

The SFU logo consists of the letters "SFU" in a white, sans-serif font, centered within a solid red rectangular background.

SFU

The title "ANNUAL FINANCIAL REPORT" is displayed in a large, bold, red, sans-serif font. The text is arranged in three lines, with each line contained within a white rectangular box that overlaps the one below it.

**ANNUAL  
FINANCIAL  
REPORT**

The date "MARCH 31, 2025" is written in a white, sans-serif font and is centered within a solid red rectangular background.

MARCH 31, 2025



Simon Fraser University respectfully acknowledges the x<sup>w</sup>məθk<sup>w</sup>əy<sup>əm</sup> (Musqueam), S<sup>k</sup>w<sup>x</sup>wú7mesh Úxwumixw (Squamish), səlilwətaɬ (Tseil-Waututh), qíćəy (Katzie), k<sup>w</sup>ik<sup>w</sup>əłəm (Kwikwetlem), Qayqayt, Kwantlen, Semiahmoo and Tsawwassen peoples on whose unceded traditional territories our three campuses reside.

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## MESSAGE FROM THE PRESIDENT

In this time of uncertainty, financial pressures and shifting government policies, SFU's clear, strategic direction continues to lay a strong foundation for becoming a responsive, future-ready organization, one that is prepared to lead in the years to come. Guided by *What's Next: The SFU Strategy*, the university made progress across all its key priorities this year—transforming the SFU experience, upholding Truth and Reconciliation, making a difference for British Columbia and engaging in global challenges.

We have a lot to be proud of. We made difficult but necessary decisions to advance a sustainable financial model for SFU, while continuing to invest in what matters most – education and research. We made significant progress on the new School of Medicine and the First Peoples' Gathering House, along with strengthening programs, improving accessibility and increasing research funding to nurture discovery and innovation. We diversified our revenues through expanded micro-credential and non-credit programming, refreshed our international recruitment strategy and accelerated our digital transformation initiatives to improve the SFU experience for students, faculty and staff.

In March 2025, we welcomed Jon Harding as our new vice-president, finance and administration. His wealth of experience in the post-secondary sector brings a fresh perspective on the financial challenges that we will continue to face in the foreseeable future. I am confident that he will be an asset to our leadership team.

Building on university-wide efforts to adapt to a changing post-secondary sector and with continued leadership from our Provost and Chief Budget Officer, Dilson Rassier and the senior leadership team, SFU is becoming more resilient, more unified in purpose and more impactful through focused, deliberate actions.

I want to thank our students, faculty and staff for their commitment and dedication to listening, learning and growing together to advance an inclusive and sustainable future. And to our partners, donors and alumni for their continued trust and support. Your contributions make it possible for SFU to rise to the challenges of today and to prepare boldly for the opportunities of tomorrow.

**Joy Johnson**  
President and Vice-Chancellor  
Simon Fraser University



## MESSAGE FROM THE VICE PRESIDENT, FINANCE AND ADMINISTRATION

I am pleased to present Simon Fraser University's Annual Financial Report for the 2024-25 fiscal year. This report reflects a year marked by significant changes and continued financial pressures across the Canadian post-secondary landscape—challenges that SFU, like many institutions, is actively working to navigate.

As I step into the role of Vice-President, Finance and Administration, I want to acknowledge the important contributions of my predecessor Martin Pochurko and Karamjeet Heer, interim vice-president finance and administration, along with other leaders and colleagues across SFU who helped guide a careful and coordinated financial response during this period of uncertainty. Through strategic resource planning, cost containment, and university-wide collaboration, their efforts ensured SFU responded swiftly to emerging pressures, while continuing to support academic priorities and the goals of *What's Next: The SFU Strategy*.

Looking ahead, we are shifting toward a more integrated, multi-year planning model—one that aligns longer term budget decisions with institutional goals and enables us to anticipate future needs more effectively.

I look forward to working with our community to build on this strong foundation and ensure the university remains well-positioned to navigate uncertainty with focus and resolve, supporting a sustainable financial future.

### **Jon Harding**

Vice-President, Finance and Administration  
Simon Fraser University

# SFU FAST FACTS

**#1** CANADIAN  
COMPREHENSIVE  
UNIVERSITY

Maclean's University Rankings, 2025

**3**

VIBRANT  
CAMPUSES

**10**

FACULTIES

**TOP 2%**

OF UNIVERSITIES  
WORLDWIDE

Centre for World University Rankings, 2024

**29,190**

UNDERGRADUATES

Fiscal year 2024/25

**60+** RESEARCH  
CENTRES AND  
INSTITUTES

**5,170**

GRADUATES

Fiscal year 2024/25

**200,000+**

ALUMNI

## FISCAL 2025 FACTS

**\$1** BILLION  
TOTAL  
REVENUES

**\$3** BILLION  
TOTAL  
ASSETS

**\$557** MILLION  
ENDOWMENT  
CAPITAL

Financial and non-financial



Phase 3 student housing, SFU Burnaby

## TRANSFORMING THE SFU EXPERIENCE

SFU was recognized as one of Canada’s Top 100 Employers and one of B.C.’s Top Employers. Strategic investments in 2024-25 focused on enhancing the student, faculty, and staff experience through infrastructure, digital tools, and inclusive campus planning, aligned with the “Transform the SFU Experience” pillar of *What’s Next: The SFU Strategy*.

To strengthen housing access and campus belonging, SFU advanced Phase 3 of its student housing master plan, to add 445 new residence beds and 160 childcare spaces.

SFU consolidated several campus services, including Ancillary Services, Residence & Housing, and Childcare, into one portfolio to improve operational efficiencies and collaboration across these areas.

The university launched its first Accessibility Plan—a five-year roadmap developed through broad consultation and aligned with the Accessible BC Act. Funding supported early implementation steps including the development of a university-wide accessibility framework.

SFU’s migration to Exchange Online and the rollout of Microsoft 365 technology, with productivity tools like Teams and OneDrive, modernizes learning, working, and collaboration across campuses. The launch of the SFU Safe mobile app improves real-time access to safety alerts and emergency resources.

These efforts reflect a strategic approach to enhancing tools, services and support systems across SFU, contributing to a more inclusive and connected university experience for students, faculty and staff.





First Peoples' Gathering House under construction, May 2025

## UPHOLDING TRUTH AND RECONCILIATION

Aligned with the institutional commitment to Truth and Reconciliation, SFU directed government relations efforts toward repatriation along with funding for culturally relevant learning and infrastructure to support Indigenous students and communities.

Construction also advanced on the First Peoples' Gathering House. Scheduled to open at the end of Summer 2025, this space will provide a welcoming and culturally significant environment for Indigenous ceremonies, gatherings and student support. To further create safe and welcoming spaces, SFU launched the first phase of its Indigenous naming initiative on the Burnaby campus, guided by Host Nation representatives. The goal is for spaces like the Indigenous Student Centre and Indigenous Curriculum Resource Centre to receive names in local Indigenous languages. Once the First Peoples' Gathering House is complete, it too should receive an Indigenous name through this process.

The university's Department of Archaeology continues to work in co-operation with First Nations on repatriation efforts to uphold cultural protocols. Curriculum development grants to help integrate Indigenous content into teaching and learning and a Faculty of Education film series expanded capacity for land-based learning and understanding SFU's relationships to Indigenous lands.

These actions reflect SFU's commitment to allocating resources in support of Reconciliation, funding Indigenous programs, spaces and engagement that honour Indigenous knowledge, presence and priorities.





Site of CEDAR supercomputer.

## MAKING A DIFFERENCE FOR B.C.

This past year, SFU advanced applied research and innovation projects that deliver tangible benefits for communities across British Columbia—emphasizing the university’s role as a provincial partner in solving complex challenges.

Strategic health research investments included \$2 million from CIHR for cancer therapeutics and gene regulation studies. The Bridge Research Consortium, co-led by SFU—supported by \$422,000 from the B.C. Knowledge Development Fund—focused on equitable access to immune-based technologies.

A breakthrough in newborn care was achieved through a partnership with UBC, where SFU researchers helped identify a genetic signature that predicts neonatal sepsis before symptoms appear. This breakthrough has the potential to significantly improve outcomes in newborn care, particularly in lower-resource settings.

SFU received over \$80 million to replace its CEDAR supercomputer, ensuring continued access to high-performance computing for advanced research in health, clean technology and artificial intelligence. While additional funding from the Canadian Foundation for Innovation is supporting new facilities for research in brain resilience, DNA repair and exercise physiology are advancing innovation across health, sport and biotechnology.

These investments reflect SFU’s focus on applied, collaborative research that contributes to the well-being of communities, industries and ecosystems across B.C.





## ENGAGING IN GLOBAL CHALLENGES

SFU's investments in research and innovation in 2024-25 were guided by our strategic commitment to addressing some of the world's most pressing issues, including global sustainability, climate change, public health and energy transformation.

In recognition of its impact, SFU was ranked Canada's top university for innovation and third globally for climate action and sustainable cities in the 2024 Times Higher Education Impact Rankings.

The university launched the Global Institute for Agritech, a new cross-disciplinary initiative tackling climate resilience, food security, and sustainable agriculture. While two SFU co-led genomics hubs received over \$15.8 million in federal and partner funding to help the Canadian agriculture industry innovate, cut its carbon footprint and boost sustainable and resilient food systems.

Clean energy remained a major area of focus. Supported by federal and provincial partnerships, SFU established a new hydrogen research and innovation hub to advance Canada's decarbonization goals. SFU also launched a Master of Engineering in Sustainable Energy Engineering program to prepare students for leadership roles in clean-tech sectors.

To strengthen public engagement, SFU launched *Countdown to 2030*, a university-wide campaign to align research and outreach with the UN Sustainable Development Goals.

Health equity was a focus as well, with major research milestones including a potential breakthrough in Parkinson's treatment and the formation of a \$14.6 million social science consortium focused on pandemic preparedness. The funding for this initiative came from the Canada Biomedical Research Fund and Biosciences Research Infrastructure Fund—Stage 2, and the BC Knowledge Development Fund.

SFU researchers helped lead the development of a global roadmap for printable sensor technologies, an emerging field with potential for environmental monitoring, healthcare and resource efficiency.

The university also strengthened its leadership in responsible investment. Students at the Beedie School of Business continued managing the Student Investment Advisory Service (SIAS) Fund and the Beedie Endowment Asset Management (BEAM) Fund, Canada's largest student-run endowment portfolios, while ensuring responsible financial stewardship in line with SFU's commitments.

These investments and recognitions demonstrate how SFU's financial planning reflects its deepening commitment to sustainability, health, innovation and socially-engaged research.

# MANAGEMENT DISCUSSION AND ANALYSIS

(unaudited)

### **Cautionary note on forward-looking statements**

Some statements in this Management Discussion and Analysis (MD&A) are forward-looking statements, based on assumptions and addressing future events and conditions, and by their nature involve risks and uncertainties. Actual results could differ materially from those anticipated in forward-looking statements. Readers should not place undue reliance on any forward-looking statements. Factors that could cause results to differ materially from expectations include, but are not limited to the performance of financial markets, interest rate fluctuations, changes in legislation and regulations, the effects of competition, and business continuity risks. SFU does not undertake any obligation to update or revise these forward-looking statements to reflect events or circumstances after the date of this report, or to reflect the occurrence of unanticipated events, except as required by law.

## **ABOUT SFU**

Simon Fraser University (the university, SFU) is a post-secondary institution with campuses in Burnaby, Vancouver and Surrey, British Columbia. The university operates under the University Act of British Columbia and in accordance with the mandate provided by the Ministry of Post-Secondary Education and Future Skills (the Ministry). SFU is governed by the Board of Governors, the majority of which are appointed by the Province of British Columbia. The academic governance of SFU is vested in the Senate. The university operates under the mandate provided by the Ministry.

SFU is a comprehensive university that offers a wide range of undergraduate, graduate and continuing education programs. The university is focused on the pursuit of its academic and research missions which are outputs of the university's long-term strategic plan outlined in *What's Next: The SFU Strategy*. The annual budget process informed by *What's Next: The SFU Strategy* works within the mandates established by the Province of British Columbia. The process culminates in the submission of the budget to the Board of Governors for approval prior to the start of the new fiscal year. The university has developed multi-year projections to assess long-term financial sustainability. This revised planning process brings enhanced financial scrutiny, stronger reporting and oversight to optimize resources including, investment in systems, ongoing savings and efficiency in support of an excellent work environment for research, teaching and learning. Additional information can be found in SFU's fiscal 2025–26 Budget and Financial Plan.

## **CONTEXT OF FINANCIAL ACCOUNTABILITY**

SFU is part of the Government Reporting Entity (GRE) of the Province of British Columbia, and as such, is required to present its financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 as described in Note 2 of the Consolidated Financial Statements. The Ministry requires SFU to maintain a balanced budget and the university may not take on additional debt without the approval of the Ministry.

The university is committed to financial accountability and allocating and utilizing resources based on the university's strategic priorities. Empowerment of university personnel is key to achieving financial targets. Personnel are provided access to reliable relevant information, and are equipped with business processes and financial transaction procedures to effectively manage finances. Internal controls established by management in the context of their roles, support internal oversight and accountability structures to achieve reliable effective financial operations and financial reporting.

## **OPERATING ENVIRONMENT**

Post-secondary education is an increasingly competitive sector where universities compete to attract top students, faculty and staff from around the world. The majority of SFU's revenue is earned by tuition fees for delivering the university's core academic mission of providing education services to domestic and international students along with an operating grant from the Province of British Columbia.

The Province of British Columbia has mandated that annual tuition increases for domestic students not exceed 2%. Tuition rates for international students are determined by the global supply and demand for education. The Provincial operating grant is used to meet ministry targets for funding of eligible

domestic student credit courses (Full Time Equivalent undergraduate and graduate students including co-op). In 2024, the federal government announced a cap on international student visa permits, graduate students and those changing institutions or levels of study within Canada. In early 2025, The BC government's study permit allocations to SFU fell short of expectations. These policy changes have led to a decline in international students' enrolment prospects.

Expanding research and related services is one of SFU's core priorities. SFU faculty members, supported by the university, compete for research funding with other post-secondary institutions. The level of research funding received each year can vary considerably depending on the research priorities of sponsors and the success rate of SFU's research proposals.

SFU offers a range of ancillary services to enhance the student experience, such as student housing, dining and parking that provide additional revenue sources for the university. The university receives funds from donors and corporations to fund bursaries and scholarships, or specific projects, which are considered restricted, as those funds may only be used for the purposes outlined by the contributor. SFU maintains an endowment fund where donors can make contributions that are invested in perpetuity to support programs and activities within the university. Each year, a portion of the income earned on endowment funds is made available for spending with the residual being maintained in the endowment fund to support future growth.

Annual Surplus has two components, namely the surplus or deficiency of annual revenues over expenses from all activities related to academic program delivery, research and community engagement, which is reported as the Annual Surplus/Deficit from Operations (unrestricted surplus) and Net Restricted Endowment Contributions (restricted surplus) which increase SFU's endowment fund.

Management may allocate a portion of the unrestricted surplus toward the acquisition and renewal of capital assets which is recognized in the Investment in Tangible Capital Assets portion of Net Assets. The costs of building and maintaining physical assets is significant and SFU does not generate sufficient unrestricted surplus to fund large capital projects on its own. When SFU constructs a new building, SFU will contribute a portion of the funding along with a combination of funding sources including provincial and federal governments, and corporate and non-corporate donors. The Ministry also provides an annual grant, that is combined with funds from SFU, to complete deferred maintenance projects.

SFU maintains cash and liquid assets to meet short-term obligations such as operating expenses and planned capital expenditures. The university invests the remaining funds to support long-term obligations. These invested funds are managed by professional investment managers.

## HIGHLIGHTS OF FINANCIAL HEALTH

A comprehensive perspective of the university's financial health is provided in this unaudited Management Discussion and Analysis (MD&A). SFU's financial health is based on its ability to meet statutory requirements, to save for the future, and to manage long-term obligations.

At the end of fiscal 2024-25:

- Annual surplus from operations is \$6.5 Million;
- Net assets as a % of total consolidated revenues is 3.4%;
- Spendable cash to debt exceeds target ratio of 2.0; And
- Endowment net assets grew by \$37.1 Million to reach \$557.5 Million.

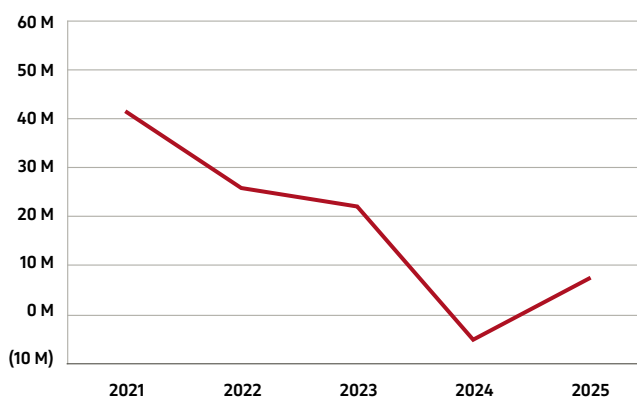
The Financial Health Overview and Comparative Information sections of this report provide further information.

# FINANCIAL HEALTH OVERVIEW

## 1. Annual Surplus/Deficit from Operations

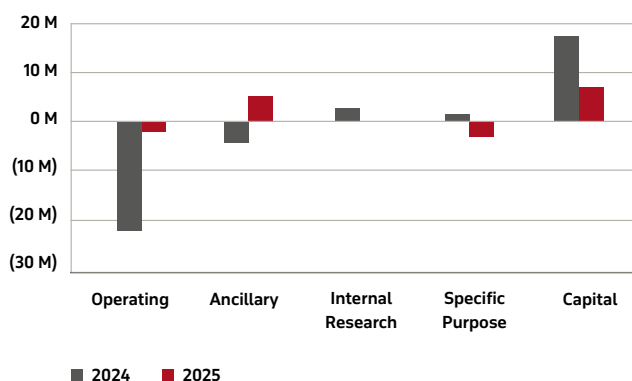
SFU strives to generate sufficient revenue to fund operating commitments for academic program delivery and university administration, as well as research, community engagement and strategic initiatives. In surplus years, excess funds are allocated to support operational improvements and infrastructure renewal that is essential for the university to achieve its vision.

### Annual Surplus/Deficit from Operations



In fiscal 2025, the university realized an annual surplus from Operations of \$6.5 million compared to a deficit of \$5.7 million in fiscal 2024. To ensure long-term financial sustainability and a balanced budget, SFU has adapted its budget planning and cost management strategies to ensure that core academic and research priorities remain supported. Specific measures include implementing a quarterly university-wide budget review process, strategic resource allocation across faculties, targeted cost containment initiatives, and exploring revenue diversification opportunities, guided by SFU's academic mission and strategic plan. The university's revenue growth was hindered by declining international enrolments and operating expense inflation.

### Annual Operating Results by Fund



The operating fund has a deficit of \$2.4 million while Specific Purpose and Internal Research funds have a deficit of \$3.2 million. Overall the university ended the year with an annual surplus which was driven by \$6.7 million and \$5.4 million net surpluses in the Capital and Ancillary funds respectively. The surplus in the Capital fund is primarily attributable to transfers from the Operating fund to support capital asset purchases, critical infrastructure, and deferred maintenance projects that sustain services for students and faculty.

Cost management strategies have strengthened financial stability and support a strong financial outlook.

## Revenue Growth and Diversification

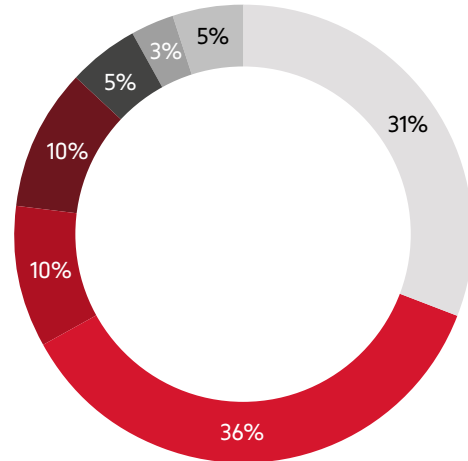
### Revenues by Fiscal Year

<i>Dollars in Millions</i>	2025	2024
Provincial Operating Grant	344.5	343.3
Other Grants and Government Contracts	123.3	122.2
Tuition	319.7	315.4
Sale of Goods and Services	53.3	47.9
Donations, Non-Government Grants & Contracts	76.4	74.2
Investment Income	51.6	21.1
Amortization of Deferred Capital Contributions	28.2	32.8
Other Revenue	18.0	18.6
<b>Total</b>	<b>1,015.0</b>	<b>975.5</b>
Year-over-year growth	4.0%	9.0%

Revenues increased by 4.0% in fiscal 2025, primarily driven by strong investment returns in the university's non-endowment portfolio. Revenues from the sales of goods and services increased primarily from dining and residence and housing due to general price increases and a full year of operations of the Phase 2 student housing.

Tuition and the provincial operating grant are the primary sources of revenue for delivering credit courses and administration, and accounted for 67% of SFU's revenues in fiscal 2025.

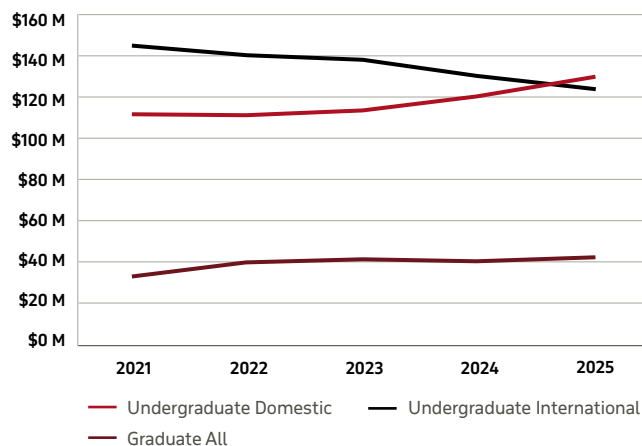
## Revenue Diversity



- Tuition
- Province of BC
- Donations, grants, contracts & other
- Government of Canada
- Sales of goods & services
- Amortization of deferred capital contributions
- Investment income

Revenue growth and diversification is essential to ensure that the university can fund its operating expenses and generate a surplus in support of future initiatives. In response to the softening of international enrolments, the university has advanced several initiatives including diversifying revenues through expanded micro-credential and non-credit programming, refreshing its international recruitment strategy, and accelerating digital transformation initiatives. The university will continue to build on these gains, exploring revenue diversification opportunities aligned with the strategic plan.

## Credit Tuition Revenue by Type



Tuition revenue grew slightly in 2025 due to robust enrolments from domestic undergraduate students despite declining international enrolments. SFU has consistently exceeded the Province of British Columbia's domestic enrolment targets. Impacts of U.S. tariffs on Canadian goods and federal changes to immigration levels are expected to have meaningful impacts on B.C. population forecasts and demand for domestic enrolments, as well as on B.C.'s labour market outlook. While the full extent of the impacts remains uncertain at this time, SFU will continue to assess risks, evaluate potential implications, and take appropriate actions to uphold its academic mission and ensure institutional resilience. SFU is strategically directing its future growth towards programs that align with the Ministry's mandate, including planning and preparing for the opening of the School of Medicine.

Historically, SFU has successfully attracted and retained international undergraduate students, due to high global demand for university education, the university's strong international reputation, and its desirable location of Metro Vancouver. International enrolment at SFU peaked in fiscal 2021 and has declined in subsequent years. The pandemic weakened global demand for international education, while geopolitical events and inflation have increased the costs of studying abroad. Federal caps on international student visa permits have introduced additional challenges and further constrained growth. As a result, international enrolment is expected to remain below prior levels. In response, SFU is implementing a refreshed international recruitment strategy and a comprehensive institutional international strategy to better coordinate all international research, engagement, advancement and recruitment activities.

## Expense Management

SFU manages its expenditures by setting goals and allocating budgets within the limits of the university's available revenue. To enhance long-term sustainability, the university has adopted a more integrated, multi-year planning approach. When revenue falls short of expectations, the university responds by scaling back certain activities or deferring discretionary spending. To manage rising expenses, the university has implemented measures to improve operational efficiency and prioritize ongoing cost savings over reliance on one-time reserves. SFU will also continue to evaluate, monitor and adjust budgets in response to financial performance, while continuing to support students, faculty and staff and maintaining institutional priorities.

## Expenses by Fiscal Year

<i>Dollars in Millions</i>	2025	2024
Salaries	545.7	563.5
Employee Benefits	121.2	101.0
Supplies and Other Operational Expense	95.1	71.7
Amortization of Tangible Capital Assets	70.4	76.8
Professional Fees and Contracted Services	69.4	67.1
Scholarships and Bursaries	59.9	54.4
Travel and Personnel	18.3	18.9
Cost of Goods Sold	2.2	2.5
Interest on Debt	11.2	11.2
Utilities	15.1	14.0
<b>Total</b>	<b>1,008.5</b>	<b>981.1</b>
Year-over-year growth	2.8%	12.3%

Expenses grew 2.8% from the previous year. Salaries decreased due to prior year salary settlements of Public Sector Bargaining Mandates & Agreements resulting in significant retroactive pay, offset by current year general wage increases, and progression through the ranks. Employee benefits increased while salaries declined due to the impact of pension benefit expenses and changes in amortization of actuarial gains and losses. Salaries and employee benefits, which together account for approximately 66% of total expenses, remained stable compared to the prior year.

The increase in non-salary expenses was driven by higher supplies and other operational expenses, partly due to inflation, increased research activity, changes in accounting estimates related to capitalization of assets and the addition of lead costs in asset retirement obligations. Scholarships and bursaries also rose by 10%. Despite ongoing budgetary pressures, the university has expanded support for students in response to the current challenging economic environment.

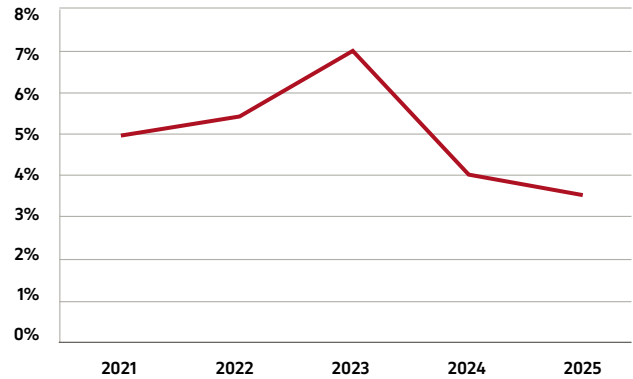
## 2. Net Assets

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Most of the university's net assets are restricted and are designated either for investment in tangible capital assets or for the endowment fund. Maintaining an unrestricted surplus is essential to protect operations from variability in revenue and expenses, and to fund commitments not completed by fiscal year end. At the same time, such reserves should not be excessive. The financial health of the university's reserve is measured as Net Operating Assets (operating reserve) as a Percentage of Total Consolidated Revenue. A positive operating reserve level of 4% to 9% of consolidated revenues is a reasonable operating reserve level for SFU.

The university's ratio is currently at 3.4%, which is outside the optimum target range. However, while the net operating assets is trending lower, it is expected that the university's plans to advance a sustainable financial model will allow the university to increase its ratio within the desired target range of 4% to 9% in the coming years.

**Net Operating Assets as a Percentage of Total Consolidated Revenues**



### 3. Long-Term Obligations

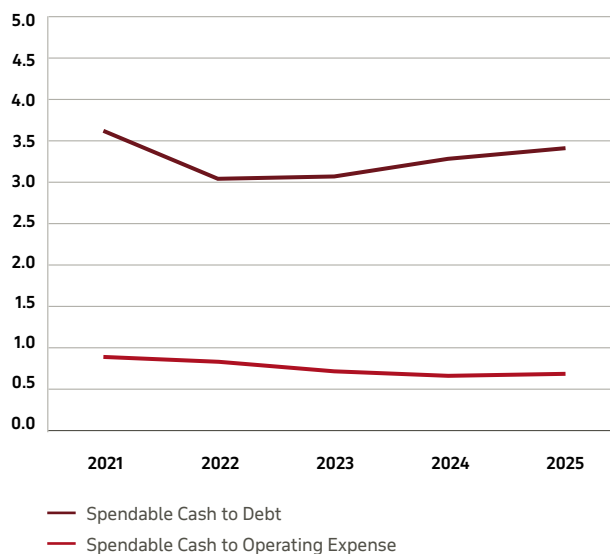
An important indication of financial health is the ability to meet long-term obligations. SFU's operations must generate sufficient cash flow to cover annual expenses and contribute to the repayment of long-term debt, to meet future employee benefit obligations and to fund deferred maintenance projects.

Capital markets utilize independent credit rating agencies to assess an organization's ability to manage debt. Moody's Investors Service has provided a credit rating of Aa2 stable. The university has high levels of total wealth relatively to peers and a low debt burden, as assessed by Moody's Investors Service.

The following graph shows SFU's ratio of spendable cash and investments (excluding endowments) to total debt, and SFU's ratio of spendable cash to expense. The ratio of spendable cash to expense remained consistent at 0.7 during the year and spendable cash to debt continues to exceed the target ratio of 2.0.

The university invests its excess liquidity with a goal of achieving strong returns over the long-term. SFU's investment portfolio includes financial instruments, the fair value of which is impacted by changes in financial markets. Financial markets have been volatile over the past few years, however during fiscal 2025 many asset classes experienced gains. The university did not incur additional debt in 2025.

**Spendable Cash to Debt and Spendable Assets Coverage Ratio**



## Employee Benefits

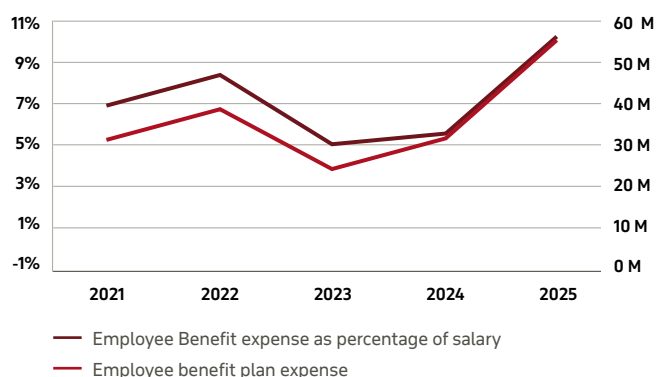
SFU offers a range of post-employment benefit plans for current faculty and staff, including pension plans for the administrative/union staff and additional non-pension retiree benefits, early retirement benefits and long-term disability benefits. These plans create obligations for the university to meet future funding commitments. Administrative/Union Staff pension is a single employer plan with restrictions on the use of surplus. These restrictions create additional financial volatility and financial challenges. Plan expenses recognized in the Consolidated Statement of Operations are impacted by actuarial valuations and can vary considerably from year-to-year. The total expense to provide these benefits in fiscal 2025 was \$55.0 million, an increase from \$32.5 million in the prior year.

The university administers formula retirement benefit (FRB) plans for administrative staff and for certain retired faculty members. On an annual basis, the actuary determines the annual accounting expense which is based on the annual service cost to support faculty and staff members and actuarial gains and losses for the year. The expenses for these plans increased by \$9.2 million from the prior year.

Members of the academic staff participate in the College Pension Plan of British Columbia which is a multi-employer pension plan. As the investment holdings of this plan are pooled and cannot be attributed to individual sponsors, SFU accounts for this plan using defined contribution accounting and recognizes its contributions to the plan as expense. As a result, expense recognized in the Consolidated Statement of Operations for this plan are predictable and was \$22.1 million in calendar year 2024.

Long-term disability benefits expenses are fully recognized in the year in which the event occurs. As an event-driven compensated absence benefit, immediate recognition results in greater variances and less predictability year to year as the number and nature of claims vary. Expenses for Non-pension Retiree Benefit, Early Retirement, and Long-term Disability plans increased by \$8.6 million in the year.

## Post-Employment Benefit Expense



## 4. Endowment Growth

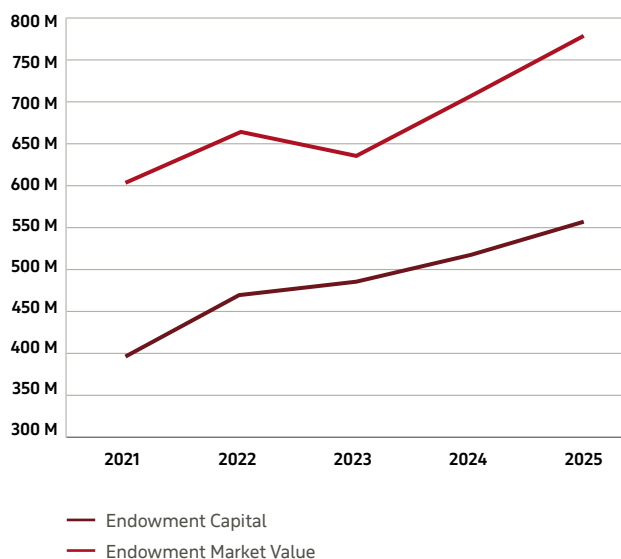
The university holds endowment and non-endowment investments. The growth of university's endowment fund is an important financial health indicator because the endowment investment portfolio assures reliable current and perpetual funding for donor-directed purposes.

Endowment capital increased by 7.1% to \$557.5 million at end of fiscal 2025, continuing a strong growth in endowments over the past several years.

SFU's endowment portfolio includes financial instruments, the fair value of which are impacted by changes in financial markets. The combined income on the fund is composed of realized income, which includes interest and dividends on fixed income and equity investments, as well as unrealized income, which is the change in fair value of investments during the year. Endowment portfolio earnings were \$60.1 million in fiscal 2025, compared to \$70.0 million in fiscal 2024.

Each year, the annual spending allocation is withdrawn from the endowment portfolio and made available to endowment holders to fund their activities. During fiscal 2025, \$30 million was withdrawn compared to \$27 million in the previous year.

**Endowment Growth**



## COMPARATIVE FINANCIAL INFORMATION

The following tables summarize SFU's financial results, variance analysis compared to prior year and compared to budget.

<i>Dollars in Thousands</i>	Ref	Budget	2025	2024 Restated
<b>Revenue</b>				
Government grants and contracts				
Province of British Columbia	1	371,159	363,607	374,637
Government of Canada	2	79,301	97,949	84,547
Other governments		3,970	6,205	6,336
Tuition				
Credit courses	3	300,338	292,636	290,394
Non-credit courses and other student fees		26,108	27,065	25,024
Sales of goods and services	4	51,489	53,294	47,862
Donations, non-government grants and contracts	5	64,803	76,427	74,182
Investment income	6	37,415	50,501	20,235
Net income from government business enterprise			1,057	838
Amortization of deferred capital contributions		31,228	28,245	32,789
Other revenue		14,575	18,010	18,611
		<b>980,386</b>	<b>1,014,996</b>	<b>975,455</b>
<b>Expense</b>				
Salaries	7	524,028	545,676	563,505
Employee benefits	8	117,634	121,232	101,024
Supplies and other operational expense	9	87,188	95,062	71,715
Amortization of tangible capital assets (note 16c)		77,186	70,429	76,845
Professional and contracted services	10	62,584	69,425	67,052
Scholarships and bursaries	11	56,184	59,829	54,412
Travel and personnel		15,857	18,318	18,884
Cost of goods sold		2,536	2,181	2,497
Interest on long-term debt		11,095	11,203	11,211
Utilities		14,264	15,126	14,033
		<b>968,556</b>	<b>1,008,481</b>	<b>981,178</b>
<b>Annual Surplus (Deficit) from Operations</b>		<b>11,830</b>	<b>6,515</b>	<b>(5,723)</b>

## Summary of Variances to Prior Year

Ref	Revenue/Expense Category	Year over Year Actual Variance	Description of Variance
1	Province of British Columbia	(11,030)	Decrease is largely due to provincial grants in fiscal 2024 that included funding for general wage increase and one-time retroactive payment associated with the Shared Recovery Mandate. The 2025 provincial grant is net of an operating grant restriction for capital purposes.
2	Government of Canada	13,402	Increase is due to increased funding from restricted research projects.
4	Sales of goods and services	5,432	The positive variance was due to increased on-campus activities including residence and dining housing fees, parking fee, and income from ceremonies and events.
6	Investment income	30,266	Investment income increased due to favorable market conditions, resulting in higher realized gains, along with increased spending from the endowment fund and prior year divestment of fossil fuels.
7	Salaries	17,829	Salaries decreased compared to prior year, which included restructuring costs and retroactive payments to faculty and staff.
8	Employee Benefits	(20,208)	Benefit change from prior year is due to increases in pension benefit expense and from the net change in amortization of actuarial gains and losses.
9	Supplies and other operational expenses	(23,347)	Higher supplies and operational expenses are partly driven by inflation, increased research activity, changes in accounting estimates related to asset capitalization, and added lead costs in asset retirement obligations.
11	Scholarships and bursaries	(5,417)	The increase reflects expanded scholarship partnerships and enhanced support for students affected by current economic conditions.

## Summary of Variances to Budget

Ref	Revenue/Expense Category	2024/25 Budget to Actual Variance	Description of Variance
1	Province of British Columbia	(7,552)	Provincial grants in fiscal 2024 included funding for general wage increase and one-time retroactive payment associated with the Shared Recovery Mandate. There was also larger than expected revenues related to the Specific Purpose fund.
2	Government of Canada	18,648	The favorable variance was due to larger than anticipated Sponsored Research grant revenues from increased research activities.
3	Student fees credit courses	(7,702)	International student enrolments were lower than planned due to the Government of Canada's cap on international student visas, offset partly by robust enrolments from domestic undergraduate students.
5	Donations, non-government grants and contracts	11,624	Specific Purpose and Research funds received larger than anticipated grants.
6	Investment income	13,086	Favorable market conditions led to higher than expected investment returns.
7	Salaries	(21,648)	Salaries increased due to the final general wage adjustments under the Shared Recovery Mandate. Additionally, Specific Purpose and Research funds incurred higher-than-expected salary costs due to increased activity levels.
9	Supplies and other operational expenses	(7,874)	The unfavorable variance is due to higher than budgeted research activities and capital related costs, including lead costs in asset retirement obligations.
10	Professional Contracted Services	(6,841)	Contract Services reflect the increased expenses for the School of Medicine, technology projects and service efficiencies in conjunction with higher Specific Purpose and Research Fund spending.

**CONSOLIDATED  
FINANCIAL  
STATEMENTS**

## STATEMENT OF MANAGEMENT RESPONSIBILITY

The university is responsible for the preparation of the consolidated financial statements and has prepared them in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 as described in note 2c(iv) of the consolidated financial statements. The consolidated financial statements present the financial position of the university as at March 31, 2025 and the results of its operations, changes in net debt, remeasurement gains and losses, and its cash flows for the year then ended.

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

The Board of Governors carries out its responsibility for review of the consolidated financial statements and oversight of management's performance of its financial reporting responsibilities principally through the Board's Audit Committee. The Committee members are neither officers nor employees of the university.

The Committee meets with management, the internal auditor and the external auditors to discuss the results of the audit and other financial reporting matters. The external auditors have full access to the Audit Committee, with and without the presence of management.

The audited consolidated financial statements for the year ended March 31, 2025 have been reported on by the Office of the Auditor General of British Columbia. The Independent Auditor's Report outlines the scope of the examination and provides the audit opinion on the presentation of the consolidated financial statements.

Burnaby, BC

June 26, 2025



**Dr. Joy Johnson**  
President and Vice-Chancellor



**Jon Harding**  
Vice-President,  
Finance and Administration



## **Independent Auditor's Report**

*To the Board of Governors of Simon Fraser University, and  
To the Minister of Post-Secondary Education and Future Skills, Province of British Columbia*

### **Qualified Opinion**

I have audited the accompanying consolidated financial statements of Simon Fraser University “the University,” which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations, remeasurement gains and losses, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the consolidated financial statements present fairly, in all material respects, the financial position of the University as at March 31, 2025, and the results of its operations, remeasurement gains and losses, change in its net debt and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Qualified Opinion**

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

As described in Note 2a to the Consolidated Financial Statements, the University’s accounting treatment for contributions received from governments and for externally restricted contributions received from non-government sources is to initially record them as deferred revenue (a liability) and then recognize revenue in the statement of operations either on the same basis as the related expenditures occur or, in the case of funds for the purchase or construction of capital assets, to recognize revenue on the same basis as the related assets are amortized. The University was required to adopt this accounting policy as prescribed by Province of British Columbia Treasury Board Regulation 198/2011.

Under Canadian public sector accounting standards, the University’s method of accounting for contributions is only appropriate in circumstances where the funding meets the definition of a liability. Otherwise, the appropriate accounting treatment is to record contributions as revenue when they are received or receivable. In my opinion, certain contributions of the entity do not meet the definition of a liability, and as such the University’s method of accounting for those contributions represents a departure from Canadian public sector accounting standards.

## Independent Auditor's Report

Simon Fraser University

This departure has existed since the inception of the standard, which applies to periods beginning on or after April 1, 2012. When the cumulative effects of this departure to date are adjusted through opening accumulated surplus, the University's records indicate that the effects of this departure on the current year consolidated financial statements is an overstatement of the liability for deferred contributions for tangible capital assets of \$820 million, an understatement of opening accumulated surplus of \$715 million and a current year understatement of revenue of \$105 million. Accordingly, the current year surplus is understated by \$105 million and net debt is overstated by \$820 million.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the University in accordance with the ethical requirements that are relevant to my audit of the University's consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

### ***Other Matters***

Without modifying my opinion, I advise the reader that I was not engaged to audit the consolidated financial statements of Simon Fraser University as at March 31, 2024, for their fair presentation in accordance with Canadian public sector accounting standards. The consolidated financial statements of Simon Fraser University as at March 31, 2024 were audited by a professional accounting firm who previously reported on their compliance with Section 23.1 of the *Budget Transparency and Accountability Act* including Treasury Board Regulation 198/2011 prescribing the accounting policy for contributions. However, because that audit reported against a different framework than that of the current year, I must advise you that the comparative information in the consolidated financial statements and related disclosures were not audited in accordance with the Canadian public sector accounting standards framework, but rather in compliance with Section 23.1 of the *Budget and Transparency and Accountability Act*.

### ***Other Accompanying Information***

Management is responsible for the other information accompanying the consolidated financial statements. The other information comprises the information included in the Annual Financial Report and Management Discussion and Analysis, but does not include the consolidated financial statements and my auditor's report thereon. The Annual Financial Report is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information that I have obtained prior to the date of my auditor's report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained during the audit or otherwise appears to be materially misstated.

## Independent Auditor's Report

Simon Fraser University

Prior to the date of my auditor's report I obtained the Management Discussion and Analysis. If, based on the work I have performed on this other information, I conclude that there is a material misstatement therein, I am required to report that fact in this auditor's report.

As described in the Basis for Qualified Opinion section above, the University has inappropriately deferred certain amounts of its revenues from government transfers. I have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the Management Discussion and Analysis affected by this departure from Canadian public sector accounting standards.

When I read the Annual Financial Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

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

Those charged with governance are responsible for the oversight of the financial reporting process. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting when the University will continue its operations for the foreseeable future.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

My objectives are to obtain reasonable assurance about whether the University's 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 my 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 aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## Independent Auditor's Report

Simon Fraser University

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the University to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the University audit and I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



Sheila Dodds, CPA, CA, CIA  
Acting Auditor General of British Columbia

Victoria, British Columbia, Canada  
June 27, 2025

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31

		2025	2024 Restated
<i>Dollars in Thousands</i>			
	<b>Note</b>		
<b>Financial Assets</b>			
Cash and cash equivalents	4	24,363	49,167
Accounts receivable	5	69,338	64,367
Inventories for resale		453	455
Due from related parties	6	32,883	29,534
Pensions	7	113,928	112,208
Portfolio investments	8	670,575	619,175
Investment in government business enterprises	9	9,826	8,655
<b>Total Financial Assets</b>		<b>921,366</b>	<b>883,561</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	10	157,850	151,702
Deferred revenue	11	53,932	56,679
Asset retirement obligations	12	31,196	25,948
Employee future benefits	13	71,507	70,534
Debt	14	204,183	203,404
Deferred contributions	15	279,333	253,420
Deferred capital contributions	16	841,252	717,069
Deferred lease proceeds	17	163,304	162,598
<b>Total Liabilities</b>		<b>1,802,557</b>	<b>1,641,354</b>
<b>Net Debt</b>		<b>(881,191)</b>	<b>(757,793)</b>
<b>Non-Financial Assets</b>			
Tangible capital assets	18	1,703,655	1,558,691
Restricted investments	8	558,498	521,400
Prepaid expense		7,980	7,563
Inventories held for use		700	723
<b>Total Non-Financial Assets</b>		<b>2,270,833</b>	<b>2,088,377</b>
<b>Net Assets</b>	19	<b>1,389,642</b>	<b>1,330,584</b>
<b>Net Assets is comprised of</b>			
Internally restricted for operating commitments		79,628	79,786
Investment in tangible capital assets		641,299	634,626
Endowment		557,498	520,400
<b>Accumulated Operating Surplus</b>		<b>1,278,425</b>	<b>1,234,812</b>
<b>Accumulated Remeasurement Gains</b>		<b>111,217</b>	<b>95,772</b>
<b>Net Assets</b>		<b>1,389,642</b>	<b>1,330,584</b>

The accompanying notes are an integral part of these consolidated financial statements.

Contractual rights	26
Contractual obligations	27

Approved:



**Paula Martin**  
Chair, Board of Governors



**Neelam Sahota**  
Chair, Audit Committee

## CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended March 31

<i>Dollars in Thousands</i>	Note	Budget Note 29	2025	2024 Restated
<b>Revenue</b>				
Government grants and contracts	20			
Province of British Columbia		371,159	363,607	374,637
Government of Canada		79,301	97,949	84,547
Other governments		3,970	6,205	6,336
Tuition				
Credit courses		300,338	292,636	290,394
Non-credit courses and other student fees		26,108	27,065	25,024
Sales of goods and services		51,489	53,294	47,862
Donations, non-government grants and contracts		64,803	76,427	74,182
Investment income	21	37,415	50,501	20,235
Net income from government business enterprise	9b		1,057	838
Amortization of deferred capital contributions	16	31,228	28,245	32,789
Other revenue		14,575	18,010	18,611
		<b>980,386</b>	<b>1,014,996</b>	<b>975,455</b>
<b>Expense</b>				
Instruction		639,024	637,592	636,537
Research		158,306	173,749	154,737
Specific purpose and trust		89,607	116,939	102,574
Facilities		55,774	54,830	60,727
External engagement		25,845	25,371	26,603
	22	<b>968,556</b>	<b>1,008,481</b>	<b>981,178</b>
<b>Annual Surplus (Deficit) from Operations</b>		<b>11,830</b>	<b>6,515</b>	<b>(5,723)</b>
Net restricted endowment contributions	23	24,174	37,098	34,929
<b>Annual Surplus</b>		<b>36,004</b>	<b>43,613</b>	<b>29,206</b>
Accumulated Surplus, Beginning of Year		1,241,157	1,234,812	1,205,606
<b>Accumulated Surplus, End of Year</b>		<b>1,277,161</b>	<b>1,278,425</b>	<b>1,234,812</b>
Annual Surplus was allocated to increase (decrease) Net Assets				
Internally restricted for operating commitments			(158)	(22,514)
Investment in tangible assets			6,673	16,791
			<b>6,515</b>	<b>(5,723)</b>
Endowment	23		37,098	34,929
<b>Annual Surplus</b>			<b>43,613</b>	<b>29,206</b>

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the year ended March 31

<i>Dollars in Thousands</i>	2025	2024
<b>Accumulated Remeasurement Gains, Beginning of Year</b>	95,772	58,710
<b>Unrealized Gains Attributable to</b>		
Portfolio investments	16,700	25,685
Designated fair value financial instruments	8,580	2,087
Foreign currency translation	114	321
<b>Realized (Gains) Losses Reclassified to Consolidated Statement of Operations</b>		
Portfolio investments	(9,650)	(11,523)
Designated fair value financial instruments	(524)	20,235
Foreign currency translation	225	257
<b>Increase in Accumulated Remeasurement Gains for the Year</b>	15,445	37,062
<b>Accumulated Remeasurement Gains, End of Year</b>	111,217	95,772

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

For the year ended March 31

<i>Dollars in Thousands</i>	Note	Budget Note 29	2025	2024 Restated
<b>Annual Surplus</b>		36,004	43,613	29,206
Net restricted endowment contributions	23	(24,174)	(37,098)	(34,929)
Net effect of remeasurement gains		7,011	15,445	37,062
		<b>(17,163)</b>	<b>(21,653)</b>	<b>2,133</b>
Acquisition of tangible capital assets	18	(144,455)	(215,393)	(128,237)
Amortization of tangible capital assets	18	77,186	70,429	76,845
		<b>(67,269)</b>	<b>(144,964)</b>	<b>(51,392)</b>
Net effect of prepaid expense			(417)	(748)
Net effect of inventories held for use			23	(46)
			<b>(394)</b>	<b>(794)</b>
<b>Increase in Net Debt in the Year</b>		<b>(48,428)</b>	<b>(123,398)</b>	<b>(20,847)</b>
Net Debt, Beginning of Year		(757,793)	(757,793)	(736,946)
<b>Net Debt, End of Year</b>		<b>(806,221)</b>	<b>(881,191)</b>	<b>(757,793)</b>

The accompanying notes are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31

<i>Dollars in Thousands</i>	<b>2025</b>	<b>2024 Restated</b>
<b>Operating Transactions</b>		
Annual surplus	43,613	29,206
Items not involving cash		
Amortization of tangible capital assets	70,429	76,845
Amortization of deferred capital contributions	(28,245)	(32,789)
Employee future benefits	973	(7,931)
Gain on sale of tangible capital asset	(25)	
Gain on investments	(84,265)	(69,205)
Net income from government business enterprises	(1,868)	(1,714)
Amortization of deferred lease proceeds	(2,174)	(2,107)
Accretion of asset retirement obligations	98	103
Amortization of debt discount	779	778
	<b>(685)</b>	<b>(6,814)</b>
Changes in non-cash operating balances		
Accounts receivable	(4,971)	(7,731)
Due from related parties	228	(228)
Pensions	(1,720)	(14,929)
Inventories for resale and held for use	25	456
Prepaid expense	(417)	(748)
Accounts payable and accrued liabilities	6,148	25,407
Deferred contributions	25,913	22,853
Deferred revenue	(2,747)	7,570
Asset retirement obligations	7,176	1,154
<b>Cash Provided by Operating Transactions</b>	<b>28,950</b>	<b>26,990</b>
<b>Investing Transactions</b>		
Purchases of investments	(47,325)	(188,040)
Proceeds on sale of investments	58,537	209,268
Distribution proceeds received from government business enterprises		17,400
<b>Cash Used in Investing Transactions</b>	<b>11,212</b>	<b>38,628</b>
<b>Capital Transactions</b>		
Acquisition of tangible capital assets	(215,393)	(128,237)
Deferred capital contributions received	152,428	60,499
Settlement of asset retirement obligations	(2,026)	(2,722)
Proceeds on sale of tangible capital assets	25	
<b>Cash Used in Capital Transactions</b>	<b>(64,966)</b>	<b>(70,460)</b>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(24,804)</b>	<b>(4,842)</b>
Cash and Cash Equivalents, Beginning of Year	49,167	54,009
<b>Cash and Cash Equivalents, End of Year</b>	<b>24,363</b>	<b>49,167</b>

The accompanying notes are an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

## 1. Authority and purpose

---

Simon Fraser University (the university) operates under the authority of the University Act of British Columbia. It is a comprehensive research university engaged in research and delivering a full range of Undergraduate, Graduate and Lifelong Learning programs from campuses in Burnaby, Vancouver and Surrey, BC. Simon Fraser University is a not-for-profit entity governed by a Board

of Governors, the majority of whom are appointed by the Province of British Columbia. The academic governance of the university is vested in its Senate. The university is a registered charity and is exempt from income taxes under section 149 of the Income Tax Act.

## 2. Summary of significant accounting policies

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### a. Basis of accounting

#### Financial Reporting Framework

The consolidated financial statements have been prepared in accordance with section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia and the Restricted Contribution Regulation 198/2011 issued pursuant to it; the Financial Reporting Framework (FRF).

The Budget Transparency and Accountability Act requires that the consolidated financial statements be prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) except as modified by regulations 257/2010 and 198/2011. The regulation requires that contributions received or receivable by the university for the purpose of acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be accounted for as deferred capital contributions as described in note 2c(iv).

Revenue recognized in the Consolidated Statement of Operations and certain related deferred capital contributions are recorded differently under FRF as described herein than under PSAS. Note 16c summarizes the impact of FRF versus PSAS on the consolidated financial statements.

### b. Basis of consolidation

#### Consolidated entities

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of organizations that are controlled by the university, as well as its proportional interest in government partnerships.

The following organizations, which are 100% controlled by the university, are consolidated in the financial statements. Inter-organizational transactions, balances, and activities have been eliminated on consolidation:

- SFU Foundation
- SFU Community Corporation
- SF Univentures Corporation

#### Investment in government business enterprise

Government business enterprises are accounted for by the modified equity method. Under this method, the university's investment in the business enterprise and its net income and other changes in equity are recorded as earned. No adjustment is made to conform the accounting policies of the government business enterprise to those of the university. Other comprehensive income is accounted for as an adjustment to net assets of the university. Inter-organizational transactions and balances have not been eliminated, except for any profit or loss on transactions involving assets that continue to be controlled by the university.

The following organizations are government business enterprises and are accounted for by the modified equity method. These entities have fiscal years ending December 31 and adjustments are made to recognize any significant transactions between their fiscal year end and the university's March 31 fiscal year end.

- SFU Community Trust (SFUCT) (100% interest)
- Great Northern Way Campus Trust (GNWCT) (25% interest)

### Investment in government partnerships

Government partnerships that are not wholly controlled are accounted for under the proportionate consolidation method. The university accounts for its interest in each partnership on a line-by-line basis in the consolidated financial statements, and eliminates any inter-organizational transactions and balances. Accounting policies of the partnerships, which are not business partnerships, are conformed to those of the university before they are proportionately consolidated.

The consolidated financial statements include:

- Western Canadian Universities Marine Sciences Society (20% interest)
- I-INC Foundation (25% interest)
- Civic Innovation Lab (50% interest)

### c. Revenue recognition

(i) Tuition and sales of goods and services, is reported as revenue at the time the service or product is provided. Amounts received in advance of services provided or products delivered are recorded and included in deferred revenue.

(ii) Unrestricted government grants, non-government grants and donations are recognized as revenue when received or receivable.

(iii) Gifts-in-kind are recorded at fair market value on the date of their donation or at nominal value if the fair market value cannot be reasonably determined.

(iv) Externally restricted government grants, non-government grants and donations are recorded as deferred contributions and then recognized as revenue when the restrictions specified by the contributors are satisfied.

- Contributions for specific purposes other than endowment or the acquisition of tangible capital assets are recorded as deferred contributions and recognized as revenue in the year in which the related expenses are incurred.
- Contributions restricted for capital purposes by external restrictions or the Restricted Contribution Regulation described in note 2a are recorded as deferred until the amount is spent:
  - If the tangible capital asset acquired is land or property rights, the amount is recorded as revenue in the period of acquisition and as an increase to tangible capital assets.

- If the tangible capital asset has a limited life, the amount invested is recorded as a deferred capital contribution and amortized on a straight-line basis over the useful life of the asset. Amortization commences once the asset is put into use.
- Endowment contributions and associated investment income allocated for preservation of endowment capital purchasing power are recognized in the Consolidated Statement of Operations in the period in which they are received or earned.

(v) Investment income includes interest recorded on an accrual basis, declared dividends, realized gains and losses on the sale of investments, and write-downs on investments where the loss in value is determined to be other than temporary. For operating investments and derivatives recorded at fair value, unrealized gains and losses are recorded in the Consolidated Statement of Remeasurement Gains and Losses until realized when they are reclassified to the Consolidated Statement of Operations.

(vi) Income earned on externally restricted investments is deferred and recognized when the related expenditure is made or stipulations are met.

### d. Financial Instruments

Financial instruments are classified into two categories:

(i) fair value and (ii) cost/amortized cost.

(i) Fair value category: portfolio instruments that are quoted in an active market and derivative financial instruments are reflected at fair value as at the reporting date. Other investments held by the university that are managed on a fair value basis have been designated to be recorded at fair value, with the exception of the residual interest in real property. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are immediately recorded as an expense. Unrealized gains and losses on unrestricted financial assets are recognized in the Consolidated Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to sale or impairment. At the time of derecognition, the related realized gains and losses are reversed from the Consolidated Statement of Remeasurement Gains and Losses.

Financial instruments are classified as level 1, 2 or 3 for the purposes of describing the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category, as described below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.

Level 3 - Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

(ii) Cost/amortized cost category: cash is recorded at cost. Other financial instruments including residual interest in real property, accounts receivable, due from related parties, accounts payable and accrued liabilities are recorded at amortized cost. Debt is measured at amortized cost, adjusted for discounts, premiums and issue costs, using the effective interest rate method. Gains and losses are recognized in the Consolidated Statement of Operations upon derecognition or impairment.

#### **e. Inventories for resale**

Inventories for resale are recorded at the lower of cost and net realizable value.

#### **f. Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives or maturity dates extending beyond the current year and are not intended for sale in the ordinary course of operations.

#### **g. Foreign currency translation**

The university's functional currency is the Canadian dollar. Transactions in foreign currencies are translated into Canadian dollars at the exchange rate in effect on the transaction date. Monetary assets and liabilities denominated in foreign currencies and non-monetary assets and liabilities that were designated in the fair value category under the financial instrument standard are reflected in the consolidated financial statements in equivalent Canadian dollars at the exchange rate in effect on the date of the consolidated financial statements. Any gain or loss resulting from a change in rates between the transaction date and the consolidated financial statement date is recognized in the Consolidated Statement of Remeasurement Gains and Losses. In the period of settlement, the related cumulative remeasurement gain/loss is reversed in the Consolidated Statement of

Remeasurement Gains and Losses, and is recognized in the Consolidated Statement of Operations.

#### **h. Measurement uncertainty**

The preparation of 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 date of the consolidated financial statements, and that affect the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include: the useful life of tangible capital assets and related deferred capital contributions, financial instruments, asset retirement obligations, estimated pension, employee future benefits and restructuring liabilities, vacation and compensated leave liabilities, liabilities for contaminated sites, and impairment of assets.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available.

Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

### 3. Financial instruments risks

The fair value of a financial instrument is the estimated amount that the university would receive or pay to settle a financial asset or liability at the reporting date.

The financial instruments of the university and the nature of risks that they may be subject to are as follows:

<i>Financial Instrument</i>	Credit Risk	Liquidity Risk	Market Risk		
			Foreign Exchange	Interest Rate	Other Price
Cash and cash equivalents	X		X	X	
Accounts receivable	X	X	X		
Due from related parties	X	X			
Investments - portfolio and restricted	X	X	X	X	X
Accounts payable and accrued liabilities			X		
Debt				X	

#### Credit risk

The university is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The university does not directly hold any collateral as security for financial obligations receivable.

#### Cash and cash equivalents

Credit risk associated with cash and cash equivalents is minimized by ensuring that these assets are invested in Schedule 1 Canadian chartered banks.

#### Accounts receivable

The university maintains allowances for potential credit losses and such losses to date have been within the university's expectations. In making estimates in respect of the allowance for doubtful accounts, current economic conditions, historical information, reasons for the accounts being past due and line of business from which the receivable arose are all considered in the determination of when to allow for past due accounts. The same factors are considered when determining whether to write off amounts charged to the allowance account against the accounts receivable.

- Student accounts receivable is made up of a large population of limited amounts. The university has leverage to stop further enrolment and the granting of transcripts until payment is made. Additionally, the university personnel manage the collection of overdue accounts proactively.

- Accounts receivable for university employee members of the College Pension Plan are anticipated future recoveries from employees to offset SFU's costs of joining the College Pension Plan. These employees are to reimburse those costs through either provisions in the applicable collective agreements or provisions in their employment agreements.
- Other receivables, advances and tax recoveries are generally with governments, major institutions and other credit worthy institutions.

#### Due from related parties

The university believes its receivables from SFU Community Trust and Great Northern Way Campus Trust are collectible based on its understanding of the business plans of the Trusts and monitoring of their business activities and results.

#### Investments - portfolio and restricted

The university has investment policies to ensure investments are managed appropriately in order to balance preservation of capital, liquidity requirements and investment returns. The university retains several external investment management firms to invest funds in accordance with its investment policies, utilizing diverse agreed upon investment strategies primarily in active trading markets. The fair value hierarchy for fair value measurements provides an indication of the overall types of investments held at March 31, 2025: 62% quoted prices in active markets for identical investments (level 1), 32% in observable markets without direct market pricing (level 2), and 6% inputs that are not observable market data (level 3).

### **Derivatives**

The university may enter into interest rate and foreign currency derivative contracts that expose the university to the risk of default by swap counter parties. This risk is mitigated by limiting exposure to derivative counter parties to highly rated financial institutions. There are no derivatives at March 31, 2025.

### **Liquidity risk**

Liquidity risk is the risk that the university will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the university not being able to liquidate assets in a timely manner at a reasonable price.

The university meets its liquidity requirements by holding assets that can be readily converted into cash and preparing annual operating and capital expenditure budgets, which are monitored and updated as required. In addition, the university requires that funding for significant capital projects be secured before expenditures are incurred.

### **Market risk**

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, and whether those changes are caused by factors specific to the individual financial instrument or factors affecting financial instruments traded in the market. The significant market risks to which the university is exposed are foreign exchange risk, interest rate risk and other price risk.

### **Foreign exchange risk**

Foreign exchange risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate in Canadian dollar value due to changes in foreign exchange rates.

The functional currency of the university is the Canadian dollar. The university transacts some revenue and expenditure activity in U.S. dollars and other currencies due to certain operating costs being denominated in U.S. dollars and other currencies. These transactions represent a small value of total transactions, resulting in minimal risk.

The university uses foreign exchange forward contracts only as a defensive strategy for any significant known future obligations to manage foreign exchange transaction exposures. There were no forward contracts outstanding at March 31, 2025 and March 31, 2024.

### **Interest rate risk**

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The interest rate exposure of the university arises from its fixed income investments, including bonds and debentures.

The university's cash and cash equivalents includes amounts on deposits that earn interest at market rates. The university manages its exposure to interest rate risk on cash in order to maximize the interest income earned on funds available for investment while maintaining the liquidity at levels necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest on cash do not have a significant impact on the university's results of operations.

The primary objective of the university with respect to its investments in fixed income investments is to ensure the security of principal amounts invested and provide for a high degree of liquidity, while achieving a satisfactory investment return.

The university is not exposed to changes in its cash flow due to changes in interest rates on its debt as these borrowings have fixed rates of interest.

### **Other price risk**

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from foreign exchange risk or interest rate risk). The university is exposed to price risk through its investment in equities, hedge funds and real estate. The price risk associated with bonds is considered as part of interest rate risk for these purposes.

## 4. Cash and cash equivalents

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Cash and cash equivalents are demand deposits in Schedule 1 Canadian chartered banks, held primarily in Canadian currency, and are presented net of outstanding items including cheques written but not cleared by the bank as at the date of the Consolidated Statement of Financial Position.

## 5. Accounts receivable

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<i>Dollars in Thousands</i>	2025	2024
SFU employee members of the College Pension Plan	36,735	36,542
Revenue receivable	22,173	18,536
SFSS receivable	6,225	7,070
GST receivable	2,338	1,423
Other receivables	3,377	2,662
Provision for doubtful accounts	(1,510)	(1,866)
<b>Accounts Receivable</b>	<b>69,338</b>	<b>64,367</b>

The SFU employee members of the College Pension Plan receivable is related to the costs to be recovered from employees to fund SFU's obligation on joining the College Pension Plan.

Revenue receivable relates to services to students, ancillary services, research contracts and government grants. Other receivables relate to employee travel advances and third-party billings.

The SFSS receivable represents an agreement by the Simon Fraser Student Society to fund a portion of the stadium renovation completed in 2022. The receivable will be fully repaid in November 2031.

## 6. Due from related parties

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<i>Dollars in Thousands</i>	2025	2024
SFU Community Trust receivable		
Distribution receivable, non-interest bearing, to be settled within one year	13,158	10,229
Base rent receivable	4,123	3,751
<b>Due from SFU Community Trust</b>	<b>17,281</b>	<b>13,980</b>
Great Northern Way Campus Trust receivable		
Promissory note, non-interest bearing, due on demand	15,602	15,326
Interest on promissory note commencing December 31, 2023 at 6%		228
<b>Due from Great Northern Way Campus Trust</b>	<b>15,602</b>	<b>15,554</b>
<b>Due from Related Parties</b>	<b>32,883</b>	<b>29,534</b>

In the current fiscal year SFUCT declared a distribution of \$2,929,000 that is reported as a distribution receivable, non-interest bearing, to be settled within one year. In addition, the university has a receivable for \$4,123,000 for base rent pursuant to an agreement with SFUCT.

During the year, GNWCT declared a distribution of \$276,000 that is reported as a promissory note, non-interest bearing, due on demand. The terms of the promissory note for the 2024 distribution of \$15,243,000 were amended to be non-interest bearing, due on demand.

## 7. Pensions

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### Description of pension plans

The university participates in three registered pension plans on behalf of its employees.

Members of the administrative staff are enrolled in the Pension Plan for Administrative/Union Staff (Administration/Union Plan), a defined benefit, formula retirement benefits (FRB) plan. The Board of Trustees represents both the plan members and the university. The trustees are responsible for the management of the plan including the investment of assets and administration of benefits. The university administers the plan and is responsible for funding the plan. Members of the plan are not required to make regular contributions. The plan rules stipulate that the university has no formal claim to any plan surplus or asset.

Members of the academic staff are enrolled in the College Pension Plan of British Columbia (College Pension Plan), a multi-employer defined benefit FRB plan. Under the terms of the College Pension Plan, employees and employers must both make regular contributions to the plan as determined by the Plan's actuary. The College Pension Board of Trustees is comprised of ten individuals appointed by the Plan's partners: British Columbia General Employees' Union, the Federation of Post-Secondary Educators of BC, the Post-Secondary Employers' Association and the Province of British Columbia. The plan is administered by the BC Pension Corporation and its investments are managed by the BC Investment Management Corporation.

Prior to July 1, 2021 members of the academic staff were enrolled in the Pension Plan for Members of the Academic Staff (Academic Plan), which includes a defined benefit plan and a grandfathered FRB plan. The Board of Trustees represents both plan members and the university. The trustees are responsible for the management of the plan including investment of assets and administration of benefits. The university administers the plan and is responsible for funding the plan. Members of the plan are not required to make regular contributions. The plan rules stipulate that the university has no formal claim to any plan surplus or asset.

Effective July 1, 2021 the university joined the College Pension Plan, and all eligible members of the SFU Faculty Association (SFUFA) joined the College Pension Plan and ceased to be active members of the Academic Plan. Certain non-SFUFA members of the academic staff chose not to enroll in the College Pension Plan at that time, and remain active members of the Academic Plan.

The academic plan was closed to new members as of July 1, 2021.

As a condition of joining the College Pension Plan, the university is required to pay transition costs as determined by the College Pension Plan's actuaries. At the time of joining, the actuarially determined present value of future cash flows was \$44.1 million. The university recognized the liability in its accounts payable and accrued liabilities (note 10). Under the terms of a collective agreement, SFUFA members are required to reimburse the university for SFU's portion of the transition costs attributed to SFUFA members through a cost sharing arrangement which is recognized as a receivable. Non-SFUFA members reimburse the university for SFU's portion of transition costs attributable to them directly.

### Accounting Policy

The university accounts for the Administrative/Union Plan and the FRB portion of the Academic Plan using defined benefit method of accounting. The non-FRB portion of the Academic Plan and SFU's participation in the College Pension Plan are accounted for using the defined contribution method of accounting. The College Pension Plan is multi-employer joint trustee pension plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding. As the assets of the plan are not segregated by institution, the plan is accounted for as a defined contribution plan and any contributions of the university are expensed as incurred.

For the plans accounted for as defined benefit plans, the defined benefit FRB pension obligations and cost of pension benefits earned by employees in the plans are recognized using annual accounting valuations from each of the plans' tri-annual actuarial funding valuations. A variety of assumptions factor into the results including expected investment performance, inflation rates, compensation levels, retirement age and life expectancy. The resulting actuarial gains and losses arising from changes in assumptions are amortized over the Expected Average Remaining Service Lifetime (EARSL) of active employees for the Administrative/Union Plan and Average Remaining Pension Payment Period for the Academic FRB plan.

**Actuarial valuations** are required by the B.C. Pension Benefits Standards Act (PBSA) for each of the defined benefit FRB Plans at intervals of not more than three years. Such valuations determine the employer contribution rate necessary to provide adequate funding of the plan liabilities. The valuations are prepared using the projected unit cost method, pro-rated on service. The Plans' actuaries prepare both going concern and solvency valuations for each plan. The most recent actuarial valuation for the Academic FRB Plan was prepared as at December 31, 2021, while the Administrative/Union Plan was prepared as at December 31, 2023.

**Annual accounting valuations** are prepared for the purposes of determining the present value of the accrued pension benefit obligation and pension expense to be recorded in the financial statements. An extrapolation is performed from the most recent actuarial valuation of each FRB plan, using assumptions determined by management in consultation with the Plans' actuaries and in accordance with PSAS. Accounting valuations are prepared on a going concern basis that assumes the plans will continue indefinitely. Assets are measured at market value, and liabilities are measured using an appropriate discount rate. Accounting valuations were performed for both FRB plans as at December 31, 2024 using data from each of their most recent actuarial valuations.

#### **Defined benefit pension plan liability and expense**

The liabilities of the FRB pension plans and current service costs for the year have been based on accounting valuations performed from the most recent actuarial valuation of each plan.

Pension expense is allocated to the appropriate function, within the Consolidated Statement of Operations, while the accrued pension asset is reported on the Consolidated Statement of Financial Position.

#### **Pension plan for administrative/union staff (Administrative/Union Plan)**

The Administrative/Union Plan is a defined benefit FRB plan based on a combination of years of service and the average of the plan member's highest sixty consecutive months' salary. Pensions are indexed to the CPI up to a maximum of 3% per annum. Additional voluntary contributions to the Administrative/Union Plan may be made to an employee's Money Purchase Accounts (MPA). Pursuant to an agreement between the university and the employee organizations, in certain circumstances, a portion of assets in excess of liabilities may be payable to plan members. If applicable, these payments would be directed to the individual MPA. No contributions were

directed to the Administrative/Union MPA Plan by the university in the current or prior year. A summary of changes in net pension asset is included in note 7a and contributions to the plan are summarized in note 7b.

Contributions to the Administrative/Union Pension Plan made by the university during the 2024 calendar year were at a rate of 14.00% (2023 calendar year: 15.00%) of pensionable earnings, totaling \$29,098,000 (2023 calendar year: \$28,554,000). In addition, contributions of \$1,319,000 (2023 calendar year: \$4,053,000) were made in respect of commuted value solvency holdbacks.

The gains and losses are recognized by the university over EARSL, currently 10 years.

#### **FRB Portion of the Academic Plan**

The Academic Plan also includes a grandfathered FRB plan. The Academic FRB Plan is a defined benefit plan which provides benefits based on earnings and years of service at SFU, indexed relative to the increase in the CPI up to a maximum of 3% per annum. A summary of changes in net pension asset is included in note 7a and contributions to the plan are summarized in note 7b.

The gains and losses are recognized by the university over the Average Remaining Pension Payment Period, currently 9 years.

## 7a/ Net pension liability

<i>Dollars in Thousands</i>	Administrative / Union	Academic FRB	2025	2024
Accrued benefit obligation, beginning of year	465,824	22,400	488,224	429,861
Current period benefit cost (net of employee contributions)	30,421		30,421	24,248
Employee contributions / transfer from MPA	136		136	134
Interest cost	28,768	1,303	30,071	26,123
Benefit payments	(26,666)	(2,761)	(29,427)	(27,601)
Actuarial (gain) loss	(481)	(581)	(1,062)	35,459
<b>Accrued Benefit Obligation, End of Year</b>	<b>498,002</b>	<b>20,361</b>	<b>518,363</b>	<b>488,224</b>
Fair value of plan assets, beginning of year	529,952	24,459	554,411	485,485
Employer contributions	28,803		28,803	32,741
Employee contributions / transfer from MPA	136		136	134
Actual return on plan assets	87,680	3,698	91,378	63,652
Benefit payments	(26,666)	(2,761)	(29,427)	(27,601)
<b>Fair Value Plan Assets, End of Year(*)</b>	<b>619,905</b>	<b>25,396</b>	<b>645,301</b>	<b>554,411</b>
<b>Funded Status, Pension Plan Surplus</b>	<b>121,903</b>	<b>5,035</b>	<b>126,938</b>	<b>66,187</b>
Unamortized net actuarial (loss) gain, beginning of year	(48,080)	78	(48,002)	(42,758)
Actuarial gain on pension plan assets	55,017	2,268	57,285	33,877
Actuarial gain (loss) on pension plan obligation	481	581	1,062	(35,459)
Amortization of net actuarial loss (gain)	557	51	608	(3,662)
<b>Unamortized Net Actuarial Gain (Loss), End of Year</b>	<b>7,975</b>	<b>2,978</b>	<b>10,953</b>	<b>(48,002)</b>
<b>Net Pension Asset before Valuation Allowance</b>	<b>113,928</b>	<b>2,057</b>	<b>115,985</b>	<b>114,189</b>
Valuation allowance		(2,057)	(2,057)	(1,981)
<b>Net Pension Asset</b>	<b>113,928</b>		<b>113,928</b>	<b>112,208</b>

\* Defined benefit pension plan consists of:

	Administrative / Union		Academic FRB	
	2025	2024	2025	2024
Equity securities	64%	62%	65%	64%
Debt securities	36%	38%	35%	36%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## 7b/ Defined benefit pension expense

<i>Dollars in Thousands</i>	Administrative / Union	Academic FRB	2025	2024
	Current period benefit cost (including employee contributions)	30,557		30,557
Less: employee contributions	(136)		(136)	(134)
Amortization of net actuarial loss (gain)	557	51	608	(3,662)
Expected interest cost on pension obligation	28,768	1,303	30,071	26,123
Expected earnings on average pension assets	(32,662)	(1,430)	(34,092)	(29,776)
Change in valuation allowance		76	76	878
<b>Pension Expense</b>	<b>27,084</b>		<b>27,084</b>	<b>17,811</b>

## 7c/ Significant actuarial assumptions

	Administrative/Union		Academic FRB	
	2025	2024	2025	2024
Effective date of most recent actuarial valuation report for funding purposes	31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-21
Measurement date of plan assets / accrued benefit obligation	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Expected future inflation rate	2.25%	2.25%	2.25%	2.25%
Expected Average Remaining Service Lifetime of active employees (EARSL)	10 yrs	10 yrs	n/a	n/a
Average remaining pension payment period	n/a	n/a	9 yrs	9 yrs
Beginning of period				
Discount rate	6.15%	6.10%	6.20%	6.10%
Expected long-term rate of return on plan assets	6.15%	6.10%	6.20%	6.10%
Rate of compensation increase	2.50%	2.75%	n/a	n/a
End of period				
Discount rate	6.15%	6.15%	6.15%	6.20%
Expected long-term rate of return on plan assets	6.15%	6.15%	6.15%	6.20%
Rate of compensation increase	2.50%	2.50%	n/a	n/a

## Actual return on plan assets

	December 31, 2024	December 31, 2023
Administrative / Union	14.14%	11.45%
Academic FRB	14.56%	12.15%

## 7d/ Life Expectancy Assumptions

	December 31, 2024				December 31, 2023			
	Life expectancy at 65 for a member currently				Life expectancy at 65 for a member currently			
	Age 65		Age 45		Age 65		Age 45	
<i>Years</i>	Male	Female	Male	Female	Male	Female	Male	Female
<b>Administrative/Union and Academic (FRB)</b>								
2014 Private Sector Mortality Table	22.1	24.4	23.1	25.3	22.0	24.4	23.0	25.3

## Defined benefit pension plan solvency

Pursuant to the BC Pension Benefits Standards Act, if the pension solvency deficiency ratio does not meet required levels, the university must arrange Letters of Credit (LOC) or make solvency special payments.

Recent valuation reports disclosed the university solvency deficiency ratio exceeded required levels. As a result, a Letter of Credit is no longer required.

## 7e/ Sensitivity to actuarial assumptions, as at December 31, 2024

<i>Dollars in Thousands</i>	Administrative / Union Obligation		Academic FRB Obligation	
	\$	%	\$	%
Estimated increase				
0.5% decrease in discount rate	43,134	8.7	588	2.9
0.5% increase in inflation on post retirement	27,205	5.5	564	2.7
0.5% increase in compensation	9,632	1.9		
10% reduction to mortality rates (0.8 years for a 65 year old)	10,086	2.0	999	4.9

The amounts above have been determined assuming all other assumptions remain unchanged.

### College Pension Plan

The university and its employees contribute to the College Pension Plan (jointly trustee pension plan). The board of trustees for this plan, representing plan members and employers, is responsible for administering the pension plan, including investing assets and administering benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at August 31, 2024, the College Pension Plan has about 18,000 active members, and approximately 11,200 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation from the College Pension Plan as at August 31, 2021, indicated a \$202,000,000 surplus for basic pension benefits on a going concern basis.

The university paid \$22,081,000 for employer contributions to the plan in calendar year 2024 (2023: \$17,548,000).

The next valuation for the College Pension Plan was scheduled and completed as at August 31, 2024, and the results will be available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued

liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

As a condition of joining the College Pension Plan, the university and its employees who are members of the College Pension Plan must contribute additional amounts equal to 1.68% of pensionable earnings until June 30, 2041. Both the university and the members of the College Pension Plan are required to submit 0.84% of pensionable earnings to the College Pension Plan in addition to their regular employer contributions and employee contributions respectively. Pursuant to its collective agreement, SFUFA members reimburse the university for their share of SFU's incremental employer contributions through a cost sharing arrangement. Non-SFUFA members reimburse SFU directly for their share of SFU's incremental employer contributions directly through payroll deductions.

### Non-FRB portion of the Academic Plan

The Academic Plan provides pension benefits primarily on a defined contribution basis whereby funding is directed to MPA. Benefit payments are based upon the asset value within the individual MPA at the time of retirement. While all required contributions to the Plan are made by the university, voluntary contributions may also be made by employees to their individual MPA. As the Academic MPA Plan is not an FRB plan, an actuarial valuation is not required.

Some members of the Academic Plan were not eligible or did not choose to transition to College Pension Plan. The university continues to make contributions to the plan on their behalf.

During the 2024 calendar year, contributions made by the university to the Academic MPA Pension Plan were 9.9% (2023 calendar year: 9.6%) of pensionable earnings, totaling \$245,000 (2023 calendar year: \$262,000).

## 8. Investments

### 8a/ Consolidated Statement of Financial Position presentation of investments

<i>Dollars in Thousands</i>	Reported Value	
	2025	2024
Financial assets presentation category		
<b>Portfolio investments</b>	<b>670,575</b>	<b>619,175</b>
Non-financial assets presentation category		
Endowment investments (note 19)	557,498	520,400
Non-endowment investment	1,000	1,000
<b>Restricted investments</b>	<b>558,498</b>	<b>521,400</b>
<b>Total Investments</b>	<b>1,229,073</b>	<b>1,140,575</b>

### 8b/ Investments 2025

<i>Dollars in Thousands</i>	Level 1	Level 2	Level 3	Total
<b>Investments Recorded at Fair Value</b>				
Canadian equities	299,820			299,820
Foreign equities	467,952			467,952
Fixed income		376,795		376,795
Private equity			18,150	18,150
Real estate and mortgages			44,268	44,268
Other		1,170	9,915	11,085
Term deposits		10,003		10,003
<b>Total Investments Recorded at Fair Value</b>	<b>767,772</b>	<b>387,968</b>	<b>72,333</b>	<b>1,228,073</b>
<b>Investments Valued at Cost/Amortized Cost</b>				
Residual interest in real property				1,000
<b>Total Investments Valued at Cost/Amortized Cost</b>				<b>1,000</b>
<b>Total Investments</b>	<b>767,772</b>	<b>387,968</b>	<b>72,333</b>	<b>1,229,073</b>

### 8c/ Investments 2024

<i>Dollars in Thousands</i>	Level 1	Level 2	Level 3	Total
<b>Investments Recorded at Fair Value</b>				
Canadian equities	248,528			248,528
Foreign equities	492,568			492,568
Fixed income		319,043		319,043
Private equity			20,043	20,043
Real estate and mortgages			40,175	40,175
Other			9,218	9,218
Term deposits		10,000		10,000
<b>Total Investments Recorded at Fair Value</b>	<b>741,096</b>	<b>329,043</b>	<b>69,436</b>	<b>1,139,575</b>
<b>Investments Valued at Cost/Amortized Cost</b>				
Residual interest in real property				1,000
<b>Total Investments Valued at Cost/Amortized Cost</b>				<b>1,000</b>
<b>Total Investments</b>	<b>741,096</b>	<b>329,043</b>	<b>69,436</b>	<b>1,140,575</b>

The fixed income investments are benchmarked to the FTSE Canada Universe Bond Index. Bonds held in the portfolio mature between 2025 and 2085 and the yields to maturity range between 2.4% and 7.6% (2024: 3.4% and 9.5%).

The university has two term deposits. One is \$10,000,000 invested with the Vancity Community Investment Bank, is non-redeemable, paying 4.07% per annum, maturing on November 25, 2025. The other \$2,500 matures July 31, 2025 and pays 4.70%.

Private equities consist of six pooled private equity funds in which the university participates.

Other investments consist of real estate, multi-strategy funds and mortgages. There are two multi-strategy funds: one follows a Canada-focused diversified strategy, and the other is a globally diversified fixed income portfolio. Real estate and mortgages consist of pooled real estate funds and direct mortgages secured by real estate.

Other investments valued at cost/amortized cost include the residual interest in a charitable gift of real property.

### 8d/ Changes in fair value of level 3 investments

<i>Dollars in Thousands</i>	2025	2024
Balance, beginning of year	69,436	75,545
Unrealized gains/losses	2,186	(7,689)
Purchases	3,041	2,781
Dispositions	(2,330)	(1,201)
<b>Balance, End of Year</b>	<b>72,333</b>	<b>69,436</b>

### 8e/ Reconciliation of investment cost to fair value

<i>Dollars in Thousands</i>	2025	2024
<b>Investments at cost</b>	<b>916,550</b>	<b>861,971</b>
Unrealized gains reported in the Consolidated Statement of Remeasurement Gains and Losses		
Balance, beginning of year	91,657	55,173
Fair value gain in the year	15,107	36,484
<b>Balance, End of Year</b>	<b>106,764</b>	<b>91,657</b>
Deferred revenue related to restricted endowments		
Balance, beginning of year	186,947	137,164
Fair value gain in the year	18,812	49,783
<b>Balance, End of Year</b>	<b>205,759</b>	<b>186,947</b>
<b>Total Investments at Reported Value</b>	<b>1,229,073</b>	<b>1,140,575</b>

## 9. Investment in government business enterprises

### 9a/ Investment in government business enterprises

*Dollars in thousands*

	2025	2024
Great Northern Way Campus Trust	(455)	(1,236)
SFU Community Trust	10,281	9,891
<b>Total Investment in Government Business Enterprises</b>	<b>9,826</b>	<b>8,655</b>

#### Great Northern Way Campus Trust

GNWCT was established under the laws of the Province of British Columbia for the benefit of the British Columbia Institute of Technology, Emily Carr University of Art + Design, Simon Fraser University and the University of British Columbia. GNWCT offers a Masters of Digital Media degree program. Additionally, GNWCT is engaged in short-term property management and site development of land in the City of Vancouver that was 80% gifted by Finning International Inc. to the partner institutions in 2001.

Great Northern Way Campus Ltd., a company 25% proportionately owned by the four beneficiaries of GNWCT, has the sole purpose of being the Trustee of GNWCT and has no business operations.

The university's proportionate interest in GNWCT is accounted for on the modified equity basis utilizing the annual audited financial statements of GNWCT prepared as at December 31. As the fiscal periods of GNWCT and the university are not coterminous, any significant financial transactions that occur between December 31 and March 31 are recorded in these consolidated financial statements.

#### SFU Community Trust

SFUCT was established in 2002 to develop land adjacent to the Burnaby campus. This development is known as UniverCity. The university granted SFUCT the ability to sell to real estate developers rights to enter into 99-year leases on land that is owned by the university.

SFU Community Corporation, a company wholly owned by the university, has the sole purpose of being Trustee of SFUCT and has no business operations.

The university's 100% interest in SFUCT is accounted for on the modified equity basis utilizing the annual audited financial statements of SFUCT prepared as at December 31. As the fiscal periods of SFUCT and the university are not coterminous, any significant financial transactions that occur during the intervening period are recorded in these consolidated financial statements based on the fiscal year of the university.

In applying the modified equity basis of accounting to its interest in SFUCT, the university makes adjustments for related party transactions where the underlying assets remain under the university's control. The inter-entity rights to grant 99-year leases that were recorded by SFUCT at fair market values are eliminated from equity/investment in SFUCT until realized by third party transactions. The ultimate sale to developers of these 99-year lease rights represents the culmination of the transaction for SFUCT who then reports such amounts as sales. The university, as the grantor of the 99-year leases, adjusts these sales to amortize the net sales revenue on a straight-line basis over a 99-year lease period.

## 9b/ Change in government business enterprises

### Great Northern Way Campus Trust

*Dollars in Thousands*

	2025		2024	
	100%	25%	100%	25%
Investment in GNWCT, beginning of year	(4,946)	(1,236)	52,674	13,169
Net income reported by GNWCT	4,227	1,057	3,352	838
Net contribution/distribution GNWCT to institutions	(1,104)	(276)	(60,972)	(15,243)
<b>Investment in GNWCT, End of Year</b>	<b>(1,823)</b>	<b>(455)</b>	<b>(4,946)</b>	<b>(1,236)</b>

### SFU Community Trust

*Dollars in Thousands*

	2025	2024
Investment in SFUCT, beginning of year	9,891	12,528
Income reported by SFUCT	3,319	7,067
Reduction in the cost of sales to reflect SFU's original cost of leases		525
Distributions from SFUCT in the year	(2,929)	(10,229)
<b>Investment in SFUCT, End of Year</b>	<b>10,281</b>	<b>9,891</b>

## 9c/ Trust equity reconciled to investment in SFU Community Trust

### SFU Community Trust

*Dollars in Thousands*

	2025	2024
Trust equity as reported by SFUCT	19,445	19,055
Less: adjustment to eliminate the inter-entity gain on the 99-year lease rights		
First rights settlement	(9,418)	(9,418)
Second rights settlement	(8,126)	(8,126)
Lease rights recognized through sales to third parties	17,288	17,288
Less: inter-entity gains	(8,908)	(8,908)
<b>Investment in SFUCT, End of Year</b>	<b>10,281</b>	<b>9,891</b>

## 9d/ Financial summary of government business enterprises

### Great Northern Way Campus Trust

<i>Dollars in Thousands</i>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Financial Position</b>		
Total assets	68,301	63,951
Total liabilities	70,124	68,897
<b>Trust Balance, End of Year</b>	<b>(1,823)</b>	<b>(4,946)</b>
<b>Results of Operations &amp; Trust Balance</b>		
Revenue	10,727	10,089
Expense	6,500	6,737
<b>Net Income for the Year</b>	<b>4,227</b>	<b>3,352</b>
Distributions to institutions	(1,104)	(60,972)
Trust balance, beginning of year	(4,946)	52,674
<b>Trust Balance, End of Year</b>	<b>(1,823)</b>	<b>(4,946)</b>
<b>Cash Flows</b>		
Operating transactions	2,613	1,206
Investing transactions	(2,143)	(1,275)
<b>Increase (Decrease) in Cash During the Year</b>	<b>470</b>	<b>(69)</b>

### SFU Community Trust

<i>Dollars in Thousands</i>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Financial Position</b>		
Total assets	70,869	70,362
Total liabilities	51,424	51,307
<b>Trust Balance, End of Year</b>	<b>19,445</b>	<b>19,055</b>
<b>Results of Operations &amp; Trust Balance</b>		
Revenue	8,566	27,497
Expense	5,247	12,648
<b>Net Income for the Year</b>	<b>3,319</b>	<b>14,849</b>
Distributions to beneficiaries	(2,929)	(10,229)
Adjustment for significant transaction to align SFUCT with SFU fiscal year end		(7,782)
Trust balance, beginning of year	19,055	22,217
<b>Trust Balance, End of Year</b>	<b>19,445</b>	<b>19,055</b>
<b>Cash Flows</b>		
Operating transactions	1,793	14,637
Investing transactions	(162)	(8,671)
Financing transactions	(980)	(3,646)
<b>Increase in Cash During the Year</b>	<b>651</b>	<b>2,320</b>

## 10. Accounts payable and accrued liabilities

<i>Dollars in Thousands</i>	2025	2024 Restated
Trade payables and accruals	56,778	29,231
College Pension Plan transition liability	37,970	38,570
Salaries and benefits payable	42,617	63,506
Accrued vacation pay	17,358	17,077
Other	3,127	3,318
<b>Accounts Payable and Accrued Liabilities</b>	<b>157,850</b>	<b>151,702</b>

## 11. Deferred revenue

<i>Dollars in Thousands</i>	2025	2024
Deferred tuition and fees	30,828	31,583
Ancillary services	10,244	10,742
Student account prepayments	10,709	9,645
Other	2,151	4,709
<b>Deferred Revenue</b>	<b>53,932</b>	<b>56,679</b>

## 12. Asset retirement obligations

### Accounting policy

Liabilities are recognized for statutory, contractual, or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development, or normal operation of the assets. The liability is initially recorded at fair value, which is an amount that is the best estimate of the expenditure required to retire a tangible capital asset. It is determined using present value methodology, and the resulting costs are capitalized as part of the carrying amount of the related tangible capital asset. In subsequent periods, this liability is reviewed and adjusted for the passage of time and for any revisions to the timing and the amount required to settle the obligation or the discount rate. The changes in the liability for the passage of time are recorded as accretion expense in the Statement of Operations, and all other changes are adjusted to the tangible capital asset. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is fully amortized, unrecognized or no longer in productive use, the asset retirement costs are expensed.

The university's financial statements include an asset retirement obligation for remediation of asbestos and lead related to wood and concrete building assets.

<i>Dollars in Thousands</i>	2025	2024
ARO, Beginning of Year	25,948	27,413
Accretion expense	98	103
Settled in the year	(2,026)	(2,722)
Change in estimate	7,176	1,154
<b>ARO, End of Year</b>	<b>31,196</b>	<b>25,948</b>

The liability has been estimated using a net present value technique with a discount rate of 3.80% (2024: 3.49%) and inflation rate of 4.58% (2024: 2.85%). The estimated total undiscounted future expenditures are \$49,868,000 (2024: \$27,985,000), which are to be incurred from 2027 to 2055.

## 13. Employee future benefits

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### Accounting policy

The university provides retirement and compensated absence benefits to employees.

For accounting purposes, the university measures the accrued benefit obligation, liability and expense of the fiscal period through actuarial and accounting valuations. Adjustments arising from changes in actuarial assumptions and actuarial gains and losses are amortized over the Expected Average Remaining Service Lifetime (EARSL) of active employees, except for long-term disability which, as an event driven compensated absence benefit, is recognized immediately.

The university does not segregate assets to specifically offset this liability.

### Description of benefit plans

The university operates three employee future benefit plans providing: non-pension retiree medical, extended health and dental benefits; early retirement benefits; and provisions for long-term disability.

**Actuarial valuations** are performed for both of the retirement benefit plans at least every three years, while the event driven compensated absence benefit plan is performed annually. Such valuations determine the employer contribution rate necessary to provide adequate funding of the plan liabilities and are prepared using the projected benefit method, pro-rated on services. The most recent actuarial valuation for the retirement plans and compensated absence benefit plan was at December 31, 2024.

**Annual accounting valuations** have the primary purpose of determining the liability and expense to be recorded in the financial statements. Assumptions are determined congruent with relevant PSAS on a best estimate basis and are reviewed on an annual basis. This valuation assumes the plan will continue indefinitely and extrapolates the present value of accrued liabilities and benefit expenses from the most recent actuarial valuations. Given the absence of plan assets, the discount rate applied is equal to the relevant cost of borrowing.

### Retirement benefits

Retirement benefits represent the liabilities of the university to provide non-pension retiree benefits and early retirement benefits to the employees in return for their services. As employees render services, the value of the retirement benefits are attributed to those services and recorded as liabilities and expenses. Gains or losses resulting from accounting valuations are amortized over EARSL using the straight line method, commencing the following fiscal year.

#### Non-pension retiree benefits

Non-pension retiree benefits represent the liabilities for portions of future premiums payable on behalf of eligible current employees and retirees for medical, extended health and dental benefits. Only employees hired before dates between July 1, 2001 and May 1, 2003, depending on employee group, are eligible for this benefit. The most recent accounting valuation reported an actuarial loss of \$2,815,000 (2024 actuarial loss: \$674,000) to be amortized over EARSL.

#### Early retirement benefits

Early retirement benefits represent the liabilities to employees who took early retirement in the mid 1990's and other employees who receive supplementary pensions. The most recent accounting valuation reported an actuarial gain of \$158,000 (2024 actuarial loss of \$127,000) to be amortized over EARSL.

#### Event driven liabilities

Compensated absence and long-term disability benefits represent liabilities that are created when events that obligate the university occur. Actuarial valuations are performed each year for these event driven liabilities. The expected costs of providing the benefits are recognized immediately in the period when such events occur. An insurance company administers the long-term disability plans and is reimbursed for disability claim payments plus service fees.

### 13a/ Liability and benefit expense for employee future benefits

<i>Dollars in Thousands</i>	Retirement Benefits		Long-Term Disability	2025	2024
	Non-Pension Retiree	Early Retirement			
Accrued benefit obligation, beginning of year	41,116	1,731	17,208	60,055	59,242
Current period benefit cost	194	64	5,493	5,751	1,964
Interest cost	1,855	78	859	2,792	2,951
Benefit payments	(1,781)	(131)	(2,545)	(4,457)	(4,747)
Actuarial loss (gain)	2,815	(158)	650	3,307	645
<b>Accrued Benefit Obligation, End of Year</b>	<b>44,199</b>	<b>1,584</b>	<b>21,665</b>	<b>67,448</b>	<b>60,055</b>
Unamortized net actuarial gain on liability, beginning of year	9,740	739		10,479	19,223
Actuarial (loss) gain on liability	(2,815)	158	(650)	(3,307)	(645)
Amortization of net actuarial (gain) loss	(3,694)	(69)	650	(3,113)	(8,099)
<b>Unamortized Net Actuarial Gain on Obligation, End of Year</b>	<b>3,231</b>	<b>828</b>		<b>4,059</b>	<b>10,479</b>
<b>Liability for Employee Future Benefits, End of Year</b>	<b>47,430</b>	<b>2,412</b>	<b>21,665</b>	<b>71,507</b>	<b>70,534</b>

### 13b/ Employee future benefits expense

<i>Dollars in Thousands</i>	Retirement Benefits		Compensated Absence Benefit	2025	2024
	Non-Pension Retiree	Early Retirement	Long-Term Disability		
Current period benefit cost	194	64	5,493	5,751	1,964
Amortization of net actuarial gain	(3,694)	(69)	650	(3,113)	(8,099)
Interest cost on unfunded benefit obligation	1,855	78	859	2,792	2,951
<b>Employee Future Benefits (Income) Expense</b>	<b>(1,645)</b>	<b>73</b>	<b>7,002</b>	<b>5,430</b>	<b>(3,184)</b>

### 13c/ Significant actuarial assumptions

	Retirement Benefits				Compensated Absence Benefit	
	Non-Pension Retiree		Early Retirement		Long-Term Disability	
	2025	2024	2025	2024	2025	2024
Measurement date of accrued benefit obligation	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Expected future inflation rate	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Expected Average Remaining Service Lifetime of active employees (EARSLS)	4 yrs	4 yrs	9 yrs	10 yrs	n/a	n/a
Weighted average remaining years until last payment	n/a	n/a	n/a	n/a	5 yrs	5 yrs
Beginning of period discount rate	4.60%	5.10%	4.60%	5.10%	4.60%	5.10%
End of period discount rate	4.70%	4.60%	4.70%	4.60%	4.70%	4.60%
Assumed health care cost trend rates						
Dental	4.00%	4.00%	n/a	n/a	4.00%	4.00%
Extended Health Benefits (EHB)	5.60%	5.80%	n/a	n/a	5.60%	5.80%

### 13d/ Sensitivity to actuarial assumptions, as at December 31, 2024

	Retirement Benefits				Compensated Absence Benefit	
	Non-Pension Retiree		Early Retirement		Long-Term Disability	
	\$	% of Obligation	\$	% of Obligation	\$	% of Obligation
<i>Dollars in Thousands</i>						
Estimated increase in accrued benefit obligation/liability						
0.5% decrease in discount rate	2,948	6.7	92	5.8	679	3.1
0.5% increase in MSP, Dental and EHB cost trend rates	2,827	6.4				
10% reduction to mortality rates (0.8 years for a 65 year old)	1,762	4.0	68	4.3		
0.5% increase in inflation rate			66	4.2	637	2.9
0.5% increase in compensation			96	6.1		

The amounts above have been determined assuming all other assumptions remain unchanged.

## 14. Debt

Debt reported on the Consolidated Statement of Financial Position is recorded at amortized cost and is comprised of the following:

### 14a/ Debt

<i>Dollars in Thousands</i>	2025	2024
Debentures, senior unsecured	144,941	144,643
Debentures, Province of British Columbia unsecured	59,242	58,741
<b>Total Debt</b>	<b>204,183</b>	<b>203,404</b>
Less: sinking fund investment	(1,170)	
<b>Debt, Net of Sinking Fund</b>	<b>203,013</b>	<b>203,404</b>

Senior unsecured debentures were issued at a discount by the university in 2003 for \$150,000,000 with a coupon rate of 5.613%, interest paid semi-annually, due June 10, 2043, and are recorded using the effective interest

method. Net proceeds of the issue were used to finance capital projects. The debentures are neither obligations of, nor guaranteed by, the Province of British Columbia.

The Province of British Columbia unsecured debenture for \$73,000,000 was issued in 2023 at a discount, with a coupon rate of 2.75%, interest paid semi-annually, due June 18, 2052. The university is contributing to a sinking fund investment held and invested by the Province of British Columbia. These funds totaling \$1,170,000 (2024: nil) will provide for the retirement of the debt at maturity. The balance is reported in portfolio investments on the Consolidated Statement of Financial Position.

2025 interest expense on outstanding debt was \$11,203,000 (2024: \$11,211,000) (note 22). Interest paid on outstanding debt for the year was \$10,427,000 (2024: \$10,427,000).

Annual payments of principal and interest due, and sinking fund over the next five years and thereafter are as follows:

### 14b/ Annual payments on debt

<i>Dollars in Thousands</i>	Principal	Sinking Fund	Interest	Total Payments
2026		1,171	10,427	11,598
2027		1,171	10,427	11,598
2028		1,171	10,427	11,598
2029		1,171	10,427	11,598
2030		1,171	10,427	11,598
Thereafter	223,000	25,762	155,700	404,462
	<b>223,000</b>	<b>31,617</b>	<b>207,835</b>	<b>462,452</b>
Estimated sinking fund investment	(73,000)			(73,000)
<b>Total Payments</b>	<b>150,000</b>	<b>31,617</b>	<b>207,835</b>	<b>389,452</b>

## 15. Deferred contributions

Contributions subject to external restrictions pursuant to legislation, regulation or agreement, are deferred and recognized as revenue in the period in which the stipulations are met.

The nature of such contributions, restrictions and recognition criteria varies, and include:

- Sponsored research and specific purpose amounts received are restricted to specific expenditures or class of expenditure.
- Endowment investment earnings are restricted until expended per donor terms of reference.

### 15a/ Change in deferred contributions

<i>Dollars in Thousands</i>	Sponsored Research	Endowment	Specific Purpose	2025	2024
Balance, beginning of year	84,836	125,732	42,852	253,420	230,567
Donations, grants and investment income	201,868	60,142	59,410	321,420	235,923
Recognized as revenue	(117,087)	(27,771)	(56,293)	(201,151)	(180,603)
Recognized as net endowment contributions (note 23)		(19,460)		(19,460)	(23,100)
Transferred to deferred capital contributions (note 16a)	(74,896)			(74,896)	(9,367)
<b>Balance, End of Year</b>	<b>94,721</b>	<b>138,643</b>	<b>45,969</b>	<b>279,333</b>	<b>253,420</b>

### 15b/ Source of deferred contributions, end of year

<i>Dollars in Thousands</i>	Sponsored Research	Endowment	Specific Purpose	2025	2024
Province of British Columbia	7,452		24,739	32,191	31,175
Government of Canada	82,888		2,974	85,862	78,325
Endowment income stabilization account		130,038		130,038	116,927
Other	4,381	8,605	18,256	31,242	26,993
<b>Balance, End of Year</b>	<b>94,721</b>	<b>138,643</b>	<b>45,969</b>	<b>279,333</b>	<b>253,420</b>

### Endowment deferred contributions

Endowment contributions are recorded in the Consolidated Statement of Operations as net restricted endowment contributions (note 23). The related net assets are separately accounted for (note 19). The endowment investments related to donor contributions and recapitalized amounts are non-financial in nature, not available for use in operations, and are reported as restricted investments on the Consolidated Statement of Financial Position.

Endowment investment returns are initially recorded as deferred contributions in the endowment income stabilization account. Allocations are then made to individual endowment spending accounts for expenditure pursuant to the donor terms. When expenditures occur, the related investment income is recognized in the Consolidated Statement of Operations (note 21).

## 16. Deferred capital contributions

### Accounting policy

Funding received or contributed for the acquisition of depreciable tangible capital assets is recorded as deferred capital contributions and is amortized to income at the same rate that the related tangible capital assets are amortized to expense. This is not consistent with the requirements of Canadian Public Sector Accounting Standards which require that government transfers be recognized when approved and eligibility criteria have been met, unless the transfer contains a stipulation that creates a liability, in which case the transfer is recognized over the period that the liability is extinguished. Note 16c quantifies the impact of this difference.

This accounting for deferred capital contributions is in compliance with the requirements of the Budget Transparency and Accountability Act of the Province of British Columbia and the Restricted Contribution Regulation 198/2011 issued pursuant to it.

As described in notes 2a and 2c(v), contributions restricted for capital purposes are deferred and amortized to revenue over the estimated life of the related assets.

### 16a/ Change in deferred capital contributions

<i>Dollars in Thousands</i>	2025	2024
Balance, beginning of year	717,069	689,359
Capital contributions received	77,532	51,132
Transfer from deferred contributions for contributions spent (note 15a)	74,896	9,367
Amortized to revenue	(28,245)	(32,789)
<b>Balance, End of Year</b>	<b>841,252</b>	<b>717,069</b>

### 16b/ Source of deferred capital contributions, end of year

<i>Dollars in Thousands</i>	2025	2024
Province of British Columbia	633,432	554,127
Government of Canada	88,169	84,199
Other	119,651	78,743
<b>Balance, End of Year</b>	<b>841,252</b>	<b>717,069</b>

The impact of the difference between FRF and PSAS on the consolidated financial statements of the university would be as follows:

### 16c/ Difference between FRF and PSAS

<i>Dollars in Thousands</i>	FRF	PSAS	FRF	PSAS
	2025		2024 Restated	
<b>Non-financial assets</b>				
Deferred capital contributions	841,252	21,275	717,069	24,785
<b>Net Assets</b>				
Net Assets	1,389,642	2,209,619	1,330,584	2,022,868
<b>Revenue</b>				
Government grants and contracts	467,761	600,831	465,520	525,752
Amortization of deferred capital contributions	28,245		32,789	
<b>Annual Surplus</b>				
Annual surplus	43,613	148,438	29,206	56,649

## 17. Deferred lease proceeds

<i>Dollars in Thousands</i>	SFU Community Trust	Student Housing	2025	2024
Deferred lease proceeds, beginning of year	105,784	56,814	162,598	154,238
Additions	2,880		2,880	10,467
Amortization	(1,186)	(988)	(2,174)	(2,107)
<b>Deferred Lease Proceeds, End of Year</b>	<b>107,478</b>	<b>55,826</b>	<b>163,304</b>	<b>162,598</b>

### SFU Community Trust

SFUCT deferred land lease revenue represents the unamortized gains from transfer of lease rights to SFUCT and revenues from 99-year land leases in relation to UniverCity.

### Student Housing

In September 2021, the university entered into a lease agreement with a third party and received an upfront lease payment of \$59,256,000. This payment will be amortized over the expected 60-year term of the agreement.

## 18. Tangible capital assets

### 18a/ Tangible capital assets - net book value

<i>Dollars in Thousands</i>	Cost	Accumulated Amortization	2025	2024 Restated
Buildings	1,569,579	407,294	1,162,285	1,177,636
Premises leased to others	68,301	4,439	63,862	65,000
Site services	107,985	28,815	79,170	81,336
Leasehold improvements	15,562	6,906	8,656	9,767
Computer equipment	30,591	17,126	13,465	16,937
Computer software	239	15	224	
Equipment & furnishings	143,860	64,869	78,991	72,193
Library books	93,654	46,901	46,753	47,264
Land	33,080		33,080	33,080
Assets under construction	217,169		217,169	55,478
<b>Total</b>	<b>2,280,020</b>	<b>576,365</b>	<b>1,703,655</b>	<b>1,558,691</b>

### Accounting policy

Tangible capital assets are initially recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Contributed tangible capital assets are recorded at fair market value at the date of contribution. Amortization is recorded on a straight-line basis over the estimated useful life of the asset.

## Estimated useful life of tangible capital assets

<i>Life in Years</i>	
Buildings	20-50
Premises leased to others	60
Site services	50
Leasehold improvements	9-13
Computer equipment	3
Computer software	8
Equipment & furnishings	8
Library books	10

Land is not amortized as it is considered to have an unlimited useful life. Assets under construction are not amortized until the asset is put into productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the university's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. During the year, a review

of capital work in progress identified a payment for a future project that no longer meets the definition of a tangible capital asset. As a result, the university recognized a write down of \$3,558,000 (2024: nil).

Works of art and cultural assets, which include the university's art collection and the SFU Bill Reid Gallery collection, are not recognized as assets in the Consolidated Financial Statements. In 2025, additional donated works of art with an appraised value of \$243,000 (2024: \$403,000) were received. The art collections are insured at a replacement value of \$51,141,000.

Buildings owned by the university that have been leased to a third party under a long-term operating lease agreement are reported as premises leased to others and amortized over the term of the lease. Related prepaid lease proceeds are recorded as deferred lease proceeds and amortized over the lease term.

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. Where an estimate of value could not be made, contributed tangible capital assets are recognized at a nominal value. The value of contributed assets received during the year is approximately \$1,501,000 (2024: \$825,000).

Additions to buildings during the year include capitalized interest of \$nil (2024: \$2,000).

## 18b/ 2025 Tangible capital asset cost - opening and closing balances

<i>Dollars in Thousands</i>	Opening	Additions (Transfers)	Disposals	2025
Buildings	1,552,699	17,195	(315)	1,569,579
Premises leased to others	68,301			68,301
Site services	107,985			107,985
Leasehold improvements	15,140	422		15,562
Computer equipment	35,838	7,842	(13,089)	30,591
Computer software		239		239
Equipment & furnishings	148,475	19,003	(23,618)	143,860
Library books	96,592	9,001	(11,939)	93,654
Land	33,080			33,080
Assets under construction	55,478	161,691		217,169
<b>Total</b>	<b>2,113,588</b>	<b>215,393</b>	<b>(48,961)</b>	<b>2,280,020</b>

### 18c/ 2025 Tangible capital asset accumulated amortization - opening and closing balances

<i>Dollars in Thousands</i>	Opening	Amortization	Disposals	2025
Buildings	375,063	32,546	(315)	407,294
Premises leased to others	3,301	1,138		4,439
Site services	26,649	2,166		28,815
Leasehold improvements	5,373	1,533		6,906
Computer equipment	18,901	11,314	(13,089)	17,126
Computer software		15		15
Equipment & furnishings	76,282	12,205	(23,618)	64,869
Library books	49,328	9,512	(11,939)	46,901
<b>Total</b>	<b>554,897</b>	<b>70,429</b>	<b>(48,961)</b>	<b>576,365</b>

### 18d/ 2024 Tangible capital asset cost - opening and closing balances

<i>Dollars in Thousands</i>	Opening	Additions (Transfers)	Disposals	2024 Restated
Buildings	1,474,358	78,938	(597)	1,552,699
Premises leased to others	68,301			68,301
Site services	96,854	11,131		107,985
Leasehold improvements	11,346	3,794		15,140
Computer equipment	43,681	10,368	(18,211)	35,838
Equipment & furnishings	138,861	19,433	(9,819)	148,475
Library books	95,849	9,319	(8,576)	96,592
Land	33,080			33,080
Assets under construction	60,224	(4,746)		55,478
<b>Total</b>	<b>2,022,554</b>	<b>128,237</b>	<b>(37,203)</b>	<b>2,113,588</b>

### 18e/ 2024 Tangible capital asset accumulated amortization - opening and closing balances

<i>Dollars in Thousands</i>	Opening	Amortization	Disposals	2024 Restated
Buildings	344,353	31,307	(597)	375,063
Premises leased to others	2,163	1,138		3,301
Site services	24,594	2,055		26,649
Leasehold improvements	4,035	1,338		5,373
Computer equipment	23,618	13,494	(18,211)	18,901
Equipment & furnishings	68,209	17,892	(9,819)	76,282
Library books	48,283	9,621	(8,576)	49,328
<b>Total</b>	<b>515,255</b>	<b>76,845</b>	<b>(37,203)</b>	<b>554,897</b>

### 18f/ Assets under construction by asset class

<i>Dollars in Thousands</i>	2025	2024
Buildings	133,292	33,830
Site services	8,056	13,520
Leasehold improvements	1,309	2,616
Computer equipment	71,299	1,396
Computer software	131	2,005
Equipment & furnishings	3,082	2,111
<b>Assets Under Construction</b>	<b>217,169</b>	<b>55,478</b>

## 19. Net assets

<i>Dollars in Thousands</i>	<b>2025</b>	<b>2024 Restated</b>
Internally restricted for operating commitments		
Departmental operating budget carryover	8,779	12,221
Internal advance for tangible capital assets	(22,000)	(23,000)
	<b>(13,221)</b>	<b>(10,779)</b>
Internally funded research	48,193	48,365
<b>Net operating</b>	<b>34,972</b>	<b>37,586</b>
Ancillary operations	13,074	7,607
Specific purpose	31,582	34,593
<b>Internally Restricted for Operating Commitments</b>	<b>79,628</b>	<b>79,786</b>
Investment in tangible capital assets, before internal advance	619,299	611,626
Internal advance for tangible capital assets	22,000	23,000
<b>Investment in tangible capital assets</b>	<b>641,299</b>	<b>634,626</b>
<b>Endowment (note 8a)</b>	<b>557,498</b>	<b>520,400</b>
<b>Accumulated Operating Surplus, End of Year</b>	<b>1,278,425</b>	<b>1,234,812</b>
<b>Accumulated remeasurement gains</b>	<b>111,217</b>	<b>95,772</b>
<b>Net Assets, End of Year</b>	<b>1,389,642</b>	<b>1,330,584</b>

Internally restricted for operating commitments represents amounts from the university's operating and ancillary services, and amounts set aside for research and specific purpose.

Investment in tangible capital assets represents the cost of capital assets acquired by the University, net of funding from restricted capital contributions, debt, amounts received from land development activities, and asset retirement obligations.

Endowment represents restricted donations and capitalized investment income to be held in perpetuity.

## 20. Government grants and contract revenue

<i>Dollars in Thousands</i>	2025	2024
<b>Province of British Columbia</b>		
Operating	344,534	343,307
Sponsored research	31,684	6,873
Specific purpose	18,665	29,505
Minor maintenance and rehabilitation	980	4,180
Net deferred contributions	(32,256)	(9,228)
<b>Total Province of British Columbia</b>	<b>363,607</b>	<b>374,637</b>
<b>Government of Canada</b>		
Operating	8,910	9,752
Sponsored research	87,902	70,439
Specific purpose	13,855	11,467
Net deferred contributions	(12,718)	(7,111)
<b>Total Government of Canada</b>	<b>97,949</b>	<b>84,547</b>
<b>Other governments</b>		
Operating	53	113
Sponsored research	8,284	4,590
Specific purpose	960	465
Net deferred contributions	(3,092)	1,168
<b>Total Other Governments</b>	<b>6,205</b>	<b>6,336</b>

## 21. Investment income

<i>Dollars in Thousands</i>	Operating	Endowment	2025	2024
Interest and dividend income	12,781		12,781	7,524
Realized gains transferred from Consolidated Statement of Remeasurement Gains and Losses	9,949		9,949	(8,969)
Income from deferred contributions (note 15a)		27,771	27,771	21,680
<b>Investment Income</b>	<b>22,730</b>	<b>27,771</b>	<b>50,501</b>	<b>20,235</b>

## 22. Expense by object

<i>Dollars in Thousands</i>	Budget	2025	2024 Restated
Salaries	524,028	545,676	563,505
Employee benefits	117,634	121,232	101,024
Supplies and operating	87,188	95,062	71,715
Amortization of tangible capital assets (note 18c)	77,186	70,429	76,845
Professional and contracted services	62,584	69,425	67,052
Scholarships and bursaries	56,184	59,829	54,412
Travel and personnel	15,857	18,318	18,884
Cost of goods sold	2,536	2,181	2,497
Interest on long-term debt	11,095	11,203	11,211
Utilities	14,264	15,126	14,033
<b>Expense</b>	<b>968,556</b>	<b>1,008,481</b>	<b>981,178</b>

## 23. Net restricted endowment contributions

Endowment consists of restricted donations to the university. The investment income generated from endowments must be used in accordance with purposes established by donors. Donors, as well as university policy, stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and endowing a portion of investment income in order to maintain purchasing power.

<i>Dollars in Thousands</i>	2025	2024
Donations	16,540	10,110
Recapitalized investment income (note 15a)		
Endowment principal addition	3,789	4,783
Preserve purchasing power	15,671	18,317
Equity gain for the year from SFU Community Trust	1,098	1,719
<b>Net Restricted Endowment Contributions</b>	<b>37,098</b>	<b>34,929</b>
Endowment Net Assets, Beginning of Year	520,400	485,471
<b>Endowment Net Assets, End of Year (note 19)</b>	<b>557,498</b>	<b>520,400</b>

## 24. Contingent liabilities

From time to time, the university is involved in litigation or proceedings relating to claims arising out of its operations in the ordinary course of business. It is expected that the ultimate outcome of these claims will not have a material effect on the financial position of the university. The majority of these claims are covered by the university's insurance coverage. Any university payouts that may result from these claims will be recorded in the period when it becomes likely and determinable.

The university is a member in a self-insurance cooperative, in association with other Canadian universities, to provide property and general liability insurance coverage. Under the Canadian Universities

Reciprocal Insurance Exchange (CURIE), the university is required to share in any net losses experienced by CURIE beyond the reserves that CURIE has accumulated from member premiums. Members of CURIE have exposure to retroactive premium assessments should the premiums be insufficient to cover losses and expenses. No provision has been made for this potential liability.

At March 31, 2025 the university is liable for Letters of Credit in the amount of \$263,000 (2024: \$360,000). The 2025 amount includes Letters of Credit related to development arrangements.

## 25. Liability for contaminated sites

### Accounting policy

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the university is directly responsible or accepts responsibility;
- (iv) a reasonable estimate of the amount can be made; and
- (v) it is expected that future economic benefits will be given up.

The university recognized an estimated liability of \$5,000,000 (2024: \$5,200,000) for the remediation of a contaminated site resulting from salt leaking from a salt shed into nearby groundwater and surface water. The estimated total future expenditures are \$5,000,000. The balance is recorded in accounts payable and accrued liabilities.

## 26. Contractual rights

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Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future.

The university has entered into multi-year research funding agreements whereby it has the opportunity to draw on these agreements and contracts to earn revenue as the university incurs eligible expenditures as defined within funding agreements: 2026 \$8,833,000, 2027 to 2030 \$4,947,000.

## 27. Contractual obligations

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The university has entered into multi-year contracts for property leases, the delivery of services and construction projects. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure in the table below relates to the unperformed portion of the contracts.

<i>Dollars in thousands</i>	2026	2027	2028	2029	2030	Thereafter
Long-term lease	5,988	5,476	4,307	948	795	552
Service contracts	10,310	828				
Construction contracts	38,808					
<b>Total</b>	<b>55,106</b>	<b>6,304</b>	<b>4,307</b>	<b>948</b>	<b>795</b>	<b>552</b>

## 28. Related party transactions

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### Entities Under Common Control

The university is related through common control to the Province of British Columbia's ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. 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 upon between the university and the related parties.

Grant revenues received from the Province of BC and other related government entities are discussed in note 20. Transactions with government business enterprises are discussed in notes 6, 9 and 17. Note 2b explains how controlled entities and government business enterprises are accounted for in the consolidated financial statements.

## 29. Financial reporting framework budget

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### Accounting policy

Budget figures have been provided for comparative purposes and were approved by the Board of Governors on March 28, 2024.

## 30. Comparative amounts

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Certain amounts on the consolidated financial statements for the year ended March 31, 2024, have been restated in order to conform to the presentation adopted in the current year.

## 31. Prior period adjustments

During the fiscal year ended March 31, 2025, the university identified the following errors:

### (a) Tangible Capital Assets

During the fiscal year ended March 31, 2025, the university identified an error in tangible capital assets related to the prior year periods. As a result, equipment and furnishings were understated by \$14,812,000 and accumulated surplus understated by the corresponding amount as of March 31, 2024.

### (b) Compensated absences and vacation entitlements

Prior to the year ended March 31, 2025, the methodology used to calculate accruals related to compensated

absences and vacation entitlements was incorrect. As a result, Accounts payable and accrued liabilities were understated by \$6,345,000 for the year ended March 31, 2024 and \$5,863,000 at March 31, 2023. The prior year's accumulated surplus that is internally restricted for operating commitments has been restated to reflect the correct figures.

The corrections have been applied retrospectively, with adjustments made to each affected financial statement line item from the prior year. The tables below provide a summary of the impact on the university's consolidated financial statements.

### 31a/ Consolidated Statement of Financial Position as at March 31, 2024

<i>Dollars in Thousands</i>	As previously reported	Adjustment	Restated
<b>Total Financial Assets</b>	<b>883,561</b>		<b>883,561</b>
Accounts payable and accrued liabilities (b)	145,357	6,345	151,702
Others	1,489,652		1,489,652
<b>Total Liabilities</b>	<b>1,635,009</b>	<b>6,345</b>	<b>1,641,354</b>
<b>Net Debt</b>	<b>(751,448)</b>	<b>(6,345)</b>	<b>(757,793)</b>
<b>Non-Financial Assets</b>			
Tangible capital assets	1,543,879	14,812	1,558,691
Others	529,686		529,686
<b>Total Non-Financial Assets</b>	<b>2,073,565</b>	<b>14,812</b>	<b>2,088,377</b>
<b>Net Assets</b>	<b>1,322,117</b>	<b>8,467</b>	<b>1,330,584</b>

### 31b/ Consolidated Statement of Operations for the year ended March 31, 2024

<i>Dollars in Thousands</i>	As previously reported	Adjustment	Restated
<b>Revenue</b>	<b>975,455</b>		<b>975,455</b>
<b>Expenses</b>			
Instruction	635,998	539	636,537
Research	154,640	97	154,737
Specific purpose and trust	102,509	65	102,574
Facilities	60,688	39	60,727
External engagement	26,586	17	26,603
	<b>980,421</b>	<b>757</b>	<b>981,178</b>
Annual Deficiency from Operations (a & b)	(4,966)	(757)	(5,723)
Net restricted endowment contributions	34,929		34,929
<b>Annual Surplus</b>	<b>29,963</b>	<b>(757)</b>	<b>29,206</b>
Accumulated Surplus, Beginning of Year	1,196,382	9,224	1,205,606
<b>Accumulated Surplus, End of Year</b>	<b>1,226,345</b>	<b>8,467</b>	<b>1,234,812</b>

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## CONTACT

[www.sfu.ca/finance](http://www.sfu.ca/finance)

### **Karamjeet Heer**

Associate Vice-President Finance

778-782-7581

### **Sarah Lee**

Director, Financial Services

778-782-4708

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