the consolidated statement of financial position as at April 30, 2025, and the consolidated statements of operations, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University as at April 30, 2025, and its results of 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. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2(b) in the consolidated financial statements which describes the University's ongoing proceedings pursuant to the Companies' Creditors Arrangement Act ("CCAA"). On November 28, 2022 the University exited CCAA protection, which provided legal discharge of all liabilities under the Plan and created a Distribution Pool, which is expected to be funded by the sale of certain real estate assets to the Province of Ontario, for future payments to Affected Creditors. Our opinion is not modified in respect of this matter.

Other Information

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

- The information, other than the consolidated financial statements and our auditor's report thereon, included in the document referred to as the Annual Financial Report.

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

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

We obtained the information, other than the consolidated financial statements and the auditors' report thereon, included in the Annual Financial Report as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the 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 purposes of the group audit. We remain solely responsible for our audit opinion.

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

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
October 24, 2025

LAURENTIAN UNIVERSITY OF SUDBURY

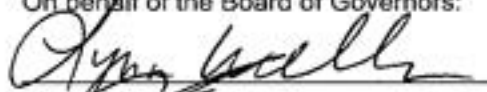
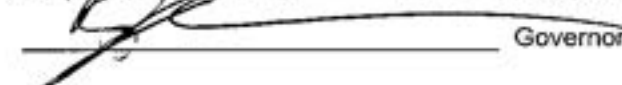
Consolidated Statement of Financial Position

April 30, 2025, with comparative information for 2024
(thousands of dollars)

	2025	2024
Assets		
Current assets:		
Cash and short-term investments (note 4)	\$ 212,143	\$ 174,477
Accounts receivable (note 5)	15,804	10,336
Capital assets held for sale (note 7(a))	26,591	14,142
Prepaid expenses	3,651	3,704
	258,189	202,659
Accounts receivable (note 5)	186	188
Investments (note 4)	58,592	53,143
Capital assets (note 7(b))	200,810	227,473
	\$ 517,777	\$ 483,463
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 8)	28,048	29,863
Payable to CCAA Distribution Pool (note 10)	44,606	-
Accrued vacation pay	3,500	3,033
Deferred revenue	4,135	4,062
Deferred contributions (note 11)	16,406	18,135
Current portion of long-term debt (note 9)	1,651	1,556
	98,346	56,649
Long-term obligations:		
Payable to CCAA Distribution Pool (note 10)	-	47,546
Long-term debt (note 9)	29,735	31,386
Employee future benefits liabilities (note 6)	-	-
Deferred capital contributions (note 11)	102,570	116,454
Total liabilities	230,651	252,035
Net assets:		
Unrestricted	78,341	39,653
Employee future benefits (note 6)	-	-
Internally restricted (note 14)	29,751	13,368
Investment in capital assets (note 13)	126,507	128,793
Endowments (note 12)	52,527	49,614
	287,126	231,428
Commitments and contingencies (note 15)		
Subsequent events (note 23)		
	\$ 517,777	\$ 483,463

See accompanying notes to consolidated financial statements.

On behalf of the Board of Governors:

 Governor
 Governor

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Operations

Year ended April 30, 2025, with comparative information for 2024
(thousands of dollars)

	2025	2024
Revenue:		
Operating grants and contracts	\$ 95,205	\$ 82,543
Tuition fees	77,254	67,798
Other fees and income (note 17)	28,619	25,498
Research grants and contracts	16,035	13,531
Sales and services	11,595	11,326
Amortization of deferred capital contributions (note 7(a)) (note 11)	17,964	5,075
Gain on sale of assets (note 7(a))	872	-
	<u>247,544</u>	<u>205,771</u>
Expenses:		
Salaries and benefits	110,117	100,526
Operating and research	35,051	27,300
Occupancy	15,246	13,883
Scholarships and bursaries	11,363	10,712
Amortization of capital assets	9,643	9,685
Loss on sale of assets (note 7(a))	6,171	-
Interest (note 9)	2,011	2,101
	<u>189,602</u>	<u>164,207</u>
Excess of revenue over expenses, before other items	57,942	41,564
Other items:		
Transformation (note 18)	(2,787)	(3,622)
Excess of revenue over expenses, after other items	\$ 55,155	\$ 37,942

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Changes in Net Assets (Deficiency)

Year ended April 30, 2025, with comparative information for 2024
(thousands of dollars)

2025	Unrestricted	Employee Future Benefits	Internally Restricted (note 14)	Investment in Capital Assets (note 13)	Endowments (note 12)	Total
Net assets, beginning of year	\$ 39,653	\$ -	\$ 13,368	\$ 128,793	\$ 49,614	\$ 231,428
Excess (deficiency) of revenue over expenses:						
Operating	55,063	-	-	2,879	-	57,942
Transformation	(2,787)	-	-	-	-	(2,787)
	<u>52,276</u>	<u>-</u>	<u>-</u>	<u>2,879</u>	<u>-</u>	<u>55,155</u>
Transfer for capital transactions	5,165	-	-	(5,165)	-	-
Interfund transfers (note 14)	(16,383)	-	16,383	-	-	-
Excess of employer contributions over employee future benefits net benefit costs	(2,370)	2,370	-	-	-	-
Endowment contributions (note 12)	-	-	-	-	174	174
Net increase in endowments (note 12)	-	-	-	-	2,739	2,739
Employee future benefits remeasurements and other items (note 6)	-	(2,370)	-	-	-	(2,370)
Net assets, end of year	\$ 78,341	\$ -	\$ 29,751	\$ 126,507	\$ 52,527	\$ 287,126

2024	Unrestricted	Employee Future Benefits	Internally Restricted (note 14)	Investment in Capital Assets (note 13)	Endowments (note 12)	Total
Net assets (deficiency), beginning of year	\$ 15,571	\$ (1,848)	\$ 1,475	\$ 128,864	\$ 47,510	\$ 191,572
Excess (deficiency) of revenue over expenses:						
Operating	46,175	-	-	(4,611)	-	41,564
Transformation	(3,622)	-	-	-	-	(3,622)
	<u>42,553</u>	<u>-</u>	<u>-</u>	<u>(4,611)</u>	<u>-</u>	<u>37,942</u>
Transfer for capital transactions	(4,540)	-	-	4,540	-	-
Interfund transfers (note 14)	(11,893)	-	11,893	-	-	-
Excess of employer contributions over employee future benefits net benefit costs	(2,038)	2,038	-	-	-	-
Endowment contributions (note 12)	-	-	-	-	94	94
Net increase in endowments (note 12)	-	-	-	-	2,010	2,010
Employee future benefits remeasurements and other items (note 6)	-	(190)	-	-	-	(190)
Net assets, end of year	\$ 39,653	\$ -	\$ 13,368	\$ 128,793	\$ 49,614	\$ 231,428

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Cash Flows

Year ended April 30, 2025, with comparative information for 2024
(thousands of dollars)

	2025	2024
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 55,155	\$ 37,942
Non-cash items:		
Amortization of capital assets	9,643	9,685
Amortization of deferred capital contributions (note 11)	(17,964)	(5,075)
Gain on sale of assets	(872)	-
Loss on sale of assets	6,171	-
Impairment of capital assets	143	-
Excess of employer contributions over employee future benefits net benefit costs	(2,370)	(2,038)
	49,906	40,514
Change in non-cash working capital (note 16)	(8,419)	4,854
Change in payable to distribution pool (note 10)	(2,940)	-
	38,547	45,368
Cash flows from financing activities:		
Endowment contributions	174	94
Net increase in endowments	2,739	2,010
Deferred capital contributions received	4,080	1,208
Repayment of long-term debt (note 9)	(1,556)	(1,466)
	5,437	1,846
Cash flows from investing activities:		
Proceeds on sale of capital assets (note 7(a))	9,084	-
Purchases of capital assets	(9,955)	(6,220)
Change in long-term accounts receivable	2	-
Net increase in investments	(5,449)	(3,844)
	(6,318)	(10,064)
Net increase in cash and short-term investments	37,666	37,150
Cash and short-term investments, beginning of year	174,477	137,327
Cash and short-term investments, end of year	\$ 212,143	\$ 174,477

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2025
(thousands of dollars)

1. Description:

Laurentian University of Sudbury (the "University") is incorporated by *An Act to Incorporate Laurentian University of Sudbury* under the laws of Ontario. The University is committed to strengthening the foundation of knowledge in higher education and research in order to offer an outstanding university experience in English and French with a comprehensive approach to Indigenous education.

The University is a registered charity and is exempt from the payment of income tax under section 149 (1)(f) of the *Income Tax Act*.

2. Basis of presentation:

(a) Basis of presentation:

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook – Accounting.

The amounts in the consolidated financial statements are presented in thousands of Canadian dollars.

(b) CCAA proceedings:

Due to historical financial and operational issues experienced by the University, on February 1, 2021, the University brought an application before the Ontario Superior Court of Justice (Commercial List) (the "Court") for an initial order pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") to, among other things, obtain a stay of proceedings to provide the University with the platform and opportunity to financially and operationally restructure. On February 1, 2021, the Court granted the initial order (as amended and restated, the "Initial Order") that, among other things, appointed Ernst & Young Inc. as Monitor of the University (the "Monitor") and approved a stay of proceedings for an initial 10-day period.

The CCAA proceeding provided the University with a court-supervised platform for the University to restructure with the goal of becoming sustainable long-term, both financially and operationally. The University continues to operate and provide its educational services and programs.

On February 10, 2021, the Court approved a \$25,000 debtor-in-possession credit facility ("DIP Facility"). The DIP Facility was subsequently increased to \$35,000 on May 19, 2021 with a maturity date of January 31, 2022. On January 27, 2022, the Province of Ontario, as represented by the Ministry of Colleges, Universities, Research Excellence and Security ("MCURES"), refinanced the DIP Facility through an advance under a credit facility in the principal amount of \$35,000 (the "MCURES DIP Facility") with a maturity date of September 30, 2022 which was subsequently extended to November 30, 2022. On November 28, 2022, the MCURES DIP Facility was repaid in full and replaced with a long-term loan agreement with the Province of Ontario in the principal amount of \$35,000 (note 9).

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

2. Basis of presentation (continued):

(b) CCAA proceedings (continued):

During the CCAA proceedings, the University engaged in and completed a comprehensive operational and academic restructuring, resulting in reduced programs and course offerings, a reduction of faculty and departments, amendments to the University's pension and post-retirement benefits plans, the termination of the University's historical relationships with Huntington University, the University of Sudbury, and Thorneloe University, and a renegotiation of existing collective bargaining agreements with its unions. These measures resulted in a significant reduction to the University's annual costs.

On May 31, 2021, the Court issued an order approving and establishing a claims process (the "Claims Process Order") whereby the Monitor, in conjunction with the University, would call for claims of creditors against the University and provide for a mechanism for the resolution and determination of such claims for voting and distribution purposes in relation to a Plan of Compromise or Arrangement pursuant to the CCAA to be presented by the University at a future date. Pursuant to the Claims Process Order, creditors had until July 30, 2021 to submit their claims to the Monitor. On August 17, 2021, the Court also granted an order approving a process and methodology to calculate and determine employee compensation claims and a process for notification and claims processing.

On December 16, 2021, the Ontario Government announced a package of support through the MCURES that included the MCURES DIP Facility, up to \$6,000 in COVID-19 relief grants (received in 2022-23) as well as enrolment and performance grant protection up to \$22,000. The MCURES DIP Facility was approved by the Court on January 27, 2022, and the refinancing was completed on January 28, 2022. The Strategic Mandate Agreement (SMA) is a bilateral agreement between the MCURES and the University, which the MCURES considers to be a key feature of the accountability framework for postsecondary education in Ontario. In June 2025, the University signed SMA4, a 5 year agreement that will be in place until 2030. This agreement provides the guidelines and requirements for both core operating enrolment and performance based funding. As part of SMA4, a full funding formula review prior to year 3 of the 5 year agreement may impact future funding methodology.

The Plan of Compromise or Arrangement dated July 21, 2022 was accepted for filing by the Court on July 28, 2022 and on the same date, an order was issued by the Court authorizing one class of Affected Creditors (as defined in the Plan) and authorizing the University to call, hold and conduct a meeting of creditors for purposes of voting on the Plan (the "Meeting Order"). In accordance with its terms and the Meeting Order, the Plan of Compromise or Arrangement was amended on September 9, 2022 (the "Plan"). The Plan was filed with the Court, notice was provided to the Service List, and the Plan was posted on the Monitor's website.

As part of its support of the University, the Province of Ontario committed to purchase certain parcels of real estate owned by the University for an aggregate purchase price of up to \$53,500 (note 7). This support is subject to conditions, including final government approvals and the implementation of the Plan. Under the Plan, the proceeds of sale will be paid into the Distribution Pool, which represents the funds available for distribution to creditors. The Plan provides that a minimum of \$45,500 shall be realized from the sale of the real estate assets and transferred to the Distribution Pool. The Monitor shall receive all funds paid into the Distribution Pool and effect all distributions to creditors from the Distribution Pool.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

2. Basis of presentation (continued):

(b) CCAA proceedings (continued):

For clarity, Affected Creditors have no further recourse against the University beyond their entitlement to any pro rata share of the proceeds from the Distribution Pool. The Plan provides that any real estate sale transactions are to be completed and the funds transferred to the Distribution Pool within three years of the Plan Implementation Date such date being November 28, 2025.

A meeting of Affected Creditors was held on September 14, 2022, to vote on the Plan. At the meeting, the requisite majorities in number and value of Affected Creditors entitled to vote, voted in favour of the Plan. The Plan was approved by the Court on October 5, 2022.

Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims (all as defined in the Plan) were to receive payment in full upon implementation of the Plan.

Pursuant to the Plan, Affected Creditors will receive one or more distributions from the Distribution Pool on a *pro rata* basis. The exact amount that will be distributed to Affected Creditors cannot be determined at this time.

The Plan was implemented on November 28, 2022, and at that time, all Secured Claims, CCAA Priority Claims, Vacation Pay Compensation Claims and claims of Affected Creditors were fully, finally and irrevocably released, discharged, cancelled and barred. Distributions were made in full payment of all Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims in the amount of \$5,954. In accordance with the Plan, distributions to Affected Creditors with unsecured Proven Claims will be made from the Distribution Pool.

Upon implementation of the Plan in fiscal 2023, the University recognized a payable to the CCAA Distribution Pool of \$47,546 (note 10), reduced liabilities subject to the Plan to \$nil and recorded a recovery from CCAA Proceedings of \$166,422. The University also derecognized pre-CCAA deferred contributions in the amount of \$26,193.

During the year, \$2,940 (2024 - \$nil) was paid to the Distribution Pool (note 10), from proceeds from the sale of the Vale Living with Lakes Centre, Watershed Building and President's House properties (note 7). The Vale Living with Lakes Centre and Watershed Building was sold on January 29, 2025 for proceeds of \$8,000 and the President's House property was sold on May 1, 2024 for proceeds of \$894. From these proceeds of \$8,894, \$5,954 was retained by the University for reimbursement of payments made to holders of Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims and \$2,940 was paid to the Distribution Pool.

(c) Basis of consolidation:

These consolidated financial statements reflect the assets, liabilities, net assets, revenue, expenses and other transactions of all of the operations and organizations controlled by the University. The University has control or joint control over another entity when it has control or shared control over the power to determine its strategic operating, investing, and financing policies of the entity.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

2. Basis of presentation (continued):

(c) Basis of consolidation (continued):

These consolidated financial statements include the assets, liabilities, surplus/deficit and operations of the University's subsidiaries and joint ventures as follows:

- Mining Innovation Rehabilitation and Applied Research Corporation ("MIRARCO"), which is a wholly controlled entity and is consolidated by the University. The University is the sole voting member of this corporation. MIRARCO promotes research in and the development of the application of scientific and engineering techniques and policies to foster and enable the use of natural resources in a safe, sustainable, and economic manner.
- Sudbury Neutrino Observatory Laboratory ("SNOLAB") which is a not-for-profit organization whose principal objective is the construction, operation and decommissioning of a deep underground science research facility. SNOLAB is a joint venture arrangement with four other universities. The University accounts for its 20% share of SNOLAB using the equity method.

The University appoints one member to the Board of the Centre for Excellence in Mining and Innovation ("CEMI"), but does not control or have significant influence over this entity. As a result, these consolidated financial statements do not include the financial results of CEMI. See note 20 for additional disclosure relate to CEMI.

Various student organizations are not included in these consolidated financial statements as the University does not have control or significant influence over these organizations.

3. Significant accounting policies:

(a) Revenue recognition:

The University follows the deferral method of accounting for contributions for not-for-profit organizations.

Unrestricted contributions, including government funding and certain unrestricted donations are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Contributions pertaining to future periods are deferred and recognized as revenue in the year in which the related expenses are recognized.

Contributions externally restricted for purposes other than endowments are recognized as deferred contributions and recognized as revenue in the year in which the related expenses are recognized.

Contributions restricted for capital asset purchases are deferred and amortized to operations on the same basis as the related asset is amortized.

Contributions restricted for endowment purposes are recognized as direct increases to endowment net assets.

Pledges are not legally enforceable claims and therefore are not recorded in these consolidated financial statements until they are received.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

3. Significant accounting policies (continued):

(a) Revenue recognition (continued):

Tuition and ancillary fees, other fees and income, and sales and services are recognized as revenue in the fiscal period when the respective courses and seminars are held, or the goods and services are provided.

(b) Investments and investment income:

Investment income arises primarily from the pooled fund investments held by the University, and can include changes in fair market value, realized gains and losses, dividends and interest.

Investment income related to unrestricted contributions is recognized when earned and included in other fees and income.

The University also recognizes as revenue an administration fee for managing the endowment funds. During the year, \$494 (2024 - \$475) of administrative fees were recorded in other fees and income.

Investment income related to endowments is recorded as a direct increase in net assets. Subsequent to initial income recognition, the University may allocate investment income earned that can be distributed for other purposes as stipulated by the external donor for another internally restricted purpose.

When the net investment income earned on externally restricted endowments is in excess of the amount made available for spending, the excess is recorded as a direct increase in endowment net assets. When the net investment income earned is insufficient to fund the amount made available for spending, the deficiency is recorded as a direct decrease in endowment net assets.

(c) Capital assets:

Purchased assets are recorded at cost. Contributed assets are recorded at fair market value at the date of contribution.

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

Buildings	40 years
Buildings components	20 years
Equipment and furnishings	7 years
Site improvements	15 years

Construction in progress is not amortized until the project is complete and the facilities are put in use. Expenditures on repairs and maintenance are expensed as incurred.

Capital assets held for sale are measured at the lower of carrying value and fair value less costs to sell. Amortization ceases once an asset is classified as held for sale.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

3. Significant accounting policies (continued):

(d) Employee future benefits liabilities:

In the year, the University provided employee future benefits to its employees through the Retirement Plan of Laurentian University (the "Pension Plan"). During the CCAA restructuring and following negotiations with the relevant unions during a court-supervised mediation process, the University made substantial changes to its benefit plans.

The University accrues its obligations and related costs for the Pension Plan as the employees render the service necessary to earn the pension. The pension obligations are based on the latest going concern funding valuation. The actuarial determination of the accrued benefit obligations for pensions uses the projected method on service (which incorporates management's assumptions used for funding purposes, other cost escalation, retirement ages of employees and other actuarial factors). The actuarial valuation is performed at least every three years. In the years between valuations, pension plan results are prepared based on extrapolations of the latest available funding valuation results. The most recent actuarial valuation for the pension plan was as of January 1, 2023 and the next actuarial valuation will be completed effective January 1, 2026.

The Pension Plan's assets are measured at fair value at the date of the Consolidated Statement of Financial Position.

Current service and finance costs for the year are recognized as Salaries and benefit expense.

Re-measurements and other items comprise the aggregate of the difference between the actual return on plan assets and the return calculated using the discount rate; the actuarial gains and losses; the effect of any valuation allowance in the case of a net defined benefit asset; the past service costs; and the gains and losses arising from settlements and curtailments. Re-measurements are recognized directly in net assets.

The Pension Plan provides a provision against the pension plan's assets for benefit reinstatement in accordance with the Pension Plan's benefits and funding policy.

(e) Internally restricted net assets:

The University restricts use of portions of its operating net assets for specific future uses. When incurred, the related revenues and expenses are charged to operations, and the balance of Internally restricted assets is increased or decreased accordingly with a transfer to or from Unrestricted net assets.

(f) Financial instruments:

All financial instruments are initially recorded on the Consolidated Statement of Financial Position at fair value.

Investments held in fixed income and equity pooled funds that trade in an active market, as well as investments held in real estate are subsequently recorded at fair value.

All other financial instruments are subsequently measured at amortized cost.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

3. Significant accounting policies (continued):

(g) Use of estimates:

The preparation of consolidated financial statements 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 dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Items subject to such estimates and assumptions include the carrying value of accounts receivable, capital assets, obligations related to employee future benefits, vacation accrual, and contingencies. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are recognized in the consolidated financial statements in the year in which they become known.

(h) Key sources of measurement uncertainty:

During the CCAA proceedings, the University recognized restructuring costs and liabilities that were subsequently compromised and extinguished under the Plan, subject only to the rights of Affected Creditors to receive distributions from the Distribution Pool. The final amount being transferred to the Distribution Pool is subject to the final determination of the proceeds of the sale of real estate assets to the Province of Ontario. The sale of assets to the Province of Ontario was completed on August 28, 2025 (note 23).

(i) Impairment of capital assets:

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of assets may not contribute to the University's ability to provide goods and services.

An impairment occurs when the carrying value of an asset is higher than the replacement value or fair value. Any impairment results in a write-down of the capital assets and an expense in the Consolidated Statement of Operations. An impairment loss is not reversed if the fair value of the related capital asset subsequently increases.

(j) Payable to CCAA Distribution Pool:

As a result of the implementation of the Plan on November 28, 2022, all pre-filing liabilities as at February 1, 2021 as well as certain restructuring liabilities that arose following the commencement of the CCAA proceeding on February 1, 2021 were discharged. The discharge of Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims was subject to the right of these claimants to receive payment in full for the amount of their claims, which has occurred. These claims in the aggregate amount of \$5,954 were paid in full upon Plan Implementation in 2023. Distributions to Affected Creditors from the Distribution Pool will be made when funds are available and on a pro rata basis. For clarity, Affected Creditors have no further recourse against the University beyond their entitlement to any pro rata share of the proceeds from the Distribution Pool. Obligations for goods and services provided to the University after the filing date of February 1, 2021, were not compromised or released under the Plan, and will continue to be addressed in the ordinary course.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

3. Significant accounting policies (continued):

(j) Payable to CCAA Distribution Pool (continued):

In 2023, Liabilities subject to the Plan including certain pre-CCAA deferred contributions were derecognized when the liabilities were legally discharged upon implementation of the Plan, resulting in a recovery on the Consolidated Statement of Operations. A Payable to the CCAA Distribution Pool (note 10) was recorded to reflect the maximum anticipated amounts payable to the Distribution Pool upon the sale of certain real estate assets. The Plan provides that any real estate sale transactions are to be completed and the funds transferred to the Distribution Pool within three years of the Plan Implementation Date such date being November 28, 2025. The Monitor will make distributions to Affected Creditors from the Distribution Pool when funds are available and in accordance with the Plan.

4. Cash and investments:

	2025	2024
Short-term:		
Cash	\$ 189,987	\$ 152,837
Short-term investments	22,156	21,640
	\$ 212,143	\$ 174,477
Long-term:		
Equity	\$ 21,601	\$ 20,439
Fixed income	20,749	17,586
Global infrastructure	8,298	7,544
Structured credit	4,696	4,292
Real estate fund	3,248	3,282
	\$ 58,592	\$ 53,143

Included in the above are restricted short-term investment amounts of \$15,023 (2024 - \$17,301) (note 11(a)). Segregated bank and investment accounts were established in December 2020 to hold certain externally restricted funds advanced to the University prior to the related expenditures being incurred.

Long-term investments of \$58,592 (2024 - \$53,143) include externally restricted endowment investments of \$52,527 (2024 - \$49,614) (note 12).

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

5. Accounts receivable:

	2025	2024
Restricted grants and contracts	\$ 4,033	\$ 2,169
Tuition and ancillary fees	7,938	7,840
Operating grants	3,533	1,353
Government remittances receivable	3,411	1,292
Other	1,666	1,918
	\$ 20,581	\$ 14,572
Less allowance for doubtful accounts	(4,591)	(4,048)
	\$ 15,990	\$ 10,524
Current portion of accounts receivable	\$ 15,804	\$ 10,336
Long-term accounts receivable	186	188
	\$ 15,990	\$ 10,524

6. Employee future benefits:

In the year, the University provided employee future benefits to its employees through the Pension Plan.

Since July 1, 2012, the Pension Plan has provided for all future service to be earned as a defined benefit entitlement for all employees of the University. Prior to this, the Pension Plan provided pension benefits on a hybrid basis (a defined contribution pension with a guaranteed minimum defined benefit).

The University is the Principal Employer of the Pension Plan, which also includes other Participating Employers, being CEMI, SNOLAB, and MIRARCO.

Future benefit improvements under the Pension Plan are subject to plan sustainability measures under the terms of a Benefits and Funding Policy and no benefit improvements will be considered prior to July 1, 2025, unless the Pension Plan develops an excess surplus as defined under the Income Tax Act. An actuarial calculation of the future assets/liabilities including an allowance for benefit reinstatement was completed and forms the basis for the accrued benefit obligation. As at April 30, 2025, the University reflected a Pension Plan liability of \$nil (2024 - \$nil).

The Pension Plan's assets are measured at fair value at the date of the consolidated Statement of Financial Position.

Past service costs, actuarial gains, and losses on plan assets or defined benefit obligations as well as gains and losses arising from the amendment are recognized as remeasurements in net assets.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

6. Employee future benefits (continued):

The breakdown of the Pension Plan is as follows:

	2025	2024
Accrued benefit obligation	\$ (447,697)	\$ (429,609)
Fair value of plan assets	458,561	433,093
Allowance for benefit reinstatement	(10,864)	(3,484)
Employee future benefits liabilities	\$ -	\$ -

The reconciliation of the pension plan at April 30, 2025 is as follows:

	Fair value of plan assets	Accrued benefit obligation	Allowance for benefit reinstatement	Accrued benefit assets/ (liabilities)
Balance as at April 30, 2024	\$ 433,093	\$ (429,609)	\$ (3,484)	\$ -
Contributions	10,628	(5,249)	-	5,379
Current period costs	-	(24,040)	-	(24,040)
Benefits paid	(22,591)	22,591	-	-
Actual return on plan assets	37,431	(6,912)	-	30,519
Actuarial gain	-	(4,478)	-	(4,478)
Allowance for benefit reinstatement	-	-	(7,380)	(7,380)
Balance as at April 30, 2025	\$ 458,561	\$ (447,697)	\$ (10,864)	\$ -

The reconciliation of the pension plan at April 30, 2024 is as follows:

	Fair value of plan assets	Accrued benefit obligation	Allowance for benefit reinstatement	Accrued benefit assets/ (liabilities)
Balance as at April 30, 2023	\$ 417,026	\$ (418,874)	\$ -	\$ (1,848)
Contributions	9,631	(4,752)	-	4,879
Current period costs	-	(22,055)	-	(22,055)
Benefits paid	(21,382)	21,382	-	-
Actual return on plan assets	27,818	(2,880)	-	24,938
Actuarial gain	-	(2,430)	-	(2,430)
Allowance for benefit reinstatement	-	-	(3,484)	(3,484)
Balance as at April 30, 2024	\$ 433,093	\$ (429,609)	\$ (3,484)	\$ -

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

6. Employee future benefits (continued):

The significant assumptions used are as follows (weighted average):

	Pension Plan	
	2025	2024
Discount rate	6.10%	6.10%
Provision for adverse deviation (on non-indexed liabilities)	7.86%	7.86%
Expected long-term rate of return on Plan assets	6.10%	6.10%
Rate of inflation	2.00%	2.00%

7. Capital assets:

(a) Capital assets held for sale:

	Cost	Accumulated Amortization	2025 Net book Value	2024 Net book Value
East Residence:				
Building held for sale	\$ 20,049	\$ 6,004	\$ 14,045	\$ -
Site improvements held for sale	538	467	71	-
Land held for sale	58	-	58	-
Northern Ontario School of Medicine Building & Health Sciences Building:				
Building held for sale	20,624	10,526	10,098	-
Land held for sale	173	-	173	-
Maintenance and Security Building:				
Building held for sale	1,348	792	556	-
Land held for sale	166	-	166	-
Other land held for sale:				
Willet Green Miller Centre land and vacant adjacent land	350	-	350	-
Parking lot (the "Pit")	690	-	690	-
Additional institutional land	300	-	300	-
Bell Mansion:				
Building held for sale	334	334	-	-
Land held for sale	84	-	84	-
Vale Living with Lakes Centre and Watershed Building:				
Building held for sale	-	-	-	13,120
Land held for sale	-	-	-	1,000
President's House:				
Land held for sale	-	-	-	22
	\$ 44,714	\$ 18,123	\$ 26,591	\$ 14,142

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

7. Capital assets (continued):

(a) Capital assets held for sale (continued):

Included in Capital assets held for sale is the East Residence with a net book value of \$14,174. Subsequent to year-end on August 28, 2025, the University sold this property to the Province of Ontario (note 23(a)).

Included in Capital assets held for sale is the Northern Ontario School of Medicine Building and Health Sciences Building with a net book value of \$10,271. Deferred capital contributions include an unamortized balance of \$9,366 related to this asset (note 11(b)). Subsequent to year-end on August 28, 2025, the University sold this property to the Province of Ontario (note 23(a)).

Included in Capital assets held for sale is the Maintenance and Security Building with a net book value of \$722. Deferred capital contributions include an unamortized balance of \$556 related to this asset (note 11(b)). Subsequent to year-end on August 28, 2025, the University sold this property to the Province of Ontario (note 23(a)).

Included in Capital assets held for sale is other land with a net book value of \$1,340. Subsequent to year-end on August 28, 2025, the University sold this property to the Province of Ontario (note 23(a)).

Included in Capital assets held for sale is 251 John St. also known as Bell Mansion. An offer for the sale has been accepted and the sale transaction is set to close on October 31, 2025 (note 23(b)).

Included in prior year Capital assets held for sale is the Vale Living with Lakes Centre and Watershed Building with a net book value of \$14,120. The University sold this property to the Province of Ontario on January 29, 2025 for proceeds of \$8,000. Of the proceeds, \$5,954 was retained by the University for reimbursement of payments made to holders of Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims and the remaining \$2,046 was paid to the Distribution Pool. The sale resulted in a loss on sale of assets of \$6,120. The loss presented in the statement of operations of \$6,171 (2024 - \$nil), includes a \$51 loss on sale of Mirarco equipment. Upon the sale, deferred capital contributions of \$12,852 were recognized as revenue and are included in amortization of deferred capital contributions (note 11(b)). The University is leasing the property back from the Province as part of the sale agreement (note 15 (d)).

Also included in prior year Capital assets held for sale is the property known as the President's House, which was sold on May 1, 2024. The net proceeds of \$894 were added to the Distribution Pool (note 10). The net book value of the asset was \$22, resulting in a gain on sale of assets of \$872 (2024 - \$nil), recorded in the statement of operations.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

7. Capital assets (continued):

(b) Capital assets:

	Cost	Accumulated Amortization	2025 Net book Value	2024 Net book Value
Buildings	\$ 310,887	\$ 125,677	\$ 185,210	\$ 211,687
Equipment and furnishings	67,639	63,272	4,367	2,248
Site improvements	10,830	10,024	806	1,147
Land	10,427	-	10,427	12,391
	<u>\$ 399,783</u>	<u>\$ 198,973</u>	<u>\$ 200,810</u>	<u>\$ 227,473</u>

A total of \$883 (2024 - \$242) of buildings are under construction and not yet subject to amortization.

The University reviewed their capital assets for indicators of impairment and determined that an impairment allowance was not required. The University's buildings are considered an integrated group of assets to provide post-secondary education to students and to support research activities. The overall service potential for the integrated asset group has not been significantly reduced and continues to be used to provide on-going and future services to support the University's academic and research operations.

8. Accounts payable and accrued liabilities:

Included in Accounts payable and accrued liabilities are government remittances payable of \$2,353 (2024 - \$2,162), which includes amounts payable for payroll related taxes.

9. Long-term debt:

On November 28, 2022 upon implementation of the Plan in the CCAA proceeding, the University entered into a new secured long-term loan agreement with the Province of Ontario (the "Exit Financing"). During 2025, the University made principal payments totalling \$1,556 (2024 - \$1,466) as required by the terms of the Exit Financing. Total interest paid on long-term debt during the year was \$2,011 (2024 - \$2,101). The University granted to the Province of Ontario a continuing security interest and a first-ranking lien in favour of the Province of Ontario over all of the collateral (subject only to Permitted Liens as defined in the loan agreement) of the University to secure the Exit Financing. The Exit Loan agreement contains six financial covenants that must be maintained over the life of the agreement. The first loan covenant, Debt Coverage Ratio exceeding 1:1, commenced in 2023-24 and was met in fiscal 2023-24 and 2024-25. Two financial covenants, Primary Reserve Ratio greater than 30 days and Expendable Net Assets exceeding \$nil, will be required by fiscal 2025-26, with the remaining three financial covenants, Net Income/Loss Ratio above 1.5%, Excess of Revenue exceeding \$nil and Net Operating Revenue above 5%, required by fiscal 2027-28.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

9. Long-term debt (continued):

The University's indebtedness as of April 30, 2025 and 2024 consisted of the following:

	Rate	Fixed Maturity	2025	2024
Province of Ontario	6.11%	2038	\$ 31,386	\$ 32,942
Less: Current portion of long-term debt			(1,651)	(1,556)
			\$ 29,735	\$ 31,386

The principal repayments of long-term debt are as follows:

2026	\$ 1,651
2027	1,752
2028	1,859
2029	1,972
2030	2,093
Thereafter	22,059
	\$ 31,386

10. Payable to CCAA Distribution Pool:

The Payable to CCAA Distribution Pool (note 2(b)) (note 3(j)) represents the amount owing to the Distribution Pool pursuant to the Plan. The prior year amount of \$47,546 was equal to the expected proceeds from the sale of assets to the Province of Ontario of up to \$53,500 (note 7) less payments already made to holders of Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims in the amount of \$5,954.

During the year, \$2,940 (2024 - \$nil) was paid to the Distribution Pool, from proceeds of the sale of the Vale Living with Lakes Centre, Watershed Building and President's House properties (note 7). The Vale Living with Lakes Centre and Watershed Building properties sold on January 29, 2025 for proceeds of \$8,000 and the President's House property sold on May 1, 2024 for proceeds of \$894. From these proceeds of \$8,894, \$5,954 was retained by the University for reimbursement of payments made to holders of Secured Claims, CCAA Priority Claims and Vacation Pay Compensation Claims and the remaining \$2,940 was paid to the Distribution Pool, leaving a balance to be paid of \$44,606 at April 30, 2025. Subsequent to year-end on August 28, 2025, the University sold properties for proceeds of \$45,500 (note 7(a), note 23(a)) and from this \$44,606 was paid to the distribution pool and \$894 retained by the University

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

11. Deferred contributions:

(a) Deferred contributions:

Deferred contributions represent external contributions restricted for research and other expenditures to be incurred in subsequent fiscal years. Details of the change in Deferred contributions are as follows:

	2025	2024
Balance, beginning of year	\$ 18,135	\$ 17,819
Add contributions received in the year	9,982	13,392
Less amounts recognized as revenue	(11,711)	(13,076)
Balance, end of year	\$ 16,406	\$ 18,135

Deferred contributions recognized in the year for all types of revenue was \$11,711 (2024 - \$13,076). Included in this amount is \$8,417 (2024 - \$6,951) of research income. The corresponding expenses related to this research activity are \$5,497 (2024 - \$4,610) in salaries and benefits expense; \$2,429 (2024 - \$1,826) in operating and research expense and \$491 (2024 - \$515) in scholarships and bursaries expense.

Deferred contributions consist of the following:

	2025	2024
Research grants	\$ 11,822	\$ 14,862
Other grants and contracts	3,727	2,648
Scholarships and bursaries	857	625
Balance, end of year	\$ 16,406	\$ 18,135

Since December 2020, the University has separate bank accounts and short-term investment accounts to hold future contributions received for restricted purposes.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

11. Deferred contributions (continued):

The table below shows the restricted deferred contributions balances held in a separate bank account:

	2025	2024
Amount of deferred contributions held in separate bank accounts or short-term investment account:		
Unspent research grant account	\$ 11,822	\$ 14,862
Restricted funds account	3,201	2,439
Amount of deferred contributions not held in separate bank accounts or short-term investment account	1,383	834
	<u>\$ 16,406</u>	<u>\$ 18,135</u>

Cash balances in segregated bank and short-term investment accounts are transferred in a period subsequent to the deferred contributions spending.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

11. Deferred contributions (continued):

(b) Deferred capital contributions:

Deferred capital contributions represent the unspent and unamortized amount of donations and grants received for the purchase of capital assets. Details of the change in Deferred capital contributions are as follows:

	2025	2024
Unspent:		
Balance, beginning of year	\$ 3,632	\$ 4,105
Add contributions received in the year	4,080	1,208
Less amounts spent	(6,036)	(1,681)
Balance, end of year	1,676	3,632
Unamortized:		
Balance, beginning of year	112,822	116,216
Add contributions spent in the year	6,036	1,681
Less amount amortized to revenue:		
Amortization upon sale of property (note 7 (a))	(12,852)	-
Amortization upon sale of Mirarco equipment	(241)	
Other amortization	(4,871)	(5,075)
	(17,964)	(5,075)
Balance, end of year	100,894	112,822
Total unspent and unamortized capital contributions	<u>\$102,570</u>	<u>\$ 116,454</u>

Included in unamortized deferred capital contributions is \$9,992 (2024 - \$12,852) relating to properties held for sale (note 7(a)).

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

12. Endowments and investment income:

Endowments consist of restricted funds received by the University and the accumulated investment income not yet distributed. Investment income generated from long-term investments earmarked for endowments is used in accordance with the various purposes established by the donors. In order to protect the value of endowment capital over time and to allow the University to distribute a consistent amount of income from endowments on an annual basis regardless of the investment income earned in the fiscal year, the endowments investment objective is to earn a rate of return at least equal to the total of the effects of inflation plus distributions and the costs of investing and administering the funds.

Only investment earnings generated from endowment contributions may be used to support the designated activity for each individual endowment. Distribution is conditional on having sufficient accumulated reinvested income. If the accumulated investment income is less than the pay-out, then the pay-out will be adjusted so as not to affect the capital balance.

The University reviews its distribution rate on an annual basis. In 2025, the University approved a distribution of up to 5% (2024 – 2.5%) of the fair value of the endowment investment, subject to availability of earned investment income in each endowment account. For 2024, the University also approved spending on unspent distributions from the previous year. Total actual amount distributed was \$1,568 (2024- \$977).

The University charges an administrative fee against the investment income to recover costs incurred to fulfil the University's fiduciary responsibilities relating to investing and managing the endowment funds. The administrative fee is recorded as other fees and income in the Consolidated Statement of Operations. During the year, the University recognized an administrative fee of \$494 (2024 – \$475).

Details of the change in net assets restricted for endowments are as follows:

	2025	2024
Balance, beginning of year	\$ 49,614	\$ 47,510
Endowment contributions	174	94
Net increase (decrease) in Endowments		
Investment income	5,087	3,714
Administrative fee	(494)	(475)
Investment management fees	(286)	(252)
Investment income distributed	(1,568)	(977)
	2,739	2,010
Balance, end of year	\$ 52,527	\$ 49,614

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

12. Endowments and investment income (continued):

Long-term investments reflect funds earmarked for endowment balances. The equity funds, fixed income securities, structured credit funds and real estate funds are measured at market value.

The Endowments balance consists of:

	2025	2024
Cumulative endowment contributions	\$ 36,616	\$ 36,442
Cumulative reinvested investment income	15,911	13,172
	\$ 52,527	\$ 49,614

The breakdown of investment income is as follows:

	2025	2024
Unrealized gains	\$ 2,848	\$ 2,219
Interest income and dividends	7,979	9,237
Realized gains (losses)	1,013	(34)
	\$ 11,840	\$ 11,422
Long-term investment gain related to endowments	3,233	2,485
Short-term investment gain recognized in other fees and income (note 17)	8,607	8,937
	\$ 11,840	\$ 11,422

13. Investment in capital assets:

The Investment in capital assets is calculated as follows:

	2025	2024
Capital assets held for sale	\$ 26,591	\$ 14,142
Capital assets	200,810	227,473
Less amounts financed by:		
Unamortized deferred capital contributions (note 11(b))	(100,894)	(112,822)
	\$ 126,507	\$ 128,793

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

14. Internally restricted net assets:

	2025	2024
Transformation (note 18)	\$ 7,992	\$ 3,579
Ancillaries	6,851	3,419
Enrolment enhancement	4,800	-
Other projects and initiatives	4,572	3,144
Capital projects	3,381	1,513
Departmental and subsidiary research funds	2,155	1,713
	<u>\$ 29,751</u>	<u>\$ 13,368</u>

The Transformation internally restricted fund represents unspent budget in 2023-24 & 2024-25 to be carried forward for the implementation of the Transformation Plan and will be used to fund transformation projects spending in future years (note 18). The University transferred net unspent budget of \$4,413 (2024 - \$3,579) from the unrestricted fund to the internally restricted fund for the purpose of the transformation projects.

The ancillaries internally restricted fund represents the surplus generated by ancillary operations. The University transferred the surplus for the year of \$3,432 (2024 - \$3,419) from the unrestricted fund to the internally restricted fund for the purpose of future ancillary projects.

During the year, the university established the Enrolment enhancement internally restricted fund aimed at enhancing recruitment, enrolment, and, therefore, institutional revenue. The University transferred \$4,800 (2024 - \$nil) from the unrestricted fund to the internally restricted fund for the purpose of enrolment enhancement projects.

The Other projects and initiatives internally restricted fund represents unspent funds relating to professional allowances, start-ups funds, and various student services initiatives to be spent in the future. The University transferred net unspent funds of \$1,428 (2024 - \$3,144) from the unrestricted fund to the internally restricted fund for the purpose of future spending on these initiatives.

The Capital projects internally restricted fund represents funding for multi-year capital projects and unspent capital budgets to be carried forward for spending in the next fiscal year. The University transferred net unspent budget of \$1,868 (2024 - \$1,513) from the unrestricted fund to the internally restricted fund for the purpose of future capital spending.

Departmental and subsidiary research funds relate to MIRARCO and other internally restricted research projects. The University transferred from the unrestricted fund \$442 (2024 - \$238) of surplus for the purpose of future internal research spending.

Internally restricted net assets are approved by Board resolution.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

15. Commitments and contingencies:

- (a) The University participates in a reciprocal exchange of insurance risks in association with forty other Canadian universities. This self-insurance co-operative involves a contractual agreement to share the insurance property and liability risks of member universities.
- (b) The University is involved in certain legal matters and litigation, the outcomes of which are not presently determinable. These claims are subject to measurement uncertainty. The loss, if any, from the determination of additional claims will be accounted for in the periods in which the claims are resolved and are presently assigned to its insurer.

Litigation claims existing at the time the CCAA proceeding was commenced were addressed as part of the Claims Process and were material. In 2022, The University recognized certain of these litigation claims as liabilities subject to the Plan to the extent that they had been resolved or determined in the Claims Process. Some claims were subject to measurement uncertainty. Pursuant to the Plan, all claims of Affected Creditors against the University have been discharged and released. Certain litigation claims were designated as Insured Claims under the Plan and in the case of Insured Claims, the plaintiff's recovery is limited to the proceeds of insurance, if any, and not the University.

- (c) The University is the principal employer for the Pension Plan (note 6) which previously included the Former Federated Universities, SNOLAB, CEMI and MIRARCO. Effective June 30, 2021, all Huntington University active employees ceased to accrue any further entitlement in the pension plan.

Active employees of the University of Sudbury and Thorneloe University who continue to be employed after December 31, 2021 became suspended members of the Pension Plan effective December 31, 2021. The University of Sudbury and Thorneloe University continue as employers under the Pension Plan on and after December 31, 2021 and will have ongoing obligations to fund the benefits earned by their employees and former employees under the Pension Plan.

The University and its Unions have agreed to establish a Joint Committee on the pension benefits and funding policy and long-term sustainability. Conditions have been agreed that any improvements to the Pension Plan become conditional on the Pension Plan meeting agreed upon levels of funding.

- (d) On January 30, 2025, the University signed a 10-year lease with the Province of Ontario. Annual rent of \$437 plus HST for the Living with Lakes building and \$60 plus HST for the Watershed Building is payable in equal monthly installments until January 29, 2035.
- (e) On August 28, 2025, the University signed a 10-year lease with the Province of Ontario for the East Residence property (note 23(a)). Annual rent of \$1,325 plus HST is payable in equal monthly installments until August 27, 2035.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

15. Commitments and contingencies (continued):

- (f) On August 28, 2025, the University signed a 10-year lease with the Province of Ontario for the Security and maintenance property (note 23(a)). Annual rent of \$83 plus HST is payable in equal monthly installments until August 27, 2035.
- (g) On August 28, 2025, the University signed a 10-year lease with the Province of Ontario for parking lot 15 "the Pit" (note 23(a)). Annual rent of \$222 plus HST is payable in equal monthly installments until August 27, 2035.
- (h) The University is a tenant in a 5-year lease with the Province of Ontario relating to office space in the Willet Green Miller Centre. Lease payments will be \$372 in 2025-26, \$382 in 2026-27 and \$259 in 2027-28. The lease term expires December 31, 2027.
- (i) During 2023-24, the Board of Governors and Ministry of Colleges, Universities, Research Excellence and Security approved a 4-year Transformation project budgeted at \$32,500 (note 18). During 2024-25, \$2,787 was spent on this project (2024 - \$3,622).
- (j) The University had a limited data breach resulting from a broader cyber incident that came to the University's attention on February 18, 2024. The University holds an insurance policy of \$2,000 in coverage with a \$250 deductible. Expenses incurred relating to the incident amount to \$1,010. The incident has been submitted and acknowledged by the Insurer. The Insurer is reviewing the claim and has not provided a determination on what expenditures will be covered or accepted therefore a receivable and corresponding expense recovery have not been recorded in these financial statements.
- (k) The SNOLAB facility may incur significant final decommissioning costs on completion of experiments currently under development. At present, there are no immediate plans for such final decommissioning, nor is there a reasonable estimate of when such decommissioning may occur. Currently, new experiments are being developed through the use of the facility, and the final decommissioning phase of the facility is not expected to occur in the foreseeable future.
- (l) The University had previously made an election under Section 211 of the Excise Tax Act on the main campus legal title PIN 73593-0465 on which several properties were to be sold to his Majesty the King in Right of Ontario as represented by the Minister of Infrastructure as represented by Ontario Infrastructure and Lands Corporation. Upon sale of properties, the existing 211 election filed would cease to exist due to changes to the legal title. The Section 211 election had allowed the University to treat certain supplies of real property that would otherwise be exempt as taxable supplies. In order to minimize the net amount owing of HST previously rebated under Section 211, the University chose to retitle the land on August 27, 2025 prior to the sale of properties on August 28, 2025 and refile Section 211 elections, with an August 27, 2025 effective date. The net hst liability will be recorded in the fiscal year in which the retitling of the land is completed and the amount of HST repayable can be reasonably determined. The University is aware of its obligation under the Excise Tax Act and is committed to fulfilling all related HST remittance requirements.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

16. Change in non-cash working capital:

	2025	2024
Cash flows from operating activities:		
Accounts receivable	\$ (5,468)	\$ 4,318
Prepaid expenses	53	749
Accounts payable and accrued liabilities	(1,815)	1,021
Accrued vacation pay	467	563
Deferred revenue	73	(2,113)
Deferred contributions	(1,729)	316
	\$ (8,419)	\$ 4,854

17. Other fees and income:

Details of the other fees and income are as follows:

	2025	2024
Investment income	\$ 8,607	\$ 8,937
Course fees and other	7,112	5,519
Administrative fees	4,402	3,884
Compulsory fees	3,234	3,258
Sponsored students	2,250	2,472
HST Section 211 assessment	1,683	-
Scholarships, bursaries and other restricted contributions	1,331	1,428
	\$ 28,619	\$ 25,498

18. Transformation:

As a critical key step in the CCAA process, the University announced in October 2021 that it had engaged Nous Group to conduct an Operations and Governance Review for improving the operational structure and function of the University, as well as governance at the Board and Senate. In keeping with Laurentian's commitment to conduct the review in an independent manner, Nous Group reported directly to the Chief Redevelopment Officer and the court-appointed Monitor throughout the process.

As part of the Plan of Implementation, the University committed to create a Transformation Consultation Group (TCG) and develop a detailed plan for undertaking the comprehensive operational restructuring and transformation described in the Operations and Governance Report. The TCG serves to inform on the development of the Transformation Plan by Deloitte, who was selected as the Project Management Consultant. The estimated value of the Transformation project is \$32,500, to be spent over 4 years starting in 2023-24 and is included in the 5-year financial projections to the Ministry of Colleges, Universities, Research Excellence and Security (MCURES). The Transformation Plan was completed within 120 days, received approval from the Board of Governors on November 1, 2023, and was subsequently approved by the MCURES.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

19. Financial risks:

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

(a) Credit risk:

The 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 maximum credit exposure of the University is represented by the fair value of its cash, investments and accounts receivable as presented in the consolidated statement of financial position. Credit risk concentration exists where a significant portion of the portfolio is invested in securities which have similar characteristics or similar variations relating to economic, political, or other conditions. The University monitors the financial health of its investments on an ongoing basis with the assistance of its Finance Committee and its investment advisors.

The University assesses accounts receivable on a continuous basis, and provides for any amounts that are not collectible in the allowance for doubtful accounts as disclosed in note 5.

(b) Interest rate risk:

The University has historically been exposed to interest rate risk with respect to its interest-bearing investments, long-term debt and interest rate derivative agreements as disclosed in the consolidated statement of cash flows and notes 3(f) and 9. Pursuant to the Plan, the University's obligations to repay principal and interest in respect of certain pre-CCAA debt agreements were discharged.

At April 30, 2025, the University has long-term debt with the Province of Ontario in the amount of \$31,386 (2024 - \$32,942) with a fixed interest rate of 6.11% and is therefore subject to interest rate risk (note 9).

(c) Currency risk

The University is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including underlying investments in pooled funds denominated in foreign currencies because the fair value and future cash flows will fluctuate due to the changes in the relative value of the foreign currencies against the Canadian dollar. The University manages currency risk through monitoring activities and adherence to the investment policy approved by the Board of Governors.

(d) Liquidity risk:

Liquidity risk is the risk that the University will be unable to fulfill its obligations on a timely basis or at a reasonable cost. Liabilities such as accounts payable and accrued liabilities, long-term debt and payable to the distribution pool give rise to liquidity risk. The University manages its liquidity risk by monitoring its operating requirements.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

19. Financial risks (continued):

(e) Market price risk:

The University is exposed to market price risk due to many of its long-term investments (note 4). Market price risk is the risk that the fair value or cashflows of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. To manage this risk, the University maintains an investment policy approved by the Board of Governors that sets a target mix by investment types designed to achieve optimal return with reasonable risk tolerances. Investments are diversified based on approved investment classes, return targets, and the University's risk appetite. The University's investments are managed by external investment managers, and investment performance is reviewed by the Board.

20. Related party transactions:

The University has the following related parties:

(a) The Centre for Excellence in Mining and Innovation (CEMI):

CEMI was created on April 23, 2007 to advance study, research, and innovation. The University contributed \$10,000 received from the Provincial Government to create and fund CEMI on its inception.

As described in the basis of consolidation, the financial results of CEMI are not included in these consolidated financial statements. Related party transactions and disclosures with CEMI, measured at their exchange amount, are as follows:

	2025	2024
Recoveries and charges for goods and services	\$ 1,289	\$ 1,289

At April 30, 2025 the University had \$219 (2024 - \$99) of receivables from CEMI and had a payable of \$nil (2024 - \$ nil) to CEMI.

(b) Student associations:

The University has an economic interest in its student associations as it collects student fees on their behalf. Transactions with these related parties, unless disclosed otherwise, are considered to be in the normal course of operations and are recorded at their exchange amounts, which is the amount of consideration established and agreed to between the University and the related parties.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2025
(thousands of dollars)

21. International Study Permits:

On January 22, 2024, the Government of Canada announced a two-year intake cap on international student permit applications being approved which resulted in a reduction of approximately 35% in approved study permits from 2023. The Government of Canada cap for 2025 decreased 10% from 2024. A significant portion of the University's tuition revenue is derived from international students, accounting for 20% of students (2024 – 17%). The impact for 2025-26 and beyond is unknown at this time and the University will continue to monitor and will reduce spending as necessary.

22. Comparative information:

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

23. Subsequent events:

(a) On August 28, 2025 the University sold the East Residence with a net book value of \$14,174 to the Province of Ontario for proceeds of \$24,100. The University will lease the property back from the Province (note 15(e)). The gain on sale of \$9,926 will be deferred and amortized over the lease term.

On August 28, 2025 the University sold the Northern Ontario School of Medicine Building and Health Sciences Building with a net book value of \$10,271 to the Province of Ontario for proceeds of \$16,800. The sale results in a gain on sale of \$6,529 recorded in 2025-26 and unamortized deferred capital contributions of \$9,366 recognized as revenue in 2025-26.

On August 28, 2025 the University sold the Maintenance and Security Building with a net book value of \$722 to the Province of Ontario for proceeds of \$2,850. The University will lease the property back from the Province (note 15(f)). The gain on sale of \$2,128 will be deferred and amortized over the lease term and unamortized deferred capital contributions of \$556 will be recognized as revenue 2025-26.

On August 28, 2025 the University sold other parcels land with a net book value of \$1,340 to the Province of Ontario for proceeds of \$1,750. The University will lease some of this land back from the Province (note 15(g)). The gain on sale of \$410 will be amortized over the lease term.

The total proceeds from the above noted sale transactions amount to \$45,500 and from this \$44,606 was paid to the distribution pool (note 10) and \$894 retained by the University.

(b) An offer for the sale of 251 John St. also known as Bell Mansion, with a net book value of \$84, has been accepted and the sale transaction is set to close on October 31, 2025.





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