

**La Fondation de l'Université  
de Sherbrooke**

**Financial Statements  
April 30, 2023**

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de Sherbrooke**

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April 30, 2023**

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## Independent Auditor's Report

To the Directors of  
La Fondation de l'Université de Sherbrooke

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### Opinion

We have audited the financial statements of La Fondation de l'Université de Sherbrooke (hereafter "The Foundation"), which comprise the balance sheet as at April 30, 2023, 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, and the schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Foundation as at April 30, 2023, 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 Foundation 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing The Foundation'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 Foundation'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 Foundation'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 Foundation 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*<sup>1</sup>

Sherbrooke  
October 19, 2023

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<sup>1</sup> CPA auditor, public accountancy permit no. A122686

# La Fondation de l'Université de Sherbrooke

## Operations

Year ended April 30, 2023

	General Fund		Restricted Fund		Endowment Fund		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>								
Contributions								
Fund-raising campaigns								
Campagne majeure « Choisir de changer l'avenir » (2022-2028)	294,226	133,438	9,666,706	6,514,084	1,931,739	5,296,693	11,892,671	11,944,215
Campagne majeure « D'avenirs et de passions » (2012-2018)		900,000	1,399,401	1,815,322	409,317	411,020	1,808,718	3,126,342
Annual campaign	83,348	66,679	775,985	746,028	201,793	282,697	1,061,126	1,095,404
Grants - Federal government		94,033						94,033
Fund-raising activities								
Gala du rayonnement		141,505						141,505
Corporation Études-Sports			193,608	168,256			193,608	168,256
Golf Tournament			322,905	312,900			322,905	312,900
Loan service (Note 8)	880,501	666,023					880,501	666,023
Commercial activity - parking lots			4,067,845	3,134,915			4,067,845	3,134,915
Net investment income (Note 3)	3,693,010	5,435,079	1,863,845	(2,646,160)			5,556,855	2,788,919
	<u>4,951,085</u>	<u>7,436,757</u>	<u>18,290,295</u>	<u>10,045,345</u>	<u>2,542,849</u>	<u>5,990,410</u>	<u>25,784,229</u>	<u>23,472,512</u>
<b>Expenses</b>								
Operating expenses (Schedule A)	1,238,376	1,112,379					1,238,376	1,112,379
Philanthropic development (Schedule B)	2,085,434	1,550,785					2,085,434	1,550,785
Gala du rayonnement		213,299						213,299
Gala du rayonnement - works of art		11,119						11,119
Fund-raising activities - Corporation Études-Sports			88,157	51,556			88,157	51,556
Golf Tournament			237,407	216,941			237,407	216,941
Commercial activity - parking lots			3,094,666	2,366,960			3,094,666	2,366,960
	<u>3,323,810</u>	<u>2,887,582</u>	<u>3,420,230</u>	<u>2,635,457</u>	<u>—</u>	<u>—</u>	<u>6,744,040</u>	<u>5,523,039</u>
Excess of revenues over expenses before donations	1,627,275	4,549,175	14,870,065	7,409,888	2,542,849	5,990,410	19,040,189	17,949,473
Donations - Université de Sherbrooke	1,100,904	631,000	9,924,536	9,047,621			11,025,440	9,678,621
<b>Excess (deficiency) of revenues over expenses</b>	<u>526,371</u>	<u>3,918,175</u>	<u>4,945,529</u>	<u>(1,637,733)</u>	<u>2,542,849</u>	<u>5,990,410</u>	<u>8,014,749</u>	<u>8,270,852</u>

The accompanying notes and the schedules are an integral part of the financial statements and Note 3 provides other information concerning the operations.

## La Fondation de l'Université de Sherbrooke

### Changes in Fund Balances

Year ended April 30, 2023

	General Fund		Restricted Fund		Endowment Fund		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Fund balances, beginning of year	<b>10,255,672</b>	7,130,855	<b>33,380,937</b>	36,074,476	<b>68,827,138</b>	60,987,564	<b>112,463,747</b>	104,192,895
Excess (deficiency) of revenues over expenses	<b>526,371</b>	3,918,175	<b>4,945,529</b>	(1,637,733)	<b>2,542,849</b>	5,990,410	<b>8,014,749</b>	8,270,852
Interfund transfers (Note 4)	<b>(201,313)</b>	(793,358)	<b>(798,840)</b>	(1,055,806)	<b>1,000,153</b>	1,849,164		
Fund balances, end of year	<b>10,580,730</b>	10,255,672	<b>37,527,626</b>	33,380,937	<b>72,370,140</b>	68,827,138	<b>120,478,496</b>	112,463,747

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

# La Fondation de l'Université de Sherbrooke

## Cash Flows

Year ended April 30, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
<b><i>OPERATING ACTIVITIES - GENERAL FUND AND RESTRICTED FUND</i></b>		
Cash flows - other revenues	12,064,168	7,296,148
Net cash flows - commercial activity - parking lots	767,955	559,153
Cash flows - grants - Federal government		94,033
Realized net investment income	4,111,239	3,646,215
Operating, philanthropic development, fund-raising and other expenses	(1,928,784)	(2,199,535)
Donations	(9,992,984)	(10,003,687)
Cash flows from operating activities	<u>5,021,594</u>	<u>(607,673)</u>
<b><i>INVESTING ACTIVITIES</i></b>		
Investments	(76,570,897)	(47,245,400)
Disposal of investments	69,195,964	41,926,393
Cash flows from investing activities	<u>(7,374,933)</u>	<u>(5,319,007)</u>
<b><i>FINANCING ACTIVITIES - ENDOWMENT FUND</i></b>		
Cash flows - other revenues and cash flows from financing activities	2,339,355	5,933,121
<b>Net increase (decrease) in cash</b>	<b>(13,984)</b>	<b>6,441</b>
Cash, beginning of year	18,747	12,306
Cash, end of year	<u>4,763</u>	<u>18,747</u>

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



# La Fondation de l'Université de Sherbrooke

## Balance Sheet

April 30, 2023

				2023	2022
	General Fund	Restricted Fund	Endowment Fund	Total	Total
	\$	\$	\$	\$	\$
<b>ASSETS</b>					
Investments (Note 5)	15,290,187	32,511,316	87,132,183	134,933,686	125,631,042
Interfund account, without interest	1,343,085	13,767,196			
Contributions receivable (Note 6)	84,833	4,311,622	348,238	4,744,693	4,246,258
Receivable from the Université de Sherbrooke, without interest	161,796	973,179		1,134,975	807,700
Receivable from partners					105,025
Works of art	116,310			116,310	71,950
Cash	4,763			4,763	18,747
	<u>17,000,974</u>	<u>51,563,313</u>	<u>87,480,421</u>	<u>140,934,427</u>	<u>130,880,722</u>
<b>LIABILITIES</b>					
Due to the Université de Sherbrooke (Note 7)					
Donations	1,731,904	13,949,079		15,680,983	14,648,527
Operating expenses	2,364,167			2,364,167	1,855,158
Philanthropic development expenses	2,091,292			2,091,292	1,506,709
Deferred revenues		86,608		86,608	126,568
Other payables	232,881			232,881	280,013
Interfund account, without interest			15,110,281		
	<u>6,420,244</u>	<u>14,035,687</u>	<u>15,110,281</u>	<u>20,455,931</u>	<u>18,416,975</u>
<b>FUND BALANCES</b>					
Unrestricted	10,580,730			10,580,730	10,255,672
Internally restricted			22,407,648	22,407,648	21,181,325
Externally restricted		37,527,626	49,962,492	87,490,118	81,026,750
	<u>10,580,730</u>	<u>37,527,626</u>	<u>72,370,140</u>	<u>120,478,496</u>	<u>112,463,747</u>
	<u>17,000,974</u>	<u>51,563,313</u>	<u>87,480,421</u>	<u>140,934,427</u>	<u>130,880,722</u>

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

On behalf of the Board,

Director

Director

# La Fondation de l'Université de Sherbrooke

## Notes to Financial Statements

April 30, 2023

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### 1 - GOVERNING STATUTES AND PURPOSE OF THE FOUNDATION

The Foundation, incorporated under Part III of the Companies Act (Quebec), collects, owns and manages goods and funds to promote the development of teaching and academic research. Moreover, it is controlled by the Université de Sherbrooke because the two entities have integrated objectives. It is a registered charity under the Income Tax Act.

### 2 - SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

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

#### Fund accounting

The Foundation follows the restricted fund method of accounting.

##### *General Fund*

The General Fund accounts for activities of The Foundation related to its administration, solicitation of funds, management of resources entrusted to it and the allocation of payments to the Université de Sherbrooke.

##### *Restricted Fund*

The Restricted Fund presents The Foundation's activities related to obtaining and using the restricted resources.

##### *Endowment Fund*

The Endowment Fund presents resources received as endowments.

The amounts externally restricted to the Restricted Fund or the Endowment Fund are imposed by the donors.

#### Accounting estimates

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

#### Revenue recognition

##### *Contributions*

The Foundation follows the restricted fund method of accounting for contributions.

Externally restricted contributions are recognized as revenue when received or according to the pledged donations received during the year. Pledged donations are recognized if the collection is reasonably assured, that is when accompanied with the first donor's payment. A historical recovery rate is applied to the subscriptions. When a recognized pledged donation becomes non-cashable, a write-off or provision is then recognized in the expenses.

Unrestricted contributions are recognized as revenue of the General Fund.

Contributions received as endowments are recognized as revenue of the Endowment Fund.

##### *Revenues from the commercial activity*

Revenues from the commercial activity are recognized when the services have been rendered and collection is reasonably assured.

# La Fondation de l'Université de Sherbrooke

## Notes to Financial Statements

April 30, 2023

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### 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Revenues from fund-raising activities*

Revenues from the Gala du rayonnement and from other fund-raising activities are recognized when the activities occur. Deferred revenues represent revenues from fund-raising activities cashed for activities in future years.

#### *Net investment income*

Investment transactions are recorded on the transaction date and resulting revenues are recognized using the accrual method of accounting.

Net investment income includes interest and dividend income, income from interest in net income of mutual funds and changes in fair value.

Interest income is recognized on a time apportionment basis. Dividend income is recognized when it is acquired by The Foundation. The interest in net income of mutual funds is recognized upon distribution. Changes in fair value are recognized when they occur.

With respect to investments measured at fair value, The Foundation has elected to exclude from changes in fair value the interest income, the dividend income and the interest in net income of mutual funds.

Externally restricted net investment income is recognized in the appropriate restricted fund in accordance with the donor's intent. Unrestricted net investment income is recognized as revenue in the General Fund.

### **Financial assets and liabilities**

#### *Initial measurement*

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

#### *Subsequent measurement*

At each reporting date, The Foundation 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), whereas those from related party transactions are measured using the cost method (including any impairment in the case of financial assets), except for investments in shares and mutual funds which are measured at fair value and bonds, debentures and discount notes which The Foundation has elected to measure at fair value by designating that fair value measurement shall apply.

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

# La Fondation de l'Université de Sherbrooke

## Notes to Financial Statements

April 30, 2023

### 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currency translation

The Foundation 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 balance sheet 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 balance sheet date. Revenue and expenses are translated at the exchange rate in effect on the date they are recognized. The related exchange gains and losses are accounted for in the statement of operations for the year. Exchange gains and losses on financial instruments subsequently measured at fair value are included in changes in fair value of investments under Net investment income in the statement of operations.

#### Works of art valuation

Works of art detained to be distributed are valued at the lower of cost and replacement cost. Cost is determined according to the specific identification method.

### 3 - INFORMATION INCLUDED IN OPERATIONS

	2023			2022
	General Fund	Restricted Fund	Endowment Fund	Total
	\$	\$	\$	\$
Net investment income				
Interest, dividends and interest in the net income of mutual funds	1,429,952	2,681,287	4,111,239	3,646,215
Realized changes in fair value	1,308,095	3,947,983	5,256,078	7,442,796
Unrealized changes in fair value	(332,263)	(3,478,199)	(3,810,462)	(8,300,092)
Portion of net investment income allocated to the General Fund	1,287,226	(1,287,226)	-	-
	3,693,010	1,863,845	-	5,556,855
				2,788,919

The Foundation undertakes a part of its operating and management expenses as well as soliciting and philanthropic development expenses. The Université de Sherbrooke undertakes all expenses relating to accounting and assistance with the financial operations of The Foundation as well as a part of the soliciting and philanthropic development expenses of The Foundation in consideration of an allocation in the « Fonds des priorités » (endowment) of the Université de Sherbrooke. Furthermore, the Université de Sherbrooke undertakes all of the donor's recognition expenses and allows The Foundation free use of its premises and its institutional database.

### 4 - INTERFUND TRANSFERS

During the year, \$572,775 was transferred from the General Fund to the Endowment Fund, \$427,378 was transferred from the Restricted Fund to the Endowment Fund and \$371,462 was transferred from the Restricted Fund to the General Fund. These transfers are the results of capitalized (decapitalized) amounts following internal decisions or requests from donors.

## La Fondation de l'Université de Sherbrooke

### Notes to Financial Statements

April 30, 2023

#### 5 - INVESTMENTS

	<u>2023</u>	<u>2022</u>
	\$	\$
Shares	<b>19,190,595</b>	18,602,942
Bonds, debentures and discount notes	<b>897,047</b>	1,013,103
Mutual funds		
Bonds and debentures	<b>77,595,467</b>	59,648,287
Shares	<b>26,634,771</b>	39,352,086
Private investments - Real estate, farming lands and infrastructures	<b>9,774,904</b>	5,662,918
Cash	<b>380,378</b>	888,216
Furnishing and works of art	<b>8,750</b>	8,750
Surrender value - life insurance	<b>59,094</b>	55,983
Value - life annuities	<b>392,680</b>	398,757
	<b><u>134,933,686</u></b>	<u>125,631,042</u>

#### Commitments

The Foundation has undertaken to make investments that will be financed over the coming years in accordance with the terms agreed in the agreements. The commitments made by The Foundation on April 30 are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Private investments - Real estate		
Infrastructures		3,044,972
Farming lands	<b>3,353,710</b>	3,938,605
	<b><u>3,353,710</u></b>	<u>6,983,577</u>

Funding for the above-mentioned commitments can be requested on various dates until 2025.

#### 6 - PLEDGED SUBSCRIPTIONS

Some donors have pledged donations to The Foundation totalling \$44,988,062. The estimated receipts for the next five years are \$6,379,444 in 2024, \$6,233,941 in 2025, \$3,458,267 in 2026, \$3,079,084 in 2027 and \$1,020,454 in 2028.

Expected receipts are to be recognized as revenue when the collection is reasonably assured. As at April 30, 2023, \$4,744,693 was recognized as revenue (\$4,246,258 as at April 30, 2022).

#### 7 - CREDIT FACILITY

The Foundation has an authorized line of credit facility from the Université de Sherbrooke for the amounts owed to the latter in accordance with the sharing of expenses stipulated under an outsourcing agreement. The amounts due are without interest and are repayable when The Foundation has cashed from its General Fund or 24 months following the end of the financial year, whichever comes first.

# La Fondation de l'Université de Sherbrooke

## Notes to Financial Statements

April 30, 2023

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### **8 - COMMITMENTS**

The Foundation has entered into a long-term lease agreement expiring in May 2023, which calls for lease payments to the Université de Sherbrooke of an amount equivalent to 40% of the gross parking lot revenues of the year, for the management of the parking lots. This agreement will renew every year for a one-year period unless one party gives a sixty-day notice to end the agreement. Also, the expenses incurred for the management of the parking lots will have to be reimbursed as management fees plus an amount equivalent to 10% of these expenses.

The Foundation has also entered into an outsourcing agreement (loan service) with the Université de Sherbrooke expiring in April 2024, which calls for payments of \$28,507 in the form of an annual donation intended for research (or any proposal for donation or restricted attribution to the satisfaction of the parties), in compensation of accounting services and assistance to the financial operations of The Foundation. In addition, The Foundation has entered into an agreement with the Université de Sherbrooke in which it has to pay, in the form of an annual donation intended for research (or any proposal for donation or restricted attribution to the satisfaction of the parties), an amount equivalent to the total of the following amounts: 50% of the salary of the management team of the service relationships with graduates (SRWG), 50% of the salary of all SRWG development agents, 50% of the salary of the person responsible for the technological development of philanthropic business, 100% of the salary of all SRWG development agents dealing with mass solicitation activities, 100% of the salary of the person responsible for financial management and 50% of the salary of the liaison officers responsible for accountability. The Foundation has also entered, for the Campagne majeure 2022-2028, to pay an additional amount in the form of an annual donation equivalent to 100% of the salary of the communication consultant (editorial profile) until April 30, 2025. These amounts will be paid in consideration for the assumption of the solicitation and philanthropic development expenses by the Université de Sherbrooke. This agreement is renewable every year for a period of one year unless one party gives a three-month notice to end the agreement.

The Foundation has also entered into a service agreement expiring in May 2024, which calls for payments of \$57,240 for consulting services in investment management. This agreement is renewable every year, unless one party gives a three-month notice to end the agreement.

### **9 - INFORMATION IN CASH FLOWS**

During the year, The Foundation has received donations in the form of investments totalling \$482,095 (\$2,561,793 in 2022).

### **10 - FINANCIAL RISKS**

#### **Credit risk**

The Foundation is exposed to credit risk regarding the financial assets recognized on the balance sheet, other than shares and mutual funds. The Foundation has determined that the financial assets with more credit risk exposure are contributions receivable and the receivable from the Université de Sherbrooke since failure of any of these parties to fulfil their obligations could result in significant financial losses for The Foundation.

Some investments in mutual funds indirectly expose The Foundation to credit risk.

Bonds, debentures and discount notes represent bonds, debentures and discount notes from the municipal sector, provinces, the Government of Canada and public traded companies. The management of The Foundation considers these financial assets to be a low risk for losses. The highest concentration of these security issues is from provinces for an amount representing 100% (84% as at April 30, 2022) of the investments in bonds, debentures and discount notes.

#### **Market risk**

The Foundation's financial instruments expose it to market risk, in particular, to interest rate risk, currency risk and other price risk, resulting from its investing activities.

# La Fondation de l'Université de Sherbrooke

## Notes to Financial Statements

April 30, 2023

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### **10 - FINANCIAL RISKS (Continued)**

#### *Interest rate risk*

The Foundation is exposed to interest rate risk with respect to financial assets bearing fixed interest rates.

Bonds, debentures and discount notes bear interest at a fixed rate and The Foundation is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

Some mutual funds indirectly expose The Foundation to interest rate risk.

#### *Currency risk*

Currency risk results from The Foundation's investments denominated primarily in U.S. dollars totalling \$3,908,953 as at April 30, 2023 (\$3,813,983 as at April 30, 2022).

#### *Other price risk*

The Foundation is exposed to other price risk due to investments in shares, bonds, debentures, discount notes and mutual funds since changes in market prices, other than those arising from currency risk or interest rate risk, could result in changes in fair value or cash flows of these instruments.

#### **Liquidity risk**

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

# La Fondation de l'Université de Sherbrooke

## Schedules

Year ended April 30, 2023

	<b>SCHEDULE A</b>	
	<u>2023</u>	<u>2022</u>
	\$	\$
<b>OPERATING EXPENSES</b>		
Salaries and employee benefits	235,520	167,578
Investment management fees		
Base fees	467,615	499,458
Performance fees		108,291
Fiduciary fees	52,307	45,112
Investment management fees of private investments	154,499	60,239
Professional fees - Audit and consulting	108,923	145,310
Office supplies and expenses	29,612	26,348
Travelling expenses and public relations	21,367	21,400
Bank charges	27,135	32,098
Exchange loss		7,896
Advertising	376	2,610
Life insurance - premium from donors (*)	130,399	(7,186)
Training fees	10,317	2,756
Telecommunications	306	469
	<u>1,238,376</u>	<u>1,112,379</u>

(\*) The Foundation benefits from life insurance contracts for an amount of \$7,355,140 (\$6,930,140 as at April 30, 2022).

	<b>SCHEDULE B</b>	
	<u>2023</u>	<u>2022</u>
	\$	\$
<b>PHILANTHROPIC DEVELOPMENT</b>		
Salaries and employee benefits	1,900,293	1,449,453
Professional fees - Consulting	70,768	16,653
Office supplies and expenses	14,021	10,845
Expedition fees	11,054	51,702
Advertising	45,722	9,779
Travelling expenses and public relations	36,941	9,438
Hall rental	3,550	
Telecommunications	3,085	2,915
	<u>2,085,434</u>	<u>1,550,785</u>