

Financial Statements of

**UNIVERSITY OF KING'S
COLLEGE ALUMNI
ASSOCIATION**

Year ended March 31, 2026

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

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INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Members of the University of King's College Alumni Association

We have reviewed the accompanying financial statements of the University of King's College Alumni Association, which comprise the statement of financial position as at March 31, 2026, the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of University of King's College Alumni Association as at March 31, 2026, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

Halifax, Canada

June 10, 2026

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Statement of Financial Position

March 31, 2026, with comparative information for 2025

	Endowment		Unrestricted operating fund	2026 Total	2025 Total
	Scholarship fund	General fund			
Assets					
Current assets:					
Cash	\$ -	\$ -	41,142 \$	41,142 \$	15,520
Accounts receivable	-	-	-	-	13,000
Merchandise inventory	-	-	-	-	8,583
	-	-	41,142	41,142	37,103
Due from The University of King's College (note 2)	524,328	375,570	-	899,898	866,537
	\$ 524,328	\$ 375,570	\$ 41,142	\$ 941,040	\$ 903,640

Liabilities and Fund Balances

Current liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	31 \$	31 \$	4,100
Fund balances	524,328	375,570	41,111	941,009	899,540
	\$ 524,328	\$ 375,570	\$ 41,142	\$ 941,040	\$ 903,640

See accompanying notes to financial statements.

On behalf of the Board:

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Statement of Operations

Year ended March 31, 2026, with comparative information for 2025

	Endowment		Unrestricted operating fund	2026 Total	2025 Total
	Scholarship fund	General fund			
Revenue:					
Donations (notes 2 and 3)	\$ 1,980	\$ -	\$ -	\$ 1,980	\$ 1,980
Investment income (notes 2 and 3)	34,725	25,430	14,000	74,155	68,204
Sale of memorabilia	-	-	11,688	11,688	5,410
Other income and sponsorship	-	-	30,416	30,416	22,347
	<u>36,705</u>	<u>25,430</u>	<u>56,104</u>	<u>118,239</u>	<u>97,941</u>
Expenses:					
Awards and bursaries (notes 2 and 3)	15,650	-	-	15,650	17,350
Bank charges	-	-	197	197	190
Encaenia	-	-	1,000	1,000	6,324
OAC/Hudson/Young alumni award	-	-	1,042	1,042	4,083
Memorabilia	-	-	8,465	8,465	3,135
Tidings	-	-	22,000	22,000	-
The John Godfrey prize	-	-	100	100	-
Travel	-	-	748	748	-
Student support	-	-	737	737	-
Alumni day & communications	-	-	7,437	7,437	6,531
Professional fees (notes 2 and 3)	6,521	4,704	6,270	17,495	16,535
Transfer to unrestricted operating funds (notes 2 and 3)	-	14,000	-	14,000	13,000
	<u>22,171</u>	<u>18,704</u>	<u>47,996</u>	<u>88,871</u>	<u>67,148</u>
Excess of revenue over expenses before the undernoted item	14,534	6,726	8,108	29,368	30,793
Other expense:					
Unrealized gain on investments (notes 2 and 3)	7,365	4,736	-	12,101	110,495
Excess of revenue over expenses	\$ 21,899	\$ 11,462	\$ 8,108	\$ 41,469	\$ 141,288

See accompanying notes to financial statements.

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Statement of Changes in Fund Balances

Year ended March 31, 2026, with comparative information for 2025

	Endowment		Unrestricted operating fund	2026 Total	2025 Total
	Scholarship fund	General fund			
Fund balances, beginning of year \$	502,429 \$	364,108 \$	33,003 \$	899,540 \$	758,252
Excess of revenue over expenses	21,899	11,462	8,108	41,469	141,288
Fund balances, end of year	\$ 524,328 \$	\$ 375,570 \$	\$ 41,111 \$	\$ 941,009 \$	\$ 899,540

(Schedule)

See accompanying notes to financial statements.

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Statement of Cash Flows

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 41,469	\$ 141,288
Items not involving cash:		
Unrealized gain	(12,101)	(110,495)
Endowment income	(21,260)	(16,245)
	<u>8,108</u>	<u>14,548</u>
Changes in non-cash operating working capital:		
Accounts receivable	13,000	(13,000)
Merchandise inventory	8,583	(1,153)
Accounts payable and accrued liabilities	(4,069)	-
	<u>25,622</u>	<u>395</u>
Investing activities:		
Change in due from University of King's College	33,361	126,740
Endowment fund balance increase	(21,260)	(16,245)
Increase in fair value of Alumni Association investments	(12,101)	(110,495)
	<u>-</u>	<u>-</u>
Increase in cash	25,622	395
Cash, beginning of year	15,520	15,125
Cash, end of year	<u>\$ 41,142</u>	<u>\$ 15,520</u>

See accompanying notes to financial statements.

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements

Year ended March 31, 2026

University of King's College Alumni Association (the "Association") promotes the interest of the University and helps alumni connect with one another and the College.

1. Significant accounting policies:

(a) Basis of accounting:

These financial statements have been prepared by management in accordance with Part III of the CPA Canada Handbook which sets out generally accepted accounting principles for not-for-profit organizations in Canada.

(b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. The Association subsequently measures its financial instruments at cost or amortized cost, unless management has elected to carry the instrument at fair value. Changes in fair value are recognized in net income.

Financial assets measured at cost include cash, accounts receivable, HST recoverable and due to University of King's College. Financial assets measured at fair value include investments. Financial liabilities measured at cost include accounts payable and accrued liabilities.

(c) Cash:

The Association defines cash as the amount of cash on hand and cash on deposit net of cheques that are issued and outstanding at the end of the year.

(d) Inventory:

Inventory is valued at the lower of average cost determined on the first-in, first-out cost method and net realizable value and consists mainly of memorabilia held for resale. Net realizable value is the estimated selling price in the ordinary course of business less the costs to make the sale.

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(e) Investments:

Investments consist of guaranteed investment certificates and securities that are publicly traded on Canadian exchanges and are initially and subsequently measured at fair value, determined on the basis of market value. Changes in fair value are recognized in net income in the period incurred. Transaction costs that are directly attributable to the acquisition of these investments are recognized in net income in the period incurred. Realized and unrealized gains and losses on investments are reported in the statement of operations.

(f) Income taxes:

The Association is a not-for-profit organization, as described in Section 149(1)(1) of the Income Tax Act, and is therefore exempt from the payment of income taxes.

(g) Revenue recognition:

The Association follows the restricted fund method of accounting for contributions. Contributions are recognized in the fund corresponding to the purpose for which they were contributed and recognized as revenue when received. Revenue from event programming and other revenue is recognized when the services are provided, if the amount to be received can be reasonably estimated and collection is reasonably assured.

(h) Fund accounting:

The Association follows the fund method of accounting for contributions. The Association follows the restricted fund method in which externally restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed. Unrestricted contributions are recognized in the general fund.

The Association has received various gifts over the years that are for specific endowment purposes, and as such are restricted funds, recognized as the endowment fund. These gifts have been set up in separate individual funds, with disbursements made according to the fund specifications. Any amounts received for non-specific purposes are allocated to the general fund.

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(i) Contributed services:

The Association would not be able to carry out its activities without the services of the many volunteers who donate a considerable amount of time. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

(j) Use of estimates:

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities as at March 31, 2026 and the reported amount of revenues and expenses for the year then ended. Actual results could differ from these estimates.

2. Investment income:

In fiscal 2024, The Association entered into an investment management agreement with The University of King's College. All investment assets were sold and the proceeds transferred to The University of King's College to be invested and managed with the University's assets in exchange for an annual administration fee.

During the year the endowment fund earned \$60,155 (2025 - \$55,204) of investment income, consisting of interest and dividends and net realized gains on disposal of investments. Of this amount \$15,650 was awarded as scholarships, \$4,951 was paid in investment management fees, \$6,274 was paid to King's for administering the Foundation's endowment, and \$14,000 was transferred to the Foundation for general operating expenditures which has been recognized as investment income for the 2025-26 fiscal year. The balance was retained in the endowment fund.

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

3. Endowment receipts and expenditures:

	Investment income	Donations and other receipts	Total receipts	Total awards and expenditures	2026 Net receipts over expenditures	2025 Net receipts over expenditures
Athletics Appeal	\$ 1,084	\$ -	\$ 1,084	\$ (754)	\$ 330	\$ 307
Michael Saunders Award	1,273	-	1,273	(889)	384	301
G. Frederick Butler Scholarship	3,717	-	3,717	(2,648)	1,069	878
New Brunswick Award	1,614	-	1,614	(1,153)	461	405
Hunt Library Fund	2,298	-	2,298	(1,632)	666	518
Sandra MacLeod Award	9,225	-	9,225	(4,182)	5,043	2,193
E. Mabel Mason Bursary	2,067	-	2,067	(1,488)	579	495
Mark Dewolf Award	633	180	813	(419)	394	389
Memorial Fund Bursary	2,560	-	2,560	(1,831)	729	612
Marion G. Fry Bursary	5,374	1,000	6,374	(3,759)	2,615	2,351
Michael Elliott Award	4,880	800	5,680	(3,416)	2,264	1,996
Scholarship endowment fund	34,725	1,980	36,705	(22,171)	14,534	10,445
General endowment fund	25,430	-	25,430	(18,704)	6,726	5,800
Total endowment funds	\$ 60,155	\$ 1,980	\$ 62,135	\$ (40,875)	\$ 21,260	\$ 16,245

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

4. Financial instruments:

The significant financial risks to which the Association is exposed are credit risk, market risk, interest rate risk, and liquidity risk.

(a) Credit risk:

Financial instruments that potentially subject the Association to credit risk consist of cash, accounts receivable, investment income receivable and investments due to from The University of King's College. The Association uses reputable institutions for cash and investments and believes risk of loss to be remote. The Association estimated an allowance for doubtful accounts receivable. As at March 31, 2026 an allowance for doubtful accounts of \$nil (2025 - \$nil) for accounts receivable was recorded. Any credit losses are provided for in the financial statements and consistently have been within management's expectations.

(b) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Association's investments managed by the University in publicly traded securities expose the Association to market risk as such investments are subject to price changes in the open market. The Association does not use derivative financial instruments to alter the effects of this risk.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The value of the investments held by the University on behalf of the Association, fluctuate with market rates. The Association does not use derivative financial instruments to alter the effects of this risk.

(d) Liquidity risk:

Liquidity risk is the risk that the Association will not be able to meet its obligations as they become due. The Association is exposed to liquidity risk arising primarily from accounts payable. The Association's approach to managing liquidity risk is to ensure that it always has sufficient cash flows and cash on hand to meet its operating obligations.

UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Schedule of Net Assets

Year ended March 31, 2026, with comparative information for 2025

Fair value	Net assets, beginning of year	Net receipts over expenditures	Current unrealized gains	Net assets, end of year
Athletics Appeal	\$ 15,753	\$ 330	\$ 211	16,294
Michael Saunders Award	18,500	384	247	19,131
G. F. Butler Scholarship	54,017	1,069	714	55,800
New Brunswick Award	23,458	461	310	24,229
Hunt Library Fund	33,399	666	442	34,507
Sandra MacLeod Award	134,082	5,043	2,149	141,274
E. Mabel Mason Bursary	30,045	579	395	31,019
Mark Dewolf Award	8,997	394	153	9,544
Memorial Fund Bursary	37,205	729	491	38,425
Marion G. Fry Bursary	76,957	2,615	1,189	80,761
Michael Elliott Award	70,016	2,264	1,064	73,344
Scholarship endowment fund	502,429	14,534	7,365	524,328
General endowment fund	364,108	6,726	4,736	375,570
Unrestricted operating fund	33,003	8,108	-	41,111
Net assets	\$ 899,540	\$ 29,368	\$ 12,101	\$ 941,009