



ANNUAL REPORT

2025 - 2026



Fiscal year ended
April 30, 2026



LaurentianUniversity
Université**Laurentienne**



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 Wahnapiatae 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 Wahnapiatae Anishinaabe kiing. Gichipiitenmananig Anishinaabek- ga nakiitaanaa weweni maanpii Laurentian University Chi-kinomaagegamik Debwewin miinwa Minadaapnagewin Nakii Naadmageh Makwataagziiwin. Miigwech.



Contents

4	Vision, Mission, Values and Strategic Priorities
7	Laurentian University by the Numbers
8	Operating Environment
9	Plan of Compromise and Arrangement
10	Academic Highlights
12	Research and Innovation Highlights
14	Transformation Program
15	Enrolment Trends
18	Financial Review
	Consolidated Statement of Operations
20	Revenue by Category
	Operating Grants and Contracts
	Tuition Fees
	Research Grants and Contracts
	Sales and Services
	Other Fees and Income
22	Expenses
	Salaries and Benefits
	Operating and Research
	Other Expenses
	Transformation
	Capital Investments
24	Consolidated Statement of Financial Position
	Assets
	Liabilities
	Employees’ Future Benefits
	Net Assets
	Post-CCAA Exit Loan Agreement
CONSOLIDATED FINANCIAL STATEMENTS	
30	Independent Auditor’s Report
33	Consolidated Statement of Financial Position
34	Consolidated Statement of Operations
35	Consolidated Statement of Changes in Net Assets (Deficiency)
36	Consolidated Statement of Cash Flows
37	Notes to Consolidated Financial Statements



Introduction

Laurentian University of Sudbury (“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. Celebrating its 65th anniversary in 2025, Laurentian has operated as a publicly funded university in Northern Ontario’s largest city of Greater Sudbury, maintaining a bilingual and tricultural mandate that makes it unique in the province’s post-secondary sector.

Purpose of the Annual Financial Report

This report provides a review of the consolidated financial statements for the year ending April 30, 2026. In so doing, it outlines key elements of the environment in which the University operates, including the funding context and key academic and research achievements from the last fiscal year.

This report provides the actual financial results for the fiscal year and can be reviewed against the annual budget report for that year, and the annual Strategic Plan Key Performance Indicators report, which highlights achievements from the last year related to strategic plan objectives.



Vision, Mission, Values, And Strategic Priorities

Laurentian University is guided by its institutional vision, mission and values, as well as by the strategic priorities articulated in its Strategic Plan, 2024-2029.

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.

Values

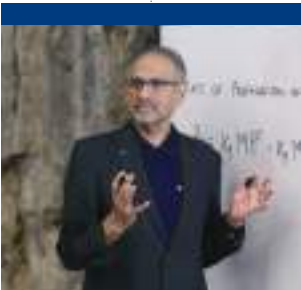
Community • Integrity • Student Success • Stewardship • Collaboration

Strategic Directions



Enhancing our Student Experience

- Build Strong Foundations for Student Success and Well-being
- The Northern University of Choice
- Animate Laurentian's Campus Environment



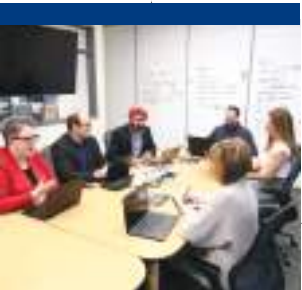
Energizing our Academic and Research Mission

- Invest in Faculty Career Development and Success
- Expand Academic and Research Excellence in Areas of Northern Impact
- Enhance Francophone and Indigenous Program Offerings and Partnerships
- Integrate Inter-disciplinarity and Tricultural Learning into Degree Programs



Building Up the Communities We Serve

- Build Northern Ontario's Economic, Social, and Environmental Sustainability
- Reimagine the Laurentian Varsity Brand
- Establish Strong Local and Global Industry, Alumni and Donor Networks



Valuing and Supporting our People

- Cultivate a Supportive and Inclusive Team Culture
- Take Care in Developing Our People
- Support LU Leaders in Driving and Sustaining Transformation
- Drive Excellence in University Governance

Budget Governance

The University continues to be guided by its Board of Governors, which oversees the work of the senior administrative team and holds fiduciary responsibility for Laurentian's operations.

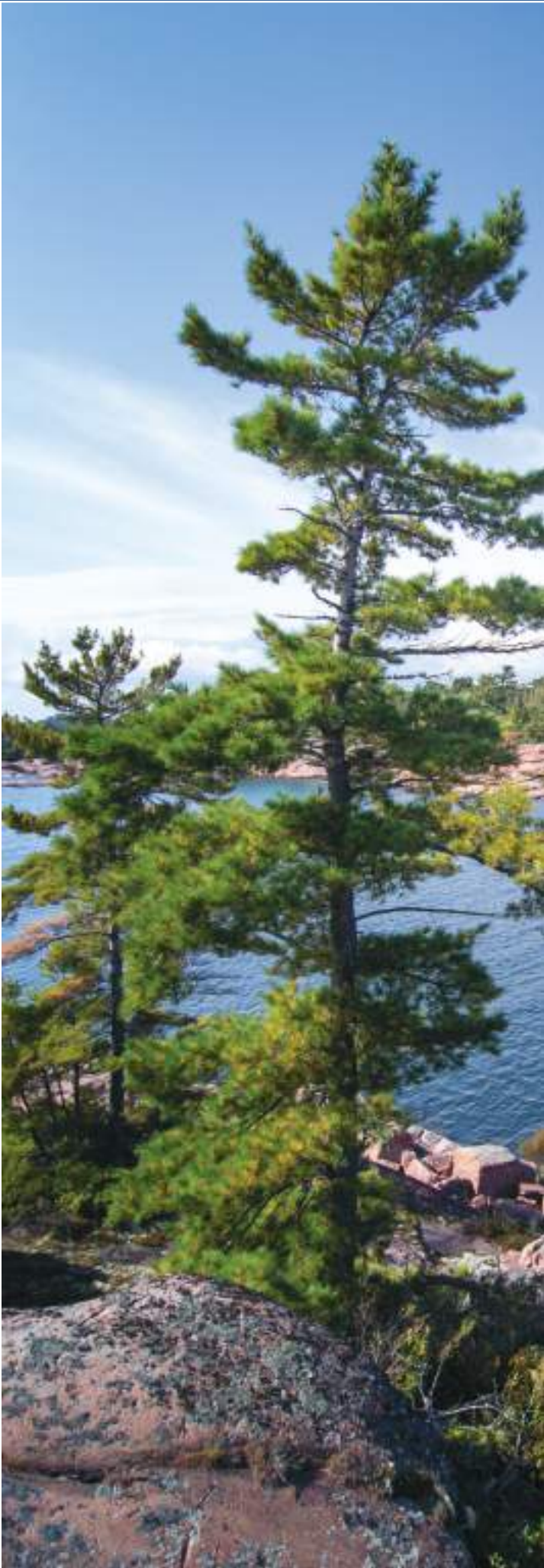
Board of Governors (voting members as of July 2026)

- > **Jean-Pierre Barbeau**, Chair (Appointed July 13, 2023)
Chair since June 20, 2025; Renewed June 26, 2026
- > **Catharine Farrow**, Vice-Chair (Appointed June 20, 2025)
Vice-Chair since June 26, 2026
- > **James Barltrop** (Appointed June 20, 2024)
- > **Aaron Barry** (Appointed November 15, 2022)
Renewed January 16, 2025
- > **Roxanne Bouchard** (Appointed December 15, 2023)
Renewed December 15, 2024
- > **Varun Desi** (Student) (Appointed October 1, 2025)
- > **MD Imon Kabir** (Student) (Appointed July 1, 2026)
- > **Tammy Manitowabi** (Appointed December 9, 2022)
Renewed June 26, 2026
- > **Ryan Minor** (Appointed December 13, 2024)
- > **Kristin Murray** (Appointed June 26, 2026)
- > **Rachel Prudhomme** (Appointed December 13, 2024)
- > **Brian Ramakko** (Appointed July 13, 2023)
Renewed July 12, 2026
- > **Mariette Sutherland** (Appointed February 27, 2026)
- > **Lynn Wells** (Appointed April 1, 2024) (ex-officio)

The University extends its appreciation to the following outgoing voting members for their contributions and service:

- > Christian Alvarez-Sierra (*Student*)
- > Vern Cameron (*former Board Chair*)
- > Andre Guay
- > David Harquail
- > Staysha Kasunich (*Student*)
- > Laura Kurkimaki
- > Jeet Patel (*Student*)
- > Rafael Yassine (*Student*)

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





Laurentian by the numbers

Available
**Expendable
Resources**  **\$160.4M¹**
(\$108.1M last year)

Capital Spending  **\$13.1M** (\$10.0M last year)

**TOTAL
REVENUE**  **\$238.2M**
(\$247.5M last year)

**Excess
revenue
over
expenses,
after other items**

 **Endowment**
per Full Time Equivalent
(FTE) student
\$9,316 (\$8,295 last year)

 **Total Expenses**
\$199.2M
(\$192.4M last year)

**REVENUE
PER FTE STUDENT**  **\$37,139**
(\$39,094 last year)

TOTAL NET ASSETS  **\$330.3M**
(\$287.1M last year)

 **\$39.1M**
(\$55.2M last year)

Enrolment
(excluding St. Lawrence) - Fall FTE
 **6,414**
(6,332 last year)

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





Operating Environment

The post-secondary sector continued to face a challenging financial landscape in the last fiscal year, shaped by various external pressures. The Ministry of Colleges, Universities, Research Excellence and Security (MCURES) announced in February 2026 a new funding model for universities in Ontario starting in Spring 2026 and extending to the end of the fourth Strategic Mandate Agreement ending in 2028-29.

Tuition

For 2025-26, the MCURES Tuition Fee Framework (TFF) maintained the domestic tuition freeze, but provided the flexibility to increase tuition fees for domestic out-of-province students by up to 5%, and maintain the option to increase domestic tuition fees for certain programs with lower-than-sector-average tuition rates (applicable to first-year incoming students). Laurentian University sought approval for a 1% increase for its undergraduate domestic out-of-province tuition fees and increased its international tuition fees by 2-5%, depending on the program.

Provincial funding

In 2024-25, MCURES also announced new targeted funding to support institutional sustainability through its 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.

On February 12, 2026, MCURES announced a \$6.4 billion investment supporting sustainability in Ontario's post-secondary sector. This new long-term funding model will create additional seats in high-demand programs, while better supporting the unique missions of small, rural, northern, French-language, and Indigenous institutions. The tuition freeze was also lifted, as institutions were granted the ability to raise domestic tuition by up to 2 per cent per year for three years, then up to 2 per cent or the three-year average rate of inflation, whichever is less, in the years following. Taken together, these announcements will have an important impact on Laurentian University's finances in the upcoming years.

The University signed its 2025-30 Strategic Mandate Agreement (SMA4) on June 23, 2025. SMA4. In terms of provincial government funding, Laurentian University completed its Year 1 Strategic Mandate Agreement (SMA4) annual evaluation covering the fiscal year 2025-26.

Laurentian University was successful in achieving all of the weighted performance metrics, resulting in 100% of the notional allocation.

International students

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 in 2025-26, 75% was made up 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, a change that was then reversed for 2026-27.



Plan of Compromise and Arrangement

The Plan of Compromise and Arrangement was negotiated with Laurentian's creditors during insolvency in 2021. The purpose of the Plan was to restructure the University's liabilities, allowing it to continue to operate.

Laurentian reached an important milestone in August 2025 in fulfilling its obligation under the Plan, when it completed the sale of the designated real estate properties to the Province of Ontario. The funds from this sale allowed Laurentian to fully fund the Distribution Pool under the Companies' Creditors Arrangement Act (CCAA) Plan, which is used to pay back its creditors.

Laurentian continues to have ongoing obligations under the CCAA Plan, including to operate within an approved budget that is balanced, not undertaking capital projects or incurring expenses that would cause its financial position to become unstable, investing in various operational and governance projects (including the Transformation Program), and operating in a manner that ensures long-term financial sustainability.

Exit Loan Agreement

The University must also continue to comply with the terms of the Exit Loan Agreement with the Province of Ontario. During the CCAA process, the government provided Laurentian with a loan of \$35M so that it could emerge

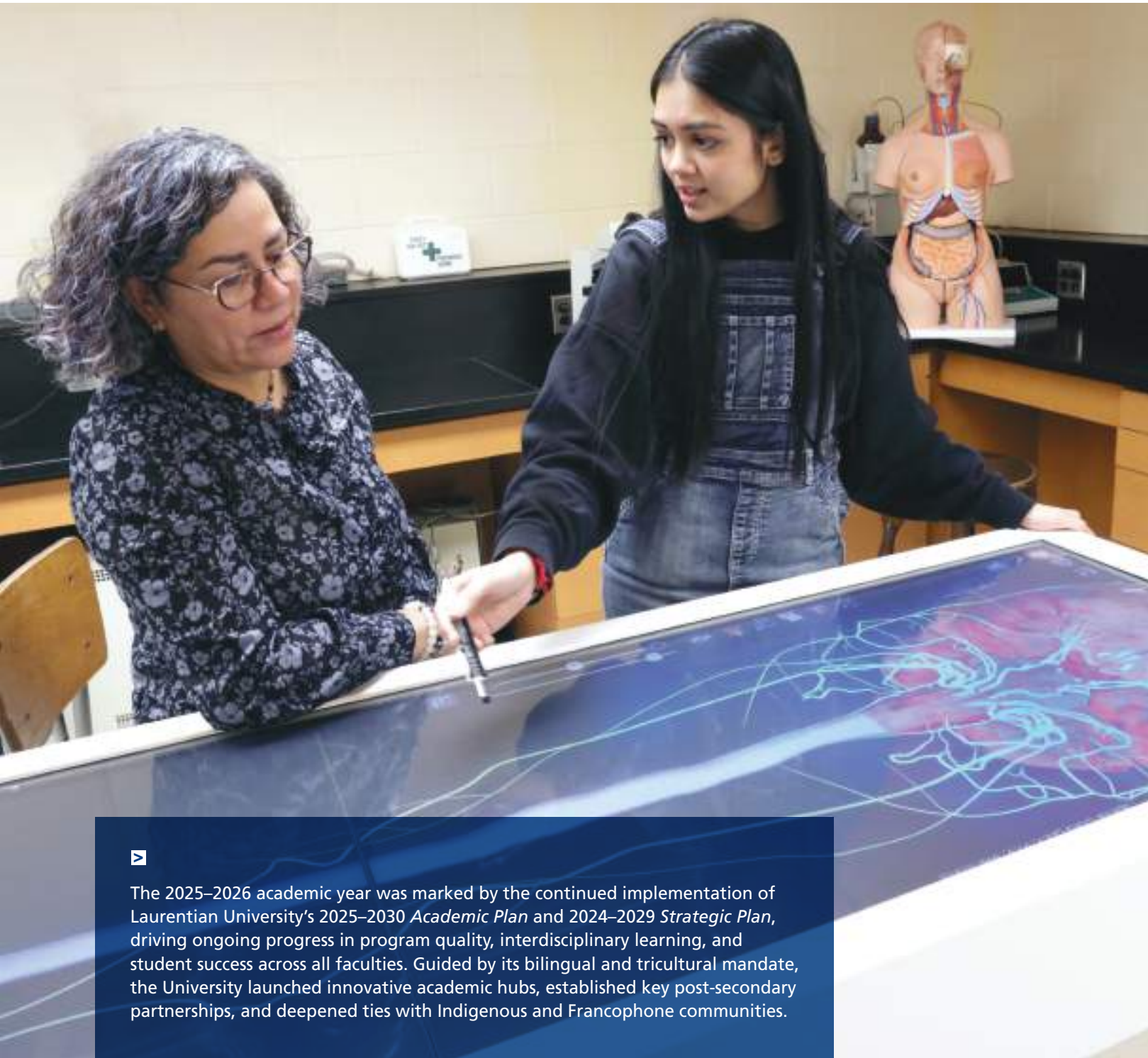
from the CCAA proceeding with no other debt than the payments to be made to creditors from the proceeds of the sale of real estate. The successful implementation of the CCAA Plan and the Exit Loan provided by the Province are the reasons that the University remains operational today. Laurentian has until 2038 to repay the \$35M loan, with interest, and is not permitted to repay the loan early without government approval and can only start seeking consideration of full repayment after November 2027.

Through the Exit Loan Agreement, the Government of Ontario became the University's only lender. In so doing, the Exit Loan Agreement establishes a number of conditions the University must meet to help ensure that the \$35M loan can be repaid, and that Laurentian will continue on its path of financial sustainability. These conditions are typical in secured lending arrangements but the most pertinent to the budget context relate to the financial covenants.

The University must also file annually with MCURES an annual five-year Financial Forecast, including a Financial Usage Plan, which outlines how the University plans to spend its funds, together with the projected financial covenants. Once filed, any deviation from this Plan requires the permission of MCURES.



Academic Highlights



The 2025–2026 academic year was marked by the continued implementation of Laurentian University's 2025–2030 *Academic Plan* and 2024–2029 *Strategic Plan*, driving ongoing progress in program quality, interdisciplinary learning, and student success across all faculties. Guided by its bilingual and tricultural mandate, the University launched innovative academic hubs, established key post-secondary partnerships, and deepened ties with Indigenous and Francophone communities.

Strategic initiatives across faculties and academic units brought significant new opportunities for learners and researchers:

- > **Launch of the Language Learning Centre (LLC)**
Located in the Alphonse Raymond building under the Centre for Teaching and Continuing Learning, the newly opened Centre provides interactive space, digital resources, and immersive technologies to support French and English language acquisition, prioritizing Francophone learners and those perfecting French competencies.
- > **Expanded Academic and Indigenous Partnerships**
Laurentian University signed a new Memorandum of Understanding (MOU) with Kenjgewin Teg to co-develop courses, academic programming, and research frameworks. Additionally, the University renewed its MOU with Shingwauk Kinooamaage Gamig to support Anishinaabe knowledge systems and preserve historical repository archives related to the Robinson Huron Treaty.
- > **Strengthened Francophone Pathways**
Laurentian signed an MOU with Collège Boréal to establish new credit transfers, expand access to French-language graduate studies, and create seamless academic pathways. A pilot program with local Francophone high schools also enabled Grade 12 students to earn early university credits in Law and Justice courses.

Across the faculties, academic units advanced curriculum quality, experiential learning, and community impact:

- > **Faculty of Science, Engineering and Architecture**
Housed within the McEwen School of Architecture, the newly established Institute for Northern Housing Innovation secured major public and industry partner funding to advance sustainable, low-carbon northern housing design. In science and technology, the Faculty celebrated the 20th anniversary of Canada's only

graduate program in Science Communication (delivered in partnership with Science North), while the Laurentian University Robotics Team achieved global recognition by winning multiple World Championship titles at the international FIRA RoboWorld Cup competition.

- > **Faculty of Education and Health**
Expanded community-based clinical placements across Northern Ontario and deepened simulation-integrated learning. The End-of-Life Doula micro-credential program — developed through the Centre for Teaching and Continuing Learning — earned national accreditation from the End-of-Life Doula Association of Canada.
- > **Faculty of Management**
Strengthened global consulting opportunities as Master of Business Administration teams earned top honors in the international X-Culture competition among thousands of global university participants.
- > **Faculty of Arts**
Expanded experiential learning through national civics and legal simulations — including student participation in national Senate reform simulations in Ottawa — while strengthening Francophone and Indigenous course offerings and graduate pathways.
- > **Goodman School of Mines and Graduate Studies**
Hosted the 7th Annual Goodman Gold Challenge investment competition, delivered the “Electrifying the Future” battery science workshops for regional youth, and hosted the Outland Youth Employment Program (OYEP) STEM & Mining Experience for First Nation youth.

Complementing these achievements, academic support teams expanded peer mentoring and academic advising to strengthen student retention and degree progression. Together, these accomplishments reflect a university community delivering academic excellence, driving Northern innovation, and preparing purpose-driven leaders for the future.





Research and Innovation Highlights



▶ Laurentian University and its affiliated research entities continue to attract significant investment in research and innovation, with \$15.5M in total sponsored research income recorded in fiscal year 2025-2026.

Earned research revenue comes from a number of sources, with significant funding through competitive grant programs administered by the tri-agencies, which include the Natural Sciences and Engineering Research Council (NSERC), the Social Sciences and Humanities Research Council (SSHRC) and the Canadian Institutes of Health Research (CIHR). Funding from the tri-agencies accounted for just over \$3.9M in research expenditures. Funding from the tri-agencies also partially supports the undergraduate student research assistant program with 24 students hired during the spring/summer term of 2025.

Moreover, research revenue earned through some tri-agency grants also generates Research Support Funds (RSF) to assist the university in partially covering indirect costs associated with the operation of its research and innovation enterprise. In 2025-2026, Laurentian (and its affiliated partners) received \$1.9M in RSF, which was used to support research facilities, intellectual property and knowledge mobilization, management and administration of the research enterprise, research resources including software to support research security obligations and expenses associated with regulatory and accreditation requirements.

Funding from the Canada Foundation for Innovation and the Ontario Research Fund was used to purchase new research equipment to advance high accuracy gene expression quantification and research involved in bioprospecting for health-beneficial compounds. Funding was also received from FedNor and the Northern Ontario Heritage Funding Corporation (NOHFC) to support expansion of research infrastructure and the purchase of robotic equipment to advance research led by the Institute for Northern Housing Innovation. NOHFC funding was also received to partially support the hiring of research interns who helped advance research at the Centre for Research in Occupational Safety and Health and the Cooperative Freshwater Ecology Unit.

Researchers at Laurentian University also work closely with industry partners who contributed cash and in-kind contributions for MITACS, and Alliance grant applications. In 2025-2026 funding from MITACS and Alliance research programs enabled faculty to train students and advance

research in economic geology & mining, conservation ecology, occupational health & safety, sustainable energy systems & AI, and sports management & social inclusion.

Laurentian University's 10 Senate-approved Research Centres and two affiliated research entities continued to attract research funding from regional, provincial, and national government programs along with investment from industry and community partners. For example, the Maamwizing Indigenous Research Institute was awarded funding from Braiding Knowledges Canada, the Centre for Research in Occupational Safety and Health received funding from the Ministry of Labour, Training and Skills Development, the Centre for Rural and Northern Health Research was awarded funding from SPOR (Canada's Strategy for Patient-Oriented Research), the Cooperative Freshwater Ecology Unit received funding from Vale, and the Minerals Exploration Research Centre received funding from federal, provincial and industry partners.

Laurentian's affiliated research entities reported just under \$3M in research revenue expenditures for MIRARCO and just under \$4M for SNOLAB. Notable research advanced at MIRARCO included the development of a pilot testing facility for mine waste biotechnology, and at SNOLAB, quantum sensor technology continued to be developed.

In summary, during the 2025–2026 fiscal year, Laurentian University significantly advanced its 2025–2030 Strategic Research Plan, cementing its role as a leader in research discovery, innovation and community-engaged scholarship. Laurentian researchers successfully leveraged tri-agency, provincial, and industry funding to drive critical progress in areas such as Indigenous health, sustainable northern housing, environmental solutions, mineral exploration, mining technologies, occupational health and safety, social sciences and interdisciplinarity. Through these efforts, supported by robust contributions from affiliated research entities, the Laurentian research community continues to demonstrate a strong commitment to addressing pressing regional needs and national priorities, effectively translating knowledge into meaningful, tangible impact.





Transformation Program



The 2025 calendar year marked a period of significant momentum for Laurentian University's Transformation Program. Transitioning from planning to execution, the University successfully modernized key policies, administrative processes, and underlying technologies. By December 2025, the program achieved approximately 30% completion of its total expected deliverables, setting a clear and efficient tempo for the year ahead.

Transformation By the Numbers

- > **78** deliverables achieved, successfully finalized nearly 30% of the 268-deliverable transformation framework, marking the successful completion of the project's most complex diagnostic and design phases.
- > **100+** staff and faculty members collaborated to provide subject matter expertise in designing meaningful solutions tailored to the needs of Laurentian University.
- > **80+** operational processes mapped with comprehensive gap analysis to redesign structures and implement intentional solutions that improve speed, accuracy, and user experience for staff, faculty, and students.

High-Impact Project Accomplishments

- > **900+** tuition payments were successfully processed through the new credit card system in its inaugural month, providing students with a seamless, 24-hour self-service option.
- > **96%** increase over the previous three-year average of Spring Term confirmed registrants following the launch of the new micro-credential Instant Enrolment portal.
- > **130+** hours of manual administrative effort saved annually by transitioning to a consolidated Online Bank Payment processing method.
- > **82%** decrease in vendors realized by auditing and rationalizing historical data in preparation for the new procurement system.

Key Operational Milestones

- > **Payment Flexibility:** The launch of the credit card tuition payment option saw immediate uptake, processing over 900 payments in the first academic term alone.
- > **Accessible Micro-Credential Registration:** The launch of the Instant Enrolment portal for micro-credentials and non-credit programming extended the registration window and alleviated administrative burdens, directly driving increased enrolment.

- > **Student Card Modernization:** A significant upgrade to the OneCard system was completed, introducing digital functionality that allows students to manage funds via the 360U app and use the card for payments at all on-campus food services.
- > **Policy and Governance:** Fortified financial control environment by developing the Signing Authorization Policy and conducting comprehensive structural reviews setting the foundation for a modernized governance framework that ensures robust oversight and operational integrity.
- > **Talent Attraction:** Launched a comprehensive talent attraction strategy that highlights Laurentian University's Tricultural mandate and uniquely Northern brand, featuring redesigned digital and physical recruitment materials, including the careers webpage on laurentian.ca.
- > **Data Integration:** Successfully implemented data integration software, creating a "data highway" to enable seamless information flow between administrative and academic applications.



Enrolment Trends

Headcount enrolment in 2025-26 resulted in a total of 8,272 individual students or 6,491 Full-Time Equivalent (FTE) enrolments (+1%) (see Tables 1a and 1b below). Following a significant enrolment increase in the 2023-24 academic year due entirely to a spike in international enrolment, overall enrolment counts stabilized year over year in 2024-25 and 2025-26. Domestic enrolment increased significantly, in contrast to the expected decline in international enrolments. More specifically, international returning graduate enrolments contributed once again to Laurentian University's ability to maintain stable enrolment figures.

As noted, overall domestic enrolment increased year over year in 2025-26, with a 9% (444 FTE) increase across new and returning students at both the undergraduate and graduate academic levels. As a result, the actual domestic enrolments exceed the budgeted FTE enrolment by 9% for 2025-26 (see Table 2).

Immigration status aside, new enrolments increased during this period, up by 14% or a total of +255 FTE. In contrast, returning enrolments declined year over year, with returning FTE enrolments down 5% from 4,692 in

2024-25 to 4,470 FTE in 2025-26. This drop in returning enrolments was due almost entirely to a 32% decline in returning international graduate enrolment, while returning domestic enrolment remained relatively stable with a small 2% increase.

Domestic undergraduate enrolment increased by 8% resulting in 4,804 FTE. Contributing to this increase was a 25% surge in new intake enrolments, contrasting the stable 2% increase in the returning FTEs. Laurentian University exceeded its anticipated domestic undergraduate budgeted targets by 8%.

Despite the federal policy changes and damage to brand Canada across the sector, international undergraduate enrolment increased by 5% (+14 FTE) year over year, for a total of 286 FTE. This came as a result of a 6% increase in new intake and slightly higher number of returning (+5%) international undergraduate students.

Overall enrolment in graduate programs decreased by 20%, as Laurentian University saw a low volume of returning international graduate students as a result of federal policy changes and a large number of students completing their studies and graduating from the vast graduate level intakes seen in 2023 and 2024. International graduate enrolment declined from 1,264 FTE in Fall 2024 to 840 FTE in Fall 2025. There was, however, an increase in graduate-level enrolment among domestic students, rising 15% year over year to a total of 561 FTE due to increases in both new intake and returning enrolments.

Online degree program enrolment rose 17%, predominantly among domestic undergraduate students totalling 1,422 FTE, up from 1,217 in the fall of 2024. While enrolment for online learning increased, enrolment for on-campus degree programs declined slightly by 3%, a reduction of 134 FTE, driven by the large decline in international enrolment.

The overall proportion of students studying in a French-language degree program rose slightly year over year, from 24% in Fall 2024 to 28% in Fall 2025. The proportion of international students studying at Laurentian University declined from 20% in 2024-25 to 14% in 2025-26. Finally, the proportions of both first-generation and Indigenous students held steady, with first-generation enrolment remaining at 51%, and Indigenous student enrolment at 11% of the total student population (see Figure 1).



Table 1a: Fall Headcount Official Enrolment 2023F - 2025F

Immigration Status	Academic Level	Admission Type	Headcount					
			2023F		2024F		2025F	
Domestic	Undergraduate	New	1,441	-5%	1,528	6%	1,876	23%
		Returning	4,603	-4%	4,389	-5%	4,472	2%
		Total	6,044	-4%	5,917	-2%	6,348	7%
	Graduate	New	242	-11%	230	-5%	304	32%
		Returning	494	-4%	441	-11%	426	-3%
		Total	736	-6%	671	-9%	730	9%
	Total		6,780	-4%	6,588	-3%	7,078	7%
International	Undergraduate	New	121	75%	101	-17%	103	2%
		Returning	215	-8%	237	10%	250	5%
		Total	336	11%	338	1%	353	4%
	Graduate	New	591	281%	314	-47%	169	-46%
		Returning	494	203%	994	101%	672	-32%
		Total	1,085	241%	1,308	21%	841	-36%
	Total		1,421	129%	1,646	16%	1,194	-27%
Grand Total			8,201	6%	8,234	0%	8,272	0%

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

Fall FTE Enrolment*	Academic Level	Official Enrolment**				Deltas				2025-26 Planned Enrolments (Budget)				
		Historic			Official	YoY Change		Actual vs. Planned		Planned YoY Change		2025		
		2022	2023	2024		Delta 2025 Official vs 2024 Official		Delta 2025 Official vs 2025 Planned		Delta 2025 Planned vs 2024 Official		2025	2026	2027
Domestic	UG	4,605	4,375	4,316	4,733	417	10%	339	8%	78	2%	4,394	4,439	4,636
	GR	542	524	486	561	75	15%	112	25%	-37	-8%	449	451	464
	Total	5,147	4,898	4,802	5,294	492	10%	451	9%	41	1%	4,843	4,890	5,100
International	UG	239	265	266	281	15	5%	70	33%	-55	-21%	211	182	162
	GR	316	1,084	1,264	840	-425	-34%	-147	-15%	-277	-22%	987	813	801
	Total	555	1,348	1,530	1,120	-410	-27%	-78	-6%	-332	-22%	1,198	995	963
Grand Total		5,701	6,247	6,332	6,414	82	1%	373	6%	-291	-5%	6,041	5,885	6,063

*Total may not add up due to rounding and aggregation at a higher level
**Official enrolment excludes St. Lawrence to align with the planned enrolments.

Figure 1: Headcount Enrolment with Proportions - Fall Totals 2020-2025

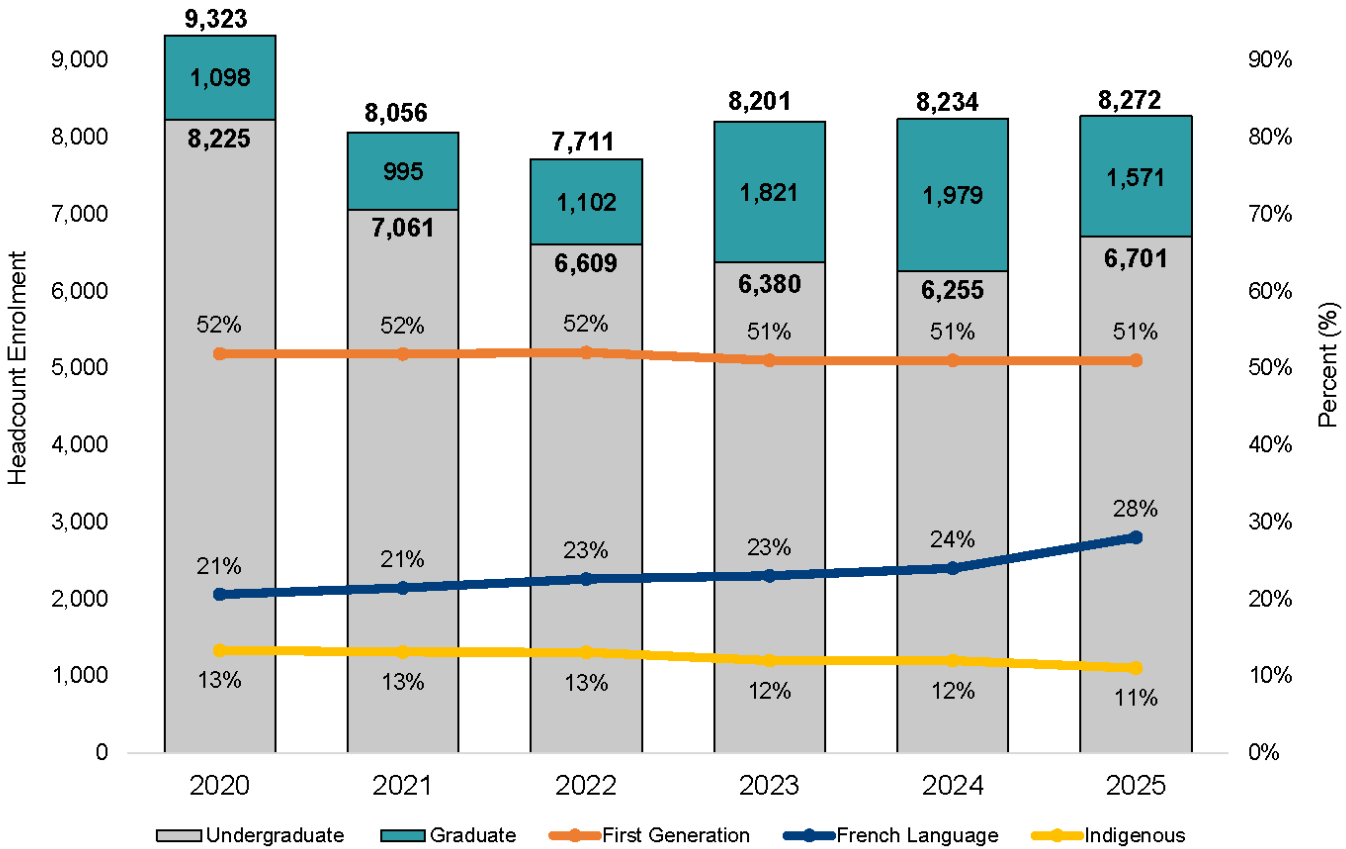


Table 1b: Fall FTE Official Enrolment 2023F - 2025F

Immigration Status	Academic Level	Admission Type	FTE					
			2023F		2024F		2025F	
Domestic	Undergraduate	New	1,149	-4%	1,218	6%	1,522	25%
		Returning	3,338	-5%	3,218	-4%	3,283	2%
		Total	4,487	-5%	4,436	-1%	4,804	8%
	Graduate	New	190	-10%	186	-2%	246	32%
		Returning	334	1%	300	-10%	315	5%
		Total	524	-3%	486	-7%	561	15%
	Total		5,011	-5%	4,922	-2%	5,366	9%
International	UG	New	101	85%	80	-20%	85	6%
		Returning	169	-10%	191	13%	200	5%
		Total	270	12%	272	1%	286	5%
	GR	New	591	281%	282	-52%	168	-40%
		Returning	493	206%	982	99%	671	-32%
		Total	1,084	243%	1,264	17%	840	-34%
	Total		1,353	143%	1,536	14%	1,125	-27%
Grand Total			6,365	9%	6,458	1%	6,491	1%



Financial Review

Consolidated Statement of Operations

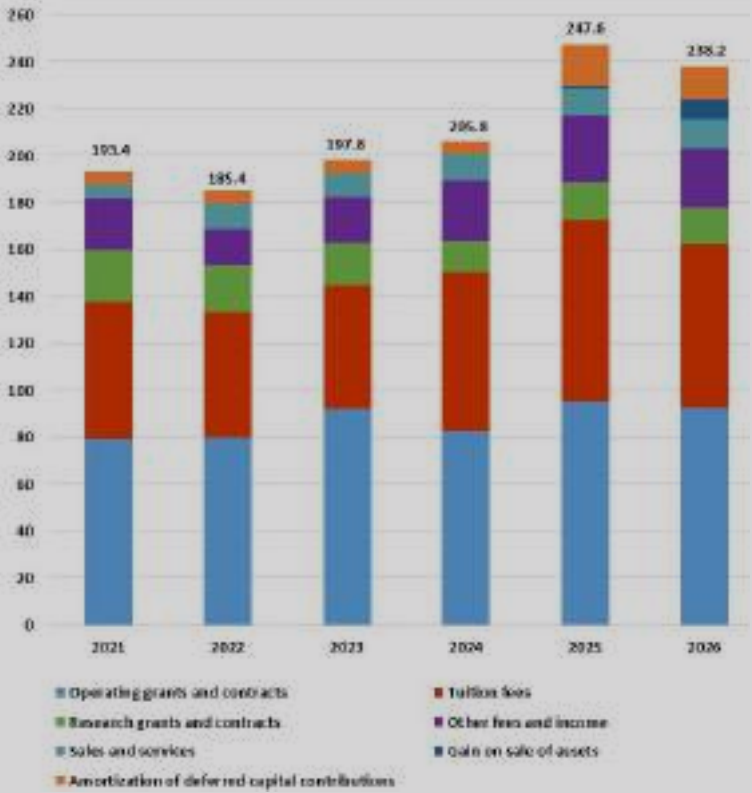
The University generated an Excess of Revenue over Expenses of \$39.1 million in 2025-26, compared to \$55.2 million in 2024-25. Excluding one-time transactions of \$18.4 million relating to property sale, Excess of Revenue over Expenses was \$20.7 million in 2025-26. Excluding transformation costs, the University generated an Excess of Revenue over Expenses of \$44.5 million compared to \$57.9 million in 2024-25.

Consolidated revenue of \$238.2 million decreased \$9.3 million (3.8%) from the previous year, while consolidated expenses of \$199.2 million increased \$6.8 million (3.5%).

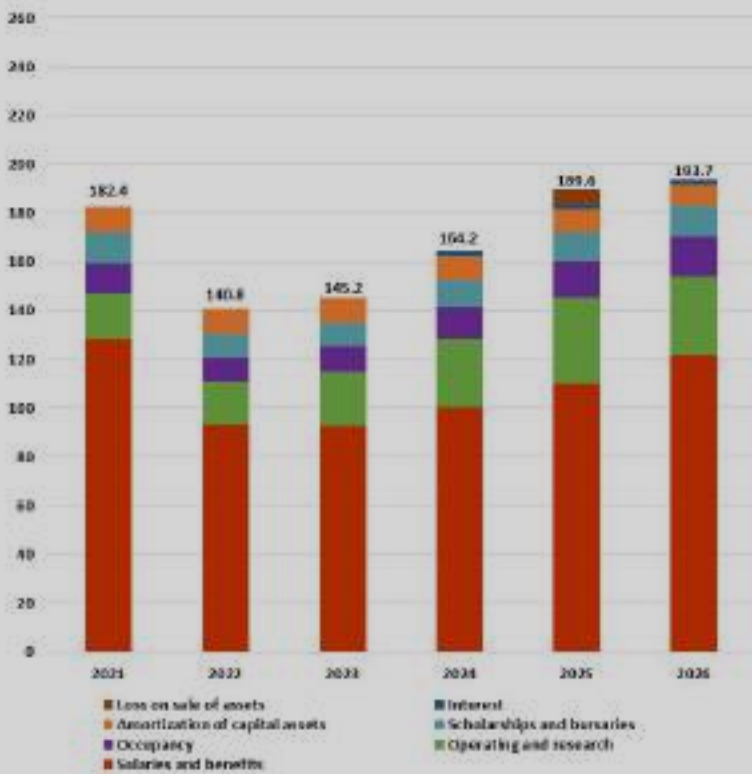
The sale of properties to the Province resulted in a one-time revenue of \$8.5 million from the gain on sale of assets, as well as \$9.9 million in gain from unamortized capital grants associated with the assets.



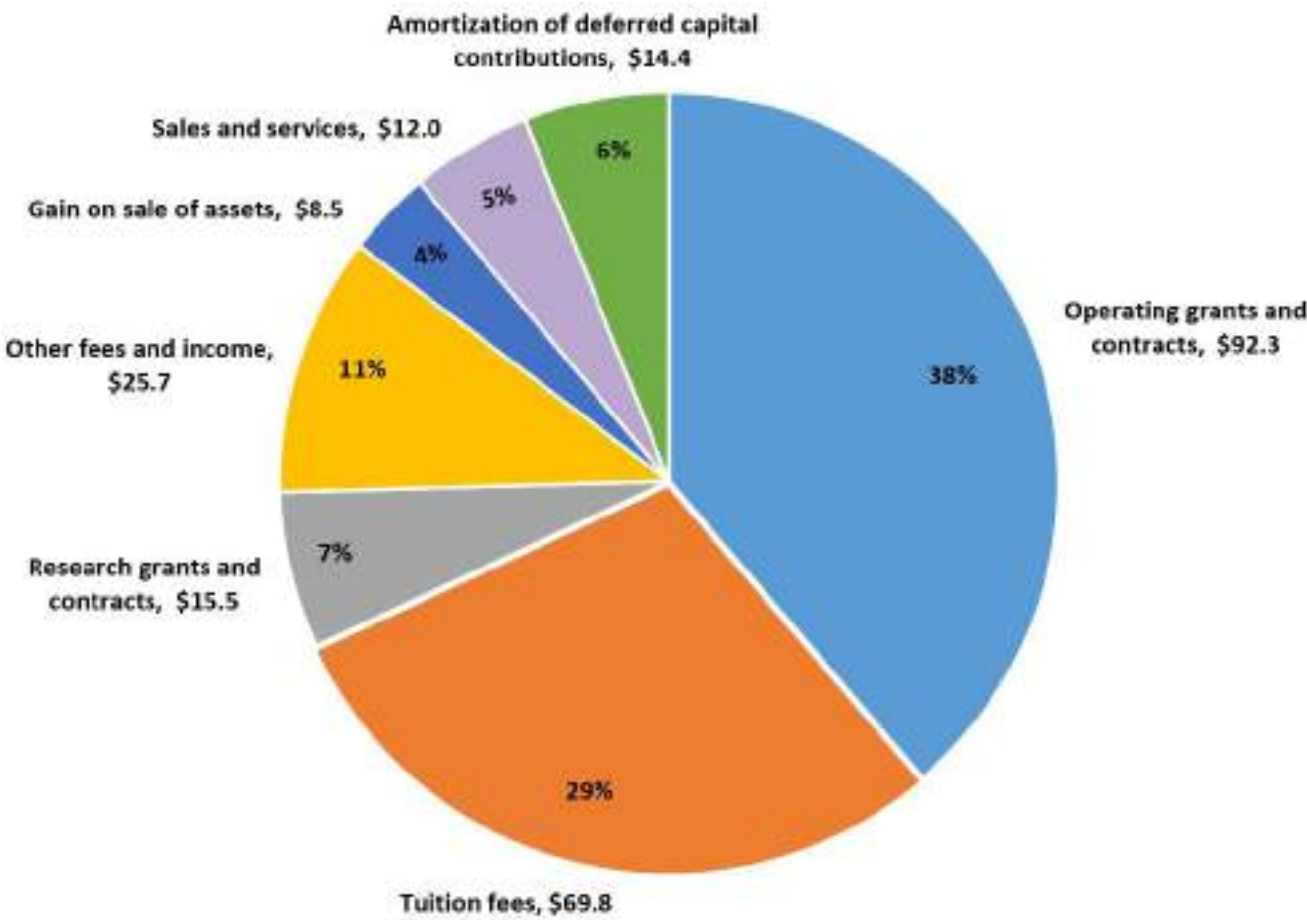
Revenue (\$Million)



Expenses, excluding other items (\$Million)



2025-26 Consolidated (\$Million)



Total revenue of \$238.2 million in 2025-26 was \$9.3 million lower than the previous year. Operating grants and contracts decreased 3.1% due to a reduction in Sustainability, Northern, and Performance operating grants. Tuition revenue decreased by 9.7%, reflecting a decline in international graduate student enrolment.

Other fees and income decreased 10.1%, primarily due to a \$1.6 million Section 211 HST claim recognized in the prior year, as well as lower investment income. Research grants and contracts decreased slightly by \$0.6 million or 3.6%.

The sale of properties to the Province in August 2025 resulted in one-time revenue of \$9.9 million from the recognition of unamortized capital grants related to the sold assets, as well as a \$8.5 million gain on the sale of assets. This represents a total of \$18.4 million of one-time revenue recorded in 2025-26.



Revenue by Category

Operating Grants and Contracts

At \$92.3 million in 2025-26, Operating Grants and Contracts represent 38.7% of Laurentian University's total revenue, a decrease of \$2.9 million from the previous year. The decrease was primarily attributable to lower MCURES funding including Sustainability, Northern, and Performance grants.

In June 2025, Laurentian University signed its fourth Strategic Mandate Agreement (SMA4) with the Ministry. As part of SMA4, MCURES offered a number of measures to try to mitigate potential funding risk. These included 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 implemented 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.

Tuition Fees

Revenue from tuition fees decreased by \$7.5 million, from \$77.3 million in 2024-25 to \$69.8 million in 2025-26. Although undergraduate enrolment increased 9.4% in 2025-26, graduate enrolment decreased by 19.9%. The decline in graduate enrolment was primarily driven by a lower volume of returning international graduate students following federal policy changes, as well as the completion of studies by students from the high-intake cohorts of 2023 and 2024.



Research Grants and Contracts

Research grants and contracts recognized during the year amounted to \$15.5 million, a decrease of \$0.5 million (3.6%) 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"), for which the University recognizes its proportionate 20% share of revenue and expenses.

Research revenue is recognized in the period in which the related research expenditures occur. Unspent research funding is reflected as deferred contributions which amounted to \$10.9 million on April 30, 2026 compared with \$11.8 million in the previous year.



Sales and Services

Sales and Services revenue is generated primarily through ancillary operations, which are intended to generate sufficient revenue from user fees, sales and services to cover total costs, including required capital reinvestments.

In 2025-26, Sales and Services revenues amounted to \$12.0 million, compared with \$11.6 million in 2024-25. This increase is primarily attributable to residence rates increases of 2 to 4%. Overall residence occupancy was 78% in 2025-26, compared with 77% in 2024-25.

Ancillary expenditures totalled \$10.1 million in 2025-26, an increase of \$3.0 million from the previous year. The increase was primarily due to higher spending on capital projects and the commencement of lease payments for East Residence following its sale to the Province.

Overall, ancillary operations generated an excess of revenue over expenses of \$0.9 million in 2025-26, which will support future capital maintenance requirements.

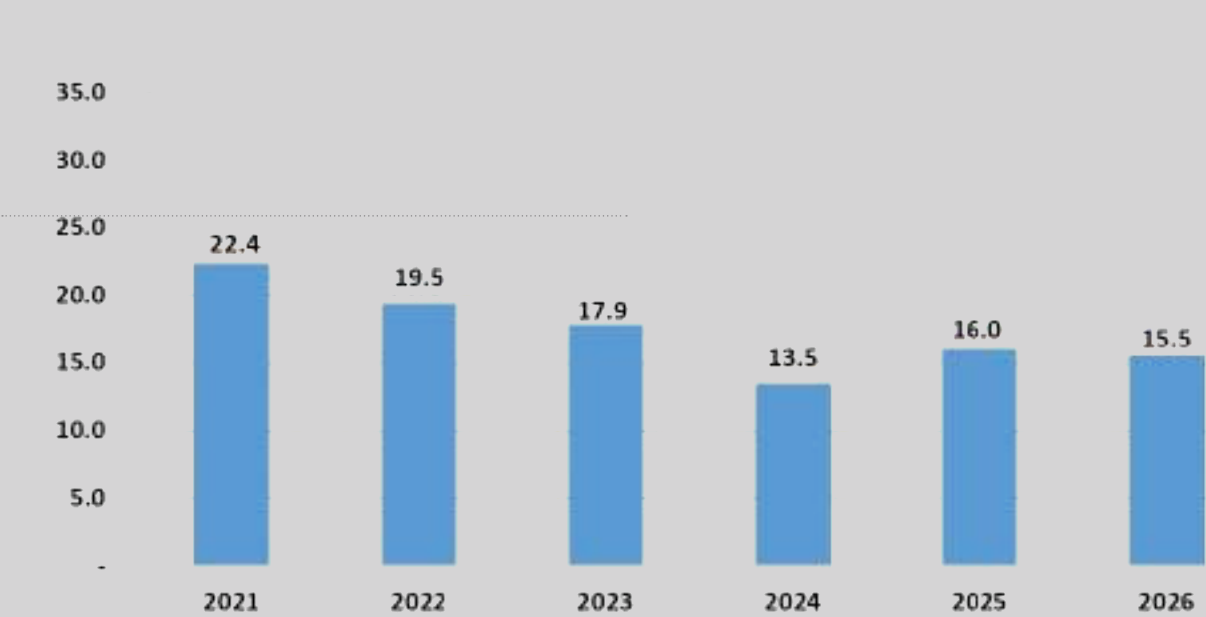
Other Fees and Income

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 \$25.7 million in 2025-26, a decrease of \$2.9 million from the previous

year. The decrease was primarily attributable to a \$1.6 million Section 211 HST claim recognized in the prior year, as well as a \$0.9 million decrease in investment income due to a decrease of interest rates in fiscal 2026 as compared to 2025.



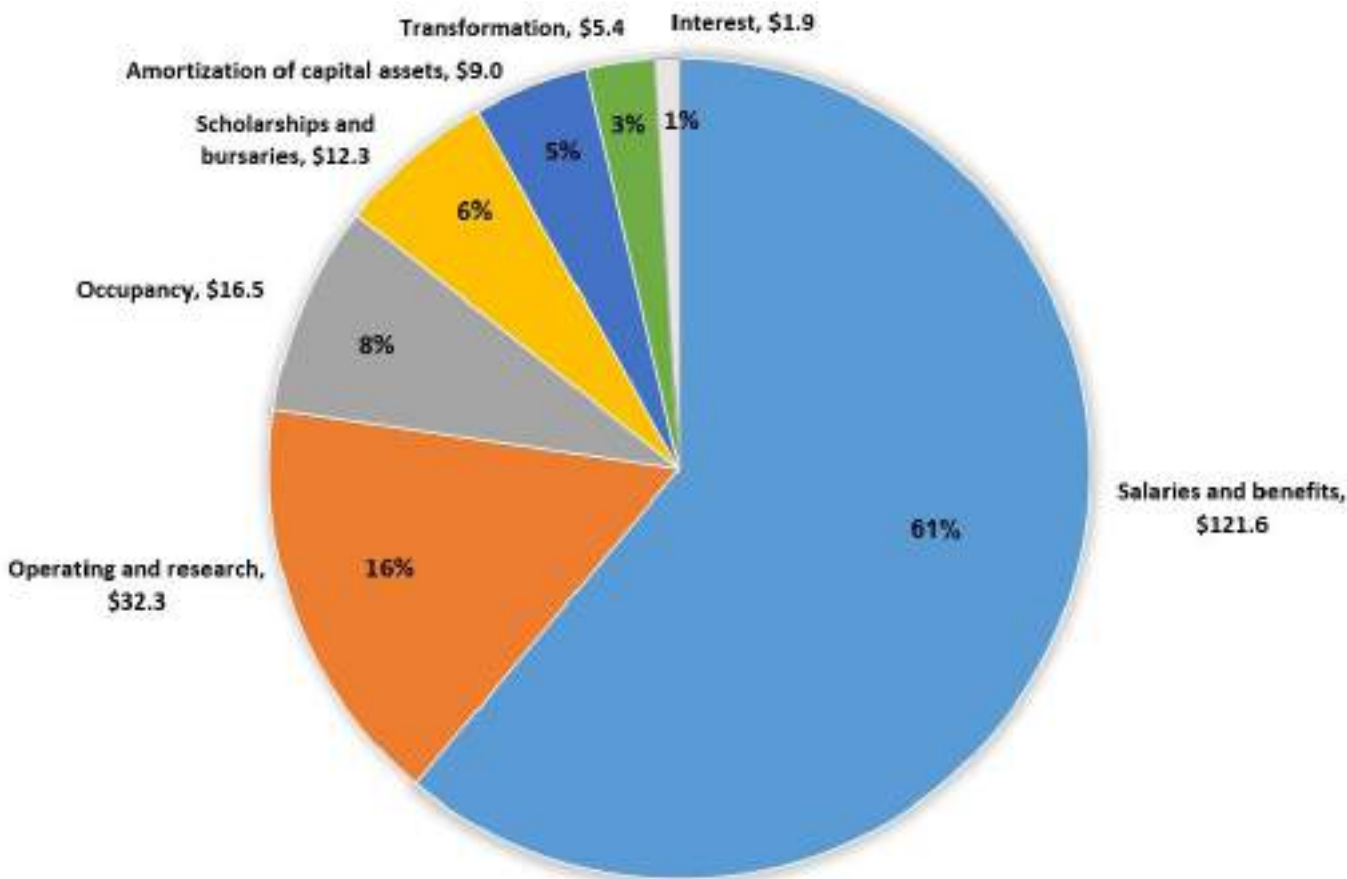
➤ Research Grants and Contracts (\$Million)





Expenses

2025-26 Consolidated Expenses (\$Million)



In 2025–26, the University’s expenses totalled \$199.2 million, including \$5.4 million in transformation costs, representing an increase of \$6.8 million from the previous year. The increase was primarily attributable to higher salaries and benefits and increased occupancy costs. In the prior year, the University recorded a \$6.1 million loss on the sale of assets related to the sale of the Vale Living with Lakes Centre and Watershed Building; no loss on the sale of assets was recorded in 2025–26.

Salaries and Benefits

Salaries and benefits represent the University’s largest expense category. At \$121.6 million in 2025–26, salaries and benefits increased by \$11.5 million (10.5%) from the previous year and accounted for 61.1% of overall expenditures in the consolidated financial statements, compared with 57.2% in 2024–25. The increase was primarily due to additional staffing in critical positions approved as part of the 2025–26 budget, as well as economic increases, progress-through-the-ranks increases, and salary increases pursuant to collective agreements.

Operating and Research

Operating and research expenses of \$32.3 million in 2025–26 were \$2.7 million lower than in the previous year. The decrease was primarily attributable to lower international agent fees and consulting fees.

Other Expenses

Occupancy expenses of \$16.5 million were \$1.3 million higher than in the previous year, primarily due to new leases resulting from the sale of properties to the Province. Scholarships and bursaries of \$12.3 million increased by \$0.9 million, mainly due to an increase in endowment scholarships awarded. Amortization of \$9.0 million decreased from \$9.7 million in the previous year, primarily due to properties sold during the year. Interest expense of \$1.9 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 to undertake a comprehensive operational restructuring and transformation. The estimated budget for the Transformation program is \$32.5 million, beginning in 2023–24, and is included in the five-year financial projections submitted to MCURES. During 2025–26, \$5.4 million was spent on establishing the Transformation Implementation Office and making initial investments in transformation projects, compared with \$2.8 million spent in 2024–25.



Capital Investments

Capital expenditures in 2025–26 amounted to \$13.1 million and related primarily to the Arts Building Mechanical and Electrical upgrade, Alphonse Raymond HVAC Project, Centre for Housing Innovation, and other critical capital projects and equipment.

The University continues to focus its limited operating funding resources on addressing the most urgent capital maintenance needs and on 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 \$228.7 million, compared with \$212.1 million in 2024–25, representing an increase of \$16.6 million. The increase reflects positive cash flows of \$12.7 million from financing activities and \$32.2 million from investing activities, partially offset by a \$28.3 million decrease from operating activities, primarily due to a \$44.6 million payment to the CCAA Distribution Pool during the year.

Accounts receivable of \$13.6 million decreased by \$2.4 million from the previous year, primarily due to a large Harmonized Sales Tax (HST) receivable in the prior year. Prepaid expenses increased slightly to \$3.9 million from \$3.7 million in the prior year and primarily consist of legal retainers, software and licences, prepaid insurance, and employee benefits.

Investments totalled \$67.4 million, an increase of \$8.8 million from the previous year, primarily attributable to strong investment returns in 2025–26. Laurentian University's investments include endowed funds received from donors, with the related investment income used in accordance with the various purposes established by the donors.

Capital assets totalled \$204.9 million in 2025–26, compared with \$227.4 million in 2024–25, including assets held for sale. The decrease in capital assets primarily resulted from the sale of properties to the Province in August 2025 (net book value of \$26.6 million), and \$9.0 million of amortization during the year. These reductions were partially offset by \$13.1 million in new capital additions during the year.

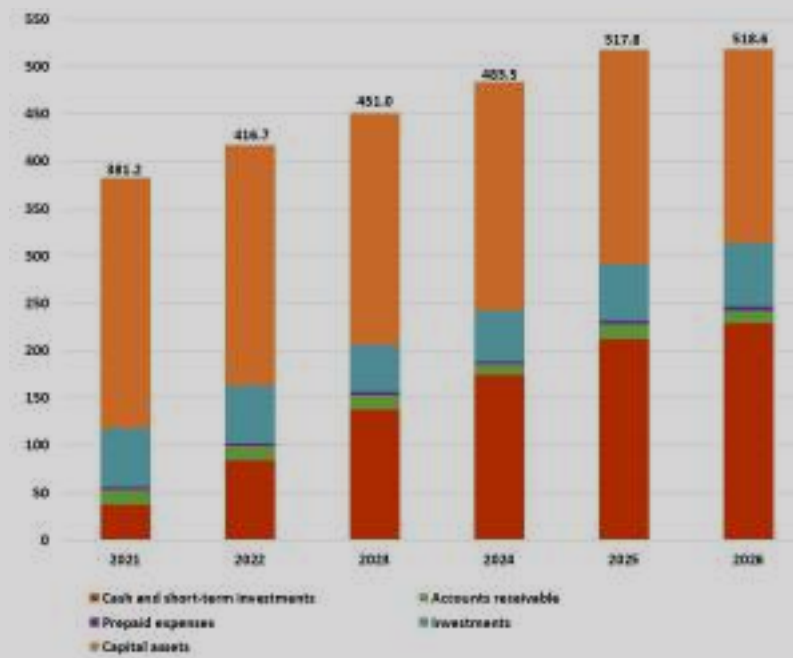
Liabilities

Laurentian University's liabilities decreased from \$230.7 million in 2024–25 to \$188.2 million in 2025–26, primarily due to a \$44.6 million decrease in the payable to the CCAA Distribution Pool and a \$7.3 million decrease in deferred capital contributions. These decreases were partially offset by an \$11.6 million increase in the deferred gain on the sale of assets.

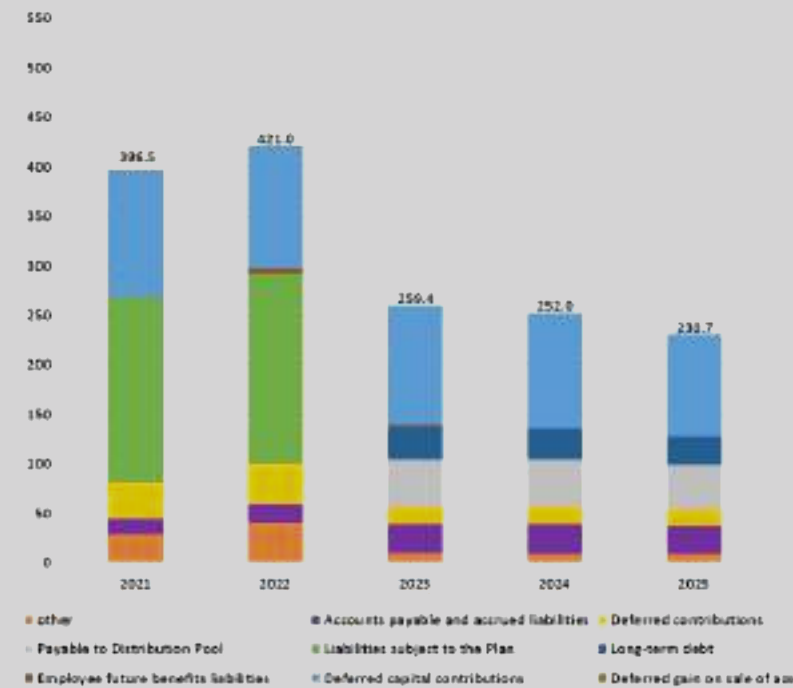
The University sold assets to the Province of Ontario on August 28, 2025, for proceeds of \$45.5 million. Of these proceeds, \$44.6 million was paid to the CCAA Distribution Pool, with the remaining \$0.9 million related to the sale of the Bell Mansion was retained by the University, given that the Distribution Pool was funded to the maximum amount of \$53.5 million. On January 30, 2026, the Monitor declared the distribution and subsequently took steps to distribute the Distribution Pool to affected creditors.



Assets (\$Million)



Liabilities and Deferred Contributions (\$Million)



The sale included properties that are being leased back by the University. The gain on the sale of these properties will be amortized over the initial 10-year lease terms. As at April 30, 2026, the deferred gain on the sale of assets was \$11.6 million.

Deferred capital contributions of \$95.3 million represent grants and contributions related to capital assets and are amortized on the same basis as the related assets. These deferred contributions decreased by \$7.3 million during the year, reflecting amortization of \$14.4 million, partially offset by \$7.1 million in new capital grants. The 2025–26 amortization of \$14.4 million includes \$9.9 million of deferred capital contributions recognized in connection with the sale of the Security and Maintenance property, Northern Ontario School of Medicine Building, and Health Sciences Building.

Upon implementation of the Plan in the CCAA proceedings, the University finalized a new secured long-term loan agreement with the Province of Ontario. During 2025–26, the University made principal repayments totalling \$1.7 million and interest payments of \$1.9 million, resulting in a balance owing on the long-term debt of \$29.7 million as at April 30, 2026, compared with \$31.4 million in the previous year.

The Exit Loan Agreement contains six financial covenants that must be maintained over the life of the agreement. The first covenant, requiring a Debt Coverage Ratio exceeding 1:1, commenced in 2023–24 and was met in each of the fiscal years 2023–24, 2024–25, and 2025–26. Two additional financial covenants — the Primary Reserve Ratio greater than 30 days and Expendable Net Assets exceeding \$nil — became effective in 2025–26 and were also met. The remaining three financial covenants — Net Income Ratio above 1.5%, Excess of Revenue exceeding \$nil, and Net Operating Revenue above 5% — are required to be met by fiscal 2027–28.



➤ **Financial Ratios per Loan Covenants**
(in thousands of dollars, where applicable)

	2025-26	2024-25
i) Net Income/Loss Ratio (Min. 1.5% starting 2027-28)	16.4%	22.3%
ii) Primary Reserve Ratio (Min. 30 days starting 2025-26)	294.0 days	205.2 days
iii) In-Year Excess of Revenue over Expenses >0 starting 2027-28	\$39,055	\$55,155
iv) Expendable Net Assets >0 starting 2025-26	\$160,412	\$108,089
v) Debt Coverage Ratio > 1:1 starting 2023-24	10.0	13.7
vi) Net Operating Revenue (Min. 5%, starting 2027-28)	-9.8%*	15.6%

*negative in 25-26 due to payment to distribution pool of \$44.6 million

Accounts payable and accrued liabilities of \$29.6 million primarily consist of amounts payable to vendors and students, as well as payroll liabilities. These liabilities increased by \$1.6 million, primarily due to higher accrued payroll at year-end resulting from some employees transitioning from monthly to bi-weekly payroll during the year.

Deferred contributions represent externally restricted funding received primarily for research projects and other expenditures. These contributions totalled \$15.3 million at April 30, 2026, a decrease of \$1.1 million from the previous year, primarily due to the spending of research grants.

➤ **Deferred contributions**

	2025-26	2024-25
(\$Thousand)		
Research grants	\$10,936	\$11,822
Other grants and contracts	\$3,513	\$3,727
Scholarships and bursaries	\$835	\$857
	\$15,284	\$16,406

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. Benefits improvements have been provided to active employees and retirees up to June 30th 2025, and are provided annually thereafter, subject to the Pension Plan's funding levels exceeding the criteria outlined in the Benefits and Funding Policy.

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, 2026, the University reported a Pension Plan liability of \$nil consistent with prior year.

Net Assets

The University had net assets of \$330.3 million at the end of fiscal 2025–26, an improvement of \$43.2 million from the previous year. The increase was primarily attributable to excess revenue over expenses of \$39.1 million (\$18.4 million of which is one-time from sale of properties) and an increase in endowments of \$7.2 million, partially offset by an employee future benefits remeasurement of \$3.1 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 includes various conditions, including the requirement to maintain 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%.
- vi) At each fiscal year end starting 2027-28, Laurentian shall have a Net Operating Revenue Ratio of not less than 5.0%.





**CONSOLIDATED
FINANCIAL STATEMENTS**

of Laurentian University of Sudbury

Year ended April 30, 2026



Tel: 289 881 1111
Fax: 905 845 8615
www.bdo.ca

BDO Canada LLP
360 Oakville Place Drive, Suite 500
Oakville ON L6H 6K8 Canada



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, 2026, 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, 2026, 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 Group 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 proceedings pursuant to the Companies' Creditors Arrangement Act ("CCAA"). On November 28, 2022, the University exited CCAA protection, resulting in the legal discharge of all liabilities under the Plan and the establishment of a Distribution Pool. During the year, the Distribution Pool was funded through the sale of certain real estate assets to the Province of Ontario and distributions were made 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.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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

Other Information (continued)

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 the 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

- 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 Group'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 Group to cease to continue as a going concern.
- 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 16, 2026

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Financial Position

April 30, 2026, with comparative information for 2025
(thousands of dollars)

	2026	2025
Assets		
Current assets:		
Cash and short-term investments (note 4)	\$ 228,727	\$ 212,143
Accounts receivable (note 5)	13,567	15,804
Capital assets held for sale (note 7(a))	-	26,591
Prepaid expenses	3,906	3,651
	246,200	258,189
Accounts receivable (note 5)	35	186
Investments (note 4)	67,389	58,592
Capital assets (note 7(b))	204,934	200,810
	\$ 518,558	\$ 517,777
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 8)	29,582	28,048
Payable to CCAA Distribution Pool (note 10)	-	44,606
Accrued vacation pay	3,925	3,500
Deferred revenue	2,799	4,135
Deferred contributions (note 11)	15,284	16,406
Current portion of long-term debt (note 9)	1,752	1,651
	53,342	98,346
Long-term obligations:		
Long-term debt (note 9)	27,983	29,735
Deferred gain on sale of assets (note 7(a)) (note 12)	11,632	-
Employee future benefits liabilities (note 6)	-	-
Deferred capital contributions (note 11(b))	95,253	102,570
Total liabilities	188,210	230,651
Net assets:		
Unrestricted	47,969	78,341
Employee future benefits (note 6)	-	-
Internally restricted (note 15)	112,443	29,751
Investment in capital assets (note 14)	110,180	126,507
Endowments (note 13)	59,756	52,527
	330,348	287,126
Commitments and contingencies (note 16)		
Subsequent events (note 24)		
	\$ 518,558	\$ 517,777

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, 2026, with comparative information for 2025
(thousands of dollars)

	2026	2025
Revenue:		
Operating grants and contracts	\$ 92,293	\$ 95,205
Tuition fees	69,788	77,254
Other fees and income (note 18)	25,722	28,619
Research grants and contracts	15,460	16,035
Sales and services	12,027	11,595
Amortization of deferred capital contributions (note 7(a)) (note 11(b))	14,426	17,964
Gain on sale of assets (note 7(a))	8,494	872
	238,210	247,544
Expenses:		
Salaries and benefits	121,636	110,117
Operating and research	32,327	35,051
Occupancy	16,535	15,246
Scholarships and bursaries	12,343	11,363
Amortization of capital assets	8,981	9,643
Loss on sale of assets (note 7(a))	-	6,171
Interest (note 9)	1,916	2,011
	193,738	189,602
Excess of revenue over expenses, before other items	44,472	57,942
Other items:		
Transformation (note 19)	(5,417)	(2,787)
Excess of revenue over expenses, after other items	\$ 39,055	\$ 55,155

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Changes in Net Assets

Year ended April 30, 2026, with comparative information for 2025
(thousands of dollars)

2026	Unrestricted	Employee Future Benefits	Internally Restricted (note 15)	Investment in Capital Assets (note 14)	Endowments (note 13)	Total
Net assets, beginning of year	\$ 78,341	\$ -	\$ 29,751	\$ 126,507	\$ 52,527	\$ 287,126
Excess (deficiency) of revenue over expenses:						
Operating	30,533	-	-	13,939	-	44,472
Transformation	(5,417)	-	-	-	-	(5,417)
	25,116	-	-	13,939	-	39,055
Transfer for capital transactions	30,266	-	-	(30,266)	-	-
Interfund transfers (note 15)	(82,692)	-	82,692	-	-	-
Excess of employer contributions over employee future benefits net benefit costs	(3,062)	3,062	-	-	-	-
Endowment contributions (note 13)	-	-	-	-	2,154	2,154
Net increase in endowments (note 13)	-	-	-	-	5,075	5,075
Employee future benefits remeasurements and other items (note 6)	-	(3,062)	-	-	-	(3,062)
Net assets, end of year	\$ 47,969	\$ -	\$ 112,443	\$ 110,180	\$ 59,756	\$ 330,348

2025	Unrestricted	Employee Future Benefits	Internally Restricted (note 15)	Investment in Capital Assets (note 14)	Endowments (note 13)	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)
	52,276	-	-	2,879	-	55,155
Transfer for capital transactions	5,165	-	-	(5,165)	-	-
Interfund transfers (note 15)	(16,383)	-	16,383	-	-	-
Excess of employer contributions over employee future benefits net benefit costs	(2,370)	2,370	-	-	-	-
Endowment contributions (note 13)	-	-	-	-	174	174
Net increase in endowments (note 13)	-	-	-	-	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

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Cash Flows

Year ended April 30, 2026, with comparative information for 2025
(thousands of dollars)

	2026	2025
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 39,055	\$ 55,155
Non-cash items:		
Amortization of capital assets	8,981	9,643
Amortization of deferred capital contributions (note 11(b))	(14,426)	(17,964)
Gain on sale of assets (note 7(a))	(8,494)	(872)
Unrealized gain on investments	(2,187)	(109)
Loss on sale of assets (note 7(a))	-	6,171
Impairment of capital assets	-	143
Excess of employer contributions over employee future benefits net benefit costs	(3,062)	(2,370)
	19,867	49,797
Change in non-cash working capital (note 17)	1,483	(8,419)
Change in payable to distribution pool (note 10)	(44,606)	(2,940)
	(23,256)	38,438
Cash flows from financing activities:		
Endowment contributions	2,154	174
Deferred capital contributions received (note 11(b))	7,109	4,080
Repayment of long-term debt (note 9)	(1,651)	(1,556)
	7,612	2,698
Cash flows from investing activities:		
Proceeds on sale of capital assets (note 7(a))	46,718	9,084
Purchases of capital assets	(13,106)	(9,955)
Change in long-term accounts receivable (note 5)	151	2
Purchase of investments	(1,535)	(2,601)
	32,228	(3,470)
Net increase in cash and short-term investments	16,584	37,666
Cash and short-term investments, beginning of year	212,143	174,477
Cash and short-term investments, end of year	\$ 228,727	\$ 212,143

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2026
(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, 2026
(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 2026, 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(a)). This support was subject to conditions, including final government approvals and the implementation of the Plan. Under the Plan, the proceeds of sale were to 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 received all funds paid into the Distribution Pool and effected all distributions to creditors from the Distribution Pool (note 24).

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(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 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, \$44,606 (2025 - \$2,940) was paid to the Distribution Pool (note 10), from proceeds from the sale of the East Residence property, Security and maintenance property, Northern Ontario School of Medicine and Health Sciences properties and other land (note 7(a)). On January 30, 2026, the Monitor declared the distribution and has since taken steps to distribute the Distribution Pool to Affected Creditors. Subsequent to year-end, the distribution was fully declared and issued (note 24).

(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.

Year ended April 30, 2026
(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 21 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.

Year ended April 30, 2026
(thousands of dollars)

3. Significant accounting policies (continued):

(a) Revenue recognition (continued):

Tuition, 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:

Short-term investments consist of Money Market funds. These funds can be cashed at anytime and are therefore classified as short-term.

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, \$531 (2025 - \$494) 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.

Year ended April 30, 2026
(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 July 1, 2025 and the next actuarial valuation will be completed no later than July 1, 2028.

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 net 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.

Year ended April 30, 2026
(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) 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.

(i) 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 are made 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, 2026
(thousands of dollars)

3. Significant accounting policies (continued):

(i) 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. During fiscal 2026, \$44,606 was paid to the Distribution Pool and on January 30, 2026, the Monitor declared the distribution and has since taken steps to distribute the distribution pool to Affected Creditors. Subsequent to year-end, the distribution was fully declared and issued (note 24).

4. Cash and investments:

	2026	2025
Short-term:		
Cash	\$ 205,990	\$ 189,987
Short-term investments	22,737	22,156
	\$ 228,727	\$ 212,143
Long-term:		
Equity	\$ 29,054	\$ 21,601
Fixed income	21,244	20,749
Global infrastructure	9,023	8,298
Structured credit	4,732	4,696
Real estate fund	3,336	3,248
	\$ 67,389	\$ 58,592

Included in the above is restricted cash of \$nil (2025 - \$nil) and restricted short-term investments of \$14,425 (2025 - \$15,023) (note 11(a)) relating to external contributions restricted for research and other expenditures to be incurred in subsequent fiscal years. 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 \$67,389 (2025 - \$58,592) include externally restricted endowment investments of \$59,756 (2025 - \$52,527) (note 13).

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

5. Accounts receivable:

	2026	2025
Restricted grants and contracts	\$ 4,289	\$ 4,033
Tuition and ancillary fees	8,427	7,938
Operating grants	2,221	3,533
Government remittances receivable	1,220	3,411
Other	1,852	1,666
	\$ 18,009	\$ 20,581
Less allowance for doubtful accounts	(4,407)	(4,591)
	\$ 13,602	\$ 15,990
Current portion of accounts receivable	\$ 13,567	\$ 15,804
Long-term accounts receivable	35	186
	\$ 13,602	\$ 15,990

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. Benefits improvements have been provided to active employees and retirees up to June 30th 2025, and are provided annually thereafter, subject to the Pension Plan's funding levels exceeding the criteria outlined in the Benefits and Funding Policy. 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, 2026, the University reflected a Pension Plan liability of \$nil (2025 - \$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, 2026
(thousands of dollars)

6. Employee future benefits (continued):

The breakdown of the Pension Plan is as follows:

	2026	2025
Accrued benefit obligation	\$ (487,947)	\$ (447,697)
Fair value of plan assets	500,254	458,561
Allowance for benefit reinstatement	(12,307)	(10,864)
Employee future benefits liabilities	\$ -	\$ -

The reconciliation of the pension plan at April 30, 2026 is as follows:

	Fair value of plan assets	Accrued benefit obligation	Allowance for benefit reinstatement	Accrued benefit assets/ (liabilities)
Balance as at April 30, 2025	\$ 458,561	\$ (447,697)	\$ (10,864)	\$ -
Contributions	11,853	(5,819)	-	6,034
Adjustment from FY2023/2025 following new actuarial valuation	(4,054)	4,054	-	-
Current period costs	-	(25,105)	-	(25,105)
Benefits paid	(23,570)	23,570	-	-
Actual return on plan assets	57,464	(9,319)	-	48,145
Actuarial gain	-	(23,833)	-	(23,833)
Plan amendment	-	(3,798)	-	(3,798)
Allowance for benefit reinstatement	-	-	(1,443)	(1,443)
Balance as at April 30, 2026	\$ 500,254	\$ (487,947)	\$ (12,307)	\$ -

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)	\$ -

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

6. Employee future benefits (continued):

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

	Pension Plan	
	2026	2025
Discount rate	6.35%	6.10%
Provision for adverse deviation (on non-indexed liabilities)	7.86%	7.86%
Expected long-term rate of return on Plan assets	6.35%	6.10%
Rate of inflation	2.00%	2.00%

7. Capital assets:

(a) Capital assets held for sale:

	Cost	Accumulated Amortization	2026 Net book Value	2025 Net book Value
East Residence:				
Building held for sale	\$ -	\$ -	\$ -	\$ 14,045
Site improvements held for sale	-	-	-	71
Land held for sale	-	-	-	58
Northern Ontario School of Medicine Building & Health Sciences Building:				
Building held for sale	-	-	-	10,098
Land held for sale	-	-	-	173
Security and Maintenance:				
Building held for sale	-	-	-	556
Land held for sale	-	-	-	166
Other land held for sale:				
Willet Green Miller Centre land and vacant adjacent land	-	-	-	350
Parking lot (the "Pit")	-	-	-	690
Additional institutional land	-	-	-	300
Bell Mansion:				
Building held for sale	-	-	-	-
Land held for sale	-	-	-	84
	\$ -	\$ -	\$ -	\$ 26,591

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

7. Capital assets (continued):

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

Included in the prior year Capital assets held for sale is the East Residence property with a net book value of \$14,174. On August 28, 2025, the University sold this property to the Province of Ontario for proceeds of \$24,100 and is now leasing it back (note 16(e)). The gain on sale of \$9,926 will be deferred and amortized over the lease term (note 12).

Included in the prior year Capital assets held for sale are the Northern Ontario School of Medicine Building and Health Sciences Building with a net book value of \$10,271. Prior year deferred capital contributions include an unamortized balance of \$9,366 related to this asset (note 11(b)). On August 28, 2025, the University sold this property to the Province of Ontario for proceeds of \$16,800. The sale resulted in a gain on sale of \$6,529 and unamortized deferred capital contributions of \$9,366 recognized as revenue (note 11(b)).

Included in the prior year Capital assets held for sale is the Security and Maintenance property with a net book value of \$722. Prior year deferred capital contributions include an unamortized balance of \$556 related to this asset (note 11(b)). On August 28, 2025, the University sold this property to the Province of Ontario for proceeds of \$2,850 and is now leasing it back (note 16(f)). The gain on sale of \$2,128 will be deferred and amortized over the lease term (note 12) and unamortized deferred capital contributions of \$556 were recognized as revenue (note 11(b)).

Included in the prior year Capital assets held for sale is other land with a net book value of \$1,340. On August 28, 2025, the University sold this property to the Province of Ontario for proceeds of \$1,750 and is now leasing a portion back (note 16(g)). The gain on sale of \$410 will be amortized over the lease term (note 12).

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 was retained by the University.

Included in prior year Capital assets held for sale is 251 John St. also known as Bell Mansion, with a net book value of \$84. The property sold on October 31, 2025 for proceeds of \$1,218 resulting in a gain on sale of \$1,134 which has been recorded in the statement of operations.

In prior year, the University sold the Vale Living with Lakes Centre and Watershed Building properties with a net book value of \$14,120 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. Upon the sale, deferred capital contributions of \$12,852 were recognized as revenue and are included in prior year 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 16(d)).

In prior year, the University also sold the property known as the President's House 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 recorded in the statement of operations.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

7. Capital assets (continued):

Gain on sale of assets:

	2026	2025
Northern Ontario School of Medicine and Health Sciences Building	\$ 6,529	\$ -
Bell Mansion	1,134	-
President's House	-	872
Amortization of deferred gains on sale of assets (note 12)	831	-
Gain on sale of assets	\$ 8,494	\$ 872

Loss on sale of assets:

	2026	2025
Vale Living with Lakes Centre and Watershed Building properties	\$ -	\$ 6,120
Mirarco equipment sale	-	51
Loss on sale of assets	\$ -	\$ 6,171

(b) Capital assets:

			2026	2025
	Cost	Accumulated Amortization	Net book Value	Net book Value
Buildings	\$ 302,893	\$ 131,472	\$ 171,421	\$ 175,490
Building components	18,714	1,816	16,898	9,720
Equipment and furnishings	70,025	64,534	5,491	4,367
Site improvements	10,830	10,133	697	806
Land	10,427	-	10,427	10,427
	\$ 412,889	\$ 207,955	\$ 204,934	\$ 200,810

A total of \$3,491 (2025 - \$883) 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.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

8. Accounts payable and accrued liabilities:

Included in Accounts payable and accrued liabilities are government remittances payable of \$3,690 (2025 - \$2,353), 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 2026, the University made principal payments totalling \$1,651 (2025 - \$1,556) as required by the terms of the Exit Financing. Total interest paid on long-term debt during the year was \$1,916 (2025 - \$2,011). 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, 2024-25 and 2025-26. Two financial covenants, Primary Reserve Ratio greater than 30 days and Expendable Net Assets exceeding \$nil, became required in fiscal 2025-26 and were met, 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 in fiscal 2027-28.

The University's indebtedness as of April 30, 2026 and 2025 consisted of the following:

	Rate	Fixed Maturity	2026	2025
Province of Ontario	6.11%	2038	\$ 29,735	\$ 31,386
Less: Current portion of long-term debt			(1,752)	(1,651)
			\$ 27,983	\$ 29,735

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

2027	\$ 1,752
2028	1,859
2029	1,972
2030	2,093
2031	2,220
Thereafter	19,839
	\$ 29,735

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

10. Payable to CCAA Distribution Pool:

The Payable to CCAA Distribution Pool in prior year (note 2(b)) (note 3(i)) represents the amount that was owing to the Distribution Pool pursuant to the Plan.

In prior year, \$2,940 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(a)). 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.

The University sold assets to the Province of Ontario on August 28, 2025 for proceeds of \$44,500 and from this \$44,606 was paid to the Distribution Pool and \$894 retained by the University (note 7(a)). On January 30, 2026, the Monitor declared the distribution and has since taken steps to distribute the Distribution Pool to Affected Creditors. Subsequent to year-end, the distribution was fully declared and issued (note 24).

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:

	2026	2025
Balance, beginning of year	\$ 16,406	\$ 18,135
Add contributions received in the year	13,564	9,982
Less amounts recognized as revenue	(14,686)	(11,711)
Balance, end of year	\$ 15,284	\$ 16,406

Deferred contributions recognized in the year for all types of revenue was \$14,686 (2025 - \$11,711). Included in this amount is \$9,769 (2025 - \$8,417) of research income. The corresponding expenses related to this research activity are \$5,437 (2025 - \$4,610) in salaries and benefits expense; \$3,834 (2025 - \$2,429) in operating and research expense and \$498 (2025 - \$491) in scholarships and bursaries expense.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

11. Deferred contributions (continued):

Deferred contributions consist of the following:

	2026	2025
Research grants	\$ 10,936	\$ 11,822
Other grants and contracts	3,513	3,727
Scholarships and bursaries	835	857
Balance, end of year	\$ 15,284	\$ 16,406

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

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

	2026	2025
Amount of deferred contributions held in separate bank accounts or short-term investment account:		
Unspent research grant account	\$ 10,936	\$ 11,822
Restricted funds account	3,489	3,201
Amount of deferred contributions not held in separate bank accounts or short-term investment account	859	1,383
	\$ 15,284	\$ 16,406

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, 2026
(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:

	2026	2025
Unspent:		
Balance, beginning of year	\$ 1,676	\$ 3,632
Add contributions received in the year	7,109	4,080
Less amounts spent	(8,286)	(6,036)
Balance, end of year	499	1,676
Unamortized:		
Balance, beginning of year	100,894	112,822
Add contributions spent in the year	8,286	6,036
Less amount amortized to revenue:		
Recognized upon sale of properties (note 7 (a))	(9,922)	(12,852)
Amortization upon sale of Mirarco equipment	-	(241)
Other amortization	(4,504)	(4,871)
	(14,426)	(17,964)
Balance, end of year	94,754	100,894
Total unspent and unamortized capital contributions	\$ 95,253	\$ 102,570

Included in unamortized deferred capital contributions is \$nil (2025 - \$9,992) relating to properties held for sale (note 7(a)).

12. Deferred gain on sale of assets:

Gains on the sale of leased properties will be amortized over their 10-year lease terms ending August 27, 2035 (note 7(a)). These leases commenced on August 28, 2025 resulting in 8 months of amortization, \$832 in 2026 (2025 - \$nil).

	Gain on Sale	Amortized	2026	2025
East residence property	\$ 9,926	\$ (663)	\$ 9,263	\$ -
Security and maintenance property	2,128	(142)	1,986	-
Parking lot 15 "Pit"	410	(27)	383	-
	\$ 12,464	\$ (832)	\$ 11,632	\$ -

Year ended April 30, 2026
(thousands of dollars)

13. 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 2026, the University approved a distribution of up to 5% (2025 – 5%) of the fair value of the endowment investment, subject to availability of earned investment income in each endowment account. Total actual amount distributed was \$1,980 (2025- \$1,568).

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 \$531 (2025 – \$494).

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

	2026	2025
Balance, beginning of year	\$ 52,527	\$ 49,614
Endowment contributions	2,154	174
Net increase (decrease) in Endowments		
Investment income	7,887	5,087
Administrative fee	(531)	(494)
Investment management fees	(301)	(286)
Investment income distributed	(1,980)	(1,568)
	5,075	2,739
Balance, end of year	\$ 59,756	\$ 52,527

Year ended April 30, 2026
(thousands of dollars)

13. 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:

	2026	2025
Cumulative endowment contributions	\$ 38,771	\$ 36,616
Cumulative reinvested investment income	20,985	15,911
	\$ 59,756	\$ 52,527

The breakdown of investment income is as follows:

	2026	2025
Unrealized gains	\$ 7,262	\$ 2,848
Interest income and dividends	6,108	7,979
Realized gains (losses)	(92)	1,013
	\$ 13,278	\$ 11,840
Investment income related to endowments	5,605	3,233
Investment income recognized in other fees and income (note 18)	7,673	8,607
	\$ 13,278	\$ 11,840

14. Investment in capital assets:

The Investment in capital assets is calculated as follows:

	2026	2025
Capital assets held for sale	\$ -	\$ 26,591
Capital assets	204,934	200,810
Less amounts financed by:		
Unamortized deferred capital contributions (note 11(b))	(94,754)	(100,894)
	\$ 110,180	\$ 126,507

Year ended April 30, 2026
(thousands of dollars)

15. Internally restricted net assets:

	2026	2025
Infrastructure	\$ 65,000	\$ -
Transformation (note 19)	12,675	7,992
Ancillaries	7,754	6,851
Other projects and initiatives	5,178	4,572
Operational contingency	5,000	-
Academic strategic initiatives	5,000	-
Capital projects	3,307	3,381
Enrolment enhancement	3,169	4,800
Quality assurance remediation	2,744	-
Departmental and subsidiary research	2,616	2,155
	\$ 112,443	\$ 29,751

During the year, the University established the Infrastructure internally restricted fund and transferred \$65,000 (2025 - \$nil) from the unrestricted fund to the internally restricted fund for the purpose of supporting future infrastructure projects.

The Transformation internally restricted fund represents unspent budget carried forward for the implementation of the Transformation Plan and will be used to fund transformation projects spending in future years (note 19). The University transferred \$4,683 (2025 - \$4,413) 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 \$903 (2025 - \$3,432) from the unrestricted fund to the internally restricted fund for the purpose of future ancillary 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 \$606 (2025 - \$1,428) from the unrestricted fund to the internally restricted fund for the purpose of future spending on these initiatives.

During the year, the University established the Operational contingency internally restricted fund and transferred \$5,000 (2025 - \$nil) from the unrestricted fund to the internally restricted fund for the purpose of addressing future unexpected operational expenditures.

During the year, the University established the Academic strategic initiatives internally restricted fund and transferred \$5,000 (2025 - \$nil) from the unrestricted fund to the internally restricted fund for the purpose of supporting strategic academic projects.

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 \$nil (2025 - \$1,868) from the unrestricted fund to the internally restricted fund for the purpose of future capital spending. The University transferred net spending of \$74 (2025 - \$nil) from the internally restricted fund to the unrestricted fund.

Year ended April 30, 2026
(thousands of dollars)

15. Internally restricted net assets (continued):

During the prior year, the University established the Enrolment enhancement internally restricted fund aimed at enhancing recruitment, enrolment, and, therefore, institutional revenue. The University transferred \$nil (2025 - \$4,800) from the unrestricted fund to the internally restricted fund for the purpose of enrolment enhancement projects and spent \$1,631 on these projects (2025 - \$nil).

During the year, the University established the Quality assurance internally restricted fund and transferred \$2,744 (2025 - \$nil) from the unrestricted fund to the internally restricted fund for the purpose of addressing outstanding quality assurance initiatives.

The Departmental and subsidiary research internally restricted fund relates to MIRARCO and other internally restricted research projects. The University transferred from the unrestricted fund \$461 (2025 - \$442) of surplus for the purpose of future internal research spending.

Internally restricted net assets are approved by Board resolution.

16. 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.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

16. Commitments and contingencies (continued):

- (c) 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. Annual rent of \$1,326 plus HST is payable in equal monthly installments until August 27, 2035.
- (f) On August 28, 2025, the University signed a 10-year lease with the Province of Ontario for the Security and maintenance property. Annual rent of \$222 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”. Annual rent of \$83 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 \$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 19). During 2025-26, \$5,417 was spent on this project (2025 - \$2,787).
- (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 in prior years amounted 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 consolidated 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. The decommissioning costs or the facility expansions are the responsibility of member institutions based on their proportionate share.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements (continued)

Year ended April 30, 2026
(thousands of dollars)

17. Change in non-cash working capital:

	2026	2025
Cash flows from operating activities:		
Accounts receivable	\$ 2,237	\$ (5,468)
Prepaid expenses	(255)	53
Accounts payable and accrued liabilities	1,534	(1,815)
Accrued vacation pay	425	467
Deferred revenue	(1,336)	73
Deferred contributions	(1,122)	(1,729)
	\$ 1,483	\$ (8,419)

18. Other fees and income:

Details of the other fees and income are as follows:

	2026	2025
Investment income (note 13)	\$ 7,673	\$ 8,607
Course fees and other	6,781	7,112
Administrative fees	3,836	4,402
Compulsory fees	3,343	3,234
Sponsored students	2,257	2,250
HST Section 211 assessment	-	1,683
Scholarships, bursaries and other restricted contributions	1,832	1,331
	\$ 25,722	\$ 28,619

19. 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.

Year ended April 30, 2026
(thousands of dollars)

20. Financial risks:

The University is subject to the following financial risks from its financial instruments, there have been no changes from the previous year:

(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, and long-term debt as disclosed in the consolidated statement of cash flows and notes 4 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, 2026, the University has long-term debt with the Province of Ontario in the amount of \$29,735 (2025 - \$31,386) 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.

Year ended April 30, 2026
(thousands of dollars)

20. 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.

21. 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 (note 2 (c)), 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:

	2026	2025
Recoveries and charges for goods and services	\$ 1,591	\$ 1,289

At April 30, 2026 the University had \$382 (2025 - \$219) of receivables from CEMI and had a payable of \$nil (2025 - \$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, 2026
(thousands of dollars)

22. 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 in 2024 from 2023. The Government of Canada cap for 2025 decreased 10% and the cap for 2026 decreased another 7%. A significant portion of the University's tuition revenue is derived from international students, accounting for 14% of students (2025 – 20%). The impact for 2026-27 and beyond is unknown at this time and the University will continue to monitor and will reduce spending as necessary.

23. Comparative information:

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

24. Subsequent events:

Subsequent to year-end, the CCAA Distribution Pool (note 10) was fully delared and issued.





LaurentianUniversity
Université**Laurentienne**

935 Ramsey Lake Rd., Sudbury ON Canada P3E 2C6
1-800-461-4030

laurentian.ca

