

Annual Report Template

Context:

This template will be used to collect the required content requested for the PSI Annual Reports which will be submitted to the Ministry of Advanced Education.

Instructions:

- Use the links in the Table of Contents tab to provide the required content requested in the Annual Report Guidelines. Ensure required content is completed in the appropriate tab.
- This template encourages short and concise submissions such as using bulleted content, instead of a narrative-style format.
- Include audited financial statements as a separate attachment to your institution's annual report submission.
- Self-generated revenue information can be inserted into the chart in Tab 5 unless it is included as a separate attachment with all necessary elements included. Use any format that is clear and complete. The self-generated revenue reporting requirement has been fulfilled for the 2023-24 fiscal year.
- Capital report information can be inserted into the chart in Tab 6 unless it is included as a separate attachment with all necessary elements included. Use any format that is clear and complete.

1. Accountability Acknowledgement (a & b)

Independent Academic Institutions

a. Accountability Statement:

The institution's Annual Report for the year ended was prepared under the Board's direction in accordance with ministerial requirements established pursuant to the Post-Secondary Learning Act. All material economic, environmental, or fiscal implications of which we are aware have been considered in the preparation of this report.

A handwritten signature in black ink, appearing to read "Bryce Ashlin-Mayo". The signature is fluid and cursive, with a large loop at the end.

Rev. Dr. Bryce Ashlin-Mayo, President

b. Management's Responsibility for Reporting:

The institution's management is responsible for the preparation, accuracy, objectivity, and integrity of the information contained in the Annual Report. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained, assets are properly accounted for and safeguarded.

A handwritten signature in black ink, appearing to read "Debi Mills". The signature is cursive and elegant, with a large loop at the end.

Debi Mills, Board Chair

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Institution Information

Institution name: Ambrose University

President name: Rev. Dr. Bryce Ashlin-Mayo

Board Chair name: Debi Mills

2. Public Interest Disclosure (Whistleblower Protection) Act

No reports were made under the whistleblower policy.

3. Goals and Performance Measures

A. Student supports and services and their responsiveness to the evolving needs of students (e.g. academic, financial, mental, and physical well being etc.)

- Priorities listed below arise from the Master Academic Plan 2023-2028, which was approved by GFC in October 2023
 - Academic Priority: focus on providing an easy to reach, powerfully formative, Christian learning environment
 - added learning spaces by opening a new building in 2024 to house the Business Programs
 - received an Alberta Indigenous Learning Grant (ILG) to promote services and create new seats for Indigenous students. We are applying for a subsequent grant to advance the initiatives we started with the first grant that focused on Truth and Reconciliation
 - through a grant have hired an Indigenous Education Scholar to help with curriculum design
 - Ambrose receives provincial grants in the areas of Student Accessibility and Mental Health which support counselling, education (workshops and training), and peer to peer education.
 - Ambrose received two grants related to Gender Based Violence, both of which were extended into the 2024-2025 academic year.
 - Ambrose established a Food Cupboard for students through a grant funded by Family and Community Support Association of Alberta. We are exploring food security among students through the Canadian Wellness Survey.
- Academic Priority: focus on programs that build foundations for innovative change
- received a TEE grant to expand seats in Social Sciences
 - According to NSSE results our students have significantly more high-impact learning opportunities (e.g., service-learning, research with faculty, intership, culminating senior experience) compared to students in other Canadian universities. Similar results were reported for the student-faculty interaction, effective teaching practices, quality of interactions and supportive learning environments.

B. Strategic research priorities (for research institutions), applied research, and scholarly activities

- Research Priorities: focus on harnessing our strengths to build our Research ecosystem
- Ambrose became eligible to distribute research funding from the Canada Foundation for Innovation and from Mitacs - both funders support areas of interest for our researchers
- At our yearly celebration of scholarly work there were 67 works on display completed by 18 of our scholars during the academic year. We have maintained this level of productivity for the past 6 years.
- Engaged in research security communities of practice to keep abreast of developments

C. Collaborations with other learning providers (e.g. publicly funded post-secondary institutions, First Nations Colleges, or Private Career Colleges)

- We currently collaborate with NAIITS - an Indigenous Learning Community- to offer undergraduate Indigenous Studies courses designed and taught by Indigenous scholars
- Work Integrated Learning employment partners are increasing in numbers to meet the student demands

4. Financial Information

See additional page labelled Financial Information and the attached Audited Financial Statements for 2024.

**Ambrose University
Financial Information**

Year ended April 30, 2024

	Actual	Budget	Actual to Budget variance favourable (unfavourable)		
REVENUE					
Tuition and student fees	\$9,927,916	\$10,410,520	\$(482,604)	-4.64%	see Note 1
Operating donations	2,667,168	3,254,440	(587,272)	-18.05%	See Note 2
Government grants	3,342,562	2,962,687	379,875	12.82%	see Note 3
Endowments and other	1,512,712	783,002	729,710	93.19%	See Note 4
	<u>17,450,358</u>	<u>17,410,649</u>	<u>39,709</u>	<u>0.23%</u>	
Sales, rent, ancillary	2,062,717	1,973,064	89,653	4.54%	
Less: Cost of sales	(1,185,120)	(1,115,281)	(69,839)	-6.26%	
Sales, rent, ancillary – net	<u>877,597</u>	<u>857,783</u>	<u>19,814</u>	<u>-1.72%</u>	
TOTAL REVENUE	<u>18,327,955</u>	<u>18,268,432</u>	<u>59,523</u>	<u>0.33%</u>	
OPERATING EXPENSES					
Employee compensation and benefits	12,420,672	12,059,826	(360,846)	-2.99%	see Note 5
Operating supplies	1,688,801	1,545,737	(143,064)	-9.26%	
Scholarships and bursaries	1,556,076	1,137,540	(418,536)	-36.79%	see Note 6
Communications, advertising, and events	413,948	640,225	226,277	35.34%	see Note 7
Facilities	1,035,601	1,108,100	72,499	6.54%	
Travel and hospitality	346,485	327,275	(19,210)	-5.87%	
Professional fees	430,873	300,015	(130,858)	-43.62%	see Note 8
Annuity payments	84,043	90,000	5,957	6.62%	
TOTAL OPERATING EXPENSES	<u>17,976,499</u>	<u>17,208,718</u>	<u>(767,781)</u>	<u>-4.46%</u>	see Note 9
SURPLUS BEFORE FINANCING AND OTHER AND NON-CASH ITEMS	<u>351,456</u>	<u>1,059,714</u>	<u>(708,258)</u>	<u>-66.83%</u>	
FINANCING AND OTHER REVENUE (EXPENSES)					
Gain on sale of land	12,926,825	-	12,926,825		see Note 10
Gain on interest rate swap	342,357	-	342,357		See Note 11
Interest	(391,918)	(198,000)	(193,918)	97.94%	See Note 12
Deferred financing costs	(1,997,477)	-	(1,997,477)		See Note 13
TOTAL FINANCING AND OTHER REVENUE (EXPENSES)	<u>10,879,787</u>	<u>(198,000)</u>	<u>11,077,787</u>		
SURPLUS BEFORE NON-CASH ITEMS	<u>11,231,243</u>	<u>861,714</u>	<u>10,369,529</u>		
NON-CASH REVENUE (EXPENSES)					
Amortization of capital and intangible assets	(1,732,745)	-	(1,732,745)		See Note 14
Amortization of deferred capital contributions	776,475	-	776,475		
Gain on annuity contract maturities	35,500	-	35,500		
Change in fair value on interest rate swap	229,242	-	229,242		See Note 15
TOTAL NON-CASH REVENUE (EXPENSES)	<u>(691,528)</u>	<u>-</u>	<u>(691,528)</u>		
NET SURPLUS	<u>\$10,539,715</u>	<u>\$ 861,714</u>	<u>\$9,678,001</u>		See Note 16

NOTES:

REVENUES

Note 1 - The 2024 budget factored in a 5.5% tuition rate per credit hour increase and a 10% enrollment net paid credit hours increase as compared to the 2023 fiscal year actual amount of \$8,849,611. While tuition rate per credit hours increased 5.5% for the 2024 year, the actual enrollment net paid credit hours increase was 3.5% less than budgeted.

Note 2 - Ambrose received contributions of \$796,372 from district and national offices within the denominations of The Christian and Missionary Alliance in Canada and the Church of the Nazarene in Canada and in the United States for the fiscal year ended April 30, 2024 (2023 - \$907,193). The amount received in 2024 was \$303,628 less than was budgeted. This funding is expected to stabilize to remain at or near 2024 levels going forward. Donation revenue from other sources for 2024 totalled to \$1,870,796 (2023 - \$1,632,159) as compared to the budgeted amount for 2024 of \$2,154,440 (a shortfall of \$283,644 as compared to budget).

Note 3 - As in recent past years, the Government of Alberta Base Operating Grant remained unchanged at \$2,781,937. The 2024 budget also provided for three other already awarded Alberta government grants totalling to \$180,750. During the year, just under \$380,000 in revenue related to additional specific purpose Alberta government grants awarded in the year was recognized.

Note 4 - Endowment and other income for the 2024 year was significantly higher than budgeted. Of the just under \$730,000 difference, just under \$191,000 of it relates to additional investment income received in the year as compared to the budgeted amount, \$218,000 of it relates to endowment revenue greater than the budgeted amount, and \$321,000 of it is on account of unbudgeted private grants and misc. revenues received in the year.

OPERATING EXPENSES

Note 5- During the year there were additional new hires and vacant positions were filled. As well, employer related costs were higher than budgeted.

Note 6 - Externally funded scholarships were \$344,000 higher than budgeted and Ambrose funded scholarships were \$74,000 higher than budgeted. Scholarship and bursary expenses for the year ended April 30, 2024, were 19.4% higher as compared to the year ended April 30, 2023.

Note 7 - The difference in the actual to budgeted amount for the year ended April 30, 2024, is primarily related to expending less in advertising than budgeted. The amount expended for communications, advertising, and events during the 2024 fiscal year as compared to the 2023 fiscal is materially similar.

Note 8 - During the 2024 fiscal year, Ambrose undertook a search for and the hiring of a leader to replace an individual leaving that key leadership position very soon after the end of the 2024 fiscal year. A substantial portion of the increase in professional fees as compared to budget was directly related to this search process.

Note 9 - Total operating expenses for the year ended April 30, 2024, were materially similar to total operating expenses for the fiscal year ended April 30, 2023, but were 4.46% higher than total budgeted operating expenses for the 2024 year.

FINANCING AND OTHER REVENUE (EXPENSES)

Note 10 - Ambrose finalized the sale of vacant land in June 2023. The sale closing date was in August 2023 with net sale proceeds of just under \$15.3 million.

Note 11 - The realized gain on interest rate swap revenue is related to the bank loan that was paid out as part of the land sale transaction referred to in Note 10 above.

Note 12- The sale of vacant land referred to in Note 10 above closed almost four months later than expected/budgeted for and on account of this, significant existing loans were carried for almost four months longer than budgeted. As a result, interest expense related to these loans was higher than budgeted.

Note 13 - The existing bank loan, that paid out as part of the land sale transaction in August 2023, had deferred financing costs associated with it that were being amortized over the repayment term of the loan. At the time the loan principal balance was paid out, there was \$1,997,477 remaining in deferred financing costs that also needed to be paid out as part of the \$17.7 million referred to in Note 16 below.

NON-CASH REVENUE (EXPENSES)

Note 14 - Ambrose does not include non-cash items in its budgets.

Note 15 - The change in fair value on interest rate swap (non-cash) revenue is related to the bank loan that was paid out as part of the land sale transaction referred to in Note 10 above.

NET SURPLUS AND CASH FLOWS

Note 16 - Ambrose ended the 2024 fiscal year with a decrease in its accumulated operating deficit of just under \$1.3 million. The accumulated operating deficit at April 30, 2024, is just over \$1.6 million, representing 8.7% of fiscal year 2024 total revenue. This is an improvement over the fiscal year ending April 30, 2023, where Ambrose's accumulated deficit was just under \$2.9 million and represented 16.7% of fiscal year 2023 total revenue.

Ambrose ended the 2024 year with a net decrease in cash of \$127,473; from \$3,095,242 to \$2,967,769. Ambrose finalized the sale of vacant land in June 2023 for net proceeds of just under \$15.3 million. On August 1, 2023, Ambrose executed an agreement with a new lender. Using funds received on the sale of vacant land and amounts available through its' new lending facility for \$3 million, Ambrose settled its existing debt financing of just over \$17.7 Million in full.

Ambrose continues to closely monitor its cash flow and manage its expenditures. Financial forecasts are prepared throughout each year and adjustments made as much as can be/as are practicable. Ambrose is actively seeking out ways to increase enrollment and to increase self-generated revenue on an ongoing basis as part of its strategy for sustainability. The very significant reduction in debt during the fiscal year financially positions Ambrose more positively into the future.

Additional information is provided in the Audited Financial Statements.

5. Self-generated Revenue

The self-generated revenue reporting requirement has been fulfilled for the 2023-24 fiscal year.

Revenue Type	Description	Amount
A. Tuition and Mandatory Fees (examples: domestic tuition, International Student Tuition, Continuing Education, mandatory fees, etc.) Please use one line per item.		
	Subtotal	\$-
B. Auxiliary/Ancillary Services (examples: bookstores, student residences, parking lots, laundry services, printing, sports and recreational facilities, rentals and catering services, cafeterias, etc.) Please use one line per item.		
	Subtotal	\$-
C. Donations and Investment Income (examples: total cash donations, donations in-kind, interest on endowments, etc.) Please use one line per item.		
	Subtotal	\$-

D. Research Grants (examples: research grants from not for profit, grants from other governments, grants from businesses, etc.) Please use one line for each source group and include only grants not received from the Province of Alberta.

	Subtotal	\$-

E. Other Grants (examples: grants from not for profit, grants from other governments, grants from businesses, etc.) Please use one line for each source group and include only grants not received from the Province of Alberta.

	Subtotal	\$-

F. Land Trusts and For-Profit Ventures (any revenue-generating subsidiary entity, total revenue). Please use one line per entity and describe the ventures key area(s) of business in the description.

	Subtotal	\$-

G. Other - Any other self-generated revenue not captured in the previous categories.

	Subtotal	\$-

Grand Total:	\$-
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6. Capital Report

Types of Project and Funding Sources

Type:	Project Description	Total Project Cost	Funding Source: % Gov of Alberta % Gov of Canada % PSI funds % donation % foundation % industry	Funding Received to Date and Source	Revised Funding Sources
Proposed					
New					
Expansion					
Maintenance					

Priority Projects (Top 3 Capital Priorities)

New	In September of 2024 we completed a new School of Business Building. The building is 6,600 sq ft and houses 3 multi purpose classrooms providing an additional 120 seats	\$2,700,000	100% donation	\$2,150,000	\$550,000
Expansion					
Maintenance					

Other

Proposed					
New					
Expansion					
Maintenance					

7. Free Speech Reporting

<p>Reporting Measure 1: Free Speech Policy Information</p>	<ul style="list-style-type: none"> • Please provide the website address where your institution’s free speech policy is posted. • Has your institution amended its free speech policy during the 2023-24 fiscal year? <ul style="list-style-type: none"> • If yes, please explain the change and the reason for making the change. • Outline any intersecting administrative policies or costs (e.g. venue booking fees, security costs) at your institution that could impact event booking.
	<p>https://ambrose.edu/about/freedom-expression There have been no amendments to our freedom of expression policy during the 2023-24 fiscal year.</p>
<p>Reporting Measure 2: Cancelled Events</p>	<ul style="list-style-type: none"> • During the 2023-24 fiscal year, were any events at your institution cancelled for reasons related to free speech? <ul style="list-style-type: none"> • If yes, provide a description of the event, including context. • Discuss the concerns which led to the event’s cancellation. • Describe how the cancellation decision fit within the institution’s free speech policy and include information on other institutional policies that were considered when making the decision. • If any complaints arose from the event’s cancellation, please provide further details regarding the complaints under Reporting Measure 3.
	<p>No events at our institution were cancelled for reasons related to free speech in 2023-24.</p>
<p>Reporting Measure 3: Free Speech-Related Complaints</p>	<ul style="list-style-type: none"> • During the 2023-24 fiscal year, did your institution receive any complaints related to free speech issues? • Note: These are complaints that were submitted in accordance with the institution’s free speech policy and through the procedures identified by the institution. These are not complaints related to labour disputes or other issues which are captured by agreements and contracts separate from the institution’s free speech policy. <p>For each complaint:</p> <ul style="list-style-type: none"> • Please provide a description of the complaint, including context. • Discuss how the institution managed the complaint. Was the complaint addressed using the procedures set out in the institution’s policy? How were issues resolved?
	<p>No events at our institution were cancelled for reasons related to free speech in 2023-24.</p>

Reporting Measure 3: Free Speech-Related Complaints	<ul style="list-style-type: none"> • Provide the following summary data for free speech-related complaints submitted in accordance with the institution’s free speech policy and through the procedures identified by the institution:
	Total number of complaints 0
	Total number of complaints that did not progress through the institution’s resolution process as determined by institutional policy. 0
	Total number of complaints where it was determined that the free speech policy was not followed. 0
Reporting Measure 4: Additional Information	<ul style="list-style-type: none"> • Please provide any additional information on any other areas of concern related to campus free speech that may not be captured under the other reporting measures.

8. Board of Governors Training on For-profit Ventures

Not applicable to Independent Academic Institutions.