Université Laval

Financial Statements
April 30, 2026

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Independent Auditor's Report

To the Members of the Board of Directors of
Université Laval

Opinion

We have audited the financial statements of Université Laval, which comprise the statement of financial position as at April 30, 2026, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Université Laval as at April 30, 2026, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “Auditor's responsibilities for the audit of the financial statements” section of our report. We are independent of Université Laval in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing Université Laval'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 Université Laval or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Université Laval's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

– Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Université Laval's internal control;

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

– Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Université Laval's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Université Laval to cease to continue as a going concern;

– Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Raymond Chabot Grant Thornton S.E.N.C.R.L.[1]

Québec
September 23, 2026

[1] CPA auditor, public accountancy permit no. A119912

Université Laval
Operations
Year ended April 30, 2026
(in thousands of dollars)

	Operating Fund		Restricted Fund		Capital Assets Fund		Endowment Fund		Subscription Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$	**$**	$	**$**	$
Revenues												
Subsidies – Ministère de l'Enseignement supérieur (MES) (Note 3)	**625,851**	598,385	**11,254**	18,066	**52,624**	54,986	**–**	–	**–**	–	**689,729**	671,437
Tuition fees	**174,062**	176,050	**–**	–	**–**	–	**–**	–	**–**	–	**174,062**	176,050
Community services	**24,625**	23,760	**11,505**	13,258	**–**	–	**–**	–	**–**	–	**36,130**	37,018
External services	**55,140**	46,796	**–**	–	**128**	135	**–**	–	**–**	–	**55,268**	46,931
Net investment income (Note 20)	**24,725**	35,302	**13,751**	12,931	**1,375**	1,711	**–**	–	**908**	1,106	**40,759**	51,050
Student services	**37,930**	35,001	**17,805**	15,898	**–**	–	**–**	–	**–**	–	**55,735**	50,899
Ancillary services	**21,936**	21,591	**–**	–	**–**	–	**–**	–	**–**	–	**21,936**	21,591
Donations	**–**	–	**25,035**	30,751	**2,660**	3,238	**–**	–	**187**	228	**27,882**	34,217
Other subsidies and revenues	**16,791**	16,695	**272,429**	255,600	**31,354**	26,623	**–**	–	**–**	–	**320,574**	298,918
	981,060	953,580	**351,779**	346,504	**88,141**	86,693	**–**	–	**1,095**	1,334	**1,422,075**	1,388,111
Expenses												
Teaching and independent research	**587,064**	549,672	**7,486**	7,603	**–**	–	**–**	–	**–**	–	**594,550**	557,275
Community services	**19,947**	19,794	**22,664**	25,762	**–**	–	**–**	–	**–**	–	**42,611**	45,556
Research	**22,002**	18,504	**278,775**	272,162	**–**	–	**–**	–	**–**	–	**300,777**	290,666
Support services	**224,334**	216,154	**2,775**	1,559	**382**	938	**94**	236	**84**	2	**227,669**	218,889
Student services	**36,374**	33,909	**32,149**	32,637	**–**	–	**–**	–	**–**	–	**68,523**	66,546
Ancillary services	**16,809**	14,780	**–**	–	**–**	–	**–**	–	**–**	–	**16,809**	14,780
Renovations and redevelopment	**–**	–	**–**	–	**15,937**	8,893	**–**	–	**–**	–	**15,937**	8,893
Interest on long-term debt	**–**	–	**–**	–	**14,129**	15,859	**–**	–	**–**	–	**14,129**	15,859
Future employee benefits	**5,342**	1,512	**–**	–	**–**	–	**–**	–	**–**	–	**5,342**	1,512
Amortization of tangible capital assets (Note 9)	**–**	–	**–**	–	**102,211**	92,558	**–**	–	**–**	–	**102,211**	92,558
Amortization of intangible capital assets (Note 10)	**–**	–	**–**	–	**115**	60	**–**	–	**–**	–	**115**	60
	911,872	854,325	**343,849**	339,723	**132,774**	118,308	**94**	236	**84**	2	**1,388,673**	1,312,594
Excess (deficiency) of revenues over expenses	**69,188**	99,255	**7,930**	6,781	**(44,633)**	(31,615)	**(94)**	(236)	**1,011**	1,332	**33,402**	75,517

The accompanying notes are an integral part of the financial statements.

Université Laval
Changes in Fund Balances
Year ended April 30, 2026
(in thousands of dollars)

	Operating Fund		Restricted Fund		Capital Assets Fund		Endowment Fund		Subscription Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$	**$**	$	**$**	$
Fund balances (negative), beginning of year	**(175,969)**	(174,640)	**–**	–	**549,201**	491,597	**237,424**	224,497	**864**	2,860	**611,520**	544,314
Excess (deficiency) of revenues over expenses	**69,188**	99,255	**7,930**	6,781	**(44,633)**	(31,615)	**(94)**	(236)	**1,011**	1,332	**33,402**	75,517
Remeasurements and other items related to the pension and other postretirement benefit plans	**19,026**	(10,554)	**–**	–	**–**	–	**–**	–	**–**	–	**19,026**	(10,554)
Endowment contributions	**–**	–	**–**	–	**–**	–	**3,460**	2,171	**–**	–	**3,460**	2,171
Contributions restricted to the acquisition of capital assets not subject to amortization	**–**	–	**–**	–	**71**	72	**–**	–	**–**	–	**71**	72
Interfund transfers (Note 4)	**(75,947)**	(90,030)	**(7,930)**	(6,781)	**77,126**	89,147	**7,424**	10,992	**(673)**	(3,328)	**–**	–
Fund balances (negative), end of year	**(163,702)**	(175,969)	**–**	–	**581,765**	549,201	**248,214**	237,424	**1,202**	864	**667,479**	611,520

The accompanying notes are an integral part of the financial statements.

Université Laval
Cash Flows
Year ended April 30, 2026
(in thousands of dollars)

	2026	2025
	$	$
OPERATING ACTIVITIES		
Excess of revenues over expenses	**33,402**	75,517
Non-cash items		
Net change in fair value of investments (Note 20)	**9,488**	(20,445)
Loss (gain) on disposal of investments	**(10,206)**	5,829
Net change in defined benefit liability	**2,902**	(772)
Amortization of deferred contributions related to capital assets (Note 17)	**(35,927)**	(31,296)
Loss (gain) on disposal of tangible capital assets	**(89)**	29
Loss on disposal of intangible capital assets	**36**	–
Amortization of tangible capital assets (Note 9)	**102,211**	92,558
Amortization of intangible capital assets	**115**	60
Buildings completed by emphyteutic lessees (Note 9)	**(1,129)**	(523)
Net change in working capital items (Note 5)	**49,117**	106,388
Cash flows from operating activities	**149,920**	227,345
INVESTING ACTIVITIES		
Net change in current investments	**24,962**	(62,475)
Investments	**(138,739)**	(135,727)
Disposal of investments	**188,276**	125,129
Tangible capital assets	**(163,098)**	(184,807)
Proceeds from disposal of tangible capital assets	**189**	–
Intangible capital assets	**(377)**	(296)
Cash flows from investing activities	**(88,787)**	(258,176)
FINANCING ACTIVITIES		
Net change in bank loans	**8,585**	(29,454)
Repayment of long-term debt	**(58,013)**	(70,710)
Deferred contributions related to capital assets (Note 17)	**72,449**	77,251
Endowment contributions	**3,460**	2,171
Cash flows from financing activities	**26,481**	(20,742)
Net increase (decrease) in cash	**87,614**	(51,573)
Cash, beginning of year	**77,410**	128,983
Cash, end of year	**165,024**	77,410

The accompanying notes are an integral part of the financial statements.

Université Laval
Financial Position
April 30, 2026
(in thousands of dollars)

	Operating Fund		Restricted Fund		Capital Assets Fund		Endowment Fund		Subscription Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$	**$**	$	**$**	$
ASSETS												
Current												
Cash	**165,024**	77,410	**–**	–	**–**	–	**–**	–	**–**	–	**165,024**	77,410
Accounts receivable and other amounts receivable (Note 6)	**85,866**	76,873	**54,220**	51,957	**123,030**	64,730	**–**	–	**–**	–	**263,116**	193,560
Prepaid expenses (Note 7)	**9,073**	8,471	**2,059**	3,931	**–**	–	**–**	–	**–**	–	**11,132**	12,402
Current portion of investments (Note 8)	**341,617**	415,046	**43,940**	–	**3,845**	–	**–**	–	**682**	–	**390,084**	415,046
Interfund advances, without interest	**–**	–	**278,464**	273,093	**302,922**	289,613	**326**	2,682	**–**	–	**–**	–
	601,580	577,800	**378,683**	328,981	**429,797**	354,343	**326**	2,682	**682**	–	**829,356**	698,418
Long-term												
Accounts receivable and other amounts receivable (Note 6)	**–**	–	**–**	–	**352,360**	471,625	**–**	–	**–**	–	**352,360**	471,625
Investments (Note 8)	**45,398**	61,052	**25,160**	65,132	**431**	4,188	**250,477**	236,930	**820**	3,803	**322,286**	371,105
Tangible capital assets (Note 9)	**–**	–	**–**	–	**1,207,656**	1,146,693	**–**	–	**–**	–	**1,207,656**	1,146,693
Intangible capital assets (Note 10)	**–**	–	**–**	–	**607**	381	**–**	–	**–**	–	**607**	381
	646,978	638,852	**403,843**	394,113	**1,990,851**	1,977,230	**250,803**	239,612	**1,502**	3,803	**2,712,265**	2,688,222

Université Laval
Financial Position
April 30, 2026
(in thousands of dollars)

	Operating Fund		Restricted Fund		Capital Assets Fund		Endowment Fund		Subscription Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$	**$**	$	**$**	$
LIABILITIES												
Current												
Bank loans (Note 11)	**–**	–	**–**	–	**35,683**	27,098	**–**	–	**–**	–	**35,683**	27,098
Accounts payable and other operating liabilities (Note 12)	**197,452**	209,485	**22,093**	25,489	**26,726**	33,001	**2,589**	2,188	**1**	2	**248,861**	270,165
Deferred revenues (Note 13)	**14,979**	9,925	**–**	–	**–**	–	**–**	–	**–**	–	**14,979**	9,925
Deferred contributions (Note 14)	**–**	–	**381,750**	368,624	**–**	–	**–**	–	**–**	–	**381,750**	368,624
Interfund advances, without interest	**581,413**	562,451	**–**	–	**–**	–	**–**	–	**299**	2,937	**–**	–
Current portion of long-term debt (Note 15)	**–**	–	**–**	–	**116,713**	58,013	**–**	–	**–**	–	**116,713**	58,013
	793,844	781,861	**403,843**	394,113	**179,122**	118,112	**2,589**	2,188	**300**	2,939	**797,986**	733,825
Long-term												
Long-term debt (Note 15)	**–**	–	**–**	–	**308,515**	425,228	**–**	–	**–**	–	**308,515**	425,228
Defined benefit liability (Note 16)	**16,836**	32,960	**–**	–	**–**	–	**–**	–	**–**	–	**16,836**	32,960
Deferred contributions related to capital assets (Note 17)	**–**	–	**–**	–	**921,449**	884,689	**–**	–	**–**	–	**921,449**	884,689
	810,680	814,821	**403,843**	394,113	**1,409,086**	1,428,029	**2,589**	2,188	**300**	2,939	**2,044,786**	2,076,702
FUND BALANCES (NEGATIVE) (NOTE 19)												
Unrestricted	**(215,050)**	(226,535)	**–**	–	**–**	–	**–**	–	**1,202**	864	**(213,848)**	(225,671)
Internally restricted	**51,348**	50,566	**–**	–	**–**	–	**131,579**	123,014	**–**	–	**182,927**	173,580
Restricted as endowments	**–**	–	**–**	–	**–**	–	**116,635**	114,410	**–**	–	**116,635**	114,410
Invested in capital assets	**–**	–	**–**	–	**581,765**	549,201	**–**	–	**–**	–	**581,765**	549,201
	(163,702)	(175,969)	**–**	–	**581,765**	549,201	**248,214**	237,424	**1,202**	864	**667,479**	611,520
	646,978	638,852	**403,843**	394,113	**1,990,851**	1,977,230	**250,803**	239,612	**1,502**	3,803	**2,712,265**	2,688,222

The accompanying notes are an integral part of the financial statements.

On behalf of the Board,

Director

Director

1 - UNIVERSITÉ LAVAL'S GOVERNING STATUTES AND OBJECTIVES

Université Laval was incorporated pursuant to Bill 115 of the Quebec National Assembly, sanctioned on September 1, 1971.

Université Laval's mission is to contribute to the development of society through the training of competent, responsible individuals who are agents of change and through the advancement and sharing of knowledge in a dynamic environment that promotes research and creativity.

Université Laval (hereinafter the “University”) is a tax-exempt organization as defined in the *Income Tax Act.*

2 - SIGNIFICANT ACCOUNTING POLICIES

The University's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the significant accounting policies described below:

Funds classification

The University presents its financial information by funds:

Operating Fund

This fund includes amounts without external restrictions that can be used to achieve the University's fundamental objectives, such as teaching, research, community services, etc.

Restricted Fund

This fund includes amounts that can only be used in accordance with the restrictions imposed by the donor. Only external restrictions are considered to restrict the use of these funds.

Capital Assets Fund

This fund includes amounts that can only be used for transactions relating to capital assets and the financing thereof. This fund also includes all items falling within the scope of AcG-20, “Customer's Accounting for Cloud Computing Arrangements”, as well as related financing.

Endowment Fund

This fund includes donations to the University. The principal must be maintained at all times and the income derived from such principal can generally only be used as specified by the donor.

Subscription Fund

This fund includes amounts collected through financing campaigns and is not externally restricted.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to financial statements. These estimates are based on management's best knowledge of current events and actions that the University may undertake in the future. Actual results may differ from these estimates.

Principles of consolidation

The University has elected to prepare non-consolidated financial statements only. Information regarding not-for-profit organizations controlled by the University is provided in Notes 24 and 25.

Ancillary services

Ancillary services include services for residences, parking, reprography, event logistics and the Montmorency Forest (forest management).

Foreign currency translation

Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate in effect at the date of the statement of financial position. Non-monetary assets and liabilities are translated at historical exchange rates, with the exception of those recognized at fair value, which are translated at the exchange rate in effect at the date of the statement of financial position. Revenues and expenses in foreign currency are translated at the exchange rate in effect at the transaction date and exchange gains and losses on financial assets and liabilities are included in the statement of operations. Exchange gains or losses on financial assets and liabilities measured at fair value are included in the net change in fair value presented in the net investment income.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible and intangible capital assets

Capital assets are recorded in the Capital Assets Fund at acquisition cost and amortized in accordance with instructions issued by the MES according to the straight-line method and the following periods:

	Periods
Major improvements – building services	25 years
Major improvements – interior redevelopment	30 years
Major improvements – structure and architecture	40 years
Landscaping under $30,000	10 years
Landscaping over $30,000	20 years
Buildings with a wooden structure	40 years
Buildings, excluding those with a wooden structure	50 years
Library documents	10 years
Audiovisual and communication equipment	5 years
Computer equipment	3 years
Specialized equipment	10 years
Other equipment	10 years
Automotive equipment	5 years
Furniture	5 years
Telecommunications network	10 years
Leasehold improvements	Remaining lease term
Development costs relating to non-credit training activities	5 years
Other assets subject to amortization	20 years

Projects in progress and buildings completed by emphyteutic lessees are not amortized; amortization will respectively begin from the date they are put into service and from the date of retrocession.

Write-down

When conditions indicate that a tangible or intangible capital asset is impaired, the net carrying amount of the capital asset is written down to its fair value or replacement cost. The write-down is accounted for in the statement of operations and cannot be reversed.

Emphyteutic leases

The University has entered into emphyteutic leases, under which it has granted rights to use land in exchange for primarily non-monetary consideration in the form of retrocession rights, upon maturity, of the infrastructures that will have been constructed on the land by the emphyteutic lessees in accordance with the terms of the emphyteutic leases.

The University recognizes, on a straight-line basis over the term of the leases, the rental income related to the land, which corresponds to the sum of the monetary consideration specified in the leases and the estimated fair value of the right to use the land.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

The excess of the amount recognized as revenue over the amount received is recognized as a tangible capital asset under “Buildings completed by emphyteutic lessees”. The tangible capital asset is subject to an impairment test when events or changes in circumstances indicate that its carrying amount may not be recoverable. Any adjustment to the estimated fair value of the right to use the land granted to the lessees results, if applicable, in the recognition of an impairment loss on the tangible capital asset and a prospective adjustment to rental income over the remaining term of the emphyteutic leases.

Contribution recognition

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

Endowment contributions and contributions restricted to the acquisition of capital assets not subject to amortization are presented as direct increases in the appropriate fund balances.

Donations

Donated real property, equipment, supplies and services received by the University are recorded at their fair value when fair value can be reasonably estimated and if the University would have had to otherwise acquire these supplies and services for its normal operations.

Research subsidies, contracts and other revenues

Research subsidies from external organizations are included in the Restricted Fund. These subsidies are generally granted to researchers, but are paid to the University as agent.

Investment income

Restricted investment income is recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Therefore, investment income earned on the Endowment Fund is presented in the Operating Fund, the Restricted Fund, the Capital Assets Fund and the Subscription Fund depending on the nature of any restriction imposed by contributors. Investment income to be added to the endowment capital is presented as a direct increase in the Endowment Fund balance. Unrestricted interest income is recognized in the Operating Fund when it is earned.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

The University's principal sources of revenues, other than contributions, are tuition fees, community services, external services and student services. Revenues are recognized when the following conditions are fulfilled:

– There is evidence of the existence of an agreement;
– Services have been supplied;
– Sale price is or can be determined;
– Collection is reasonably assured.

Revenues are recognized as the services are supplied. Deferred revenues represent receipts for which revenues are not yet earned.

Interest on debts

Capital Assets Fund

Interests on credit facilities with the Government of Quebec Financing Fund and debts secured by the Government of Quebec are reimbursed by the MES.

Future employee benefits

Defined benefit plans

The University offers the following to its eligible employees:

– Defined benefit pension plans (collectively hereinafter the “pension plans”);
– Another defined benefit plan, i.e., a health insurance plan for retirees (hereinafter the “other benefit plan”).

The University recognizes its obligations under each defined benefit plan as employees render the services necessary to earn the pension benefits. For each defined benefit plan, the University determines its defined benefit obligations using the projected benefit method prorated on services.

The balance of the pension plans obligations is based on the most recent actuarial valuation for funding purposes, which is extrapolated to the University's year-end date. The University recognizes its obligations in respect of these pension plans in the statement of financial position, net of the fair value of the plan assets. If the fair value of the assets exceeds the defined benefit obligations, the defined benefit asset must be adjusted, if necessary, to take into account any valuation allowance.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

The balance of the other benefit plan obligation is based on the most recent actuarial valuation for accounting purposes, which is prepared using management's best estimate assumptions as at the date of the full actuarial valuation and is extrapolated to the University's year-end date.

The cost of all these defined benefit plans comprises the current service cost and the interest cost, i.e., the net interest on the defined benefit liability or asset.

Remeasurements and other items, recognized in the statement of changes in fund balances, correspond to the difference between the actual return on pension plan assets and the return calculated using the discount rate used to determine the defined benefit obligations, to actuarial gains and losses, to the impact of valuation allowances (if any) in the case of a net defined benefit asset, to past service cost (which is recognized immediately on the date of plan amendments) and to gains and losses arising from settlements and curtailments. Remeasurements and other items are not reclassified in the statement of operations in a subsequent year.

Defined contribution plan

The University also offers a defined contribution plan to its lecturers, research professionals and certain other employees who do not meet the criteria for participation in the defined benefit plans. The costs of the defined contribution pension plan are recognized when payments are due, in accordance with the terms of the plan.

Financial assets and liabilities

Initial measurement

Upon initial measurement, the University's financial assets and liabilities from transactions not concluded with related parties and those from transactions with parties whose sole relationship with the entity is in the capacity of management (and members of the immediate family) are measured at fair value, which, in the case of financial assets or liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs. The University's financial assets and liabilities from related party transactions are measured at cost.

Transaction costs relating to financial assets and liabilities that will be subsequently measured at fair value and those relating to financial assets and liabilities from related party transactions are recognized in operations in the year they are incurred.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent measurement

At each reporting date, the University measures its financial assets and liabilities from transactions not concluded with related parties at amortized cost (including any impairment in the case of financial assets), except for portfolio investments in equity instruments that are quoted in an active market, that is mutual fund investments and shares, which are measured at fair value, and investments in the master trust fund, which the University has elected to measure at fair value by designating that fair value measurement shall apply. With respect to the financial assets and liabilities from related party transactions, the University measures them using the cost method (including any impairment in the case of financial assets).

Transaction costs relating to financial assets and liabilities that are measured at amortized cost, and any difference arising from their initial measurement at fair value, are amortized using the effective rate method over the term of the related financial instrument. Amortization of transaction costs related to long-term debt is recognized in operations as interest expenses on long-term debt.

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

Derivative financial instruments

The University uses interest rate swaps to manage its interest rate risk exposure resulting from its long-term debt. It does not use these derivative financial instruments for trading or speculative purposes.

The University has elected to use hedge accounting to recognize the interest rate swaps it uses to provide protection against interest rate fluctuations on its variable interest rate debt.

At the inception of the hedging relationship, the University formally documented the hedging relationship, identifying the hedged item, the related hedging item, the nature of the specific risk exposure being hedged and the intended term of the hedging relationship. Both at the inception of the hedging relationship and throughout its term, the University has reasonable assurance that the critical terms of the hedging item and the hedged item will remain the same. For hedged items that are an anticipated transaction, the University determines that it is probable that the anticipated transaction will occur at the time and in the amount designated, as documented at the inception of the hedging relationship.

The University discontinues hedge accounting when the hedged item or the hedging item ceases to exist or when the critical terms of the hedging item cease to match those of the hedged item.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Asset retirement obligations

The University recognizes an asset retirement obligation when there is a legal obligation associated with the retirement of a tangible capital asset that arises from its acquisition, construction, development or normal operation. The University recognizes a liability for such an obligation in the period in which it arises, provided that it can be reasonably estimated.

The amount recognized for an asset retirement obligation corresponds to management's best estimate of the expenditure required to settle the obligation at the date of the statement of financial position. Asset retirement costs are capitalized as part of the cost of the assets concerned, and are amortized on a straight-line basis from the date of the legal obligation until the planned completion of the asset retirement activities.

The initial measurement of the liability is made by discounting the estimated cash flows required to perform the asset retirement activities. Cash flows are adjusted for inflation and discounted using a discount rate that represents management's best estimate of the funds required to settle the obligation at its known or estimated maturity.

The liability recognized is adjusted each year for new obligations, actual costs incurred, revisions to estimates and accretion expense.

Cloud computing arrangements

When entering into a cloud computing arrangement, the University allocates the arrangement consideration to each significant separate element based on its stand-alone price. The cost of tangible capital assets is recognized as an asset and the right-of-use of tangible assets is recognized as expenses on a straight-line basis over the arrangement term for operating leases or as leased tangible capital assets.

To recognize the costs related to such arrangements, which are included in the scope of AcG-20, “Customer’s Accounting for Cloud Computing Arrangements”, of Part II of the *CPA Canada Handbook – Accounting,* the University has elected to apply the simplification approach and thus recognizes those costs as expenses as incurred as if they were related to providing services. These expenses total $3,039,520 for the year ($2,928,130 in 2025) and are recognized in the statement of operations under Renovations and redevelopment in the Capital Assets Fund.

3 - SUBSIDIES – MES

Operating Fund

This item does not include the $4,400,000 ($4,164,000 in 2025) subsidy for student services, which is included under this category.

Capital Assets Fund

A substantial portion of subsidies for this fund includes amounts allocated for the reimbursement of interest and capital assets financed by the MES.

4 - INTERFUND TRANSFERS

During the year, in accordance with a decision of the Board of Directors, unrestricted resources were restricted for the following purposes:

	2026	2025
	$	$
Projects		
Operating Fund	**(75,947)**	(90,030)
Restricted Fund	**(7,930)**	(6,781)
Capital Assets Fund	**77,126**	89,147
Endowment Fund	**7,424**	10,992
Subscription Fund	**(673)**	(3,328)
	–	–

5 - INFORMATION ON CASH FLOWS

The net change in working capital items is as follows:

	2026	2025
	$	$
Accounts receivable and other amounts receivable	**49,709**	105,218
Prepaid expenses	**1,270**	(1,297)
Accounts payable and other operating liabilities	**(20,042)**	5,869
Deferred revenues	**5,054**	794
Deferred contributions	**13,126**	(4,196)
	49,117	106,388

6 - ACCOUNTS RECEIVABLE AND OTHER AMOUNTS RECEIVABLE

Current

	2026	2025
	$	$
Operating Fund		
Subsidy – MES (1)	**77,293**	51,487
Sales, independent businesses and other	**1,709**	16,904
Tuition fees and other expenses	**6,864**	8,482
	85,866	76,873
Restricted Fund		
Subsidies, contracts and other (2)	**54,220**	51,957
Capital Assets Fund		
Subsidies (3)	**119,944**	61,604
Other	**3,086**	3,126
	123,030	64,730
	263,116	193,560

Long-term

	2026	2025
	$	$
Capital Assets Fund		
Subsidies (3)	**352,360**	471,625

Accounts receivable and other amounts receivable are presented in the financial statements net of an allowance for impairment of $6,713,000, that is $5,830,000 for tuition fees and $883,000 for general billing ($9,175,900 as at April 30, 2025, that is $7,906,400 for tuition fees and $1,269,500 for general billing). The amount of the impairment loss related to accounts receivable and other amounts receivable is $2,395,460 for the year ($2,142,418 in 2025).

(1) The subsidy – MES receivable consists of the total final subsidy balance for the year 2025-2026 of $67,761,795, and the account receivable relating to the change in the student population of $9,531,827 (as at April 30, 2025, it consists of the total final subsidy balance for the year 2024-2025 of $56,173,689, net of the adjustment relating to the change in the student population of $4,686,758).

(2) Subsidies receivable from the Restricted Fund are generally from governments and government bodies.

(3) Subsidies receivable from the Capital Assets Fund represent the amounts to be received in repayment of long-term debt and bank loans. Subsidies receivable also include an amount of $4,455,292 ($4,937,805 as at April 30, 2025) related to the interest on the financing of capital assets, which is repaid by the MES.

6 - ACCOUNTS RECEIVABLE AND OTHER AMOUNTS RECEIVABLE (continued)

Conditional subsidy

According to the financial framework proposed by the MES, the University is committed to balancing its budget and respecting the remuneration framework of senior administrative personnel. Non-compliance with this commitment could result in changes in the subsidies granted. As at April 30, 2026, an amount of $47,767,450 has been recorded as revenue and is receivable on that date ($47,658,094 receivable as at April 30, 2025). This amount was cashed on July 30, 2026.

7 - PREPAID EXPENSES

These expenses are supplies and services from the different faculties to be used in the coming year and advances to projects.

8 - INVESTMENTS

						2026
	Operating Fund	Restricted Fund	apital Assets Fund	Endowment Fund	Subscription Fund	Total
	$	$	$	$	$	$
Master trust fund	2,180	25,084	431	250,477	820	278,992
Shares	22,460	76	–	–	–	22,536
Fixed-interest securities	20,758	–	–	–	–	20,758
Money market securities and other	341,617	43,940	3,845	–	682	390,084
	387,015	69,100	4,276	250,477	1,502	712,370
Current portion	341,617	43,940	3,845	–	682	390,084
	45,398	25,160	431	250,477	820	322,286

8 - INVESTMENTS (continued)

	2025					
	Operating Fund	Restricted Fund	Capital Assets Fund	Endowment Fund	Subscription Fund	Total
	$	$	$	$	$	$
Master trust fund	8,581	65,100	4,188	236,930	3,803	318,602
Shares	27,375	32	–	–	–	27,407
Fixed-interest securities	25,096	–	–	–	–	25,096
Money market securities and other	415,046	–	–	–	–	415,046
	476,098	65,132	4,188	236,930	3,803	786,151
Current portion	415,046	–	–	–	–	415,046
	61,052	65,132	4,188	236,930	3,803	371,105

Shares assigned to the University

In connection with the signing of license agreements entitling private businesses to exploit intellectual property it owns, the University was granted shares in the following companies:

– BioVec Pharma Inc., 50 common shares, voting, participating, without par value;

– InflammatoRx Inc., 50 common shares, voting, participating, without par value;

– DiaMentis Inc., 500,170 common shares;

– SOVAR, limited partnership, 1 class “B” common share, 4 class “Gel A” preferred shares, 1 class “Gel C” preferred share, 191,504 preferred shares and 1 “UL” preferred share;

– Depix Technologies Inc., 48,000 common shares;

– Capcyte Biotherapeutics Inc., 10,000 common shares.

Since there is no market value for these shares, they are not recorded in the statement of financial position.

9 - TANGIBLE CAPITAL ASSETS

	2026		
	Cost	**Accumulated amortization**	**Unamortized cost**
	$	**$**	**$**
Major improvements	**652,104**	**178,349**	**473,755**
Landscaping	**63,006**	**28,308**	**34,698**
Buildings	**726,934**	**342,374**	**384,560**
Library documents	**95,713**	**46,808**	**48,905**
Audiovisual and communication equipment	**10,524**	**4,950**	**5,574**
Computer equipment	**103,215**	**49,475**	**53,740**
Specialized equipment	**174,199**	**84,274**	**89,925**
Other equipment	**2,543**	**403**	**2,140**
Automotive equipment	**3,601**	**1,417**	**2,184**
Furniture	**7,870**	**4,546**	**3,324**
Telecommunications network	**3,299**	**460**	**2,839**
Leasehold improvements	**2,488**	**431**	**2,057**
Assets not subject to amortization	**8,824**	**–**	**8,824**
Buildings completed by emphyteutic lessees	**5,550**	**–**	**5,550**
Projects in progress	**75,635**	**–**	**75,635**
Land	**13,946**	**–**	**13,946**
	1,949,451	**741,795**	**1,207,656**

	2025		
	Cost	Accumulated amortization	Unamortized cost
	$	$	$
Major improvements	624,290	157,027	467,263
Landscaping	56,236	25,344	30,892
Buildings	614,602	329,758	284,844
Library documents	95,122	46,568	48,554
Audiovisual and communication equipment	9,360	4,299	5,061
Computer equipment	93,043	42,332	50,711
Specialized equipment	168,608	81,019	87,589
Other equipment	1,802	186	1,616
Automotive equipment	2,992	1,167	1,825
Furniture	8,153	4,022	4,131
Telecommunications network	2,533	168	2,365
Leasehold improvements	463	116	347
Assets not subject to amortization	8,752	–	8,752
Buildings completed by emphyteutic lessees	4,421	–	4,421
Projects in progress	134,376	–	134,376
Land	13,946	–	13,946
	1,838,699	692,006	1,146,693

9 - TANGIBLE CAPITAL ASSETS (continued)

The University has signed emphyteutic leases, ranging from 50 to 75 years, including one with a 24-year renewal option, with unrelated third parties. For the year ended April 30, 2026, the excess of rental income over the amounts received, which is recognized as buildings completed by emphyteutic lessees, is $1,128,657 ($522,778 in 2025).

Tangible capital assets acquired during the year include donations for an amount of $309,168 ($417,601 in 2025).

An amount of $21,370,711 related to the acquisition of tangible capital assets is included in "Accounts payable and other operating liabilities" ($22,633,462 as at April 30, 2025).

The amortization expense for tangible capital assets is as follows:

	2026	2025
	$	$
Major improvements	**21,322**	19,710
Landscaping	**2,988**	2,744
Buildings	**12,616**	11,349
Library documents	**9,542**	9,450
Audiovisual and communication equipment	**1,988**	1,817
Computer equipment	**32,797**	28,245
Specialized equipment	**17,871**	16,627
Other equipment	**217**	138
Automotive equipment	**645**	544
Furniture	**1,602**	1,687
Telecommunications network	**292**	148
Leasehold improvements	**331**	99
	102,211	92,558

10 - INTANGIBLE CAPITAL ASSETS

			2026	2025
	Cost	**Accumulated amortization**	**Unamortized cost**	Unamortized cost
	$	**$**	**$**	$
Development costs relating to non-credit training activities	**755**	**188**	**567**	361
Projects in progress	**40**	**–**	**40**	20
	795	**188**	**607**	381

11 - BANK LOANS

The University has openings of credit with three financial institutions, totalling $50,000,000, from which it is only authorized to draw a maximum of $10,000,000, as required by the MES. As at April 30, 2026, these bank loans are unused (unused as at April 30, 2025).

The University also has credit facilities with the Government of Quebec Financing Fund, for an authorized amount of $78,606,107 ($71,011,392 as at April 30, 2025), which bear interest at the average three-month treasury bills rate plus 0.02%. This temporary financing is dedicated to the Régime budgétaire d'investissement des universités as well as certain specific projects, including the acquisition of mechanical manufacturing equipment for the Centre for Optics, Photonics and Lasers of the Faculty of Science and Engineering, as well as the construction of the Innovaserre pilot greenhouse complex and the construction of a research station for the Centre for Northern Studies in Umiujaq. As at April 30, 2026, the balance used is $34,540,799 ($27,097,773 as at April 30, 2025) for the entire Régime budgétaire d'investissement des universités, as well as $1,142,406 (none as at April 30, 2025) for projects relating to the acquisition of mechanical manufacturing equipment and the construction of the pilot greenhouse complex.

12 - ACCOUNTS PAYABLE AND OTHER OPERATING LIABILITIES

	2026	2025
	$	$
Accounts payable and other notes payable (1)	**246,131**	247,216
Subsidies to be repaid to the MES for the change in the student population	**2,730**	22,949
	248,861	270,165

(1) Government remittances total $19,973,707 ($18,252,014 as at April 30, 2025).

13 - DEFERRED REVENUES

	2026	2025
	$	$
Tuition fees and other revenues	**12,520**	7,300
Revenues collected in advance on land rental	**664**	730
Room deposits	**957**	861
Sports activity deposits	**838**	1,034
	14,979	9,925

14 - DEFERRED CONTRIBUTIONS

Deferred contributions represent the unspent portion of subsidies allocated to research under external restrictions and are as follows:

	2026	2025
	$	$
Balance, beginning of year	**368,624**	372,820
Amounts recognized as revenue	**(278,775)**	(272,162)
Amounts received for next year	**291,901**	267,966
Balance, end of year	**381,750**	368,624

15 - LONG-TERM DEBT

	2026	2025
	$	$
Debts secured by the Government of Quebec from annual appropriations voted by the National Assembly		
Group of loans, weighted average rate of 3.12% (3.10% as at April 30, 2025), maturing in tranches until December 2043	**423,852**	480,518
Loan, variable rate based on CORRA plus 1.01%, payable in principal monthly instalments of $33,100, plus interest, maturing in December 2026 (1)	**270**	667
Loan, variable rate based on CORRA plus 0.99%, payable in principal monthly instalments of $54,000, plus interest, maturing in February 2027 (1)	**652**	1,300
Loan, 2.90% capitalized semiannually, payable in principal monthly instalments of $25,208, plus interest, maturing in October 2027	**454**	756
	425,228	483,241
Current portion	**116,713**	58,013
	308,515	425,228

(1) These loans are subject to interest rate swaps, as described in Note 18.

The estimated instalments on long-term debt for the next five years are $116,712,862 in 2027, $41,068,154 in 2028, $26,968,503 in 2029, $25,815,871 in 2030 and $22,893,567 in 2031.

The portion subsidized by the Government of Quebec included in estimated instalments for the next five years is $115,488,517 in 2027, $40,916,903 in 2028, $26,968,503 in 2029, $25,815,871 in 2030 and $22,893,567 in 2031.

16 - EMPLOYEE FUTURE BENEFITS

Defined benefit pension plans

The University measures its defined benefit obligations and the fair value of plan assets for accounting purposes as at April 30 of each year. Complete actuarial valuations of the RRPPUL, the RRPePUL and the RREEUL pension plans for funding purposes were performed as at December 31, 2024. The next valuations must be performed no later than December 31, 2027, for the RRPPUL, the RRPePUL and the RREEUL.

Reconciliation of the funded statute of the employee benefit plans and the amounts recorded in the financial statements

	2026	2025
	$	$
Pension plans		
Defined benefit obligations	**3,381,841**	3,180,958
Fair value of plan assets	**3,393,648**	3,228,293
Funded statute – excess	**(11,807)**	(47,335)
Allowance for impairment	**27,983**	79,548
Defined benefit liability	**16,176**	32,213
Other benefit plan		
Defined benefit obligations	**660**	747
Fair value of plan assets	**–**	–
Funded statute – deficit and defined benefit liability	**660**	747
	16,836	32,960

Pension plan asset components

At the measurement date, i.e., December 31 of each year, the pension plan assets consist of the following:

	2026	2025
	%	%
Asset categories		
Debt securities	**33.05**	32.35
Equity securities	**26.54**	26.10
Real estate funds	**15.28**	16.79
Other investment vehicles	**25.13**	24.76
	100.00	100.00

16 - EMPLOYEE FUTURE BENEFITS (continued)

Total cash payments

Cash payments for future employee benefits, consisting of cash contributed by the University to its funded pension plans and amounts paid directly to beneficiaries for its unfunded other benefit plan, total $51,484,400 ($50,049,100 in 2025).

Future employee benefit costs recognized during the year

	2026	2025
	$	$
Pension plans	**54,357**	49,233
Other benefit plan	**30**	45

Significant assumptions

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

	Pension plans	
	2026	2025
	%	%
Inflation rate	**2.00**	2.00
Discount rate	**5.33 - 6.79**	5.10 - 6.79
Expected long-term rate of return on plan assets	**5.33 - 6.79**	5.10 - 6.79
Compensation increase rate	**3.00 - 5.35**	3.00 - 5.35

	Other benefit plan	
	2026	2025
	%	%
Discount rate	**4.40**	5.10
Increase in medical costs rate	**5.00**	5.00

17 - DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets include the unamortized balance of contributed capital assets and the unamortized balance of capital assets acquired from externally restricted contributions that were restricted for this purpose:

	2026	2025
	$	$
Balance, beginning of year	**884,689**	838,388
Amounts received during the year	**72,449**	77,251
Contributions received in capital assets	**309**	418
Contributions restricted to the acquisition of tangible capital assets not subject to amortization	**(71)**	(72)
Amounts recognized as revenue	**(35,927)**	(31,296)
Balance, end of year	**921,449**	884,689

18 - CASH FLOW HEDGING SWAPS

The University has entered into fixed-to-floating interest rate swaps to hedge the variability of cash flows relating to the variable-rate portion of long-term debt.

			2026
	Maturity dates	**Fixed interest rate**	**Notional amount**
		%	**$**
Long-term debt	**31-12-2026**	**2.15**	**270**
Long-term debt	**28-02-2027**	**2.34**	**652**
			922

			2025
	Maturity dates	Fixed interest rate	Notional amount
		%	$
Long-term debt	31-12-2026	2.15	667
Long-term debt	28-02-2027	2.34	1,300
			1,967

At the end of these swaps, the University pays fixed interest rates, as presented in the tables above, and receives variable interest rates based on compounded daily CORRA (2.30% as at April 30, 2026).

19 - OPERATING FUND BALANCE

	2026	2025
	$	$
Unrestricted		
Future employee benefits		
Pension plans	**(16,176)**	(32,213)
Other benefit plan	**(660)**	(747)
Vacations payable, accumulated overtime and other employee benefits payable	**(61,773)**	(59,261)
Operations	**(136,441)**	(134,314)
	(215,050)	(226,535)
Internally restricted		
Special programs		
Budget carried over to multiple-faculty entities	**123**	195
Unrestricted research projects	**46,164**	44,816
Special research budget	**5,061**	5,555
	51,348	50,566
	(163,702)	(175,969)

20 - NET INVESTMENT INCOME

	2026	2025
	$	$
Net change in fair value of investments		
From restricted resources	**(1,432)**	3,567
From resources held as endowments	**(6,520)**	13,166
Unrestricted	**(1,536)**	3,712
	(9,488)	20,445
Other net investment income		
From restricted resources	**5,235**	3,329
From resources held as endowments	**28,184**	7,748
Unrestricted	**19,420**	22,381
	52,839	33,458
	43,351	53,903
Investment income added to endowment capital	**2,592**	2,853
	40,759	51,050

21 - COMMITMENTS

Outstanding purchase orders for goods and services

Unrecorded commitments for outstanding purchase orders for goods and services assumed by the University, excluding those related to building construction and renovations assumed by the Capital Assets Fund, amount to $93,348,280.

21 - COMMITMENTS (continued)

Building construction and renovations

Unrecorded commitments for building construction and renovations assumed by the University's Capital Assets Fund amount to $119,732,475.

Leases

The University has entered into lease agreements expiring between August 2026 and April 2036, which call for lease payments made from the Operating Fund totalling $14,929,730 for offices. Minimum lease payments for the next five years are $4,129,639 in 2027, $4,196,428 in 2028, $1,888,355 in 2029, $904,697 in 2030 and $912,462 in 2031.

22 - ASSET RETIREMENT OBLIGATIONS

The University's asset retirement obligations mainly concern the removal of asbestos from its buildings. No asset retirement obligation liability is recognized since the University is unable to make a reasonable estimate of the amount of the obligation.

23 - FINANCIAL RISKS

The University's main financial risk exposure is detailed as follows.

Currency risk

Currency risk results from the University’s equity securities and foreign fund units. The University manages this risk through its investment policies. The University is also exposed to currency risk due to accounts receivable and other amounts receivable as well as accounts payable and other operating liabilities denominated in U.S. dollars and euros. They are detailed as follows:

	2026		
	U.S. dollars	**Euros**	**Total**
	$	**$**	**$**
Equity securities and foreign fund units	**100,037**	**23,644**	**123,681**
Accounts receivable and other amounts receivable	**1,470**	**501**	**1,971**
Accounts payable and other operating liabilities	**622**	**233**	**855**

	2025		
	U.S. dollars	Euros	Total
	$	$	$
Equity securities and foreign fund units	107,901	24,962	132,863
Accounts receivable and other amounts receivable	1,091	439	1,530
Accounts payable and other operating liabilities	2,213	55	2,268

23 - FINANCIAL RISKS (continued)

Interest rate risk

Some long-term debts and the bank loans bear interest at a variable rate and the University is, therefore, exposed to the cash flow risk resulting from interest rate fluctuations. As detailed in Note 18, the University uses derivative financial instruments to reduce its exposure to cash flow risk.

Some long-term debts bear interest at a fixed rate and the University is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. The University does not use derivative financial instruments to reduce its exposure to this risk. However, most instalments in interest are assumed by the Government of Quebec.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument fails to fulfill a commitment or obligation, thus subjecting the other party to a financial loss. Each financial instrument is entered into pursuant to an ISDA master agreement and the University verifies the credit rating of each of the counterparties, which are all recognized Canadian financial institutions.

The University’s maximum credit risk corresponds to the fair value of cash, accounts receivable and other amounts receivable as well as investments on the statement of financial position.

There is a concentration of credit risk when a substantial part of the portfolio is comprised of investments in values with similar characteristics or sensitive to the same economic, political and other factors. The University manages the risks relating to the management of its investments on a continuous basis with the help of the investment and treasury committee and considers that the risk is low.

Accounts receivable and other amounts receivable

The University does not require a guarantee from its customers. The accounts receivable balance is managed and analyzed on an ongoing basis and, accordingly, the University's exposure to doubtful accounts is not significant.

Liquidity risk

Liquidity risk management serves to maintain a sufficient amount of cash and cash equivalents and to ensure that the University has financing sources such as loans for a sufficient authorized amount. The University establishes budget and cash estimates to ensure it has the necessary funds to fulfill its obligations.

23 - FINANCIAL RISKS (continued)

Other

The University is exposed to market risk, credit risk and interest rate risk with respect to its investments, either directly or indirectly through mutual funds or through its interest in a master trust fund. The University manages its risk related to the management of its investments on an ongoing basis with the assistance of the investment and treasury committee and of the Investment Committee of the Université Laval. The University considers that the risk is low.

24 - RELATED ENTITIES

In order to better assume some aspects of its mission, the University supports certain related entities, either by the pursuit of common objectives, the presence of University's representatives on the board of directors of these entities, the requirement for these entities to obtain the University's consent in order to modify their structure or their mission, or by the participation of the University to the development of their policies.

The University's support to these entities comprises financial contributions or in-kind support, including supply of personnel, equipment, space, accounting services or support.

These related entities are the following:

1. Les Presses de l'Université Laval
2. Les Missions commerciales de l'Université Laval
3. Entrepreneuriat ULaval inc.
4. Clubs d'excellence sportifs du Rouge et Or de l'Université Laval
5. Gestion La Fabrique inc.
6. Corporation médico-sportive

Les Presses de l'Université Laval and Gestion La Fabrique inc. are excluded from the information to provide because their individual materiality is not significant.

25 - CONTROLLED NOT-FOR-PROFIT ORGANIZATIONS

The University controls the following four organizations, all incorporated under Part III of the *Companies Act* (Quebec). They are related parties over which the University has a presumption of control due to its economic interest and their shared objectives.

These organizations are excluded from the information to provide because their individual materiality is not significant. These organizations are the following:

1. Les Missions commerciales de l'Université Laval
2. Entrepreneuriat ULaval inc.
3. Clubs d'excellence sportifs du Rouge et Or de l'Université Laval
4. Corporation médico-sportive

26 - COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year. The main reclassifications for the year ended April 30, 2025, are as follows:

	Previous balance	Reclassifications	Adjusted balance
	$	$	$
Restricted Fund			
Operations – expenses			
Teaching and independent research	5,799	1,804	7,603
Community services	14,866	10,896	25,762
Research	290,615	(18,453)	272,162
Support services	1,608	(49)	1,559
Student services	26,835	5,802	32,637
	339,723	–	339,723

The University also retroactively adjusted, in the Operating Fund, the amounts of accounts receivable and other amounts receivable as well as accounts payable and other operating liabilities to accurately reflect the amount of subsidies receivable from and to be repaid to the MES due to the change in the student population. As at April 30, 2025, this adjustment resulted in a decrease of $4,686,758 in accounts receivable and other amounts receivable and a decrease of an equivalent amount in accounts payable and other operating liabilities.