Bishop's University

Financial Statements
April 30, 2026

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Raymond Chabot
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Independent Auditor's Report

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To the Members of the Board of Directors of
Bishop's University

Opinion

We have audited the financial statements of Bishop's University (hereafter "the University"), which comprise the statement of financial position as at April 30, 2026, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

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

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

In preparing the financial statements, management is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the University's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

Raymond Chabot Grant Thornton LLP[1]

Sherbrooke
September 25, 2026

[1] CPA auditor, public accountancy permit no. A122686

Bishop's University
Operations
Year ended April 30, 2026

	Operating Fund		Restricted Funds		Capital Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$
Revenues								
Grants								
Ministère de l'Enseignement supérieur	**45,943,573**	44,789,650	**1,978,164**	1,574,510	**5,464,567**	5,418,655	**53,386,304**	51,782,815
Research grants			**2,924,742**	3,418,499			**2,924,742**	3,418,499
Contributions - Bishop's University Foundation	**1,235,885**	1,131,229	**4,406,709**	3,800,132	**492,389**	388,666	**6,134,983**	5,320,027
Student academic fees	**15,035,154**	16,253,669					**15,035,154**	16,253,669
Other student fees	**1,230,142**	1,510,556					**1,230,142**	1,510,556
Other	**2,451,046**	2,586,720	**1,002,164**	1,325,402	**992,016**	1,037,660	**4,445,226**	4,949,782
Student services	**3,869,408**	3,786,192					**3,869,408**	3,786,192
Ancillary enterprises	**12,991,419**	13,040,109					**12,991,419**	13,040,109
Gain on disposal of tangible and intangible capital assets					**44,226**		**44,226**	
	82,756,627	83,098,125	**10,311,779**	10,118,543	**6,993,198**	6,844,981	**100,061,604**	100,061,649

Bishop's University
Operations
Year ended April 30, 2026

	Operating Fund		Restricted Funds		Capital Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$
Expenses								
Teaching	**29,185,771**	28,678,866	**2,634,724**	2,514,369			**31,820,495**	31,193,235
Funded research			**3,086,685**	3,605,251			**3,086,685**	3,605,251
Academic support								
Library	**1,760,703**	1,884,793	**14,196**	8,481			**1,774,899**	1,893,274
Information technology and audio-visual	**3,734,213**	3,578,278					**3,734,213**	3,578,278
Administration support								
Administration	**11,687,783**	11,053,146	**41,501**	128,697			**11,729,284**	11,181,843
Land and buildings	**7,537,207**	6,960,854	**2,313**	56,318			**7,539,520**	7,017,172
Student services	**6,812,321**	7,508,742	**1,540,579**	779,003			**8,352,900**	8,287,745
Student scholarships and bursaries	**68,394**	126,100	**2,890,274**	2,911,433			**2,958,668**	3,037,533
Ancillary enterprises	**10,348,113**	10,745,804	**101,507**	114,991			**10,449,620**	10,860,795
Interest expenses (Note 3)	**3,712**				**2,142,818**	2,509,134	**2,146,530**	2,509,134
Amortization of tangible and intangible capital assets					**8,590,874**	8,304,181	**8,590,874**	8,304,181
Amortization of other assets					**2,125**	2,125	**2,125**	2,125
Expensed capital purchases and disposals					**39,183**	68,279	**39,183**	68,279
Retirement allowances and severance costs	**226,822**	662,602					**226,822**	662,602
Employee future benefits' adjustment	**(226,800)**	43,600					**(226,800)**	43,600
Amortization of pension plan	**1,174,822**	1,184,742					**1,174,822**	1,184,742
Variation of the fair value of derivative financial instruments					**(169,032)**	715,041	**(169,032)**	715,041
Variation of the fair value of long-term debt					**(7,191)**	411,792	**(7,191)**	411,792
	72,313,061	72,427,527	**10,311,779**	10,118,543	**10,598,777**	12,010,552	**93,223,617**	94,556,622
Excess (deficiency) of revenues over expenses	**10,443,566**	10,670,598	**-**	-	**(3,605,579)**	(5,165,571)	**6,837,987**	5,505,027

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

Bishop's University
Changes in Fund Balances
Year ended April 30, 2026

	Operating Fund		Restricted Funds		Capital Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$
Fund balances (negative), beginning of year	**(34,165,444)**	(37,213,005)			**66,105,869**	60,592,403	**31,940,425**	23,379,398
Excess (deficiency) of revenues over expenses	**10,443,566**	10,670,598			**(3,605,579)**	(5,165,571)	**6,837,987**	5,505,027
Employee future benefits - remeasurement and other items	**724,900**	3,056,000					**724,900**	3,056,000
Interfund transfers (Note 4)	**(10,128,512)**	(10,679,037)			**10,128,512**	10,679,037		
Fund balances (negative), end of year	**(33,125,490)**	(34,165,444)	**-**	-	**72,628,802**	66,105,869	**39,503,312**	31,940,425

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

Bishop's University
Cash Flows
Year ended April 30, 2026

	2026 $	2025 $
OPERATING ACTIVITIES		
Excess of revenues over expenses	**6,837,987**	5,505,027
Non-cash items		
Amortization of tangible and intangible capital assets	**8,590,874**	8,304,181
Amortization of other assets	**2,125**	2,125
Amortization of deferred financing costs	**23,459**	23,458
Amortization of deferred contributions related to tangible and intangible capital assets	**(5,129,878)**	(4,790,128)
Gain on disposal of tangible and intangible capital assets	**(44,226)**	
Variation of the fair value of derivative financial instruments	**(169,032)**	715,041
Variation of the fair value of long-term debt	**(7,191)**	411,792
Employee future benefits	**(473,455)**	50,862
	9,630,663	10,222,358
Net change in other assets and liabilities		
Accounts receivable	**3,994,622**	5,061,687
Prepaid expenses	**(35,871)**	354,390
Accounts payable and accrued liabilities	**(169,229)**	82,270
Unearned revenue	**76,899**	(414,313)
Deferred contributions	**1,384,105**	(8,906)
	5,250,526	5,075,128
Cash flows from operating activities	**14,881,189**	15,297,486
INVESTING ACTIVITIES		
Term deposits		(3,500,000)
Acquisitions of tangible and intangible capital assets	**(10,780,898)**	(18,256,847)
Receipt term deposits	**19,000,000**	
Disposal of tangible assets	**282,590**	
Cash flows from investing activities	**8,501,692**	(21,756,847)
FINANCING ACTIVITIES		
Net change in bank indebtedness	**(4,234,030)**	3,484,189
Repayment of long-term debts	**(5,091,166)**	(5,921,154)
Deferred contributions related to tangible and intangible capital assets	**5,544,449**	14,601,395
Cash flows from financing activities	**(3,780,747)**	12,164,430
Net increase in cash	**19,602,134**	5,705,069
Cash, beginning of year	**18,380,887**	12,675,818
Cash, end of year	**37,983,021**	18,380,887

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

Bishop's University
Financial Position
April 30, 2026

	Operating Fund		Restricted Funds		Capital Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$
ASSETS								
Current								
Cash	**37,983,021**	18,380,887					**37,983,021**	18,380,887
Term deposits		19,000,000						19,000,000
Accounts receivable and other (Note 6)	**13,949,733**	8,494,807	**68,425**	72,307	**14,290,727**	14,707,183	**28,308,885**	23,274,297
Prepaid expenses	**1,109,255**	1,126,879	**70,096**	16,601			**1,179,351**	1,143,480
Derivative financial instruments					**634,834**	465,802	**634,834**	465,802
	53,042,009	47,002,573	**138,521**	88,908	**14,925,561**	15,172,985	**68,106,091**	62,264,466
Long-term								
Interfund account, without interest			**11,550,721**	10,528,083	**40,907,248**	35,971,662		
Accounts receivable and other (Note 6)					**47,520,919**	56,550,129	**47,520,919**	56,550,129
Investments	**4,000**	4,000					**4,000**	4,000
Tangible capital assets (Note 7)					**171,057,301**	169,269,188	**171,057,301**	169,269,188
Intangible assets (Note 8)					**3,446,310**	3,317,219	**3,446,310**	3,317,219
Other assets					**16,181**	18,306	**16,181**	18,306
	53,046,009	47,006,573	**11,689,242**	10,616,991	**277,873,520**	280,299,489	**290,150,802**	291,423,308

Bishop's University
Financial Position
April 30, 2026

	Operating Fund		Restricted Funds		Capital Fund		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$	$	**$**	$	**$**	$	**$**	$
LIABILITIES								
Current								
Bank indebtedness (Note 9)					**13,747,878**	17,981,908	**13,747,878**	17,981,908
Trade payables and other operating liabilities (Note 10)	**6,358,689**	6,195,975	**142,670**	454,524	**2,029,348**	2,083,893	**8,530,707**	8,734,392
Unearned revenue	**3,755,284**	3,678,385					**3,755,284**	3,678,385
Current portion of long-term debt					**9,295,420**	5,091,164	**9,295,420**	5,091,164
	10,113,973	9,874,360	**142,670**	454,524	**25,072,646**	25,156,965	**35,329,289**	35,485,849
Long-term								
Interfund account, without interest	**52,457,969**	46,499,745						
Other deferred contributions (Note 12)			**11,546,572**	10,162,467			**11,546,572**	10,162,467
Deferred contributions related to tangible and intangible capital assets (Note 13)					**129,657,075**	129,242,504	**129,657,075**	129,242,504
Long-term debt (Note 11)					**50,514,997**	59,794,151	**50,514,997**	59,794,151
Defined benefit liability (Note 14)	**23,599,557**	24,797,912					**23,599,557**	24,797,912
	86,171,499	81,172,017	**11,689,242**	10,616,991	**205,244,718**	214,193,620	**250,647,490**	259,482,883
FUND BALANCES (NEGATIVE)								
Unrestricted deficit	**(33,125,490)**	(34,165,444)					**(33,125,490)**	(34,165,444)
Invested in capital assets					**72,628,802**	66,105,869	**72,628,802**	66,105,869
	(33,125,490)	(34,165,444)	**-**	-	**72,628,802**	66,105,869	**39,503,312**	31,940,425
	53,046,009	47,006,573	**11,689,242**	10,616,991	**277,873,520**	280,299,489	**290,150,802**	291,423,308

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

Approved by the Board of Directors

Director

Director

Bishop's University
Notes to Financial Statements
April 30, 2026

1 - GOVERNING STATUTES AND PURPOSE OF THE UNIVERSITY

Bishop's University was created in 1843 by a special act of the parliament of the Province of Canada under the name of Bishop's College. It was granted university status in 1853 as University of Bishop's College and changed its name to Bishop's University (hereafter the "University") in 1958. The mission of the University includes post-secondary education, research and community service. The University is a registered charity and, under Section 149 of the Income Tax Act (Canada), is exempt from payment of income tax.

2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The University's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

Operating Fund

The Operating Fund includes teaching, academic and administration support, student services as well as ancillary enterprises such as residences and food services, sports centre, theatre and parking, all with no external restriction.

Restricted Funds

Restricted Funds represent amounts received by the University which have donor or other external or internal restrictions and are used mainly to support student scholarships and services, academic enrichment and research activities.

Capital Fund

The Capital Fund includes funds expended on assets of a long-term nature, including capital assets and certain investments.

Accounting estimates

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

Financial assets and liabilities

Initial measurement

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

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent measurement

At each reporting date, the University measures its financial assets and liabilities from transactions not concluded with related parties at amortized cost (including any impairment in the case of financial assets), except for certain long-term debt which the University has elected to measure at fair value by designating that fair value measurement shall apply, whereas those from related party transactions are measured using the cost method (including any impairment in the case of financial assets).

Transaction costs relating to financial assets and liabilities that are measured at amortized cost and any difference resulting from their initial measurement at fair value are amortized on a straight-line basis over the term of the related financial instrument. Amortization of transaction costs related to long-term debt is recognized in operations as interest expenses.

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

Derivative financial instruments

The University uses derivative financial instruments to manage the interest rate risk, but does not use hedge accounting. Accordingly, the derivative financial instruments are recognized in the statement of financial position at their fair value, and changes in fair value are recognized in the statement of operations in the Capital Fund for the year.

Foreign currency translation

The University uses the temporal method to translate transactions denominated in a foreign currency. Under this method, monetary assets and liabilities are translated at the exchange rate in effect at the financial position date. Non-monetary assets and liabilities are translated at historical exchange rates, with the exception of those recognized at fair value, which are translated at the exchange rate in effect at the financial position date. Revenue and expenses are translated at the average rate for the period, with the exception of the amortization of assets translated at the historical exchange rates, which is translated at the same exchange rates as the related assets. The related exchange gains and losses are accounted for in the operations for the year.

Revenue recognition

Contributions and grants

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

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and grants

Moreover, the University recognizes contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations.

Other

The University's principal sources of revenue, aside from contributions, are student academic fees and other student fees, student services, other, as well as ancillary enterprises. These revenues are recognized when the following criteria are met:

- Persuasive evidence of an arrangement exists;
- Services have been rendered;
- The price to the buyer is fixed and determinable;
- Collection is reasonably assured.

Receipts for which revenue is not yet earned are recorded as unearned revenue.

Employee future benefits

Defined benefit plans

The University offers its eligible employees:

- a defined benefit pension plan for eligible full-time employees (the "Pension Plan for Full-Time Employees") (hereafter the "pension plan");
- a supplemental employee retirement plan ("SERP") for members of the Pension Plan for Full-Time Employees.

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

The pension plan obligation balance is based on the most recent actuarial valuation, which is prepared for funding purposes and extrapolated until the University's fiscal year-end. The University recognizes in its balance sheet its pension plan obligation net of the fair value of the plan assets. If the fair value of the assets exceeds the defined benefit obligation, the defined benefit asset must be adjusted, as applicable, to take into account any valuation allowance.

The obligation balance of the other plans is based on the most recent actuarial valuation established for accounting purposes, which is prepared using management's best estimates at the date of the complete actuarial valuation and extrapolated until the University's fiscal year-end.

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Defined benefit plans

The cost of all of these defined benefit plans includes the cost of services rendered during the year and the financial cost, that is, the net interest on the defined benefit asset or liability.

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

Defined contribution plan

The University also offers an optional defined contribution plan for eligible part-time employees. Contributions to these plans are recognized as expenses when they become due.

Tangible capital assets and intangible assets

Capital assets acquired are recorded at cost. When the University receives contributions of capital assets or intangible assets, their cost is equal to their fair value at the contribution date plus all costs directly attribuable to the acquisition of the capital assets, or at a nominal amount if the fair value cannot be reasonably determined.

Amortization

Tangible capital assets and intangible assets are amortized on a straight-line basis over their estimated useful lives according to the following periods prescribed by the Ministère de l'Enseignement supérieur (MES):

	Periods
Land improvements	10 or 20 years
Buildings	20, 40 or 50 years
Building renovations	25, 30 or 40 years
Furnishings, rolling equipment, software	5 years
Equipment	5, 10, 15 or 20 years
Computer hardware	3 years
Library collection	10 years

Building renovations in progress will be amortized on a straight-line basis on a 25, 30 or 40-year period when they are completed.

Write-down

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

Bishop's University
Notes to Financial Statements
April 30, 2026

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Asset retirement obligations

An asset retirement obligation is recorded by the University in the presence of a legal obligation associated with the retirement of a tangible capital asset that results from its acquisition, construction, development and/or normal use. The University recognizes a liability for an asset retirement obligation in the period in which it is incurred when a reasonable estimate of fair value can be made.

The amount recognized for an asset retirement obligation corresponds to management's best estimate of the expenditure required to settle the obligation at the date of the financial statements. The costs of retirement are recognized at the cost of the tangible capital assets in question and are amortized on a straight-line basis as of the date of the legal obligation until the time of retiring the assets.

The initial measurement of the liability is performed by discounting the estimated cash flows needed to retire the assets. Cash flows are adjusted based on inflation and discounted using the discount rate that represents management's best estimate of the cost of funds that will be required in settlement of the obligation at maturity, whether known or estimated.

The liability recognized is adjusted each year based on new obligations, actual costs incurred, revisions of estimates and the accretion expense.

3 - INTEREST EXPENSES

	2026	2025
	$	$
Interest on long-term debt	**1,818,618**	2,148,124
Interest on short-term debt	**327,912**	361,010
	2,146,530	2,509,134

4 - INTERFUND TRANSFERS

During the year, the University restricted resources amounting to $3,172,308 ($4,221,833 for the year ended April 30, 2025) from the Operating Fund to the Capital Fund in order to finance net cash disbursements related to capital assets, long-term debt repayments and payments of interest on long-term debt, and restricted resources amounting to $6,956,204 ($6,457,204 for the year ended April 30, 2025) as a reserve mainly for future assets acquisitions and renovations.

5 - GOVERNMENT ASSISTANCE

The MES financially supports certain capital projects of the University each year for which the final form of funding is finalized at a later date. Included in the interfund amounts due to and from the Operating and Capital Funds respectively is approximately $455,704 ($1,383,942 as at April 30, 2025) of capital expenditures on temporary financing incurred as at year-end and for which the funding has yet to be either received or finalized by the MES.

Bishop's University
Notes to Financial Statements
April 30, 2026

6 - ACCOUNTS RECEIVABLE AND OTHER

	2026	2025
	$	$
Operating Fund		
Grants - MES	**8,458,814**	4,471,834
Student academic fees	**415,959**	714,286
Contribution from Bishop's University Foundation	**3,332,899**	1,919,040
Other	**1,742,061**	1,389,647
	13,949,733	8,494,807
Restricted Funds		
Other	**68,425**	72,307
Capital Fund		
Grants - MES	**60,737,376**	70,398,700
Contributions - Bishop's University Foundation	**85,005**	
Other contributions	**989,265**	858,612
	61,811,646	71,257,312
Less: MES grants cashable for more than one year	**(46,737,097)**	(55,776,517)
Less: Contributions from Bishop's University Foundation and other contributions cashable for more than one year	**(783,822)**	(773,612)
	14,290,727	14,707,183
	28,308,885	23,274,297

7 - TANGIBLE CAPITAL ASSETS

			2026	2025
	Cost	Accumulated amortization	Net carrying amount	Net carrying amount
	$	$	$	$
Land	**381,444**		**381,444**	381,444
Land improvements	**4,376,212**	**2,512,737**	**1,863,475**	1,986,714
Buildings	**86,117,296**	**36,451,966**	**49,665,330**	44,928,848
Building renovations	**147,739,350**	**37,115,905**	**110,623,445**	107,866,701
Building renovations in progress	**2,008,307**		**2,008,307**	6,694,831
Furnishings, equipment, rolling equipment, computer hardware	**12,370,384**	**6,679,770**	**5,690,614**	6,550,277
Library collection	**1,869,016**	**1,044,330**	**824,686**	860,373
	254,862,009	**83,804,708**	**171,057,301**	169,269,188

Trade payables and other operating liabilities include an amount of $2,023,786 ($2,058,242 for the year ended April 30, 2025) related to the acquisition of tangible capital assets.

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8 - INTANGIBLE ASSETS

	Cost	Accumulated amortization	2026 Net carrying amount	2025 Net carrying amount
	$	$	$	$
Library collection	**6,670,995**	**3,393,670**	**3,277,325**	3,076,742
Software	**868,736**	**699,751**	**168,985**	240,477
	7,539,731	**4,093,421**	**3,446,310**	3,317,219

9 - BANK INDEBTEDNESS

	2026	2025
	$	$
Capital Fund		
Banker's acceptances	**8,714,000**	9,576,000
Loans	**5,033,878**	8,405,908
	13,747,878	17,981,908

The University has an authorized line of credit facility of $8,714,000 by way of banker's acceptances as part of the financing of the student residences (Paterson, Abbott and Munster). $1,187,000 bear interest at daily simple CORRA rate plus 0.595% (2.89%; 3.36% as at April 30, 2025), $2,760,000 bear interest at daily simple CORRA rate plus 1.135% (3.43%; 3.90% as at April 30, 2025) and $4,767,000 bear interest at banker's acceptance rate plus the applicable stamping fees (3.34%; 3.80% as at April 30, 2025).

These facilities are related to interest rate swaps maturing in September 2028, July 2034 and August 2036 respectively. Under these agreements, payments or receipts for the difference between the fixed interest rates of 5.13%, 1.52% and 2.72% respectively and variable rates are made.

In addition, the MES has authorized a maximum amount of $6,744,441 for the temporary financing of the capital acquisitions funded by the MES to be concluded with Financement Québec, renewable each year by way of loans, bearing interest at average 3 months Quebec treasury bills plus 0.02% (2.35%; 2.72% as at April 30, 2025), of which $5,033,878 is used as at April 30, 2026 ($8,405,908 as at April 30, 2025). Subsequent to year-end, the authorized maximum amount was reviewed to $6,343,371.

10 - TRADE PAYABLES AND OTHER OPERATING LIABILITIES

	2026	2025
	$	$
Operating Fund		
Accounts payable and accrued liabilities	**6,135,534**	5,995,695
Vacation and overtime accruals	**223,155**	200,280
	6,358,689	6,195,975
Restricted Funds		
Accounts payable and other accrued liabilities	**142,670**	454,524
Capital Fund		
Accounts payable and other accrued liabilities	**2,029,348**	2,083,893
	8,530,707	8,734,392

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11 - LONG-TERM DEBT

	2026	2025
	$	$
Serviced by the University		
To finance Kuehner Residence renovations:		
Term loan, 3.44%, payable in monthly capital instalments of $21,333, renewable in July 2028 (a)	**4,416,000**	4,672,000
Serviced by the Gouvernement du Québec		
MES capital grants are authorized under the University's five-year capital investment plan (Plan quinquennal d'investissement) and are funded by the Gouvernement du Québec out of public borrowing in the University's name (process known as "grant bonds"). As a result, the long-term debt listed here below is managed, administered and serviced by the Gouvernement du Québec:		
Term loan, principal amount of $900,000 ($960,000 as at April 30, 2025), 2.70%, payable in annual capital instalments of $60,000, renewable in June 2032	**868,362**	935,074
Term loan, principal amount of $1,800,000 ($1,920,000 as at April 30, 2025), 3.23%, payable in annual capital instalments of $120,000, renewable in June 2034	**1,705,762**	1,832,565
Term loan, principal amount of $5,397,986 ($6,335,432 as at April 30, 2025), 2.13%, payable in annual capital instalments of $937,446, renewable in September 2026	**5,398,304**	6,329,583
Term loan, 2.75%, payable in annual capital instalments of $406,579, renewable in September 2027 (a)	**5,511,847**	5,918,426
Term loan, 2.99%, payable in annual capital instalments of $237,385, maturing in March 2044 (a)	**4,272,932**	4,510,317
Term loan, 2.94%, payable in annual capital instalments of $240,000, maturing in March 2038 (a)	**2,880,000**	3,120,000
Term loan, 2.44%, payable in annual capital instalments of $398,404, maturing in October 2039 (a)	**5,577,662**	5,976,066
Term loan, 1.95%, payable in annual capital instalments of $513,007, maturing in December 2040 (a)	**7,695,097**	8,208,104
Term loan, 2.59%, payable in annual capital instalments of $734,145, maturing in October 2041 (a)	**11,746,312**	12,480,457
Term loan, 4.45%, payable in annual capital instalments of $289,376, maturing in November 2042 (a)	**4,919,398**	5,208,774
Term loan, 3.87%, payable in annual capital instalments of $25,149, maturing in November 2027 (a)	**50,298**	75,448

Bishop's University
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11 - LONG-TERM DEBT (Continued)

	2026	2025
	$	$
Term loan, 4.52%, payable in annual capital instalments of $242,031, maturing in November 2043 (a)	**4,356,565**	4,598,597
Serviced by other sources		
To finance the construction of a sport centre subsidized by the MES:		
Mortgage loan, 2.58%		266,146
Mortgage loan, secured by a movable hypothec on the universality of property, principal amount of $90,368 ($178,538 as at April 30, 2025), 2.49%, payable in annual blended instalments of $92,621, maturing in December 2026	**90,242**	178,444
Mortgage loan, secured by a movable hypothec on the universality of property, 2.83%, payable in annual blended instalments of $301,365, maturing in January 2028 (a)	**578,052**	855,189
Deferred financing costs	**(256,416)**	(279,875)
	59,810,417	64,885,315
Current portion	**9,295,420**	5,091,164
	50,514,997	59,794,151

(a) From 2017-2018 onwards, the University has elected to initially recognize new debt agreements at their fair value and to subsequently measure them at amortized cost.

The contractual principal repayments of long-term debt for the next years are $9,295,420 in 2027, $3,815,139 in 2028, $7,789,037 in 2029, $6,482,348 in 2030, $2,834,348 in 2031 and $29,976,225 in 2032 and subsequent years.

As at April 30, 2026, the total carrying amount of the guaranteed long-term debt is $55,650,833 ($60,493,190 as at April 30, 2025).

12 - OTHER DEFERRED CONTRIBUTIONS

Deferred contributions represent the unspent portion of funds received for restricted purposes other than capital purchases which are disclosed in Note 13.

	2026	2025
	$	$
Balance, beginning of year	**10,162,467**	10,171,373
Deferred contributions received	**11,714,542**	10,195,586
Amortization of deferred contributions	**(10,330,437)**	(10,204,492)
Balance, end of year	**11,546,572**	10,162,467

12 - OTHER DEFERRED CONTRIBUTIONS (Continued)

The detailed deferred contributions balances, presented by principal types, are as follows:

	2026	2025
	$	$
Academic, students services and bursaries	**7,073,545**	6,940,847
Research	**3,198,834**	2,274,186
Other	**1,274,193**	947,434
	11,546,572	10,162,467

13 - DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE AND INTANGIBLE CAPITAL ASSETS

Deferred contributions related to tangible and intangible capital assets represent the unamortized amount of donations and grants received for the purchase of tangible and intangible capital assets.

The amortization of deferred contributions related to tangible and intangible capital assets and capital grants receivable is recorded as revenue in the statement of operations. The balance of deferred contributions related to tangible and intangible capital assets is detailed as follows:

	2026	2025
	$	$
Balance, beginning of year	**129,242,504**	119,431,237
Amortization of deferred contributions	**(5,129,878)**	(4,790,128)
Contributions granted	**5,544,449**	14,601,395
Balance, end of year	**129,657,075**	129,242,504

The detailed changes in the capital grants receivable and the deferred contributions balances, presented by principal funds providers, are as follows:

Ministère de l'Enseignement supérieur

	2026	2025
	$	$
Deferred contributions, beginning of year	**92,160,401**	81,538,970
Amortization of deferred contributions	**(3,755,109)**	(3,525,041)
Deferred contributions granted	**4,952,729**	14,146,472
Deferred contributions, end of year	**93,358,021**	92,160,401

Bishop's University Foundation

	2026	2025
	$	$
Deferred contributions, beginning of year	**11,366,828**	11,384,981
Amortization of deferred contributions	**(490,692)**	(388,146)
Deferred contributions granted	**228,154**	369,993
Deferred contributions, end of year	**11,104,290**	11,366,828

13 - DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE AND INTANGIBLE CAPITAL ASSETS (Continued)

Others

	2026	2025
	$	$
Deferred contributions, beginning of year	**25,715,275**	26,507,286
Amortization of deferred contributions	**(884,077)**	(876,941)
Deferred contributions granted	**363,566**	84,930
Deferred contributions, end of year	**25,194,764**	25,715,275

14 - EMPLOYEE FUTURE BENEFITS

The University sponsors a defined benefit pension plan for eligible full-time employees (the "Pension Plan for Full-Time Employees").

The University also maintains a Supplemental Employee Retirement Plan ("SERP") for members of the Pension Plan for Full-Time Employees.

The University also sponsors a defined contribution pension plan for eligible part-time employees.

Certain employees (Faculty and Librarians) of the University have access to early retirement plans as defined in their collective agreement.

The defined benefit obligations as at April 30, 2026 and 2025 were determined using the actuarial valuation as of December 31, 2023.

An amount of $495,757 for the residual rights related to the Pension Plan for Full-Time Employees was allocated to the Teaching, Academic support, Administration support and Ancillary enterprises expense accounts on the statement of operations ($742,412 as at April 30, 2025).

The funding status of the benefit plans is as follows:

	2026				
	Pension Plan for Full-Time Employees	SERP	Post-retirement program	Retirement program	Total
	$	$	$	$	$
Defined benefit obligation	**(177,048,057)**	**(1,996,300)**	**(21,107,500)**		**(200,151,857)**
Fair value of plan assets	**195,556,200**				**195,556,200**
Funded status - surplus (deficit)	**18,508,143**	**(1,996,300)**	**(21,107,500)**		**(4,595,657)**
Valuation allowance (a)	**19,003,900**				**19,003,900**
Defined liability (a)	**(495,757)**	**(1,996,300)**	**(21,107,500)**		**(23,599,557)**

14 - EMPLOYEE FUTURE BENEFITS (Continued)

(a) Since the Registered Pension Plan's funding policy related to the past component of the pension plan states that under no circumstance can the University take contribution holidays, the expected future benefit that the University can expect to realize from the plan assets is nil. Therefore, a valuation allowance of $19,003,900 representing the surplus of the past component of the pension plan was applied against the surplus as at April 30, 2026 and is included in the remeasurement and other items of the Registered Pension Plan. The deficit of current component of the pension plan is nil as at April 30, 2026. The total defined liability of $495,757 related to the Pension Plan for Full-Time Employees represents the residual rights allocated to the Teaching, Academic support, Administration support and Ancillary enterprises expense accounts on the statement of operations as at April 30, 2026.

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

Accrued benefit obligations as of April 30				
Discount rate	**5.75%**	**5.00%**	**5.00%**	**5.00%**
Rate of compensation increase	**2.50%**	**2.50%**	**n/a**	**2.50%**
Benefit costs for the year ended April 30				
Discount rate	**5.75%**	**5.00%**	**5.00%**	**5.00%**
Rate of compensation increase, excluding step increases	**2.50%**	**2.50%**	**n/a**	**2.50%**

	2025				
	Pension Plan for Full-time Employees	SERP	Post-retirement program	Retirement program	Total
	$	$	$	$	$
Defined benefit obligation	(173,240,412)	(2,182,900)	(20,700,100)	(331,700)	(196,455,112)
Fair value of plan assets	181,301,000				181,301,000
Funded status - surplus (deficit)	8,060,588	(2,182,900)	(20,700,100)	(331,700)	(15,154,112)
Valuation allowance (b)	9,643,800				9,643,800
Defined liability (b)	(1,583,212)	(2,182,900)	(20,700,100)	(331,700)	(24,797,912)

(b) The total defined liability of $1,583,212 related to the Pension Plan for Full-Time Employees includes an amount of $742,412 for the residual rights allocated to the Teaching, Academic support, Administration support and Ancillary enterprises expense accounts on the statement of operations as at April 30, 2025.

14 - EMPLOYEE FUTURE BENEFITS (Continued)

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

Accrued benefit obligations as of April 30				
Discount rate	5.75%	4.80%	4.80%	4.80%
Rate of compensation increase	2.50%	2.50%	n/a	2.50%
Benefit costs for the year ended April 30				
Discount rate	5.75%	4.80%	4.80%	4.80%
Rate of compensation increase, excluding step increases	2.50%	2.50%	n/a	2.50%

15 - COMMITMENTS

The University has entered into long-term services agreements expiring at different dates up to April 30, 2036 for an amount of $1,966,674. Future minimum payments over the next years are as follows:

	$
2027	773,232
2028	300,103
2029	225,739
2030	157,475
2031	95,371
2032 and subsequent years	414,754

The University has undertaken several capital projects and, as a result, has commitments totalling $11,356,155 expected to be met in 2027.

16 - CONTINGENT LIABILITIES

Litigation

In the normal course of its activities, the University is party to various legal proceedings. Although it is not possible to determine the ultimate outcome of such proceedings initiated and ongoing as of April 30, 2026, the University is of the opinion that they will be resolved without material effect on the University's financial position. Any amount the University may be required to pay will be charged to operations in the year of settlement; otherwise, if the amount can be estimated and is considered likely to occur, it will be provided for in accrued liabilities.

17 - RELATED ENTITY - BISHOP'S UNIVERSITY FOUNDATION

The University exercises significant influence over the Bishop's University Foundation (hereafter the "Foundation") since certain Board members and members of senior management are on the Board of the Foundation. The Foundation must use its resources exclusively to advance the mission of the University. The Foundation is incorporated under Part III of the Companies Act (Quebec) and is a charitable organization under both the Income Tax Act (Canada) and the Taxation Act (Quebec).

				2026	2025
	Operating Fund	Restricted Funds	Capital Fund	Total	Total
	$	$	$	$	$
Contributions	**1,235,885**			**1,235,885**	1,131,229
Contributions - Amortization of other deferred contributions		**4,406,709**		**4,406,709**	3,800,132
Contributions - Amortization of deferred contributions related to capital assets			**492,389**	**492,389**	388,666
	1,235,885	**4,406,709**	**492,389**	**6,134,983**	5,320,027

These transactions were measured at the exchange amount, excluding the resulting financial instruments.

The outstanding balance as at April 30, 2026 is $3,417,903, recorded as receivable contributions on the Operating Fund ($1,919,040 as at April 30, 2025) on the statement of financial position.

An amount of $5,043,750 was received as other deferred contributions ($4,771,043 as at April 30, 2025) and an amount of $228,154 ($369,993 as at April 30, 2025) was received as deferred contributions related to tangible capital assets.

18 - ASSET RETIREMENT OBLIGATIONS

The University's asset retirement obligations mainly concern the removal of asbestos from its buildings. Other asset retirement obligations include the dismantling of tanks containing petroleum products and the restoration of leased premises on expiry of the lease.

No asset retirement obligation is recognized since the University is unable to make a reasonable estimate of the amount of the obligations.

19 - FINANCIAL INSTRUMENTS

Credit risk

The University is exposed to credit risk regarding the financial assets recognized on the statement of financial position. The University has determined that the financial assets with more credit risk exposure are accounts receivable and contributions receivable from Bishop's University Foundation since failure of any of these parties to fulfil their obligations could result in significant financial losses for the University.

Market risk

The University's financial instruments expose it to market risk, in particular, interest rate risk and currency risk, resulting from its operating and financing activities.

Interest rate risk

The University is exposed to interest rate risk with respect to financial liabilities bearing fixed and variable interest rates.

The long-term debts bear interest at a fixed rate and the University is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

The bank indebtedness bears interest at a variable rate and the University is, therefore, exposed to the cash flow risk resulting from interest rate fluctuations.

The University has entered into interest rate swaps agreements that entitle it to receive interest at variable rates on a $8,714,000 notional ($9,576,000 as at April 30, 2025) and oblige it to pay interest at a fixed rate (see Note 9). As at April 30, 2026, the carrying amount of the interest rate swaps recognized as assets is $634,834 ($465,802 as at April 30, 2025).

Currency risk

The majority of the University's transactions are in Canadian dollars. Currency risk results from the University's sales and purchases denominated in foreign currency which are primarily in U.S. dollars. As at April 30, 2026, the University is exposed to currency risk due to cash and accounts receivable denominated in U.S. dollars totalling $2,267,115 ($2,023,353 as at April 30, 2025).

Liquidity risk

The University's liquidity risk represents the risk that the University could encounter difficulty in meeting obligations associated with its financial liabilities. The University is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized on the statement of financial position.

Fair value

The fair value of the interest rate swap was determined by the University's bank.