

NorQuest College

Annual Report 2025-26



TABLE OF CONTENTS

3	Accountability Acknowledgement
5	Public Interest Disclosure (Whistleblower Protection) Act
6	Goals and Performance Measures
33	Financial Information
40	Self-generated Revenue
42	Mandatory Non-instructional Fee Reporting
43	Capital Report
45	Free Speech Reporting
45	Board of Governors Training on For-profit Ventures
46	Audited Consolidated Financial Statements

Institution Information

Institution Name	NorQuest College
President Name	Carolyn Campbell
Board Chair	Rob Heron

Accountability Acknowledgement

Publicly Funded Post-Secondary Institutions Accountability Statement:

The institution's Annual Report for the year end was prepared under the Board's direction in accordance with the *Sustainable Fiscal Planning and Reporting Act* and ministerial guidelines established pursuant to the *Post-secondary Learning Act*. All material economic, environmental, or fiscal implications of which we are aware have been considered in the preparation of this report.

[Original signed by]

Robert Heron
Chair, Board of Governors
NorQuest College

[Original signed by]

Carolyn Campbell
President and CEO
NorQuest College

Management's Responsibility for Reporting

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

The Annual Report has been developed under the oversight of the Finance and Audit committee, as well as approved by the Board of Governors and is prepared in accordance with the *Sustainable Fiscal Planning and Reporting Act* and the *Post-secondary Learning Act*.

The Auditor General of Alberta, the institution's external auditor appointed under the *Post-secondary Learning Act*, performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards.

[Original signed by]

Robert Heron
*Chair, Board of Governors
NorQuest College*

[Original signed by]

Carolyn Campbell
*President and CEO
NorQuest College*

Public Interest Disclosure (Whistleblower Protection) Act

Under the *Public Interest Disclosure (Whistleblower Protection) Act*, NorQuest College employees can report in good faith when they believe a wrongdoing has occurred. NorQuest has a detailed procedure that outlines the public interest disclosure process that is applied at the college.

([https://www.norquest.ca/getmedia/fce80995-8518-4118-8e72-6e7c128f5008/Public-Interest-Disclosure-Act-\(PIDA\)-Procedure.pdf](https://www.norquest.ca/getmedia/fce80995-8518-4118-8e72-6e7c128f5008/Public-Interest-Disclosure-Act-(PIDA)-Procedure.pdf))

A requirement of the *Public Interest Disclosure (Whistleblower Protection) Act* is that all disclosures made during the year are reported upon.

During the 2025-26 fiscal year, NorQuest received no safety or whistleblower disclosures.

When a complaint is received, each allegation is reviewed and assessed against the definition of wrongdoing outlined in the Public Interest Disclosure procedure. The definition can be found on page 2 of the Procedure. NorQuest reports all disclosures received under this procedure, regardless of whether they meet the definition of wrongdoing or not.

As of March 31, 2026, no investigations have commenced, and none are underway.

Goals and Performance Measures

NorQuest College continued implementation of its strategic plan, [NorQuest 2030: We are who we include](#), in fiscal year 2025-26. The plan focuses on five outcomes: Learner, People, Connection, Investment, and Transformation. Across these outcomes, the college achieved significant progress on numerous objectives since the strategy was launched in October 2021. Below are some of NorQuest's key results, for the fiscal year July 1, 2025, to March 31, 2026.

As part of releasing the College's refreshed strategic plan, NorQuest 2030: We are who we include – Future Ready, on March 25, 2026, all key objectives and performance measures have been revised or replaced. Results for the refreshed strategic plan will be reported in the NorQuest College 2026-27 Annual Report.

During 2025-26, NorQuest helped advance key Government of Alberta priorities through workforce development, healthcare education, newcomer workforce integration, applied research commercialization, and expanded access to flexible learning pathways. These actions support Alberta's economic growth objectives and help address labour market needs across the province.

Outcome 1 - Learner

Outcome: NorQuest is the first choice for an inclusive and seamless educational experience.

Strategic Direction: Expand and enhance our services, offerings, and research to best serve our learners and position them for success.

Key objectives

1.1 Attract and retain learners by transforming the learner experience, anticipating learners' needs, improving accessibility, and supporting mental health and wellness.

- The 2025–2028 Domestic Recruitment Framework was finalized, emphasizing awareness, sparking interest, and guiding action. A pilot outreach initiative has doubled the number of new Indigenous students enrolling in credentialed post-secondary programs for Spring 2026. Early

indicators for Fall 2026 demonstrate promising impacts for the pilot as well.

- A new contract with Border Pass was established to provide streamlined and technology-assisted study permit application support to new students to help increase study permit approvals as well as provide access to ongoing international students to support with study permit and, co-op work permit applications.
- NorQuest hosted the National Aeronautics and Space Administration (NASA) Space Apps challenge in Edmonton for students and prospective students, culminating in earned media and strategic partnerships with the Canadian Space Agency, KPMG, University of Alberta, Snowflake, RUNWITHIT Synthetics, Bits in Glass, and Telus.
- The Centre for Growth and Harmony advanced student mental health and well-being through providing 374 education and engagement opportunities. Direct, trauma-informed support remained central, with 1,610 one-on-one Social Work/Counselling appointments and 324 medical appointments provided, ensuring timely and holistic care for learners. The Centre delivered 93 workshops and presentations (4,223 participants) and 16 training sessions (312 participants), strengthening mental health literacy and building staff and learner capacity to respond to distress and crises. Awareness and access to services were expanded through 14 campaigns (1,152 participants) and 13 information booths (744 participants). Complementing this, 134 wellness programs (1,760 participants) and 86 sport and fitness activities (1,465 participants) supported overall well-being and connection. Large-scale events, including fairs and interactive initiatives, engaged 1,507 participants, while medical outreach initiatives such as flu clinics reached an additional 262 individuals. Collectively, these efforts strengthened early intervention, reduced barriers to support, and fostered a more connected, resilient campus community.
- The Indigenous Career Centre celebrated its 10-year anniversary with a Round Dance that welcomed over 800 guests, with a portion of funding provided by the Edmonton Community Foundation.

1.2 Increase program flexibility and diversity, and implement Reimagine Higher Education, which addresses game changers such as connected teaching, learning communities and assessment.

- Trade options continue to expand through meaningful partnerships and funding from the Government of Alberta

- Launched Trade Pathways for Newcomers in Carpentry with over \$300K in funding from the Ministry of Jobs, Economy, Trade, and Immigration (JETI).
 - Secured two new JETI grants for Pathways to Construction Trades for Immigrants, and Trades Pathways for Newcomers: Pipefitters for a combined value of over \$1M.
 - Formalized partnerships with Christian Labour Association of Canada and Alberta Pipe Trades College to broaden trades training options.
 - Achieved Foundational Learning Assistance status for 2 programs, Pre-Apprenticeship Exploratory Trades and Pre-Apprenticeship Advanced Trades, which means learners are now eligible for financial assistance.
- New programs launching in Fall 2026 include Content Creator Certificate and Mental Health & Addiction Support Worker Diploma. New co-op options were added to Energy Management, Environmental Technician, and the Machine Learning Analyst Diploma. A revised program launching in Fall 2026 is Advanced Education in Orthopedics for licensed practical nurses (LPN).
- We are on track to exceed our goal of a 30% increase in dual credit participation, with five new memorandums of understanding signed, expanded flexible delivery options, and 17 class sections offered in Fall 2025 (up from 11 in 2024). Currently, 852 students are registered in dual credit courses, a 44% increase over last year.
- Through funding from Actua Strategic Science Fund, we hosted over 800 underrepresented youth (Indigenous youth, girls, and Black youth) in barrier-reduced programming in STEM.
- The Reimagine Higher Education (RHE) refresh is continuing and is aligned with the revised NorQuest 2030. RHE was advanced through efforts such as including an anti-racism toolkit and decolonial Indigenization in the curriculum development framework, embedding Open Education Resources development and authentic assessment in the Program development process, and launching 19 micro-credentials. Open Education Resources saved learners over \$3.5M in textbook costs, with 13 Open Education Resources created to date.

1.3 Integrate Indigenous knowledge and wisdom into all aspects of college life and facilitate a mutual understanding, respect and learning between Indigenous Peoples and others.

- Three courses including ‘Intercultural Competency’, ‘Indigenous Awareness Learning’, and ‘Moving Towards Reconciliation’ are in the final stages of development. These courses will be embedded in the Path of Welcome Digital Onboarding Program and other learning channels.
- Additionally, the Faculty of Arts and Sciences is holding a series of Tea & Talk sessions for all staff to learn more about incorporating Indigenous knowledge into curriculum, and Indigenous staff and executive members continue working together to advance the Walking Together priority projects. Updates to the Intellectual Property Policy that involve rethinking how we look at Indigenous data sovereignty are also underway. Although we have made progress on this initiative, we are not as far along on the development of the courses as we had planned to be.
- The new Dean, Indigenous Relations role has been filled and will strengthen the college’s ability to blend Indigenous and non-Indigenous ways of knowing, being and doing into all aspects of college life while also strengthening relationships and collaborative efforts.

1.4 Prepare each learner for the changing workforce through the NorQuest Skills of Distinction: Inclusion, Resilience and New Ways of Thinking.

- The Institute of Teaching and Learning improved understanding and uptake of the NorQuest Skills of Distinction by incorporating them into the annual Program Quality review process, simplifying their integration into courses, and raising awareness through weekly messaging to faculty.

1.5 Solve real world problems for industry and communities and provide work-integrated learning opportunities for our learners through advancing applied research.

- Launched Phase 2 of the rollout of applied research as a college-wide initiative through the integration of applied research opportunities into the learning experience of students. Options include course-based

projects, capstone projects, work-integrated learning, Community and Industry Research and Projects (CIRPS), internships, and course electives.

- Through the funding identified by Work integrated learning and career education center (WILCEC), a total of 30 CIRPs serving 555 students were created. Students are exposed to and engage in competency-building activities to develop research skills and knowledge to support their industry-led projects.
- Two new initiatives were launched this year under the Faculty of Research
 - The Community Energy Innovation Centre (CEIC), which houses community energy driven projects to lead the way in energy transition, bringing people, ideas, and policy together to create practical solutions that support affordability, resilience, and public confidence in energy diversification.
 - KMCE Office (Knowledge Mobilization, Commercialization and Entrepreneurship), designed to bridge the gap between academic knowledge and community needs by fostering partnerships that translate academic insights into meaningful action, and to provide support through intellectual property guidance, business development resources, and connections to industry.

1.6 Internationalize NorQuest to create opportunities for all students, faculty, and staff to engage in global issues, mobility opportunities, and strong partnerships for recruitment.

- A renewed International Strategy was developed to support NorQuest through volatile times in the international education sector. It centers on expanding and supporting international recruitment, aligning programs for global relevance, and enhancing international student support while building strong partnerships. It also emphasizes innovative and responsive international student services and programming and prioritizes strategic revenue development.
- In addition to international recruitment activities, NorQuest continues to support Alberta's workforce development goals by providing educational pathways and learner supports that assist internationally educated individuals in integrating into Alberta's workforce and communities.
- Global projects underway include:
 - South Africa Skills Training Enhancement Program, funded by CICan (Colleges and Institutes Canada), in partnership with Suncrest

- College, for entrepreneurial “train-the-trainer” programs, curriculum development, and work-integrated learning.
- Green Skills for Climate Smart Agribusiness, funded by CICan with Lakeland College and Saskatchewan Polytechnic, supporting development of a three-year agribusiness program with an equity lens and training and curriculum assistance with partner company Daltex and the Egyptian government.
 - Kenya Blue Economy Skills Training, funded by CICan with Humber College, to establish a national Recognition of Prior Learning system supporting youth employment.
 - Emerging Leaders in the Americas Program, supported by Global Affairs Canada, to host students from Uruguay and Mexico for study and research placements at NorQuest.
 - A Global Affairs Canada Faculty Mobility Grant funded collaboration with FLACSO University (Buenos Aires) on a curriculum review for its Higher Diploma in Comprehensive Sexuality Education
 - A new contract with Healix has been signed to support NorQuest by providing global health, medical, and security assistance for faculty, staff, and students who are travelling internationally, including pre-travel risk intelligence, emergency medical support, evacuation coordination, travel assistance, and 24/7 crisis response. Healix helps NorQuest fulfill their duty of care to travelers by mitigating health and safety risks, ensuring rapid support during emergencies, and enabling institutions to respond confidently to incidents abroad; protecting people, institutional reputation, and continuity of academic and research activities.
 - NorQuest has developed and approved a new International Recruitment Agent Standard that defines how agents are recruited, trained, monitored, supported, and held accountable to ensure consistent, high-quality performance. The standard reinforces clear expectations for compliance, communication, performance metrics, data security, and ethical conduct, while providing structured oversight and continuous improvement through regular reviews and reporting.

Learner Measures

1.1 Increase the total number of learners served by 50%.

Year	# of Learners		
2021-22	Result	16,199	
2022-23	Result	17,841	
2023-24	Result	20,229	
2024-25	Result	21,012	
2025-26	Target	20,360	*
2025-26	Result	19,500	**
2030	Target	24,000	***

**Targets are from 2024-27 NorQuest Business Plan, which is updated annually, unless otherwise noted.*

*** Results and projections use a “total unduplicated headcount” figure, which consists of the unduplicated sum of credit, non-credit and continuing education headcounts.*

*** YTD results as of May 4, 2026*

- Changes to Canada’s international Student Program (e.g., Post Graduation Work Permit restrictions and study permit approval rates) and to Canada’s brand as a country of choice have impacted international student numbers. While domestic student numbers have continued to increase year over year, changes to international student demand have resulted in an aggregate decrease in total learners served.
- Ongoing challenges with international student demand for the upcoming and future fiscal years are anticipated.

1.2 90% of learners are satisfied with the overall quality of education they received at NorQuest.

Year	Overall Satisfaction		
2021-22	Result	84.0%	
2022-23	Result	85.0%	
2023-24	Result	85.0%	
2024-25	Result	88.0%	
2025-26	Target	87.4%	
2025-26	Result	94.0%	
2030	Target	90.0%	*

* Results are collected through the monthly Student Pulse Check Survey.

- Overall Student satisfaction remains strong and increased from previous years to surpass the 2030 target for the first time.

The improvement is largely driven by Credit students while satisfaction among Language Instruction for Newcomers to Canada (LINC) students remains consistently high. This high level of satisfaction is largely attributed to their positive opinions about their instructors and programs. However, some students voiced concerns about inconsistent instructor quality, lack of program organization and limited access to timely support.

Outcome 2: People

Outcome: NorQuest is a purpose-driven employer of choice.

Strategic Direction: Create an adaptive and inclusive organization.

Key Objectives

2.1 Attract, grow, and develop team members through a people-first approach that sparks innovation and continuous learning.

- A new leadership learning series called ‘Leading at NorQuest’ has been established and two courses have been developed and are ready to be delivered including ‘Performance Management Basics’ and ‘Leading through Change’. Considerable progress in the development of additional courses has been made (Managing Leaves at NorQuest, managing in a

Unionized Environment, Leading Through Conflict, Finance & Budget Basics and Policy & Procedure Awareness).

- A new Coaching Program has been established that provides support to NorQuest leaders in strengthening decision-making and adaptive leadership skills, which will be critical as they respond to evolving internal and external environments.
- NorQuest implemented Phase 1 of the Performance Development and Growth Planning Program by Launching MyPath, a software tool designed to support NorQuest's Performance Development and Growth program and the Faculty Evaluation and Development program. MyPath is used to record goals, reflections, achievements, and to share this information with people leaders and create a long-term record of professional and personal growth. Leaders and employees were provided several opportunities to learn about MyPath, focusing on how to meaningfully engage in performance planning conversations and how to use the new tool.
- Focused work has been done to offer intentional change management support to the college. Specifically, NorQuest's change management maturity was assessed, and gaps have been identified. A change management maturity model has also been created to support the college in increasing capability in managing change over the coming years.
- A comprehensive competency framework for leaders and team members has been developed that clearly defines the skills, behaviors, and knowledge essential for effective performance and ongoing growth. Consultation on this framework was completed in Spring 2026. The competency framework will become the foundation of the college's Talent Management programs, driving activities from how we attract employees to how we develop and assess talent through succession and internal mobility programs.
- As part of NorQuest's Listening Strategy, a new Employee Experience Survey was launched in the Fall of 2025, and a subsequent pulse check was released in April 2026. Action planning at the organizational, divisional, and departmental levels was completed and carried out in response to the feedback that was shared. Survey results from November were positive as follows: 72% engagement (up 18% from previous survey), 84% of employees indicating that their experience met or exceeded their expectations, 75% intending to stay with the college for more than 3 years, 74% indicating a moderate to high sense of well-being and 70% communicating a feeling of inclusion.

- NorQuest's People Strategy has been drafted and will continue to be refined. Once consultation feedback has been incorporated, the strategy will be brought to the Board in Fall 2026 for final review.
- Seven new teaching awards were created for more inclusive recognition and will be presented at the Academic Excellence Awards Ceremony in May. The new awards recognize Excellence in Academic Innovation, Academic Leadership and Mentorship, Learner Engagement, Service and Community Engagement, Equity, Diversity, Inclusion and Anti-Racism, as well as a Rising Star Award.

2.2 Support and ensure a safe, welcoming, supportive, and flexible workplace and learning environment.

- NorQuest's Occupational Health & Safety (OH&S) Program has been fully reviewed by the college's new Occupational Health & Safety Consultant who brings extensive experience from two large post-secondary institutions. While the college's program overall is quite strong, a variety of opportunities have been identified for exploration in the next fiscal year.
- The OH&S Program has been strengthened to incorporate psychological health and safety as core elements of the overall program. Representation on the Occupational Health & Safety Committee now includes the college's Psychological Safety Consultant and an assessment against the national standard for psychological health and safety has been completed to inform efforts in this area at the college moving forward.
- The new Flexible Workstyles program was launched and supported by a suite of internal communications products. The program balances operational needs with employee well-being and allows employees to choose flexible workstyles and flexible work schedules. It supports a culture of engagement and enables the college to adapt to shifting operational and financial realities. A key focus is to strengthen connection and collaboration across teams by encouraging meaningful in person engagement. The program has been recognized as progressive and a strength for the college from a talent attraction and retention standpoint.

2.3 Fulfill our commitment to becoming an inclusive, anti-racist and decolonized organization through an ongoing focus on racial equity, diversity, and inclusion.

- The Equity Champions initiative and the Critical Perspectives Advisory Council (CPAC) were launched. Equity Champions engage staff as visible leaders in advancing EDI and anti-racism within their teams, fostering distributed leadership and practical application. A learning symposium in February 2026 has deepened this work through collaboration and action. CPAC ensures equity-deserving groups shape projects from the outset, providing expert guidance on anti-racism, accessibility, and inclusion to align initiatives with EDI goals and reduce harm.
- NorQuest’s equity, diversity and inclusion framework called “Designing for Difference” has been completed through collaborative efforts across the college. This document and accompanying materials support and communicate efforts made in intentionally walking out our commitments that make “we are who we include” a reality.
- Several courses were launched to support employee awareness surrounding equity, diversity and inclusion.
- The Faculty of Arts & Sciences expanded the college’s partnership with Treaty 8 through unique programs including Indigenous focused content and an awareness of challenges in rural and Indigenous communities. Employees across the college participated in workshops, ceremonies, and opportunities to receive Indigenous knowledge such as sweetgrass harvesting and joining Environmental Technician students in learning on the land during Field School.

People Measures

2.1 Exceed top quartile engagement among Canadian post-secondary institutions by 10%.

Year		%	
2025-26	Result	72%	
2030	Target	70%	*

* Previous results and targets from 2024-25 and earlier are not comparable due to a revised survey methodology. New targets based on the revised methodology have been

included in the refreshed NorQuest 2030 strategy and will be reported on in future annual reports.

- NorQuest launched a new Employee Experience Survey in November. Engagement is one of the key performance indicators within this survey.
- Significant work was completed to help support engagement despite navigating a challenging time at the college associated with decreasing revenues due to International Student policy changes. Learning opportunities for people leaders and employees on how to navigate challenging seasons at work were provided and critical offerings such as College Connections Day have been maintained at a smaller scale to support culture, connection, and engagement. Significant efforts to support change management have also been made including assessing the college's current state, identifying actions to be taken to address gaps, and the development of a change maturity model to guide our steps in the coming years to strengthen capability in this major area.

2.2 Achieve Level 5 rating on the Global Diversity, Equity, and Inclusion Benchmarks Foundational Categories.

Year		Level
2022-23	Result	2.5-3
2023-24	Result	N/A
2024-25	Result	N/A
2025-26	Target	N/A
2025-26	Result	N/A
2030	Target	5

- In 2020, the college adopted Global Diversity, Equity, and Inclusion Benchmarks (GDEIB) to track EDI progress. When the Centre for Global Inclusion ceased operations in 2023, the benchmarks risked becoming outdated. The college is in the process of transitioning to the Momentum EDI Maturity Model from the Colbourne Institute for Inclusive Leadership. While both frameworks measure similar areas, their methodologies differ, so year-over-year comparisons are not possible. A new baseline score is being established.

Outcome 3: Connection

Outcome: NorQuest is a values-driven partner in advancing societal and economic growth.

Strategic Direction: Advance our place as a trusted and growth oriented post-secondary institution.

Key Objectives

3.1 Transform the NorQuest brand to broaden its appeal, attract more learners and align with the college's renewed strategic focus, and elevate public perception of colleges as critical drivers of economic growth.

- The Find Your Path branding campaign was significantly expanded through the development of a new NorQuest.ca homepage, new pathway pages focused on Career Ready, Transfer Pathways, and Foundational Programs, and an interactive transfer tool to support learner exploration and engagement. Prospective learner engagement increased year-over-year, including a 58% increase in 'Request More Information' submissions and a 24% increase in event registrations/sign-ups, reflecting stronger interest and conversion activity.
- Targeted domestic recruitment efforts continued to build momentum with younger audiences, including significant growth in Winter 2026 applications from 18–19-year-olds (347 vs. 31 the previous year). Overall domestic demand also increased for Winter 2026, with applications rising 6% across all faculties (6,504 vs. 6,111 the previous year).
- A 2025–2030 Marketing Strategy Framework was completed to guide long-term brand growth, learner attraction, and evidence-informed marketing investment.
- 67 story pitches to traditional media resulted in 381 clips/articles since June 2025 to highlight NorQuest programs, thought leadership, community impact, and services that promote learner and graduate success. These stories had an audience reaching totaling 373 million. Examples include teaching healthcare workers to identify measles in non-Caucasian patients, the greenhouse micro credential, National Indigenous People's Day, energy poverty research, and the National Aeronautics and Space Administration (NASA) Hackathon. The college's brand was also strengthened through developing a visual identity and

key assets in celebration of the college's 60th anniversary for both internal and external use.

3.2 Become a leader in work-integrated learning to give our learners and industry partners economic advantages.

- Work integrated learning and career education center (WILCEC) continues to develop meaningful and mutually beneficial work integrated learning (WIL) experiences. WILCEC created over 7,800 WIL experiences in the 2025-26 academic year, supporting students to apply their classroom learning to the real world, build their resume, and develop employability skills. NorQuest is strengthening access for Alberta employers to talent in priority sectors.
- Successfully hosted Alberta's First WIL Conference on June 10, 2025, where NorQuest College welcomed over 130 participants from 21 Alberta post-secondary institutions. The event featured five breakout sessions, two expert panels, and an Executive Leadership Session with nine senior leaders, fostering dialogue on the future of WIL and the potential formation of an Alberta WIL Leadership Council.
- Digital Infrastructure for WIL Delivery was focused on through Core Simplicity Modules that were successfully launched for students, employer-partners, and staff. Training sessions and stakeholder engagement strategies are being explored to support further engagement and maximize platform impact.
- The "Bridge to Success" WIL Orientation pilot was launched to enhance stakeholder engagement, inviting 147 employer-partners to participate in the asynchronous EDI training. Initial feedback and evaluation are underway.
- In August 2025, Faculty of Health Studies WIL formally joined the WILCEC team, completing the centralization of WIL across the College. Program Advisory Committee (PAC) support is also transitioning to WILCEC. The focus remains on gaining an understanding of existing practices and perspectives before implementing any significant changes.

3.3 Work with socially responsible organizations and partners and promote values of inclusion to increase our impact and make a significant, meaningful, and positive effect on communities.

- The Partnership Evaluation Framework was completed in Spring 2025 and approved by the Executive Team. This tool is available for use by all

NorQuesters who engage with external partners. It is intended to be a guide and a resource rather than an additional system or process.

- NorQuest continues to provide space on campus to socially responsible organizations looking to host events to promote their mission, vision, and mandate. One example is that NorQuest provides space and event planning support to EmpoweredMe, a small local non-profit seeking to build interest in STEM among female high school learners from the Edmonton area.

3.4 Work with international partners to build NorQuest's brand in key markets for increased competitiveness and sustainable growth.

- A significant focus of this year has been responding to Immigration, Refugees and Citizenship Canada (IRCC) policy changes to Post-Graduation Work Permit eligible programs and the implementation of study permit caps by actively managing agent relationships, providing agent training on changes, and renegotiating agent agreements to maintain competitiveness in the market. This work will continue to be critical as we move forward. Separately, work was done with partners in Kenya, Tanzania, Egypt, and South Africa, via CICan funded capacity building projects, to elevate the brand of NorQuest in these countries, and to gain market intelligence about the education sectors and new business development opportunities.
- NorQuest has participated in recruitment and partnership events in Vietnam, Philippines, Indonesia, Colombia, Nigeria, Ghana, and Mexico to diversify revenue opportunities, attract students, and source potential strategic partnerships to support NorQuest's mandate.

Connection Measures

3.1 Achieve a combined learner, employee, and stakeholder net promoter score that increases annually.

Year		Score	
2021-22	Result	14	
2022-23	Result	17	
2023-24	Result	15	
2024-25	Result	22	
2025-26	Target	> 2024-25 result of 22	
2025-26	Result	28	*
2030	Target	Annual increase	

**The Net Promoter Score (NPS) is collected through the monthly NorQuest 2030 Strategic Measures Survey and used to measure customer support for the NorQuest brand by asking how likely employees are to recommend NorQuest on a scale of 0-10. Responses are categorized into Detractors (0-6), Passives (7-8), and Promoters (9-10). The net promoter score is calculated as the percentage of Promoters minus the percentage of Detractors.*

- NorQuest's net promoter score is up by six points compared to the previous year. The individual scores that make up the combined net promoter score are:

	2024-25	2025-26
Total	22	28
Learner Combined	26	31
- Learners Credit	18	28
- LINC	59	58
Employees	8	9
Stakeholders (Employers)	26	26

3.2 100% of approved programs have work-integrated learning as part of the program.

Year		%	
2021-22	Result	100%	
2022-23	Result	100%	
2023-24	Result	100%	
2024-25	Result	100%	
2025-26	Target	97%	
2025-26	Result	100%	
2030	Target	100%	by 2029-30

- NorQuest has focused on increasing the amount of work-integrated learning opportunities available in our programs, which has resulted in achieving our 2030 target early.
The current target is based on our Investment Management Agreement with the Government of Alberta, which includes approved credit programs. Continuing education and open studies courses are not required to include a work integrated learning component.

Outcome 4 – Investment

Outcome: NorQuest is adaptable, sustainable and has the resources to develop and offer solutions and create stronger communities.

Strategic Direction: Diversify revenue and grow funding streams to support learners and communities.

Key Objectives

4.1 Develop and offer solutions for learners, community partners, and the workforce by increasing external investment in NorQuest through efforts such as community-based fundraising, micro-campaigns and alumni and corporate engagement.

- A continued top priority is the development of the new Comprehensive Fundraising Capital Campaign. The official launch of the campaign will be aligned with commitment of capital funding from the Government of Alberta, currently anticipated for Budget 2027. In anticipation of capital funding, much work has been completed in foundational collateral tied

to the capital campaign including a case for support, early phase cabinet chair recruitment, an asset-naming framework, and campaign plan. Advancement is stage-gating next steps to ensure institutional alignment while focusing on evolving previously created campaign collateral and next-step deliverables. Focus areas for the coming months include continuing to recruit campaign cabinet members, updating the case for support and asset naming valuations to align with current timelines, and building infrastructure, pipeline identification, and early phase cultivation with donors.

- The Alumni Advisory Committee, now in its third year, includes 14 alumni representing a diverse range of program backgrounds and career paths. The 3rd annual NorQuest College Alumni Awards Celebration occurred on April 16, 2026, where the college celebrated alumni accomplishments in community, transformation and within NorQuest. TD Insurance acted as the lead sponsor for the event, representing their third consecutive year. Contract renewal negotiations for the affinity partnership are still underway. Total cumulative revenue from the partnership equates to approximately \$1.2M since 2011. The forecasted revenue for the coming year is approximately \$250,000, supporting operations within Advancement.
- The 1000 Women movement continues to be a lead fundraising priority for the college. Since 2022, the 1000 Women movement has seen a 325% increase in annual funds raised and a 258% increase in annual donor participants. This level of growth and scale is a testament to the advocacy efforts of NorQuest's Advancement team, senior leadership and the 1000 Women committee.
- Progress continues to be made on two newer development opportunities - Work Ready, a micro campaign focused on providing a stipend to all non-paid WIL opportunities for NorQuest learners and, Walking Together, a college-wide initiative centered around removing financial barriers for Indigenous learners.

4.2 Grow funding streams for applied research activity and capacity.

- Applied research projects continue to be community-driven and co-designed by community and industry partners. Through the two applied research chairs and one business development officer, 88 discussions with industry/community have taken place resulting in 21 projects in development. Seven new applied research projects have been launched,

worth over \$1.4M, five applied research projects have been completed, and eight new grant applications have been submitted totaling \$3.5M.

4.3 Attract international students from primary and secondary markets for increased diversification, sustainability, and enhanced experience.

- NorQuest has been recruiting actively in Latin America via our NorQuest in-country representative in Brazil covering Mexico, Ecuador, Brazil, Colombia, and Peru. In addition, NorQuest has taken part in educational and partnership missions with CICan, Canadian Trade Commissioners and other education partners in Vietnam, Indonesia, Philippines, Ghana, Nigeria, and Colombia.
- While our international numbers from India have decreased, we are staying connected to our recruitment agents on the ground and conducted a recruitment trip to India in the summer of 2025.
- Canada's International Student Program managed by Immigration, Refugees and Citizenship Canada (IRCC) continues to experience a high degree of volatility, which is impacting international student demand across the country. It is shifting our learner markets (India and SE Asia demand is waning while African applications are growing) and how students select programs – students are increasingly choosing programs that have a clear link with occupation draws under the Express Entry Immigration Program. The sudden decline in study permit approvals in 2025, particularly for colleges and non-degree programs, has had a significant impact on demand for college level programming this year.

4.4 Grow and diversify revenue streams and profitability by forming strategic partnerships, leveraging technology, and creating new business models.

- The College's defense engagement working group continues to refine its initial strategy development as greater clarity emerges on federal defense spending priorities for our region. NorQuest is collaborating with external partners, industry, post-secondary institutions, and CICan to gain visibility into training and skills development opportunities tied to increased federal investment. This work is focused on aligning NorQuest's values and strengths with potential program expansion and new service delivery opportunities, positioning the College to leverage increased defense-related investment as a sustainable new revenue

stream. The focus in the Academic Portfolio is on traditional methods of revenue generation such as research grants, delivery grants, partnerships, custom training, and donations, with an eye on lowering program development costs. Recent examples include:

- Securing three College and Community Social Innovation Fund (CCSIF) grants for a total of \$1.2 million in alternative revenue over three years – our greatest single-year success with this fund
- Microcredential offerings developed through federal funding that align with our Environmental and Energy programming (Agri-Tech & Clean Tech).
- Custom training for Government of Alberta Children and Family Services staff working in vulnerable-persons advocacy, Samson Cree Nation (Building Service Worker), the Government of Nunavut (Political Acumen), Maskwacis Health Services (Building Service Worker), and the City of Wetaskiwin (Respectful Workplace & De-escalation).
- Contracts to deliver services such as academic upgrading programming, NorQuest’s educational assistants microcredential, apprenticeship-style HCA workplace model training, training Primary Care Paramedic students via simulation, and training through NorQuest’s Whitecourt Community Adult Living Program.
- The Strategic Partnership Model was successfully established in 2025 and is now used to strengthen and deepen relationships with existing corporate partners and organizations, expand emerging partnerships, and establish new strategic collaborations. In 2025-26, \$235,000 in new revenue was secured through this work in the form of corporate investment and philanthropy (61% of \$400K goal).
- The Alternative Revenue Generation team continues to identify and assess new revenue opportunities while improving coordination across academic and administrative areas. To improve coordination and support idea generation, the College developed an internal sponsorship guide and a Revenue Generation Idea Intake Form, enabling NorQuesters to consistently submit, assess, and advance potential revenue opportunities. Moving forward, under the College’s new organizational structure, this recently re-formed group will be responsible for developing and executing a more integrated and effective revenue generation strategy.
- Foundational work has been completed to relaunch the centralized College Customer Relationship Management tool, Freshsales. Capacity constraints have extended timelines, and the College is reassessing

internal capacity within Business Technology Services to continue this project under the new organizational structure with relaunch coming in 2026.

- AI and defense training opportunities being pursued include partnering with Alberta Innovates and joining Amii and Google's AI Workforce Readiness Consortium, which will provide us with free curriculum related to generative AI adoption. We are also exploring partnership opportunities with the Canadian Armed Forces, which is set to see a substantial increase in federal funding in the coming years (increasing from \$32B to \$150B/year). For example, we are actively involved with industry meetings, post-secondaries, CICan, and international partners. This includes a feasibility project with the Edmonton International Airport on increasing aviation training across Northern Alberta. We also recently met with CICan, post-secondary leaders from across the province and representatives from five Nordic countries to explore opportunities and synergies.

Investment Measures

4.1 Increase self-generated revenue to \$33 million.

NorQuest College's definition of self-generated revenue consists of investment income, donation and contributions, and sales of services and products.

Year	SGR (\$ in millions)		
2021-22	Result	9.6	
2022-23	Result	10.5	
2023-24	Result	13.9	
2024-25	Result	11.1	*
2025-26	Target	13.4	
2025-26	Result	11.6	
2030	Target	33.0	

* Based on a 9-month fiscal year

Outcome 5 - Transformation

Outcome: NorQuest leverages technology and resources to maximize service delivery, amplify our impact and support learners.

Strategic Direction: Leverage our technology and resources.

Key objectives

5.1 Realize strategic campus growth opportunities and evolve business enterprises.

- In June 2025, NorQuest submitted a detailed business case and capital grant request for the Career Skills Centre (CSC) to the Government of Alberta and followed up with an initial schematic design framework and cost structure on October 15, 2025. These materials were provided ahead of provincial deliberations for Budget 2026.
- While the CSC was not funded in the government's Budget 2026, the college will continue planning and design work with the \$4 million planning grant to ensure it is strongly positioned for the 2027 provincial budget. A revised business case, the schematic design report, and revisions to cost estimates were resubmitted in June 2026. A revamped Advocacy Plan will be developed to maximize NorQuest's chances of success in the next round of capital funding.
- This work has been supported by a robust advocacy campaign to secure capital funding for the Career Skills Centre, engaging extensively with key government stakeholders. Through the Fall of 2025 and early Winter of 2026, NorQuest met with all members of Treasury Board. The college has also engaged Capital Region MLAs and Ministers and received a personalized message of support from the Premier. Ongoing dialogue with the new Minister of Advanced Education has positioned him to champion the Career Skills Centre during budget deliberations.
- In Summer 2025, NorQuest completed three procurements to execute the project. Our Prime Consultant contract was awarded to GEC Architecture, Jones Lang LaSalle was selected as the Project Management partner, and Clark Builders has been conditionally awarded the contract for construction management. Each contract includes 'off ramp clauses that enable the college to suspend or end the contract without penalty should the capital funding be delayed.

- In addition to the Career Skills Centre, significant campus expansion accomplishments include:
 - In May 2025, NorQuest acquired a key property spanning two city lots at 10251–109 Street, formerly home to Champ’s Boxing Studio. A conceptual plan for the property will be developed to support NorQuest’s institutional mandate until the site is needed for future academic building. Renovations will be extensive and are contingent on available financial resources.
 - NorQuest controls 16 of the 20 lots that comprise the 108 Street block between 102 and 103 Avenue, through a combination of ownership and one leasing arrangement. This significantly enhances NorQuest’s strategic presence in the downtown Education District and positions the institution for future growth and development.
 - The former Calder Bateman building, located on two of the four lots at 10241–109 Street, was demolished in Fall 2024. Construction of the central landscaped campus quad is substantially complete and is accessible to the public. The Community Green Space establishes a prominent and welcoming presence along this key urban corridor, elevating NorQuest’s visibility and reinforcing its role as an essential institution in Downtown Edmonton.
 - The remaining Downtown Campus Development Project funds are being utilized to upgrade permanent parking lots to meet City of Edmonton zoning bylaw requirements. Planned improvements include modified lot access, hardscape, and landscape enhancements to fulfill municipal requirements, and necessary surface repairs all of which are targeted to occur during Spring/Summer of 2026.
 - NorQuest completed the second phase of renovations in its leased facility, Jasper Avenue Tower, bringing the total upgraded space to 84,500 square feet. With all renovations now complete, the spaces are fully operational, and the project was delivered on schedule and under budget. To support wayfinding and enhance visibility, NorQuest signage has been installed on both the northeast corner of the building, guiding foot traffic from the main downtown campus, and the southwest corner facing Jasper Avenue, helping raise public awareness of the college within the broader community.

5.2 Enhance business intelligence, predictive analytics, machine learning, and enterprise resource planning to maximize return on our investment.

- The college approved and began operationalizing its Data and Information Governance Framework, launching governance structures for Information Stewards and Owners. Complementary efforts include the creation of a Data Management Policy, refresh of the Access and Privacy Policy, and development of tools like the Business Intelligence Reports Directory and SharePoint/Teams site inventory to support evidence-based decision-making. The Business Intelligence team delivered a Business Model Dashboard, integrated BI into the Technology Strategy, and led Power BI training, positioning BI as a strategic enabler of transformation and planning.

5.3 Expand digital literacy and access, and leverage technology and data sharing to support college and learner growth.

- Efforts to fully achieve this priority have been impacted by the college's current fiscal realities, but considerable progress has still been made. Related accomplishments and updates include:
 - NorQuest joined the Regional Security Operations Centre (rSOC) partnership with Cybera to improve cybersecurity operations and leverage cost-efficiency to provide 24/7 threat monitoring.
 - As of March 2026, multifactor authentication has been introduced to all student accounts, enhancing security and enterprise protection.
 - Key system and infrastructure upgrades include upgrading PeopleSoft, transitioning to the latest supported operating systems, and installing modern classroom technologies.
 - Enterprise Architecture practice continues to focus on rationalizing software use, aligning processes with institutional strategy and long-term planning, and working with the Emerging Technologies Working Group to incorporate AI knowledge and capabilities.
 - Symplcity Accommodate was implemented, reducing the number of systems used to manage student Accommodations from five to one, substantially improving student and staff experience.

- Process enhancements to track and utilize the Foundational Learner Assistance Program resulted in a 13% increase, to 97% of our annual allocation. This contributed to a 37% increase (nearly \$200K) in our annual Spring allocation from the ministry to serve more foundational learners.
- The Student Service Centre strengthened the College's delivery model through establishing a more efficient, digital-first, and scalable student experience.
- Timetabling and Enrolment Phase 2 (integrating Timetabling software with PeopleSoft Campus Solutions) was completed in time for the upcoming enrolment cycle for 2026-27. Timetabling and Enrolment Phase 3 (Enabling self-enrolment with blocks) has been paused due to efficiency loss in recommended scope changes.

Transformation Measures

5.1 Staff agree that they have the technology, tools, and information to meet the needs of the people they serve.

Year		%	
2022-23	Result	82%	
2023-24	Result	79%	
2024-25	Result	84%	*
2025-26	Target	80%	
2025-26	Result	84%	
2030	Target	N/A	

* For 2024-25, surveying of each employee was reduced to once per year, down from twice per year previously. This will reduce survey fatigue and is not anticipated to have a significant impact on results.

	2024-25	2025-26
Overall	84%	84%
- Technology	87%	85%
- Tools and Information	81%	83%

- Employees highlight reliable core platforms, classroom technology, hybrid-work enablement, and responsive IT support as key strengths that

support productivity, teaching, and collaboration. At the same time, feedback points to challenges with system fragmentation and unclear processes, which create inefficiencies and reliance on workarounds. Employees also identified opportunities to improve system integration, communication clarity, transparency in technology decisions, and modernization of tools and infrastructure.

- Operational efficiency and alignment were improved for staff through the transition to Microsoft 365, reduced software spending, and stronger business partnerships.

5.2 Learners agree that they have the technology, tools, and information they need for learning.

Year		%	
2022-23	Result	90%	
2023-24	Result	90%	
2024-25	Result	93%	
2025-26	Target	90%	
2025-26	Result	95%	
2030	Target	N/A	

- The overall result was 95%, with 96% of learners agreeing they had access to the technology they need for learning and 94% agreeing they had access to the tools and information they need for learning. The combined results increased by 2% from the previous year and are at the highest level achieved to date.

	2024-25	2025-26
Overall	93%	95%
- Technology	95%	96%
- Tools and Information	91%	94%

- Overall, students describe NorQuest’s technology, tools, and information resources as accessible, reliable, and supportive of their learning, highlighting strong Wi-Fi in most areas, user-friendly platforms like Moodle, well-equipped computer labs, and the library’s high-value digital and physical resources. Many credit IT support, tutors, librarians, and

Accessibility Services for making technology easy to use and for helping them stay organized, complete assignments efficiently, and succeed in both online and in-person formats.

- At the same time, students identify challenges with dissatisfaction centering on Wi-Fi drops in certain areas, outdated or slow computers, broken printers, and insufficient lab technology. Students also report unexpected technology costs, inconsistent instructor use of Moodle, fragmented information across platforms, and a lack of clarity or accuracy in some program specific tools like lab manuals and simulation resources.
- Related accomplishments include:
 - Expanding integrations and automation across the Virtual Application System for international students, Language Instruction for Newcomers to Canada, Infosilem that reduced manual intervention, improved accuracy, and increased operational efficiency.
 - Modernizing technology improved security, reliability, and user experience through Windows 11 upgrades, audiovisual enhancements, network improvements, and student Multi-Factor Authentication.

Financial Information

Management Discussion and Analysis

(financial data expressed in thousands unless otherwise noted)

The following management discussion and analysis of the financial results should be reviewed in conjunction with the audited financial statements and accompanying notes to the financial statements. The financial statements represent the financial position and results of operations for NorQuest College for the fiscal year ended March 31, 2026. The college's consolidated financial statements for 2025-26 have been prepared in accordance with Canadian Public Sector Accounting Standards and reflect the application of the net financial assets/net debt reporting model as issued by the Public Sector Accounting Board.

In January 2024, changes to federal policy regarding post-secondary student study permits had a significant impact on NorQuest College. As a result of the substantial decline in international enrolment, the college's international tuition differential revenue is projected to decrease by \$29.4M between 2024-25 and 2026-27, represents a 47% decrease over two years.

Over the last decade, NorQuest College has become one of Alberta's fastest growing post-secondary institutions. Domestic enrolment increased by 79% between 2014-15 to 2024-25, driven by growth in high-demand sectors like nursing and early childhood education. At the same time, over the past 10 years our operating grant has remained effectively flat with the grant at \$40.7M in 2014-15 and \$39.6M in 2024-25.

The recent decline in international student revenue has highlighted a long-standing structural challenge: NorQuest has supported substantial domestic enrolment growth without a corresponding increase in operating funding. This growth has been achieved by realizing internal efficiencies and by strategically investing international revenue. Consequently, the college has become more sensitive to fluctuations in international students. The international tuition revenue that previously helped offset this funding gap is now declining sharply, contributing to an operating deficit of \$14.6M in 2025-26.

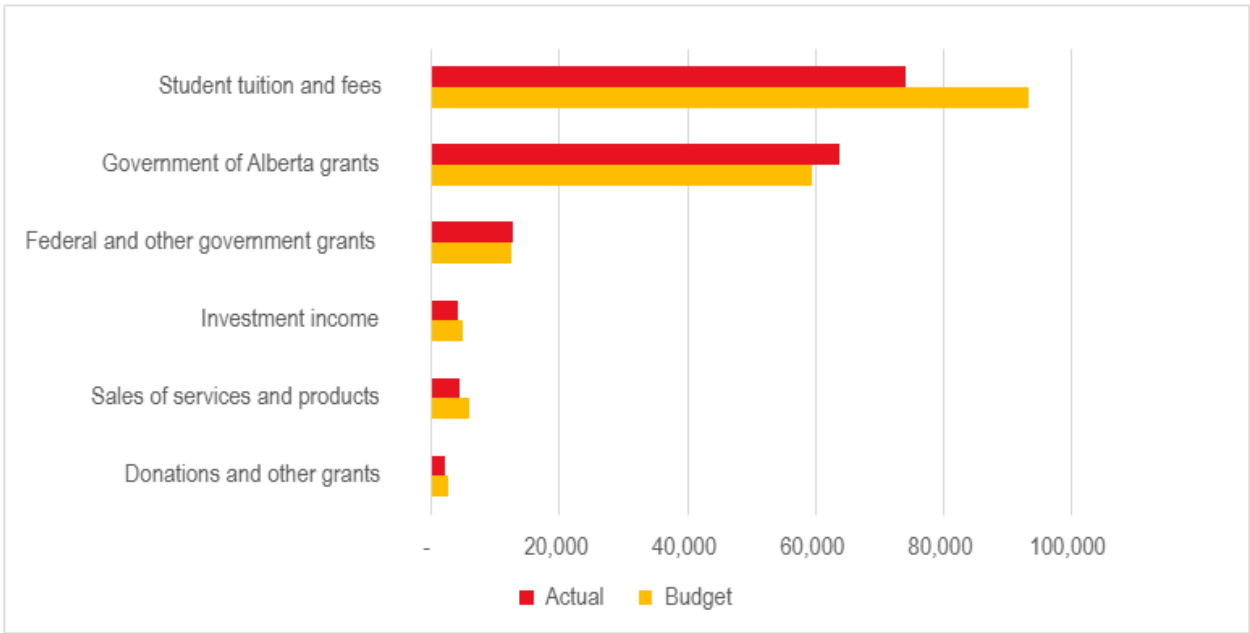
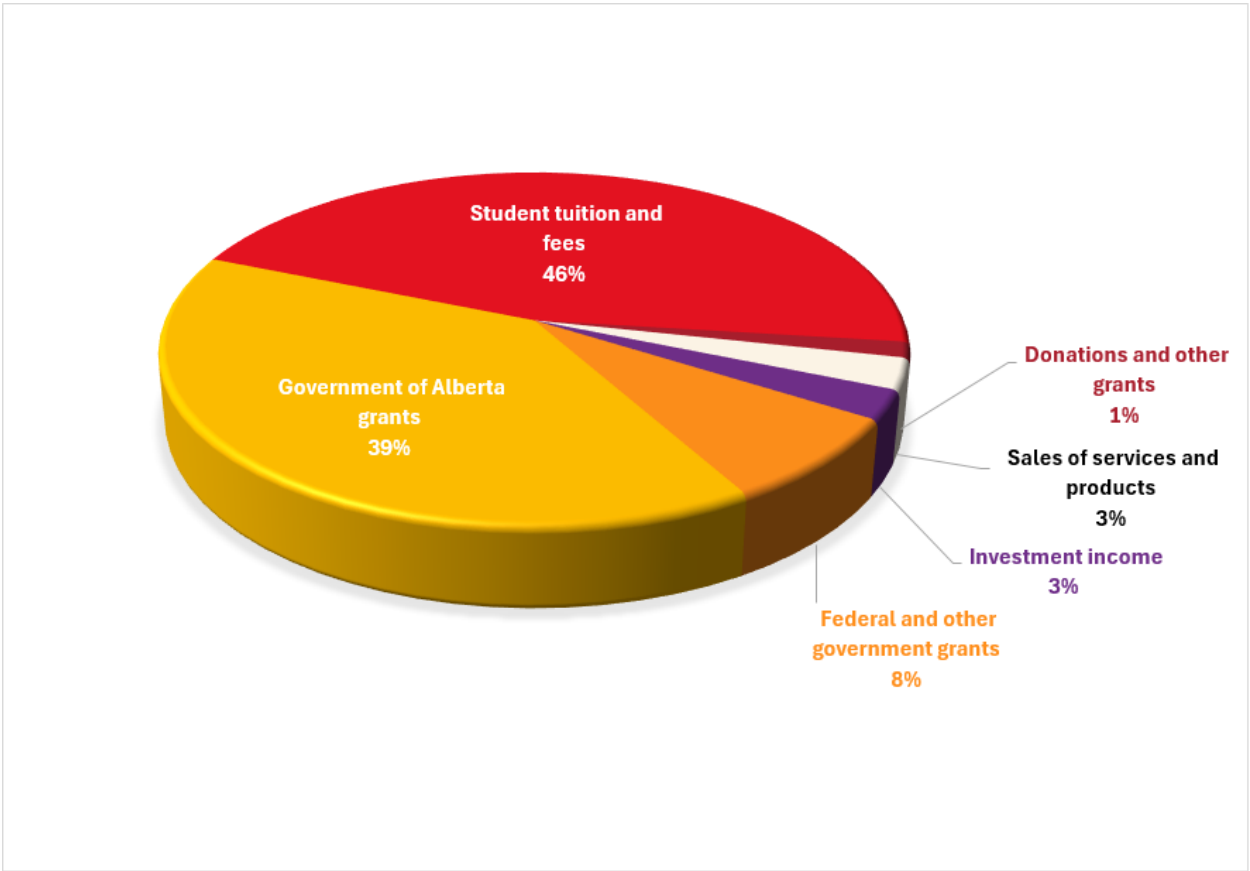
Consolidated Statement of Operations Overview

NorQuest College ended the period with an operating deficit of \$14,611. The recognition of endowment contributions of \$554 reduced deficit to \$14,057.

The following is a summary of the operating revenues and expenses:

	2025-26			2024-25 (9 months)
	Budget	Actual	Variance	Actual
Revenues	\$ 179,010	\$ 162,273	\$ (16,737)	\$ 144,835
Expenses	178,799	176,884	(1,915)	135,767
Annual operating surplus	\$ 211	\$ (14,611)	\$ (14,822)	\$ 9,068
Endowment contributions	-	554	554	390
Annual surplus / (deficit)	\$ 211	\$ (14,057)	\$ (14,268)	\$ 9,458

Revenue by Source



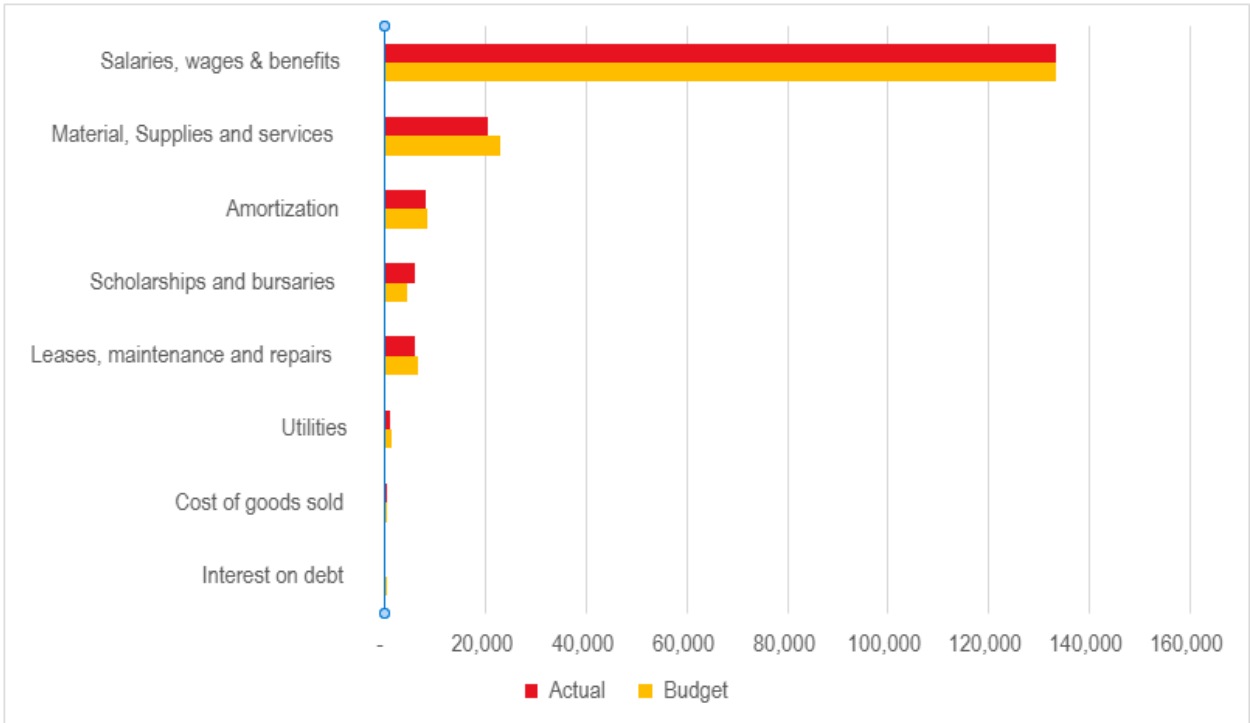
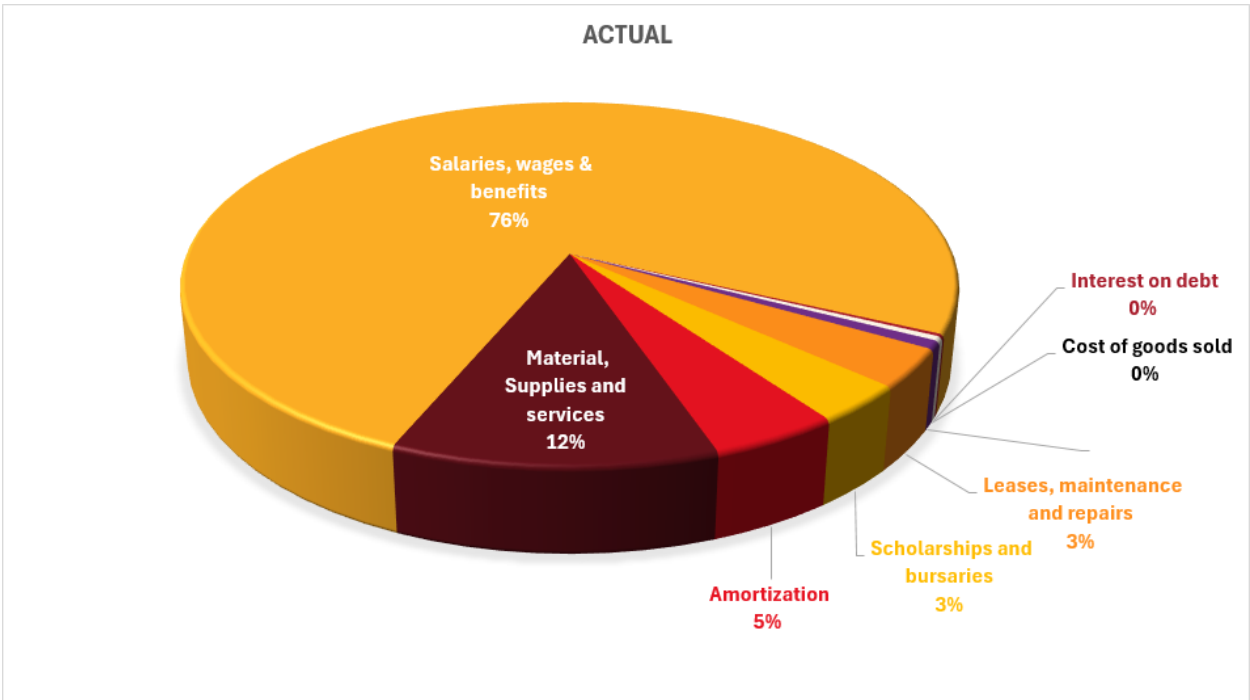
Total revenues of \$162,273 fell below the budgeted amount of \$179,010 by \$16,737 (9%).

Provincial grants represent \$63,900 of revenue, exceeding the budget of \$59,606 by \$4,294. The higher revenue was a result of the issuance of higher-than-expected grant funded bursaries supporting the enrollment of Health Care Aides across the province and an increase in the college's base operating grant in Budget 2026.

Student tuition and fees totaled \$74,286 for the year, well below the budgeted target of \$93,377. Enrollment represented by full load equivalents (FLE) in tuition-paying programs fell 1,032 FLE, short of the budget target of 8,395. While domestic enrollment was strong, exceeding the budget target by 115 FLE, International enrollment fell 1,147 FLE below plan. The decline in international enrollment is a result of a series of policy changes implemented by Immigration, Refugees and Citizenship Canada (IRCC) beginning in October 2024, and carrying through to 2026 limiting post-graduation work permit eligibility, altering study permit approval practices, creating uncertainties around study permit status and increasing hesitancy from international learners to attend post-secondary institutions in Canada. Canada's reputation as a destination of choice for post-secondary education has significantly declined as a result.

Overall, investment income is \$4,347, below the budget of \$5,072 by \$725. This is primarily attributed to a transfer from investments to cash to support operations, resulting in the loss of income from the investment portfolio.

Expense by Object



Total expenses of \$176,884 were below the budgeted expense target of \$178,799 by \$1,915 (1%).

Salaries, wages, and benefits expenses totaled \$133,626, compared to the budgeted amount of \$133,379, resulting in a deficit of \$247. In response to the decline in enrolment, the college-initiated restraints on recruitment and two rounds of re-organization activities, one in the summer of 2025 and the second in March of 2026, to position the college to support reduced enrollment levels and associated reduced revenues expected in the 2026-27 fiscal year. The restraints and re-organizations resulted in a reduction of 85 full-time equivalent positions during the year, generating a surplus of \$7,300. At the same time, the two rounds of re-organization saw the college end its employment relationship with 178 team members resulting in \$7,100 termination benefits.

Materials, supplies, and services totaled \$20,709, \$2,466 less than the budget of \$23,175. This is mainly due to reduced spending on business activities due to budget constraints from the reduced international agent commissions and classroom expenses for declining international student enrolment.

Consolidated Statement of Financial Position

NorQuest College's consolidated statement of financial position provides a snapshot of the financial health of the institution.

Net Financial Assets

Net Financial Assets, excluding portfolio investments restricted for endowments, declined \$18,325 year over year from \$33,698 to \$15,373 based on a reduction in financial assets of \$9,904 and an increase in liabilities of \$8,421.

Financial Assets, excluding portfolio investments restricted for endowments, reduced by \$9,904 to \$103,557. Cash holdings increased from \$32,325 to \$43,275, mainly attributed to \$18,574 provided by investing transactions, \$4,892 provided by financing transactions and offset by \$411 applied to operating

transactions, and \$12,105 applied to capital transactions. Portfolio investments decreased by \$14,593 due to a transfer made from portfolio investments to operating funds. Accounts Receivable decreased by \$6,118 due to the timing difference between execution and payment of various grant agreements at fiscal year-end.

Liabilities increased by \$8,421 to \$88,184. The leasehold inducement increase of \$5,924 is related to additional leased space in downtown Edmonton. Accounts payable and accrued liabilities increased by \$4,213 associated with accrual termination benefits from the college re-organization in March and cost of living adjustments for unionized employees. Deferred Revenue decreased by a net of \$3,222 resulting from a \$4,133 reduction of tuition paid due to declining enrolment and \$865 increase in capital grant funding. Debentures increased by a net of \$904 as the college acquired additional land in downtown Edmonton, which is partially funded by an additional \$1,150 in long term debt.

As a result, Net Financial Assets ended the period at \$25,772, a reduction of \$16,801 from last fiscal year-end. Net Financial Assets also include an increase of \$1,524 in portfolio investments restricted for endowments.

Non-Financial Assets

Non-Financial Assets increased over the prior year by \$3,635 to a total of \$188,315. Net increase to capital assets of \$4,011, was mainly due to the acquisition of building and land assets in downtown Edmonton and capital planning expenditures related to a proposed new academic building, science labs and new Digital Donor wall.

Net Assets

Net Assets decreased \$12,021 from \$86,530 to \$74,509, due to the annual operating deficit of \$14,611, endowment contributions and capitalized investment income of \$554 and a change in accumulated re-measurement gains of \$2,036.

Self-generated Revenue

(financial data expressed in thousands unless otherwise noted)

Revenue Source	Description	Annual Revenue
A. Tuition and Mandatory Fees		
Domestic Tuition	Tuition revenue from domestic students	\$ 26,241
International Student Tuition	Tuition revenue from international students	\$ 39,257
Continuing Education Fees	Continuing education tuition revenue including instructional contracts	\$ 1,407
Other Mandatory Student Fees	Mandatory fee including Student Technology Fee, Student Services Fee (Registrarial Fee), and Digital Resource fee	\$ 2,786
Other fees	All other non-mandatory fees	\$ 6,005
	Subtotal	\$ 75,696
B. Donations and Investment Income		
Cash Donations	Donation revenue	\$ 1,075
Donations In-Kind	In-kind donation revenue	\$ 303
Interest Earned	Investment income on endowments	\$ 189
Realized Gains/Losses	Gains from investments and foreign exchange	\$ 3,482
Bank Interest income	Bank Interest income	\$ 676
	Subtotal	\$ 5,725
C. Research Grants		
Not-for-Profit Organizations	Not-for-Profit Organizations Research Grants	\$ 91
Federal Government	Federal Research Grants	\$ 374
	Subtotal	\$ 465
D. Other Grants		
Not-for-Profit Organizations	Not-for-Profit Organizations Grants	\$ 339
Federal Government	Federal Grants	\$ 12,437
	Subtotal	\$ 12,776

<i>Revenue Source</i>	<i>Description</i>	<i>Annual Revenue</i>
E. Auxiliary / Ancillary Services		
Bookstores	Revenue from bookstore	\$ 858
Parking Services	Revenue from parking services (monthly and hourly)	\$ 864
Printing Services	Print services revenue	\$ 34
Sports and Recreational Facilities	Revenue from fitness centre	\$ 8
Rental Services	Rentals and other sale services	\$ 305
Other	Commission Revenue	\$ 97
	Subtotal	\$ 2,166
F. Academic Enterprise		
Continuing Education Programs	Instructional contracts for non-credit program	\$ 513
Research contract revenue	Research contract revenue	\$ 144
Non-instructional contract revenue	Non-instructional contract revenue including curriculum development and consulting services	\$ 375
	Subtotal	\$ 1,032
G. Land Trusts and For-Profit Ventures		
None		
	Subtotal	\$ -
H. Other		
Sponsorship revenue	Sponsorship revenue	\$ 512
Endowment contributions & Endowment capitalized investment income	Endowment contributions & Endowment capitalized investment income	\$ 554
	Subtotal	\$ 1,066
Grand Total		\$ 98,926

Mandatory Non-instructional Fee (MNIF)

(financial data expressed in thousands unless otherwise noted)

Mandatory non-instructional fees (MNIFs) are paid by students to support specific goods and services that enhance the student experience. MNIFs are:

- Not tuition fees as defined in the Tuition and Fees Regulation:
- Required to complete programs approved under the Programs of Study Regulation, established under the *Skilled Trades and Apprenticeship Education Act*, or approved under the *Student Financial Assistance Act*.
- Not membership fees for a student organization; and
- Cost-recovery based.

Mandatory Non-instructional Fee (MNIF) Financial Summary				
Fee Name	Supported Goods / Services	Budgeted Amount	Actual Amount	Variance Explanation
Student Services Fee	Student services including but not limited to registrarial services, student records maintenance, financial & student aid assistance, student advising, tutorial services, career coaching services, career fairs and skills assessments, and graduation audits.	\$ 2,247	\$ 1,946	The actual results are approximately 13% lower due to a reduced number of enrolment of students than budgeted.
Technology Fee	Technology fee including but not limited to 1) learning management systems like Moodle, online student portals, 2) technology infrastructure like networks, servers, wifi access points, audio and visual hardware and equipments, data storage and telephone, 3) software and licensing, and 4) service help desk.	613	531	The actual results are approximately 13% lower due to a reduced number of enrolment of students than budgeted.
Digital Resource Fee	Digitization of course materials, access to college-created online resource, access to open educational resources, curriculum renewals.	358	309	The actual results are approximately 14% lower due to a reduced number of enrolment of students than budgeted.
		\$ 3,218	\$ 2,786	

Capital

(financial data expressed in thousands unless otherwise noted)

The college's capital projects are strategic investments aimed at supporting institutional growth and ensuring long-term sustainability. In recent years, the college has experienced significant increases in enrollment, underscoring the urgent need for expanded and modernized facilities. These capital initiatives are designed to address current space constraints while positioning the college to meet future academic, technological, and community demands. Each project reflects a deliberate commitment to advancing our mission and achieving our envisioned future state through thoughtful infrastructure development.

Project 1	Edmonton Campus Expansion: Career Skills Centre Design/Planning Phase		
Total Project Cost	\$ 4,000		
Start Date	April 1, 2025		
End Date	September 30, 2026		
Funding Source	Amount	%	Received to Date
Government of Alberta	4,000	100%	\$ 4,000
Institutional Funds		0%	-
Donations		0%	-
Total	\$ 4,000	100%	\$ 4,000

Project 2	Edmonton Campus Expansion: Career Skills Centre Construction Phase *		
Total Project Cost	\$ 262,000		
Start Date	March 1, 2027		
End Date	January 1, 2031		
Funding Source	Amount	%	Received to Date
Government of Alberta	207,000	79%	-
Institutional Funds	40,000	15%	-
Donations	15,000	6%	-
Total	\$ 262,000	100%	\$ -

* Business case submitted; funding decision pending the release of Alberta's 2027 Provincial Budget.

Project Overview

NorQuest College and the Edmonton region are experiencing sustained and significant growth in domestic learner demand. Projections from the Mintz Report indicate Edmonton is expected to add 22,000 FLEs by 2033-34, with 80% of this growth expected to be domestic FLEs. Driven by strong demand for high-priority programs, the expansion of new academic offerings, and strengthened by industry partnerships, the College has outgrown its existing physical infrastructure and is currently operating at approximately 19% below the target space allocation per full-load equivalent (FLE).

To respond to this momentum, NorQuest is pursuing capital expansion opportunities that will address space constraints and enable NorQuest to continue delivering high-quality, innovative and inclusive education and services for all Albertans. This proposed new facility represents an exciting opportunity to strengthen the College's campus presence and institutional identity within a rapidly developing area of Edmonton. It will serve as a vital platform for innovation, collaboration, and community engagement.

The Career Skills Center will support Alberta 2030 by enhancing student access and the learner experience, expanding capacity in healthcare and job-ready skill through simulation labs, strengthening Indigenous career services, and strengthening opportunities for work-integrated learning and applied research.

Without this expansion, the college will be unable to adequately meet the evolving needs of its students, faculty, and staff, or provide sufficient space to support effective teaching, learning, student services and community engagement.

Project Scope

The scope of this capital initiative includes the completion of schematic design, development of a comprehensive business case, and construction of a new building to expand NorQuest College's downtown Edmonton campus. These activities are essential to ensure the project is strategically aligned with the institutional priorities and delivered effectively to meet the College's growing infrastructure requirements.

Free Speech Reporting

NorQuest College's Free Speech Policy was not updated in 2025-26 fiscal year. It can be found online at

<https://www.norquest.ca/getmedia/5ca79feb-4206-4fe3-acf4-04b39427e6be/Freedom-of-Expression-Policy.pdf>

During the 2025-26 fiscal year, no events at NorQuest College were cancelled for reasons related to free speech, nor did the college receive any complaints related to free speech policies.

NorQuest College's free speech compliant mechanism is as follows:

- Initiation complaint
- Initial review
- Documentation
- Investigation
- Decision
- Appeal

Board of Governors Training on For-profit Ventures

In the 2025-26 fiscal year, NorQuest College did not provide specific training to board members related to for-profit ventures. The college does not currently engage in academic or commercial for-profit enterprises. As NorQuest explores future opportunities in these areas, governance training and development programs will be introduced to ensure board members are well-prepared to support and oversee such initiatives effectively.



CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

NORQUEST COLLEGE

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

Statement of Management Responsibility	1
Independent Auditor's Report	
Consolidated Statement of Financial Position	2
Consolidated Statement of Operations	3
Consolidated Statement of Change in Net Financial Assets	4
Consolidated Statement of Remeasurement Gains and Losses	5
Consolidated Statement of Cash Flows	6
Notes to the Consolidated Financial Statements	7

NORQUEST COLLEGE

STATEMENT OF MANAGEMENT RESPONSIBILITY YEAR ENDED MARCH 31, 2026

The consolidated financial statements of NorQuest College (the college) have been prepared by management in accordance with Canadian public sector accounting standards as described in note 2 to the consolidated financial statements. The consolidated financial statements present fairly the financial position of the college as at March 31, 2026 and the results of its operations, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended.

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

The Board of Governors is responsible for reviewing and approving the consolidated financial statements, and overseeing management's performance of its financial reporting responsibilities.

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Finance and Audit Committee. With the exception of the President, all members of the Finance and Audit Committee are not employees of the college. The Finance and Audit Committee meets with management and the external auditors and internal auditors to discuss the results of audit examinations and financial reporting matters. The external and internal auditors have full access to the Finance and Audit Committee, with and without the presence of management.

These consolidated financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under the *Post-secondary Learning Act*. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of presentation of the information in the consolidated financial statements.

[Original signed by Carolyn Campbell]

Carolyn Campbell
President and Chief Executive Officer

[Original signed by Ryan Fernandez CPA, CA]

Ryan Fernandez CPA, CA
Vice President, Administration and Chief Financial Officer

To the Board of Governors of NorQuest College

Report on the Consolidated Financial Statements

Opinion

I have audited the consolidated financial statements of NorQuest College (the Group), which comprise the consolidated statement of financial position as at March 31, 2026, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report. I am independent of the Group in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter — corresponding information

I draw attention to Note 3 of the consolidated financial statements, which describes the change in fiscal year end. My opinion is not modified in respect of this matter.

Other information

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

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

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated financial statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 Group'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 Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit

evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. I am responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. I remain solely responsible for my audit opinion.

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

[Original signed by Phillip D. Peters FCPA, FCA, KC]
Auditor General of Alberta

June 2, 2026
Edmonton, Alberta

NORQUEST COLLEGE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

in thousands of dollars

	2026	2025
Financial assets excluding portfolio investments restricted for endowments		
Cash	\$ 43,275	\$ 32,325
Portfolio investments - non-endowment (note 4)	54,756	69,349
Accounts receivable (note 19)	5,364	11,482
Inventories held for sale	162	305
	103,557	113,461
Liabilities		
Accounts payable and accrued liabilities	25,690	21,477
Employee future benefit liabilities (note 6)	1,937	1,472
Debt (note 7)	8,954	8,050
Lease inducement (note 16)	5,924	-
Deferred revenue (note 8)	45,251	48,473
Asset retirement obligations (note 11)	428	291
	88,184	79,763
Net financial assets excluding portfolio investments restricted for endowments	15,373	33,698
Portfolio investments - restricted for endowments (note 4)	10,399	8,875
Net financial assets	25,772	42,573
Non-financial assets		
Tangible capital assets (note 9)	183,922	179,911
Prepaid expenses and deposits	4,393	4,769
	188,315	184,680
Net assets before spent deferred capital contributions	214,087	227,253
Spent deferred capital contributions (note 10)	139,578	140,723
Net assets (note 12)	74,509	86,530
Net assets are comprised of:		
Accumulated surplus	70,499	84,556
Accumulated remeasurement gains	4,010	1,974
	\$ 74,509	\$ 86,530

Contingent assets and contractual rights (notes 13 and 15)

Contingent liabilities and contractual obligations (notes 14 and 16)

Approved by the Board of Governors (note 23)

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

NORQUEST COLLEGE

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

	Budget (Note 22)	2026 (12 Months)	2025 (9 Months) (Note 3)
Revenues			
Government of Alberta grants (note 20)	\$ 59,606	\$ 63,900	\$ 49,665
Federal and other government grants (note 20)	12,460	12,811	9,966
Sales of services and products	5,891	4,609	3,749
Student tuition and fees	93,377	74,286	74,136
Donations and other grants	2,604	2,320	2,510
Investment income	5,072	4,347	4,809
	179,010	162,273	144,835
Expenses (note 17)			
Instruction	57,855	57,362	44,220
Academic support	34,450	32,518	26,070
Student support	23,776	24,835	19,551
Computing and data communication	13,652	13,345	9,542
Operational	17,499	17,623	13,808
Administration	23,160	20,579	14,507
Other	8,407	10,622	8,069
	178,799	176,884	135,767
Annual operating (deficit) surplus	211	(14,611)	9,068
Endowment contributions and capitalized investment income			
Endowment contributions (note 12)	-	98	144
Endowment capitalized investment income (note 12)	-	456	246
	-	554	390
Annual (deficit) surplus	211	(14,057)	9,458
Accumulated surplus, beginning of period	84,556	84,556	75,098
Accumulated surplus, end of period (note 12)	\$ 84,767	\$ 70,499	\$ 84,556

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

NORQUEST COLLEGE

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

	Budget (Note 22)	2026 (12 Months)	2025 (9 Months) (Note 3)
Annual (deficit) surplus	\$ 211	\$ (14,057)	\$ 9,458
Acquisition of tangible capital assets		(12,242)	(14,502)
Amortization of tangible capital assets	8,463	8,133	5,309
Loss on disposal of tangible capital assets		98	106
Decrease (increase) in prepaid expenses and deposits		376	(808)
Decrease in spent deferred capital contributions		(1,145)	(2,467)
Change in accumulated remeasurement gains		2,036	1,767
Decrease in net financial assets		(16,801)	(1,137)
Net financial assets, beginning of period		42,573	43,710
Net financial assets, end of period		\$ 25,772	\$ 42,573

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

NORQUEST COLLEGE

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

YEAR ENDED MARCH 31, 2026

in thousands of dollars

	2026 (12 Months)	2025 (9 Months) (Note 3)
Accumulated remeasurement gains, beginning of period	\$ 1,974	\$ 207
Unrealized gains attributable to:		
Quoted in active market financial instruments		
Portfolio investments - non-endowment	4,154	4,320
Foreign exchange losses	(42)	(40)
Amounts reclassified to consolidated statement of operations:		
Quoted in active market financial instruments		
Portfolio investments - non-endowment	(2,064)	(2,517)
Foreign exchange (losses) gains	(12)	4
Change in accumulated remeasurement gains	2,036	1,767
Accumulated remeasurement gains, end of period	\$ 4,010	\$ 1,974
Accumulated remeasurement gains is comprised of:		
Portfolio investments - non-endowment	\$ 4,200	\$ 2,110
Foreign exchange losses	(190)	(136)
	\$ 4,010	\$ 1,974

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

NORQUEST COLLEGE

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

	2026 (12 Months)	2025 (9 Months) (Note 3)
Operating transactions		
Annual (deficit) surplus	\$ (14,057)	\$ 9,458
Add (deduct) non-cash items:		
Amortization of tangible capital assets	8,133	5,309
Gain on sale of portfolio investments	(2,702)	(3,008)
Decrease in foreign exchange loss	(54)	(36)
Loss on disposal of tangible capital assets	98	106
Expended capital contributions recognized as revenue	(5,133)	(3,752)
Increase in employee future benefit liabilities	465	57
Change in lease inducement	401	-
Change in non-cash items	1,208	(1,324)
Decrease (increase) in accounts receivable	6,118	(2,319)
Decrease in inventories held for sale	143	149
Increase in accounts payable and accrued liabilities	4,213	662
Lease inducement received	5,523	-
Decrease in deferred revenue, excluding change in restricted unrealized gain	(3,935)	(7,728)
Decrease (increase) in prepaid expenses and deposits	376	(808)
Cash applied to operating transactions	(411)	(1,910)
Capital transactions		
Acquisition of tangible capital assets, less asset retirement additions	(12,105)	(14,499)
Cash applied to capital transactions	(12,105)	(14,499)
Investing transactions		
Purchase of portfolio investments	(10,806)	(12,549)
Proceeds on sale of portfolio investments	29,380	11,242
Cash provided by (applied to) investing transactions	18,574	(1,307)
Financing transactions		
Debt - repayment	(246)	(228)
Debt - new financing	1,150	-
Increase in spent deferred capital contributions, less expended capital contributions recognized as revenue	3,988	1,285
Cash provided by financing transactions	4,892	1,057
Increase (decrease) in cash	10,950	(16,659)
Cash, beginning of period	32,325	48,984
Cash, end of period	\$ 43,275	\$ 32,325

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

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

1. Authority and Purpose

The Board of Governors of NorQuest College is a corporation that manages and operates NorQuest College ("the college") under the *Post-secondary Learning Act* (Alberta). All members of the Board of Governors are appointed by either the Lieutenant Governor in Council or the Minister of Advanced Education, with the exception of the President, who is an *ex officio* member. Under the *Post-secondary Learning Act*, the college is a comprehensive community college offering diploma and certificate programs, as well as a wide range of foundational and preparatory programs. The college is a registered charity, and under section 149 of the *Income Tax Act* (Canada), is exempt from the payment of income tax.

2. Summary of Significant Accounting Policies and Reporting Practices

These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the college are as follows:

(a) Basis of consolidation

The consolidated financial statements use the line-by-line consolidated method to record the accounts of the NorQuest College Foundation ("the foundation"), which operates under the *Companies Act (Alberta)* to raise funds for projects, programs and services that serve to improve opportunities for NorQuest College learners' success. The foundation is a registered charity and has been granted tax-exempt status under the *Income Tax Act (Canada)*.

(b) Use of estimates

The measurement of certain assets, liabilities, revenues and expenses is contingent upon future events; therefore, the preparation of these consolidated financial statements requires the use of estimates, which may vary from actual results. The college's management uses judgment to determine such estimates. Employee future benefit liabilities, amortization of tangible capital assets, asset retirement obligations, and the revenue recognition for expended capital contributions are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these consolidated financial statements and, together with the following notes, should be considered an integral part of the consolidated financial statements.

(c) Valuation of financial assets and liabilities

The college's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash	Cost
Portfolio investments	Fair value
Accounts receivable	Lower of cost or net recoverable value
Inventories held for sale	Lower of cost or net realizable value
Accounts payable and accrued liabilities	Cost
Asset retirement obligations	Cost
Debt	Amortized cost

Unrealized gains and losses from changes in the fair value of financial assets and liabilities are recognized in the consolidated statement of remeasurement gains and losses. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recognized in the consolidated statement of operations. A write-down of a portfolio investment to reflect a loss in value that is other than temporary is not reversed for a subsequent increase in value.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Valuation of financial assets and liabilities (continued)

For financial assets and liabilities measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of portfolio investments are accounted for using trade-date accounting.

The college does not use foreign currency contracts or any other type of derivative financial instruments for trading or speculative purposes.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either designate the entire contract for fair value measurement or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the college's normal purchase, sale or usage requirements are not recognized as financial assets or liabilities. The college does not have any embedded derivatives.

(d) Revenue recognition

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as deferred revenue.

i. Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the use, or the terms along with the college's actions and communications as to the use, create a liability. These grants and donations are recognized as revenue when the terms are met. If the grants and donations are used to acquire or construct tangible capital assets or to purchase intangible assets, revenue will be recognized over the useful life of the tangible capital assets or the intangible assets.

Government grants without terms for the use of the grant are recognized as revenue when the college is eligible to receive the funds. Unrestricted non-government grants and donations are recognized as revenue in the year received or in the year the funds are committed to the college if the amount can be reasonably estimated and collection is reasonably assured.

In-kind donations of services, materials and tangible capital assets are recognized at fair value when such value can reasonably be determined. Transfers of tangible capital assets from related parties are recognized at the carrying value.

ii. Grants and donations related to land

Grants and donations for the purchase of land are recognized as deferred revenue when received, and recognized as revenue when the land is purchased.

The college recognizes in-kind contributions of land as revenue at the fair value of the land when a fair value can be reasonably determined. When the college cannot determine the fair value, it recognizes such in-kind contributions at nominal value. Land transferred from related parties is recognized as revenue at the carrying value or nominal amount.

iii. Sales of services and products

Sales of services and products represent revenues from non-tuition related services and/or products such as parking fees, locker and space rental fees, employee wellness centre membership fees, food services commissions, book sales, instructional and non-instructional contracts.

These revenues are considered revenues arising from exchange transactions. Revenue from these transactions is recognized when or as the college fulfills its performance obligations and transfers control of the promised goods and services to the payor. If the performance obligation is outstanding at year end, the remaining revenue is deferred.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

(d) Revenue recognition (continued)

iv. Student tuition and fees

Student tuition and fees are charged for the programs offered by the college such as tuition, program and supplies fee, registrarial and student service fee, proctoring fee, student technology fee, digital resources fee, application fee, late payment penalty fee and other incidental fees such as student ID card replacement.

These fees, with the exception of forfeited deposits, late penalty fees and non-cancellation fees, are considered revenues arising from exchange transactions with performance obligations. The college recognizes revenues from application fees when received as the performance obligations of registering the student are met when paid. Revenue from tuition and program and supplies fee, registrarial and student service fee, proctoring fee, student technology fee and digital resources fee are recognized over the course of each academic period as the college fulfills its performance obligations by delivering the courses. If the performance obligation is outstanding at year end, the remaining revenue is deferred. Revenue from other incidental fees is recognized when the performance obligation to provide the goods and services to the student has been met.

Revenue without performance obligations is a non-exchange transaction with a payor and is recognized when the college has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset.

v. Endowment contributions

Endowment contributions are recognized as revenue in the consolidated statement of operations in the year in which they are received and are required by donors to be maintained intact in perpetuity.

vi. Investment income (loss)

Investment income (loss) includes dividends, interest income, distributions from pooled funds and realized gains or losses on the sale of unrestricted portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability and is recognized as investment income when the terms of the grant or donation are met.

The endowment spending allocation portion of investment income earned by endowments is recognized as deferred revenue when the terms for the use by the endowment create a liability. Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the consolidated statement of operations.

(e) Endowments

Endowments consist of:

- Externally restricted donations received by the college, the principal of which is required to be maintained intact in perpetuity.
- Investment income earned (excluding unrealized income) on endowments in excess of the amount required for spending allocation is capitalized to build a reserve for use in future periods where earnings fall below target rates and grow the real value of the endowments. Benefactors as well as college policy stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and by reinvesting unexpended income. Investment income earned (excluding unrealized income) on endowments must be used in accordance with the various purposes established by the donors. Where permitted by the donor agreement and subject to Board approval, the reserve may be used at the discretion of the college in accordance with college policy.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

(e) Endowments (continued)

Under the *Post-secondary Learning Act*, the college has the authority to alter the terms and conditions of endowments to enable:

- Income earned by the endowments to be withheld from distribution to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowments.
- Encroachment on the capital of the endowments to avoid fluctuations in the amounts distributed and generally to regulate the distribution of investment income earned by the endowments if, in the opinion of the Board of Governors, the encroachment benefits the college and does not impair the long-term value of the fund.

In any year, if the investment income earned on endowments is insufficient to fund the spending allocation, the spending allocation is funded from the accumulated capitalized investment income. However, for individual endowments without sufficient accumulated capitalized income, internally restricted funds are used in that year and are expected to be recovered by future investment income.

In the event realized investment income is not sufficient to fund in-year spending allocation, any endowment expenses above realized income will result in a decrease to annual operating surplus as there is insufficient realized income to offset these expenses.

Previously capitalized investment income cannot be used to permanently offset these expenses in the consolidated statement of operations.

Instead, previously capitalized endowment investment income will have a temporary decrease through a transfer between accumulated operating surplus and endowment net assets in the net assets note.

(f) Inventories held for sale

Inventories held for sale are valued at the lower of cost and expected net realizable value and are determined using the weighted average method.

(g) Tangible capital assets

Tangible capital assets are recognized at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the asset, and cost associated with asset retirement obligations. Cost includes overhead directly attributable to construction and development. Work-in-progress, which includes facilities and improvement projects and development of information systems, is not amortized until after the project is complete and the asset is in service.

All leases are recorded in the consolidated financial statements as either a capital or operating lease. Any lease which transfers substantially all the benefits and risks, or ownership associated with the leased asset are accounted for as leased tangible capital assets. Capital lease assets and liabilities are recognized at the lesser of the present value of the future minimum lease payments and the asset's fair market value at the inception of the lease, excluding executory costs.

As at March 31, 2026, the college had no capital leases to report (2025 - \$nil).

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful lives as follows:

Buildings	10 to 50 years
Site improvements	Remaining useful life of buildings
Leasehold improvements	Term of lease
Furniture, equipment and vehicles	5 to 20 years
Computer hardware and software	3 to 10 years

Tangible capital asset write-downs are recognized when conditions indicate they no longer contribute to the college's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Net write-downs are recognized as expenses.

Works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

(h) Purchased intangibles

Purchased intangibles are non-monetary economic resources without physical substance and recorded at cost less accumulated amortization. The cost, less any residual value of purchased intangibles with a finite life is amortized on a straight-line basis over its useful life in a manner appropriate to its nature and use, which is normally the shortest of the technological, commercial and legal life. Purchased intangibles with an indefinite life are not amortized.

Write-downs are recognized for finite and indefinite life intangibles when conditions indicate they no longer contribute to the college's ability to provide services, or when the value of future economic benefits associated with the purchased intangibles are less than their net book value. Net write-downs are recognized as expenses.

As at March 31, 2026, the college had no purchased intangibles to report (2025 - \$nil).

(i) Foreign currency translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates at the consolidated statement of financial position date. Unrealized foreign exchange gains and losses are recognized in the consolidated statement of remeasurement gains and losses.

In the period of settlement, foreign exchange gains and losses are reclassified to the consolidated statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the consolidated statement of remeasurement gains and losses.

(j) Employee future benefits

i. Pension

The college participates with other employers in the Public Service Pension Plan (PSPP), the Management Employee Pension Plan (MEPP) and the Supplementary Retirement Plan (SRP). These pension plans are multi-employer defined benefit pension plans that provide pensions for the college's participating employees based on years of service and earnings.

The college does not have sufficient plan information on the PSPP, MEPP and SRP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the PSPP, MEPP and SRP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

ii. Long-term disability

The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the college's long-term disability plans is charged to expense in full when the event occurs which obligates the college to provide the benefits. The cost of these benefits is actuarially determined using the accumulated benefit method, a market interest rate and management's best estimate of the retirement ages of employees, expected health care costs and the period of employee disability. The college undertakes a formal actuarial review on an annual basis. Actuarial or estimated gains or losses on the accrued benefit obligation are recognized in the period in which they occur.

iii. Short-term illness

The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the college's short-term illness plan is charged to expense in full when the event occurs which obligates the college to provide the benefits. The liability for these benefits is estimated using the specific rates of pay, the expected duration of their absence to a maximum of 80 days, and an estimate of their expected benefits for each employee.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

(k) Liability for contaminated sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. It does not include airborne contaminants. The college recognizes a liability for remediation of contaminated sites when the following criteria have been met:

- an environmental standard exists;
- there is evidence that contamination exceeds an environmental standard;
- the college is directly responsible or accepts responsibility for the contamination;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

A liability for a contaminated site may arise from operations that are either considered in productive use or no longer in productive use when environmental standards are exceeded. It will also arise when an unexpected event occurs resulting in contamination that exceeds an environmental standard.

Where an environmental standard does not exist or contamination does not exceed an environmental standard, a liability for remediation of a site is recognized by the college when the following criteria have been met:

- the college has a duty or responsibility to others, leaving little or no discretion to avoid the obligation;
- the duty or responsibility to others entails settlement by future transfer or use of assets, or a provision of services at a specified or determinable date, or on demand; and
- the transaction or events obligating the college have already occurred.

As at March 31, 2026, the college had no liability for contaminated sites to report (2025 - \$nil).

(l) Asset retirement obligations

Asset retirement obligations are legal obligations associated with the retirement of a tangible capital assets. The tangible assets include but are not limited to assets in productive use, assets no longer in productive use and leased tangible capital assets. Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to:

- decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- remediation of contamination of a tangible capital asset created by its normal use;
- post-retirement activities such as monitoring; and
- constructing other tangible capital assets to perform post-retirement activities.

A liability for an asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- a. there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- b. the past transaction or event giving rise to the liability has occurred;
- c. it is expected that future economic benefits will be given up; and
- d. a reasonable estimate of the amount can be made.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

The asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

(m) Expense by function

The college uses the following categories of functions in its consolidated statement of operations:

Instruction

Expenses related to support all activities that are part of the college's credit and non-credit programs and those non-sponsored research and scholarly activities.

Academic support

Expenses related to the services, administrative and management activities that directly support academic functions, course and curriculum development activities, and academic personnel development.

Student support

Expenses related to admissions and registry functions and activities that support the student body or provide services to individual students or student groups. These include student services administration, social and cultural activities, counselling services and career guidance, financial aid administration, and scholarship awards.

Computing and data communication

Expenses related to resources, activities, and services that provide and support computing, networking, data communications, and other information technology functions.

Operational

Expenses related to maintenance and renewal of facilities that house the teaching, research, and administrative activities within the college. These include utilities, facilities administration, building maintenance and rentals, custodial services, landscaping and grounds keeping, repairs and renovations and amortization of tangible capital assets except those expenses attributable to ancillary services.

Administration

Expenses related to executive management, corporate marketing and communication, corporate insurance premiums, corporate finance, human resources, and any other centralized college-wide administrative services.

Other

Includes the following expenses:

Ancillary services

Expenses related to operations ancillary to the normal institutional functions of instruction and research such as bookstores, food services, parking services, and amortization expenses related directly or attributable to such operations.

Sponsored research

Expenses related to all sponsored research activities specifically funded by restricted grants and donations from external organizations and undertaken within the college.

Fundraising

Expenses related to fundraising activities, fund development, alumni and donor relations and the advancement office.

Special purpose

Expenses that support special strategic initiatives outside of major activities specifically funded by restricted grants and donations, and internally restricted funds.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

(n) Funds and reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated surplus for future operating and capital purposes. Transfers to or from funds and reserves are an adjustment to the respective fund when approved.

(o) Future changes in accounting standards

The college will adopt the following new conceptual framework and accounting standards approved by the Public Sector Accounting Board:

Effective April 1, 2026, *The Conceptual Framework For Financial Reporting in the Public Sector*. The Conceptual Framework is the foundation for public sector financial reporting standards. It replaces the conceptual aspects of Section PS 1000, *Financial Statement Concepts*, and Section PS 1100, *Financial Statement Objectives*. The Conceptual Framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

Effective April 1, 2026, PS 1202 *Financial Statement Presentation*. Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

Effective April 1, 2030, the college will adopt amendments to PS 3150 *Tangible Capital Assets*. The amendments standardize capital asset accounting by incorporating Government Not for Profit standards, clarifying recognition and disclosure requirements related to collections, works of art and historical treasures, and eliminating legacy alternatives from the PS 4200 series.

In March 2026, the Public Sector Accounting Standards Board issued PS 3251, Employee Benefits. This Standard, which replaces Retirement Benefits (PS 3250) and Post-Employment Benefits, Compensated Absences and Termination Benefits (PS 3255), applies to fiscal years beginning on or after April 1, 2029. PS 3251 establishes requirements for the recognition, measurement, presentation, and disclosure of employee benefits.

The college is currently assessing the impact of the new conceptual framework, PS 1202, PS 3150 and PS 3251 on the consolidated financial statements, and the extent of their impact has not yet been determined.

3. Change in Fiscal Year End

In 2025, the college changed its fiscal year end from June 30 to March 31, to coincide with that of the Government of Alberta. This change in fiscal year end was approved by the Minister of Advanced Education in April 2023. Information included in the consolidated financial statements reflects the fiscal period consisting of the twelve months ending March 31, 2026, as compared to the nine-month period ending 2025. As a result, the two periods are not entirely comparable.

4. Portfolio Investments

	2026	2025
Portfolio investments - non-endowment	\$ 54,756	\$ 69,349
Portfolio investments - restricted for endowments	10,399	8,875
	<u>\$ 65,155</u>	<u>\$ 78,224</u>

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

4. Portfolio Investments (continued)

The composition of portfolio investments measured at fair value is as follows:

	2026			
	Level 1	Level 2	Level 3	Total
Pooled investment funds				
Bonds:				
Canadian bonds	\$ -	\$ 20,502	\$ -	\$ 20,502
Equities:				
Canadian equities	-	12,154	-	12,154
Foreign equities	-	12,472	-	12,472
Multi-strategy	-	11,659	-	11,659
Alternative funds:				
Infrastructure	-	-	3,791	3,791
Infrastructure - Transportation	-	-	28	28
Real estate	-	-	3,498	3,498
Private equity	-	-	1,051	1,051
Total portfolio investments	\$ -	\$ 56,787	\$ 8,368	\$ 65,155
	- %	87 %	13 %	100 %
	2025			
	Level 1	Level 2	Level 3	Total
Pooled investment funds				
Bonds:				
Canadian bonds	\$ -	\$ 38,049	\$ -	\$ 38,049
Equities:				
Canadian equities	-	12,308	-	12,308
Foreign equities	-	13,960	-	13,960
Multi-strategy	-	7,037	-	7,037
Alternative funds:				
Infrastructure	-	-	3,407	3,407
Infrastructure - Transportation	-	-	-	-
Real estate	-	-	2,466	2,466
Private equity	-	-	997	997
Total portfolio investments	\$ -	\$ 71,354	\$ 6,870	\$ 78,224
	- %	91 %	9 %	100 %

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

4. Portfolio Investments (continued)

The fair value measurements are those derived from:

Level 1 - Quoted prices in active markets for identical assets.

Level 2 - Fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the assets, either directly (i.e., as prices) or indirectly (i.e. derived from prices).

Level 3 - Fair value measurements are those derived from valuation techniques that include inputs for the assets that are not based on observable market data (i.e., unobservable inputs).

The following table reconciles the changes in fair value of level 3 investments:

	2026	2025
Balance, beginning of period	\$ 6,870	\$ 3,073
Purchases	2,174	7,558
Proceeds on sale	(914)	(3,779)
Other adjustments	238	18
Balance, end of period	<u>\$ 8,368</u>	<u>\$ 6,870</u>

The college has a formal investment policy that provides guidelines within which the college's investment portfolio is to be effectively and ethically maintained, managed and enhanced. The policy governs asset mix, exposure limits, credit quality and performance measurement. The Finance and Audit Committee, a committee of the Board of Governors, has been delegated oversight responsibility for the college's investments. The Finance and Audit Committee is provided with regular updates on the performance of the portfolio investments to ensure compliance with the stated policy objectives and to evaluate the ongoing appropriateness of the investment policy.

The college engages an external investment manager to manage the college's portfolio investments. The investment manager is delegated authority to purchase and sell securities within pooled funds according to the college's investment policy. Investment holdings are currently separated into two funds: operating reserve and endowment, whose performances are monitored against established benchmark returns.

5. Financial Risk Management

The college is exposed to the following risks:

Market price risk

The college is exposed to market price risk, the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities. To manage this risk, the college has established an investment policy with a target asset mix that is diversified by asset class with individual issuer limits. The investment policy specifies minimum bond ratings, that securities be listed on approved stock exchanges and other benchmarks determined appropriate by the college for each of the operating reserve and endowment portfolio investments. The policy provides for an acceptable level of investment risk to obtain a reasonable rate of return, provide growth and income that aligns with college obligations, and preserve capital amounts.

The college holds pooled investment funds that have market-based unit values subject to fluctuation. The market value of a pooled investment fund is its net asset value, which is allocated to pool participants. Participants in the pools have no control over the management or selection of securities in the pool. The college is exposed to market price risk when it purchases units issued by the pools. Unrealized gains and losses attributable to changes in fair market value are reflected in either the consolidated statement of remeasurement gains and losses or deferred revenue if they relate to restricted funds.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

5. Financial Risk Management (continued)

The college assesses its portfolio sensitivity to a percentage increase or decrease in market prices. The sensitivity rate is determined using the beta coefficient relative to the security's benchmark, weighted by holding over a one-year period for total pooled equities as determined by the external investment manager. At March 31, 2026, if market prices had a 10% (2025 - 10%) increase or decrease, with all other variables held constant, the increase or decrease in deferred unrealized gains and losses and accumulated remeasurement gains and losses for the year ended March 31, 2026 would be \$1,194 (2025 - \$1,289).

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The college currently holds a US dollar bank account, which is denominated in a foreign currency, and is exposed to foreign exchange risk. The college is also exposed to foreign exchange risk on its pooled investments that hold foreign equities or bonds. The college does not use foreign currency forward contracts or any other type of derivative financial instruments for trading or speculative purposes. The college's exposure to foreign exchange risk is low due to minimal business activities conducted in foreign currencies.

Credit risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty to fully honor its financial obligations with the college.

The college is exposed to credit risk on its fixed income investments and has established an investment policy with required minimum credit quality standards and issuer limits to manage this risk. As at March 31, 2026, fixed income investments consisted solely of pooled investment funds with a low credit risk that carried an average credit quality rating of A (2025: AA).

The credit risk on fixed income investments held are as follows:

Credit rating	2026	2025
A	100.0 %	0.0 %
AA	0.0 %	100.0 %

The credit risk from accounts receivable is low as the majority of balances are due from government agencies. When appropriate, the college provides an allowance for doubtful accounts receivable.

Liquidity risk

Liquidity risk is the risk that the college will encounter difficulty in meeting obligations associated with its financial liabilities. The college's liquidity risk arises due to its cash outflow requirements related to accounts payable and accrued liabilities, debt and financing of capital construction in progress. The college maintains and monitors adequate working capital and a line of credit to ensure that funds are available to meet current and forecasted financial requirements in the most cost effective manner. At March 31, 2026, the college has committed borrowing facilities of \$2,500 (2025 - \$2,500), none of which has been drawn (2025 - \$nil). The future contractual payments related to fixed rate debt are described in note 7 and for other contractual obligations in note 16.

Interest rate risk

Interest rate risk is the risk to the college's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. The college's interest-sensitive assets that generate interest income are its cash and portfolio investments, while its interest-sensitive liabilities that incur interest expense are debt. This risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the college holds. In 2026, the college was exposed to interest rate risk on its cash balances. There was a 50 basis points decrease in 2026 (2025 - 200 basis points decrease) in the prime rate that reflected in the interest earned on cash balances held in the college's bank accounts. Interest rates for fixed income funds fluctuated between 2026 and 2025. If interest rates changed by 1%, and all other variables are held constant, the potential gain or loss in fair value to the college would be approximately 3.09% or \$634 for the year ended March 31, 2026 on total investments in fixed income funds of \$20,502 (2025 - approximately 3.66% or \$1,393 on total investments in fixed income funds of \$38,049). Interest risk on the college's debt is managed through fixed-rate agreements with the Department of Treasury Board and Finance as described in note 7.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

5. Financial Risk Management (continued)

The maturity and average effective market yield of interest bearing assets are as follows:

Asset class	< 1 year	1 - 5 year	> 5 years	Average effective market yield
Cash	100.00 %	-	-	3.06 %
Portfolio investments - fixed income funds	-	-	100.00 %	3.80 %

6. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	2026	2025
Benefit liability for employees on long-term disability	\$ 1,835	\$ 1,389
Liability for short-term illness	102	83
	\$ 1,937	\$ 1,472

(a) Defined benefit accounted for on a defined benefit basis

i. Benefit liability for employees on long-term disability (LTD)

The college provides long-term disability defined benefits to its permanent and term employees. The LTD plan provides pension and non-pension benefits after employment, but before the employee's normal retirement date.

Benefit liability for employees on LTD was actuarial valuated as at March 31, 2026. The college performs an actuarial valuation annually. The college had 19 (2025 - 16) employees on LTD as at March 31, 2026.

The expense and financial position of the benefit liability for employees on LTD are as follows:

	2026	2025
Expense		
Interest cost	\$ 46	\$ 43
Amortization of net actuarial loss	736	239
Total expense	\$ 782	\$ 282
Financial position		
Accrued benefit liability:		
Balance, beginning of period	\$ 1,389	\$ 1,328
Interest cost	46	43
Benefits paid	(336)	(221)
Actuarial loss	736	239
Accrued benefit liability, end of period	\$ 1,835	\$ 1,389

The college plans to use its working capital to finance these future obligations.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

6. Employee Future Benefit Liabilities (continued)

The significant actuarial assumptions used to measure the accrued benefit obligation are as follows:

	2026	2025
Accrued benefit obligation		
Discount rate	3.00 %	3.75 %
Long-term average compensation increase	0.00 %	0.00 %
Benefit cost		
Discount rate	3.75 %	4.75 %
Long-term average compensation increase	0.00 %	0.00 %
Canada inflation (long-term)	2.00 %	2.00 %
Estimated average remaining service life	6.10 yrs	5.80 yrs

As there are no assets set aside to fund these liabilities, the 2026 and 2025 discount rates used for the accrued benefit obligation and benefit cost were provided by the actuary and accepted by the management in the 2026 and 2025 actuarial review.

ii. Liability for short-term illness (STI)

The college provides short-term illness defined benefits to its permanent and term employees. The liability for short-term illness is recognized when an event occurs that obligates the college to provide such benefits for a maximum of 80 days. The college had 16 (2025 - 18) employees on STI as at March 31, 2026.

The financial position and expense of the STI plan are as follows:

	2026	2025
Accrued benefit liability, beginning of period	\$ 83	\$ 87
Obligations arising/expense during the period	1,658	952
Benefits paid	(1,639)	(956)
Accrued benefit liability, end of period	\$ 102	\$ 83

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

6. Employee Future Benefit Liabilities (continued)

(b) Defined benefit accounted for on a defined contribution basis

Multi-employer pension plans

i. Public Service Pension Plan (PSPP)

The PSPP is a multi-employer contributory defined benefit pension plan for all permanent and term employees excluding management positions and is accounted for on a defined contribution basis. The pension expense recorded in these consolidated financial statements is \$7,175 (2025 - \$5,177).

An actuarial valuation of the PSPP was carried out as at December 31, 2024 and was then extrapolated to December 31, 2025. At December 31, 2025, the PSPP reported a surplus of \$7,706,238 (2024 - \$6,473,956). For the year ended December 31, 2025, the PSPP reported employer contributions of \$299,440 (2024 - \$279,451) and employee contributions of \$301,450 (2024 - \$281,884). For the 2025 calendar year, the college's employer contributions were \$7,051 (2024 calendar year - \$6,894).

ii. Management Employee Pension Plan (MEPP)

The MEPP is a multi-employer contributory defined benefit pension plan for management positions and is accounted for on a defined contribution basis. The pension expense recorded in these consolidated financial statements is \$1,898 (2025 - \$1,352).

An actuarial valuation of the MEPP was carried out as at December 31, 2023, and was then extrapolated to December 31, 2025. At December 31, 2025, the MEPP reported a surplus of \$2,101,798 (2024 - \$1,865,997). For the year ended December 31, 2025, the MEPP reported employer contributions of \$99,036 (2024 - \$87,778) and employee contributions of \$101,708 (2024 - \$90,523). For the 2025 calendar year, the college's employer contributions were \$1,873 (2024 calendar year - \$1,810).

iii. Supplementary Retirement Plan (SRP)

The SRP is a multi-employer contributory defined benefit pension plan providing additional pension benefits to managers of designated employers who participate in the Management Employee Pension (MEPP) and whose annual salary exceeds the maximum pensionable salary limit under the *Income Tax Act*. It is accounted for on a defined contribution basis. The pension expense recorded in these consolidated financial statements is \$126 (2025 - \$139).

An actuarial valuation of the SRP was carried out as at December 31, 2023, and was then extrapolated to December 31, 2025. At December 31, 2025, the SRP reported an actuarial deficit of \$61,574 (2024 - \$25,325). For the year ended December 31, 2025, the SRP reported employer contributions of \$3,782 (2024 - \$3,356) and employee contributions of \$3,784 (2024 - \$3,350). For the 2025 calendar year, the college's employer contributions were \$123 (2024 calendar year - \$146). The college participated in the SRP effective from January 1, 2013. The SRP's deficit is being discharged through additional contributions from the employers effective April 1, 2015. Other than the requirement to make additional contributions, the college does not bear any risk related to the SRP deficit.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

7. Debt

Debt is measured at amortized cost and is comprised of the following:

	Collateral	Maturity date	Interest rate	2026	2025
Debentures payable to the Department of Treasury Board and Finance:					
Debenture for parkade of Singhmar Centre for Learning	1	September 2042	2.989 %	\$ 3,696	\$ 3,867
Debenture for 10241/45 - 109 Street, Edmonton, Alberta	1	July 2053	5.300 %	4,118	4,183
Debenture for 10251 - 109 Street, Edmonton, Alberta	1	May 2055	4.440 %	1,140	-
				<u>\$ 8,954</u>	<u>\$ 8,050</u>

Collateral - (1) general security agreements.

Principal and interest repayments in each of the next five years and thereafter are as follows:

	Principal	Interest	Total
2027	\$ 264	\$ 377	\$ 641
2028	274	367	641
2029	284	357	641
2030	295	346	641
2031	306	335	641
Thereafter	7,531	3,899	11,430
	<u>\$ 8,954</u>	<u>\$ 5,681</u>	<u>\$ 14,635</u>

Interest expense on debt is \$377 (2025 - \$256) and is included in the consolidated statement of operations.

8. Deferred Revenue

Deferred revenues are set aside for specific purposes as required either by legislation, regulation or agreement:

	2026			2025	
	Unspent deferred contributions	Unspent deferred capital contributions	Student tuition, fees and other revenue	Total	Total
Balance, beginning of period	\$ 28,010	\$ 1,856	\$ 18,607	\$ 48,473	\$ 56,093
Grants, tuition, donations and other contributions	19,044	4,000	70,153	93,197	84,742
Restricted investment income - realized gains	1,089	109	-	1,198	1,167
Restricted investment income - unrealized gains	713	-	-	713	108
Transfers to spent deferred capital contributions (note 10)	(751)	(3,237)	-	(3,988)	(1,285)
Recognized as revenue	(20,049)	(7)	(74,286)	(94,342)	(92,347)
Transfer to endowment contributions	-	-	-	-	(5)
Balance, end of period	<u>\$ 28,056</u>	<u>\$ 2,721</u>	<u>\$ 14,474</u>	<u>\$ 45,251</u>	<u>\$ 48,473</u>

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

9. Tangible Capital Assets

	2026					2025	
	Land	Buildings and site improvements	Leasehold improvements	Furniture, equipment and vehicles	Computer hardware and software	Total	Total
Cost ^(a)							
Balance, beginning of period	\$ 13,925	\$ 184,079	\$ 16,225	\$ 11,582	\$ 16,149	\$ 241,960	\$ 229,372
Acquisitions	2,854	5,813	1,314	1,651	610	12,242	14,502
Disposals	-	-	-	(278)	(654)	(932)	(1,914)
	16,779	189,892	17,539	12,955	16,105	253,270	241,960
Accumulated amortization							
Balance, beginning of period	\$ -	\$ 41,814	\$ 1,318	\$ 4,853	\$ 14,064	\$ 62,049	\$ 58,548
Amortization expense	-	4,472	1,684	1,120	857	8,133	5,309
Effects on disposals	-	-	-	(198)	(636)	(834)	(1,808)
	-	46,286	3,002	5,775	14,285	69,348	62,049
Net book value, March 31, 2026	\$ 16,779	\$ 143,606	\$ 14,537	\$ 7,180	\$ 1,820	\$ 183,922	
Net book value, March 31, 2025	\$ 13,925	\$ 142,265	\$ 14,907	\$ 6,729	\$ 2,085		\$ 179,911

(a) Cost includes work-in-progress at March 31, 2026 totaling \$3,426 (2025 - \$3,141) which is comprised of buildings and site improvements \$2,765 (2025 - \$148), leasehold improvements \$nil (2025 - \$2,368), furniture, equipment and vehicles \$427 (2025 - \$112), and computer hardware and software \$234 (2025 - \$513) which are not amortized as the assets are not in service.

10. Spent Deferred Capital Contributions

Spent deferred capital contributions are comprised of restricted grants and donations spent on tangible capital acquisitions (not yet recognized as revenue).

	2026	2025
Balance, beginning of period	\$ 140,723	\$ 143,190
Transfers from unspent deferred capital and non-capital contributions (note 8)	3,988	1,285
Expended capital contributions recognized as revenue	(5,133)	(3,752)
Balance, end of period	\$ 139,578	\$ 140,723

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

11. Asset Retirement Obligations

The composition of the asset retirement obligations is as follows:

	2026	2025
Balance, beginning of period	\$ 291	\$ 288
Liability incurred	130	-
Revision in estimates	7	3
Balance, end of period	\$ 428	\$ 291

Asset retirement obligations are initially measured as of the date the legal obligation was incurred, based on management's best estimate of the amount required to retire the tangible capital assets. Asset retirement obligations may be subsequently remeasured at each financial reporting date taking into account any new information and the appropriateness of assumptions used. The estimate of the liability is based on previous experience, legislation and professional judgment.

- i. **College owned buildings** - The college has asset retirement obligations related to the removal of hazardous materials, including asbestos and lead, from various college-owned buildings. Regulations require the college to handle and dispose of hazardous materials in a prescribed manner when the materials are disturbed, such as during building renovations or demolitions.

The extent of the liability is limited to costs directly attributable to the abatement of hazardous materials from various buildings under the college's control in accordance with the legislation establishing the liability. The college estimated the nature and extent of hazardous materials in its buildings based on potential square metres affected and the average cost per square metre to remove and dispose of the hazardous materials.

- ii. **Leased space** - In 2026, the college incurred an additional asset retirement obligation resulting from installing exterior signage on leased space, which must be removed upon termination of the lease.

The extent of the liability is limited to costs directly attributable to the removal of the exterior signage in accordance with the terms within the lease agreement. The costs for the removal of the exterior signage were provided by a third party that specializes in the installation and removal of exterior signage from buildings.

Included in asset retirement obligations is an estimate of \$428, measured at its current estimated cost to settle or otherwise extinguish the obligation. Due to uncertainty regarding the timing of the remediation activities, asset retirement obligations related to hazardous materials have been measured at their current value.

For the year ended March 31, 2026, no recovery was recognized (2025 - \$nil).

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

12. Net Assets

The composition of net assets is as follows:

	Accumulated surplus from operations	Investment in tangible capital assets ⁽¹⁾	Internally restricted surplus	Endowments	Total
Net assets, as at July 1, 2024	\$ 27,771	\$ 19,068	\$ 21,370	\$ 7,096	\$ 75,305
Annual operating surplus	9,068	-	-	-	9,068
Endowments					
New endowment contributions	-	-	-	139	139
Transfer to endowment contributions	-	-	-	5	5
Capitalized investment income	-	-	-	246	246
Internally funded tangible capital assets					
Amortization of tangible capital assets	1,576	(1,576)	-	-	-
Acquisition of tangible capital assets	(13,217)	13,217	-	-	-
Debt repayment	(228)	228	-	-	-
Increase in asset retirement obligations (note 11)	3	(3)	-	-	-
Net book value of tangible capital asset disposals	87	(87)	-	-	-
Expenditures funded from internally restricted surplus	15,019	-	(15,019)	-	-
Net Board appropriation to internally restricted surplus	(15,945)	-	15,945	-	-
Change in accumulated remeasurement gains	1,767	-	-	-	1,767
Net assets, as at March 31, 2025	\$ 25,901	\$ 30,847	\$ 22,296	\$ 7,486	\$ 86,530
Annual operating deficit	(14,611)	-	-	-	(14,611)
Endowments					
New endowment contributions	-	-	-	98	98
Capitalized investment income	-	-	-	456	456
Internally funded tangible capital assets					
Amortization of tangible capital assets	3,068	(3,068)	-	-	-
Acquisition of tangible capital assets	(8,254)	8,254	-	-	-
Debt repayment	(246)	246	-	-	-
Debt - new financing	1,150	(1,150)	-	-	-
Increase in asset retirement obligations (note 11)	137	(137)	-	-	-
Net book value of tangible capital asset disposals	29	(29)	-	-	-
Expenditures funded from internally restricted surplus	8,017	-	(8,017)	-	-
Net Board appropriation to internally restricted surplus	(12,813)	-	12,813	-	-
Change in accumulated remeasurement gains	2,036	-	-	-	2,036
Net assets, as at March 31, 2026	\$ 4,414	\$ 34,963	\$ 27,092	\$ 8,040	\$ 74,509
Net assets is comprised of:					
Accumulated surplus	\$ 404	\$ 34,963	\$ 27,092	\$ 8,040	\$ 70,499
Accumulated remeasurement gains	4,010	-	-	-	4,010
	\$ 4,414	\$ 34,963	\$ 27,092	\$ 8,040	\$ 74,509

⁽¹⁾ Investment in tangible capital assets is reduced by the college's asset retirement obligations of \$428 (2025 - \$291) that are included in tangible capital assets. A funding source for this obligation has not yet been determined.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

12. Net Assets (continued)

Investment in tangible capital assets

Investment in tangible capital assets represents the amount of the college's accumulated surplus that has been invested in the college's tangible capital assets.

Internally restricted surplus

Internally restricted surplus represents amounts set aside by the college's Board of Governors for specific purposes. Those amounts are not available for other purposes without the approval of the Board of Governors and do not have interest allocated to them.

Internally restricted surplus with significant balances include:

	Balance as at March 31, 2025	Board appropriation to internally restricted surplus	Disbursements	Balance as at March 31, 2026
Capital				
Information and technology asset investment	\$ 5,711	\$ 11,328	\$ (833)	\$ 16,206
Non-IT asset investment	13,456	2,161	(5,878)	9,739
	19,167	13,489	(6,711)	25,945
Operating				
Program and curriculum development	676	(676)	-	-
Information and technology projects	1,441	-	(695)	746
Non-IT projects	1,012	-	(611)	401
	3,129	(676)	(1,306)	1,147
	\$ 22,296	\$ 12,813	\$ (8,017)	\$ 27,092

13. Contingent Assets

As of March 31, 2026, the college has no potential recoveries arising in the normal course of business in which the outcomes may result in assets in the future.

14. Contingent Liabilities

As of March 31, 2026, the college is defendant in a number of legal proceedings arising in the normal course of business. A liability is recorded where future liability is likely and the amount can be reasonably estimated based on legal advice. While the ultimate outcome and liability of other proceedings cannot be reasonably determined at this time, the college believes that any settlement will not have a material adverse effect on the financial position or the results of operations of the college.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

15. Contractual Rights

Contractual rights are the rights of the college to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

Estimated amounts that will be received or receivable for each of the next three years and thereafter are as follows:

	Operating leases		Other contracts		Total
2027	\$	49	\$	437	\$ 486
2028		49		255	304
2029		12		87	99
Thereafter		-		-	-
Total at March 31, 2026	\$	110	\$	779	\$ 889
Total at March 31, 2025	\$	159	\$	610	\$ 769

16. Contractual Obligations

The college has contractual obligations which are commitments that will become liabilities in the future when the terms of the contracts or agreements are met. The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

	Service contracts		Information systems and technology		Long-term leases		Capital projects		Total
2027	\$	2,072	\$	1,747	\$	1,752	\$	1,975	\$ 7,546
2028		241		504		1,618		367	2,730
2029		15		135		1,474		357	1,981
2030		-		3		1,194		346	1,543
2031		-		-		1,194		335	1,529
Thereafter		-		-		4,479		3,924	8,403
Total at March 31, 2026	\$	2,328	\$	2,389	\$	11,711	\$	7,304	\$ 23,732
Total at March 31, 2025	\$	3,975	\$	2,069	\$	10,413	\$	8,709	\$ 25,166

The \$5,924 (2025 - \$nil) balance in capital projects includes interest on debt, which is also reported in note 7.

As part of a lease agreement, the college received a lease inducement. The inducement is recognized as a reduction in lease expense over the term of the lease, which expires December 2034. As at March 31, 2026, the remaining balance of the lease inducement is \$5,924 (2025 - \$nil). This reduction is not included in the outstanding obligation for long-term leases.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

17. Expense by Object

The following is a summary of expense by object:

		2026 (12 Months)	2025 (9 Months)
	Budget (Note 22)	Actual	Actual (Note 3)
Salaries	\$ 111,337	\$ 111,678	\$ 83,732
Employee benefits	22,042	21,948	15,394
Materials, supplies and services	23,175	20,709	20,692
Cost of goods sold	571	648	511
Scholarships and bursaries	4,465	6,000	4,497
Leases, maintenance and repairs	6,784	6,039	4,225
Utilities	1,492	1,254	1,045
Amortization of tangible capital assets (including loss on disposal)	8,463	8,231	5,415
Interest on debt	470	377	256
	<u>\$ 178,799</u>	<u>\$ 176,884</u>	<u>\$ 135,767</u>

18. Funds Held on Behalf of Others

The college holds the following funds on behalf of others over which the Board has no power of appropriation. Accordingly, these funds are not included in the consolidated financial statements.

	2026	2025
NorQuest College Faculty Association	\$ 38	\$ 39

19. Related Parties

The college is a related party with organizations within the Government of Alberta reporting entity. Key management personnel of the college and their close family members are also considered related parties. The college may enter into arm's length transactions with these entities and individuals in the normal course of operations and on normal terms.

The college has debt liabilities with the Department of Treasury Board and Finance as described in note 7. The college received government transfers as described in note 20.

The college's amount due from the Government of Alberta as at March 31, 2026 is \$2,460 (2025 - \$6,984). This amount is combined with accounts receivable.

During the year, the college conducted business transactions with related parties, including ministries of the Government of Alberta and other Alberta post-secondary institutions. The revenues and expenses incurred for these business transactions have been included in the consolidated statement of operations. These transactions were entered into on normal business terms as with non-related parties at arm's length and are recorded at the exchange amount.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

20. Government Transfers

The college operates under the authority and statutes of the Province of Alberta. Transactions and balances between the college and the Government of Alberta are measured at the exchange amount and summarized below.

	2026 (12 Months)	2025 (9 Months) (Note 3)
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 40,997	\$ 29,718
Capital	5,142	-
Recurring restricted grants ⁽¹⁾	3,170	971
Other ⁽²⁾	3,009	166
Total Advanced Education	52,318	30,855
Other Government of Alberta departments and agencies:		
Department of Education and Childcare ⁽³⁾	3,359	-
Department of Public Safety and Emergency Services	2,827	2,827
Department of Jobs, Economy, Trade and Immigration	2,722	1,537
Department of Arts, Culture and Status of Women	220	-
Department of Children and Family Services	93	-
Alberta Innovates	25	-
Department of Health ⁽⁴⁾	-	10,823
Total other Government of Alberta departments and agencies	9,246	15,187
Total contributions received and receivable	61,564	46,042
Expended capital contributions recognized as revenue	4,969	3,627
Change in deferred revenue	(2,633)	(4)
Total Government of Alberta grants	\$ 63,900	\$ 49,665
Federal and other government grants		
Contributions received	\$ 13,109	\$ 9,685
Change in deferred revenue	(298)	281
Total federal and other government grants	\$ 12,811	\$ 9,966

⁽¹⁾ Recurring restricted grants include funding for Support for Learners with Disabilities of \$1,561 (2025 - \$nil), Health Workforce Action Plan of \$1,254 (2025 - \$941), Mental Health of \$325 (2025 - \$nil) and SuperNet of \$30 (2025 - \$30).

⁽²⁾ Other grants include funding for the Targeted Enrolment Expansion of \$2,150 (2025 - \$nil), and Community Adult Learning programs of \$611 (2025 - \$nil).

⁽³⁾ Department of Education and Childcare includes the Early Childhood Education Bursary of \$3,359 (2025 - \$nil).

⁽⁴⁾ Department of Health includes the Health Care Aide Bursary of \$nil (2025 - \$10,700).

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

21. Salary and Employee Benefits

	2026 (12 Months)			2025 (9 Months) (Note 3)	
	Base salary ⁽²⁾	Other cash benefits ⁽³⁾⁽⁴⁾	Other non-cash benefits ⁽⁵⁾⁽⁶⁾	Total	Total
Governance⁽¹⁾					
Chair of the Board of Governors	\$ -	\$ 15	\$ -	\$ 15	\$ 8
Members of the Board of Governors	-	25	-	25	23
Executive					
President and Chief Executive Officer	305	8	76	389	283
Vice-Presidents (VP):					
VP Academic ⁽⁷⁾	242	252	104	598	219
VP Administration and Chief Financial Officer ⁽⁸⁾	271	71	66	408	228
VP College Life ⁽⁹⁾	-	-	-	-	216
VP Enrolment and Communications	247	-	53	300	240
VP External Relations and Partnerships	217	-	47	264	198
VP People, Culture and Equity	217	1	45	263	200

(1) The chair and members of the Board of Governors receive no remuneration for participation on the Board.

(2) Base salary includes pensionable base pay to Executives.

(3) Other cash benefits for Governance represents administrative honoraria for the chair and members of the Board of Governors.

(4) Other cash benefits for Executives include earnings such as car allowance, vacation payouts and other lump-sum payments. No bonuses were paid in 2026 and 2025.

(5) Other non-cash benefits for Executives include the employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plan, employee and family assistance program, extended health care, dental plan, accidental death and dismemberment, parking (per Canada Revenue Agency guidelines), wellness spending, professional memberships, professional development and tuition fees.

(6) The Supplementary Retirement Plan (SRP) was implemented effective January 1, 2013. Under the terms of the SRP, executive officers may receive supplemental payments. SRP is described in note 6.

(7) The VP Academic retired on March 31, 2026 and entered into an early retirement agreement on April 1, 2026. Other cash benefits include the early retirement benefits for the individual.

(8) There were two individuals fulfilling this role during the 2025 - 2026 fiscal year. The prior incumbent in the role retired March 13, 2026. The replacement incumbent commenced February 1, 2026.

(9) The role of VP College Life was eliminated on May 17, 2024. A total of \$216 was paid in the 2024 - 2025 fiscal year as a settlement related to the termination and associated benefits.

NORQUEST COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026

in thousands of dollars

22. Budget Figures

The college's 2025-26 budget was approved by the Board of Governors and presented to the Minister of Advanced Education.

23. Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the Board of Governors of the college.

