

NBCC

ANNUAL REPORT

2025-26



Table of Contents

Message from NBCC Board Chair 4

Message from NBCC President & CEO 5

Governance 6

PILLAR 1: Education That Works 8

PILLAR 2: Going Beyond In All That We Do 10

PILLAR 3: Impact Through Relationships 12

NBCC Employees 14

Financial Discussion & Analysis 16

Statement of Operations & Changes in Accumulated Operating Surplus 19

Statement of Financial Position 20

Key Financial Health Indicators 22

Deferred Maintenance & Repairs 25

Financial Statements 26

Appendices 49

MESSAGE FROM
NBCC BOARD CHAIR

On behalf of NBCC's Board of Governors, I am pleased to present the 2025-2026 Annual Report.

As Chair of the Board and steward of this report, I take great pride in serving an organization whose purpose is deeply connected to strengthening New Brunswick. Every day, NBCC drives economic and social well-being through education, helping New Brunswickers realize their potential while contributing to the growth and prosperity of our province.

While this year tested the resilience of our College Community in many ways, it also reinforced the critical role NBCC plays in provincial, regional, and national workforce development. As employers navigate labour shortages, technological change, and increasing competition for talent, the need for a modern, responsive post-secondary system has never been more apparent.

NBCC's contributions are evident in communities across the province. Learners build the capabilities required to participate fully in the labour market, and employers rely on NBCC graduates to meet evolving workforce needs. This alignment between education and economic development helps create stronger communities and a more competitive New Brunswick.

Looking ahead, we remain confident in NBCC's direction and in its ability to transform lives and communities. By investing in people, partnerships, and innovation, NBCC is helping create the conditions for long-term, sustainable growth and generational transformation across our province and beyond.

A stronger New Brunswick begins with opportunity and opportunity begins with education.



Wes McLean
Chair, NBCC Board of Governors



NBCC 2025-2026 BOARD OF GOVERNORS
Wes McLean (Chair), John Alexander, Melissa Benoit, Jake Bryden, Jocelyn Chan, Sandra Clark, Shayan Faal, Jessica Gallant, Nicole Gionet, Scott Grant, Catherine Lawrence, Shawn Mesheau (Vice-Chair), Kelly Richard, Chris Spear, Mike Wright.

MESSAGE FROM
NBCC PRESIDENT & CEO

As I reflect on the past year at New Brunswick Community College (NBCC), I continue to be inspired by the resilience, adaptability, and commitment of our College Community. The post-secondary landscape continues to evolve. Demographic pressures, growing demand for skilled talent, and shifting immigration policies are reshaping the challenges facing institutions, employers, and communities. Yet these realities also reinforce the importance of NBCC's purpose: driving economic and social well-being through education.

During an era of uncertainty and change, NBCC has remained focused on meeting provincial needs. In 2025-2026, we welcomed 13,315 learners to the College, growing overall enrolment by 4.5% and increasing domestic participation by 13.7%. Graduate outcomes also remained strong, with 92% of NBCC graduates employed and 96% building their careers right here in New Brunswick. These results reflect a deliberate commitment to aligning our programs with workforce priorities across the province and region.

We saw continued growth in programs connected to priority sectors, including the skilled trades and health care. As industries across New Brunswick face workforce shortages and evolving skills demands, NBCC remains committed to ensuring our programs are responsive to labour market needs and positioned to support emerging opportunities.

We are also continuing to invest in the future of our College and our province. Through strengthened partnerships with K–12 education, expanded dual-credit and pathway options, and ongoing modernization of our academic processes, we are creating more opportunities for New Brunswickers to access education, develop in-demand skills, and navigate clear, flexible pathways to meaningful careers in their own communities.

While we are proud of the progress reflected in this report, we remain focused on the work ahead. The pace of change is accelerating, and so too is the need for education that is responsive, accessible, and connected to opportunity. By continuing to modernize, strengthen partnerships, and invest in learners, NBCC is helping ensure that New Brunswick has the talent, skills, and capacity needed to support long-term growth and prosperity.

Thank you for your continued confidence in NBCC and in the power of education to transform lives and communities.

Mary Butler,
President and CEO

NBCC 2025-2026 SENIOR EXECUTIVE TEAM
MARY BUTLER, *President and CEO*
ANN DRENNAN, *Vice President, Academic, Innovation, and Student Affairs*
HEATHER ALLABY, *Vice President, Engagement and Experience*
ROSALYNN ALESSI, *Executive Director, People and Culture*
JEAN GOGUEN, *Executive Director, Finance*



GOVERNANCE

The Board of Governors is responsible for establishing the governing policies that direct NBCC's mandate of enhancing the social and economic well-being of New Brunswick through training and education, and with fulfilling the legislated requirements under the *New Brunswick Community Colleges Act* and the *Accountability and Continuous Improvement Act*. The Board's key governance responsibilities include the areas of strategic planning and corporate performance, human resources accountability, financial accountability, enterprise risk management, and stakeholder relations, as well as fulfillment of NBCC's mandate letter from government, a summary of which is included in Appendix B. NBCC's Board of Governors is accountable for NBCC's ongoing success and sustainability through the provision of strategic leadership and stewardship. As part of the corporate planning and reporting cycle, the Board is responsible for ensuring the submission and publication of an annual report to the College's stakeholders, communicating progress towards all plans of a strategic or financial nature. This document, NBCC's 2025-26 Annual Report, has been approved by the Board in its efforts to ensure transparency, accountability, and the proactive disclosure of information in the public interest.



STRUCTURE AND COMMITTEES

The Board of Governors is comprised of up to 15 members, six of which are Board Appointed, six are appointed by the Minister of Post-Secondary Education, Training and Labour, and three members are from within NBCC who are elected by their peers to represent the following groups: academic, non-academic, and student. In addition to the full Board, there are four standing committees: Human Resources, Audit, Nominations, and Governance. Standing committees assist the Board in its work by studying and presenting recommendations, decision-making alternatives, and options for consideration by the full Board.



PUBLIC INTEREST DISCLOSURE

The *Public Interest Disclosure Act* (PIDA) encourages employees in the provincial public service to report any wrongdoing that has occurred or is about to occur in the workplace. The PIDA protects employees against reprisals for reporting any wrongdoing that is potentially unlawful, dangerous to the public, or harmful to the public interest. It also provides a fair and objective process for those employees who are alleged to have committed a wrongdoing. NBCC can report that in 2025-26, there were no disclosures or claims made against any employee of the College under the PIDA.



SUMMARY OF RECOMMENDATIONS FROM THE OFFICE OF THE AUDITOR GENERAL

NBCC is pleased to report that at the time of publication of this report, we have no outstanding recommendations from the Office of the Auditor General.


SAVOUR NB
SAVOUR NB

PILLAR 1

EDUCATION THAT WORKS

As the first pillar of the Going Beyond strategic plan, '*Education That Works*' reflects NBCC's commitment to increasing participation, strengthening learner readiness, and supporting learner success. In a rapidly evolving labour market, NBCC's programs develop talent by equipping learners with the applied skills and training needed to thrive in the workforce of today and tomorrow.

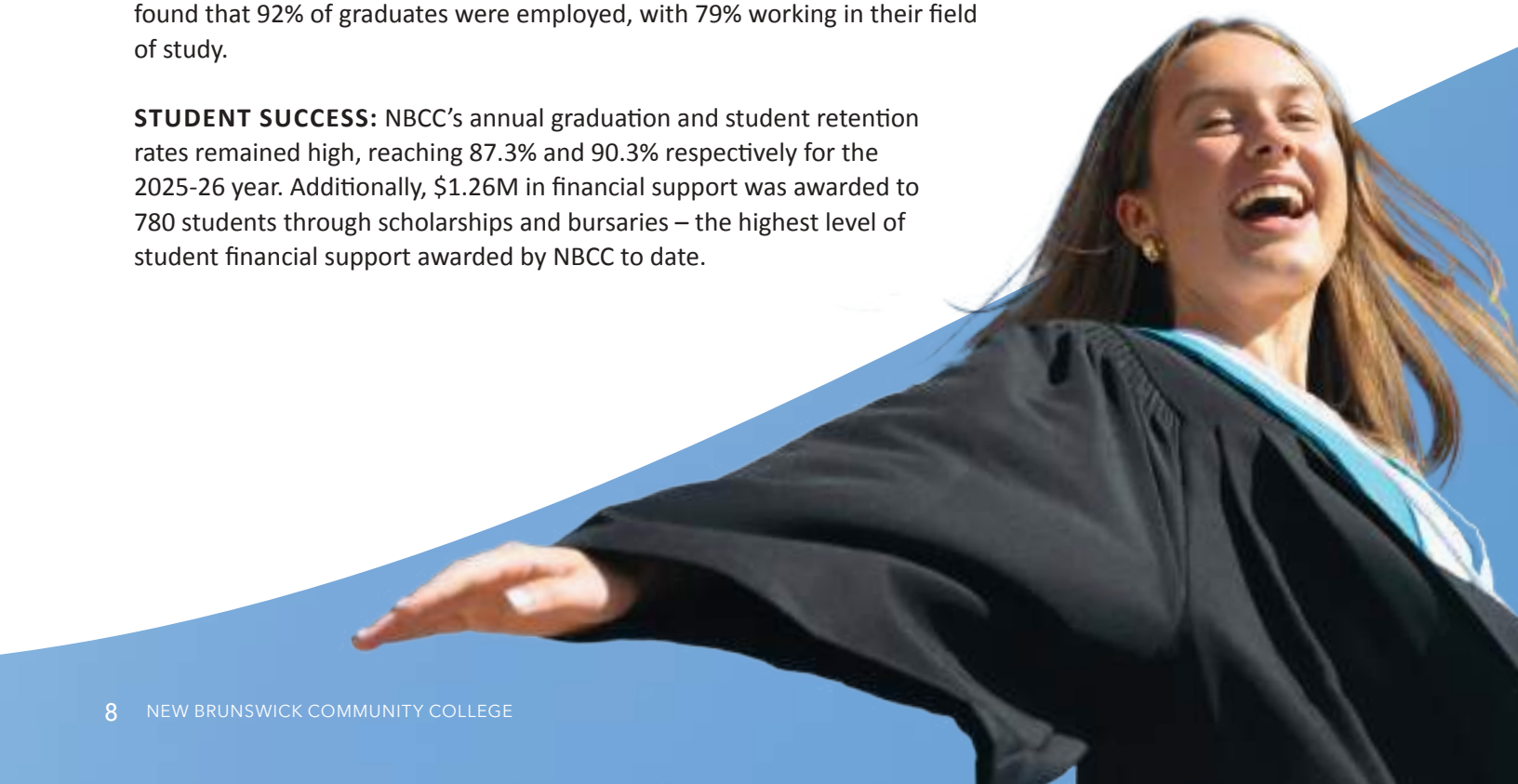
New Brunswick continues to face demographic and workforce pressures, including an aging population, technological change, and lower levels of educational attainment compared to national averages. These realities reinforce NBCC's provincial mandate to deliver accessible, industry aligned programming that supports workforce development, talent attraction, and provincial competitiveness, supporting long term economic resilience and growth.

'*Education That Works*' is about breaking down barriers, expanding access, and delivering quality education through programs that respond to the needs of employers, industry, learners and communities, all contributing to the development of an inclusive, future ready New Brunswick.

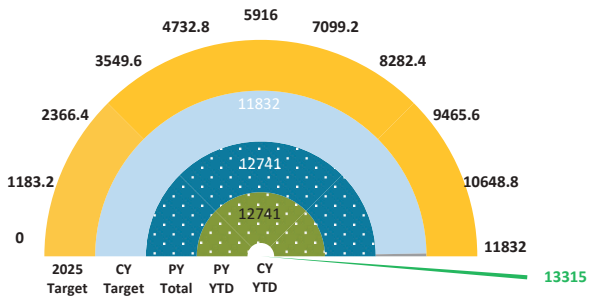
TOTAL LEARNER INDEX: In 2025-26, NBCC welcomed 13,315 learners, surpassing its annual enrolment target by 12.5%. Despite a 30.2% decline in international enrolment, overall enrolment increased by 4.5% compared to the previous year, driven by 13.7% rise in domestic enrolment. Looking ahead, NBCC remains focused on increasing participation among New Brunswick residents while managing the impact of immigration policy changes on international enrolment.

EMPLOYMENT OUTCOMES: A one-year follow-up survey of the Class of 2024 found that 92% of graduates were employed, with 79% working in their field of study.

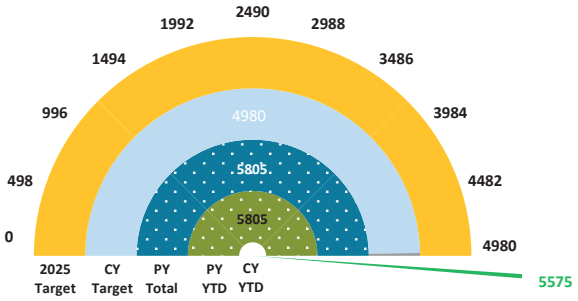
STUDENT SUCCESS: NBCC's annual graduation and student retention rates remained high, reaching 87.3% and 90.3% respectively for the 2025-26 year. Additionally, $1.26M in financial support was awarded to 780 students through scholarships and bursaries – the highest level of student financial support awarded by NBCC to date.



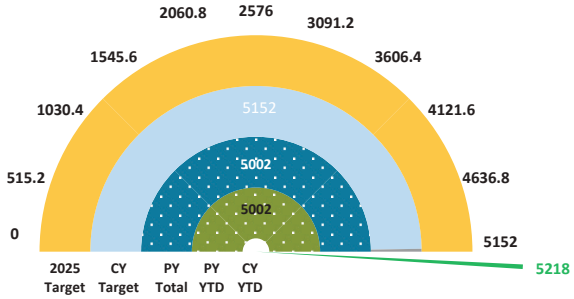
TOTAL LEARNERS



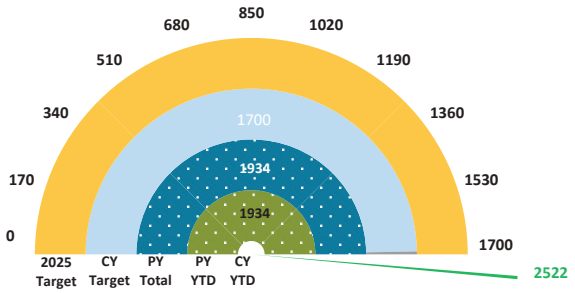
GOVERNMENT-FUNDED



CONTINUING EDUCATION



APPRENTICESHIP



2025-26 EDUCATION THAT WORKS

Annual Graduate Employment*

92.0%

Target: 90%

Annual Graduation Rate*

87.3%

Target: 79%

Annual Graduate Employment in a Related Field*

79.0%

Target: 83%

Student Retention Rate*

90.3%

Target: 83%

**KPI's established by the Government of New Brunswick. Targets established by NBCC.*

PILLAR 2

GOING BEYOND IN ALL THAT WE DO

Going Beyond in All That We Do reflects NBCC's commitment to delivering an extraordinary experience for students, staff, partners, and communities, while stewarding resources responsibly and sustainably. This pillar captures NBCC's culture of excellence, service, learning, and continuous improvement.

As New Brunswick's needs evolve, NBCC continues to strengthen the NBCC experience across student, employee, and partner groups, and advance stewardship practices that reinforce long term sustainability. Through modernized systems, supportive environments, and intentional resource management, NBCC is building the institutional capacity required to support growth and enhance service delivery.

Going Beyond ensures NBCC remains a trusted, responsive, and future ready partner for industry, learners, and communities across the province.

NBCC EXPERIENCE: We are committed to shaping a consistent and inspiring NBCC Experience — one that is clearly defined, repeatable, and integrated across every interaction with the College. This year:

- **Employee Experience:** Engagement increased by 6.3% in 2026 (74%), compared to the last full survey in 2023 (67.7%), and remained consistent with the 2025 pulse survey (75.3%). All engagement drivers measured exceeded the post-secondary benchmark, with eight reaching new highs across the database. These results reflect a strong level of agreement and engagement.
- **Student Experience:** We exceeded our 85% target by 4.2%, supported by 96.2% of students saying they would recommend NBCC to a friend or colleague.
- **Partner Experience:** As of 2024-25, NBCC's net promoter score was 79.1 and was not reevaluated in 2025-26.

NBCC STEWARDSHIP: The 2025-26 Q4 result for NBCC Stewardship represents a 129% increase compared to the prior year. The NBCC Stewardship measure is an index that represents our overall performance in key areas, including:

- **Accumulated Operating Surplus:** NBCC continues to demonstrate disciplined financial stewardship, making strategic investments while maintaining a strong focus on long-term sustainability. Through careful management and prudent decision-making, the College reduced a planned $5.0 million deficit to under $450,000 despite a challenging year.
- **Benefit Realization:** This metric captures the total capacity gained and cost savings achieved through our continuous improvement program. Throughout 2025-26, NBCC has realized benefits of 14,008 hours, exceeding its target of 8,000 hours by 75%. In total, 17 initiatives realized benefits across multiple departments.
- **Deferred Maintenance:** In 2025-26, NBCC, with support from the Government of New Brunswick (GNB), invested $6.4M to address deferred maintenance priorities. The increase reflects emphasis on preparation, maintaining a healthy inventory of projects in design, combined with effective collaboration between NBCC and the Department of Transportation and Infrastructure (DTI) on managing and completing projects.

2025-26 GOING BEYOND IN THAT ALL WE DO

NBCC Stewardship

19.95

2025-26 Target: 11.9

NBCC Experience

84.3%

2025-26 Target: 80%



PILLAR 3

IMPACT THROUGH RELATIONSHIPS

Strong relationships are essential to NBCC's ability to fulfill its purpose and create meaningful impact on New Brunswick's economic and social well-being. NBCC leads with partner-informed decision-making and fosters a culture where internal and external partners actively contribute to the College's success. Collaboration across employers, communities, government, and K-12 schools and public post-secondary institutions ensures NBCC's programs remain relevant, applied, and aligned with provincial priorities. These relationships strengthen educational pathways, encourage learner mobility and progression, expand work integrated learning opportunities, support workforce development, and enhance regional capacity.

Impact Through Relationships reflects NBCC's belief that collaboration is central to building a resilient, inclusive, and future ready New Brunswick, one where education, industry, and community work together to create opportunity and long term prosperity.

GRADUATE EMPLOYMENT IN NEW BRUNSWICK: In 2025-26, 96% of NBCC graduates were employed in the province – 6% above target. This measure has consistently exceeded 90%, a testament to the relevance of our programming, strong industry partnerships, and the value of work-integrated learning (WIL).

GRADUATE SATISFACTION: Graduate Satisfaction was 84.3% in 2025-26 against a government established target of 80%. All satisfaction areas increased from last year. This measure, drawn from the Department of Post-Secondary Education, Training and Labour's Graduate Follow-Up Survey, reflects students' feedback on program content, facilities, equipment, quality of instruction, student services, and job preparation.

LEARNING AND COMMUNITY OUTCOMES:

- **Greenhouse gas emission reduction targets (SDG 13 Climate Action):** Energy consumption in 2025-26 was 4.8% lower than our baseline year (2019-20). These savings were largely achieved by adjusting occupancy parameters in our Building Management Systems, driving 14.7% in reductions between April and September.

- **Expanding Access and Opportunity:** While there is still much work to be done to reach underrepresented learners at NBCC, Indigenous learner enrolment alone continues to grow. In the past year, their numbers increased by nearly 100 learners, and their participation in Professional and Part-time Learning (PPL) programs has more than doubled since 2021.



2025-26 IMPACT THROUGH RELATIONSHIPS

Graduate employment in NB

96.0%

2025-26 Target: 90.0%

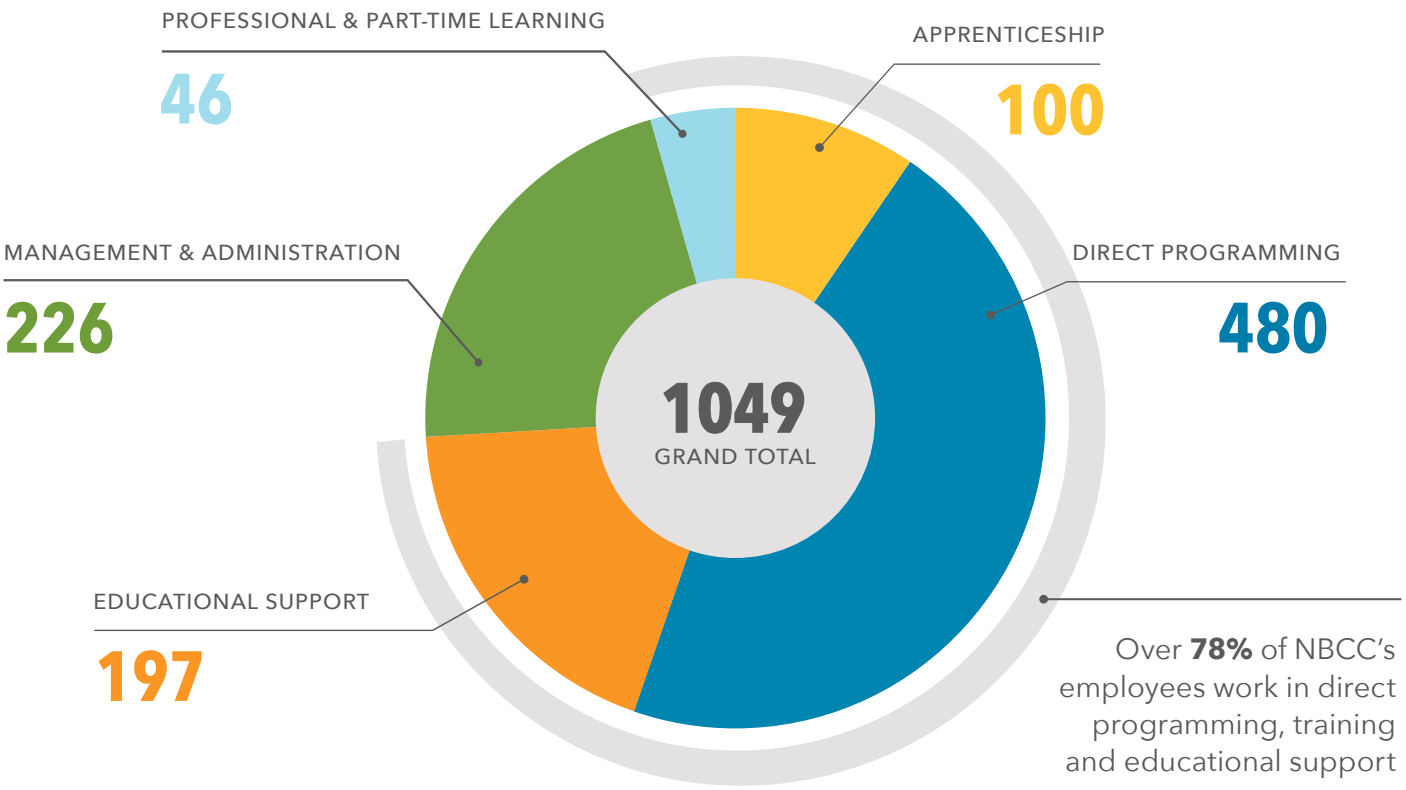
Graduate Satisfaction*

84.3%

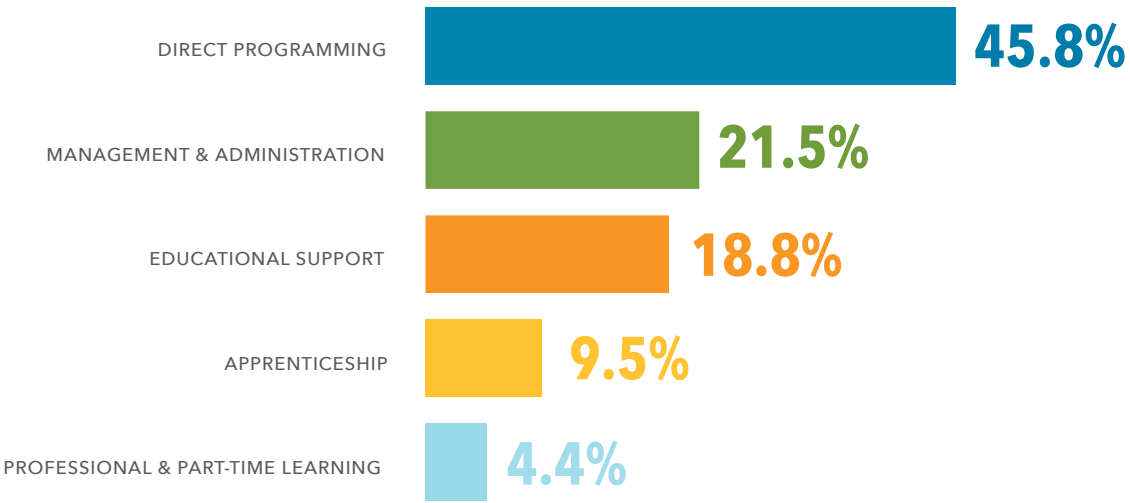
2025-26 Target: 90.0%

**KPI's established by the Government of New Brunswick. Targets established by NBCC.*

NBCC EMPLOYEES



Over **78%** of NBCC's employees work in direct programming, training and educational support



* Employee counts reflect NBCC's official workforce profile as of April 1, 2026


EA
506
CONTAINER
VILLAGE
NBCC
#transformNB



Financial Discussion & Analysis

MARCH 31, 2026



EXECUTIVE SUMMARY

For the fiscal year ended March 31, 2026, NBCC continued to demonstrate a strong record of responsible financial management. Highlights of NBCC's annual financial statements include:

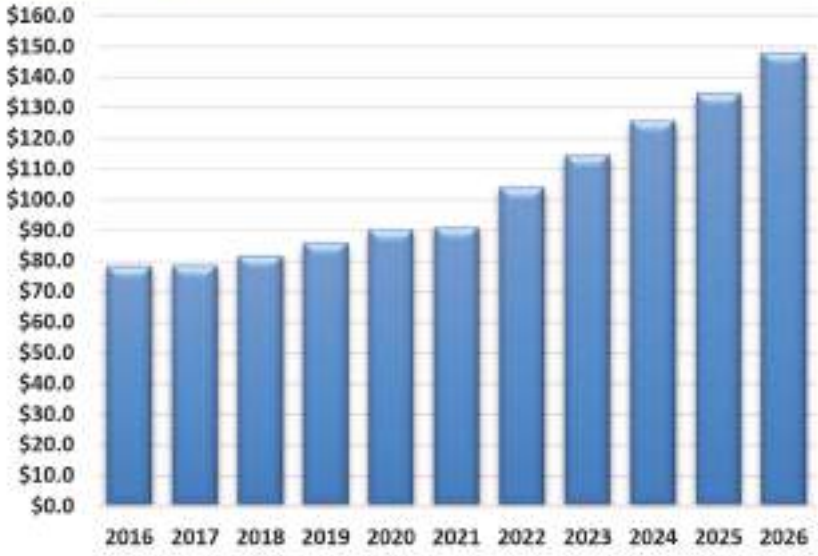
- ***Deficiency of Revenues over Expenses*** of ($2.6M) representing (1.76%) of revenue. This compares to a deficit of ($4.7M) (or 3.47% of revenue) in 2025. The 2025-26 deficiency comprises:
  - Year-over-year increase in ***Revenues*** of $13.2M (or 9.8%). This compares to an $8.9M (or 7.0%) year-over-year increase in 2025; and
  - Year-over-year increase in ***Expenses*** of $11.2M (or 8.0%). This compares to a $12.7M (or 10.0%) year-over-year increase in 2025.
- ***Changes to Net Assets*** also totalled ($2.6M) and are primarily attributed to:
  - $479K increase in **Net assets invested in capital assets;**
  - $2.2M decrease in **Net assets internally restricted for specific purposes**; and,
  - $416K decrease in **Unfunded future employee benefits** *liability*.
  - $450K decrease in ***Accumulated Operating Surplus.***
- ***Key Financial Health Indicators***
  - These indicators demonstrate that the College is continuing to progress into a new phase of organizational maturity.
  - As NBCC accesses its previously invested positive financial results to undertake and complete projects in the medium term, Financial Health Indicators such as Excess of Revenues over Expenses (p.6), Net Assets to Expenses Ratio (p.7), Excess (Deficiency) to Revenues Ratio (p.8) may not provide adequate context through which stakeholder can appreciate the evolving nature of NBCC operations. NBCC has committed to revisit these measures over the coming year.
  - Notwithstanding the above, the indicators outlined in this report confirm that NBCC continues to operate as a solvent and financially sustainable going concern.

INTRODUCTION TO FINANCIAL DISCUSSION AND ANALYSIS

This Financial Statement Discussion & Analysis (FSD&A) is prepared by New Brunswick Community College ("NBCC" or "College") management in order to provide supplementary analysis of the College's financial position and operating activities as described in its annual, audited financial statements. NBCC management is responsible for the contents of this document. This document supplements, and should be read in conjunction with, NBCC's audited financial statements (including accompanying notes).

STATEMENT OF OPERATIONS AND CHANGES IN ACCUMULATED OPERATING SURPLUS

Revenues ($ Millions)



Revenues total $148.0M in 2025-26 ($134.8M in 2024-25).

This represents an increase of $13.2M (or 9.8%) over prior year.

This is primarily attributed to year-over-year increases in Grant from Province ($4.2M); SJ Redevelopment Revenue ($10.9M); Apprenticeship ($2.1M) and offset by a decrease in Tuition and fees ($4.6M).

Long Term Trend: ***Revenues*** increased from $78.9M in 2016 to $148.0M in 2026 (representing an increase of $69.1M and 87.5%).

This increase is primarily attributed to cumulative growth in Tuition and fees ($20.0M); Grant funds from the Province ($20.6M); Cost recoveries ($6.3M); Contract training ($4.8M); CORE ($1.3M); and the transition of College application fees ($0.9M) from College Admission Services starting in 2021. As well as additional funding for SJ Redevelopment in 2025-26 ($10.9M).

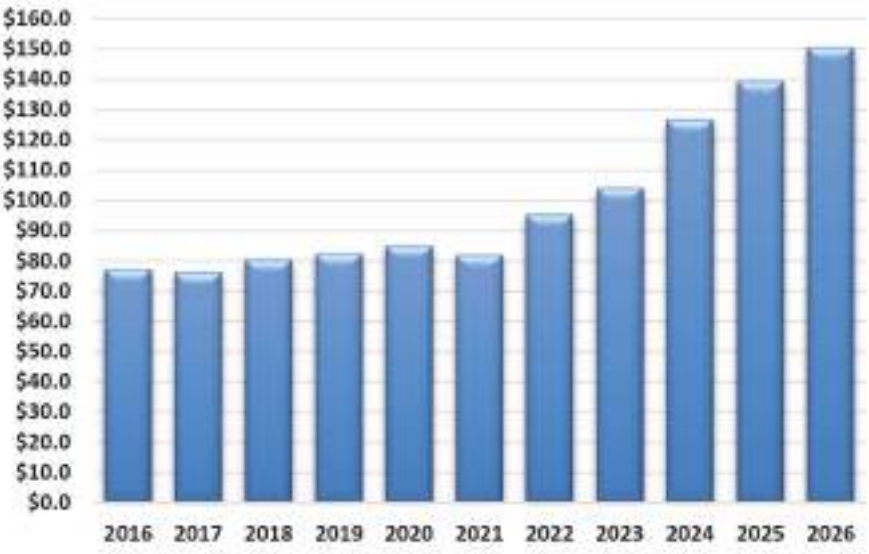
Expenses ($ Millions)

Expenses total $150.6M in 2025-26 ($139.5M in 2024-25).

This represents an increase of $11.2M (or 8%) over prior year.

This is primarily attributed to year-over-year increases in Salaries and benefits ($1.5M; Deferred Maintenance ($1.5M); and SJ Redevelopment ($10.2M).

Long Term Trend: ***Expenses*** increased from $77.3M in 2016 to $150.6M in 2026 (representing an increase of $73.3M and 94.9%), as compared to a $69.1M (or 87.5%) increase in revenue.

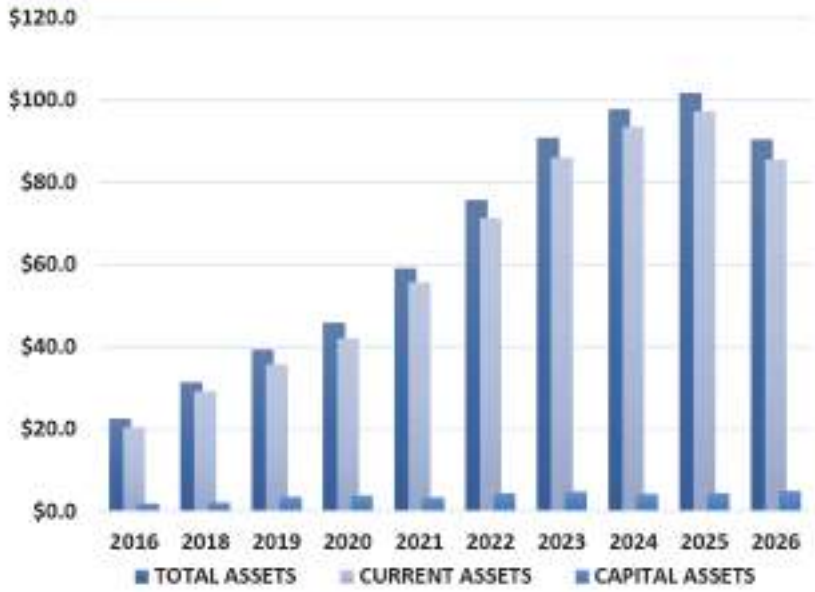


Expense composition remained relatively consistent in 2025–26, with salaries and benefits comprising 69.9% of total expenses (compared to 74.4% in the prior year and 75.4% in 2016).

STATEMENT OF FINANCIAL POSITION

Statement of Financial Position

Assets ($ Millions)



Assets total $90.5M in 2025-26 ($101.8M in 2024-25).

This represents a decrease of $11.3M (or 11.1%) over prior year.

This is primarily attributed to a decrease in Current Assets ($11.9M) and an increase in Capital Assets ($0.59M).

Long Term Trend: ***Assets*** have increased consistently each year (i.e., from $22.5M in 2016 to $90.5M in 2026 representing an increase of $68M and 302%). This increase is largely driven by positive cash flows from operations.

Current Assets decline in 2025-26 are mainly attributed to lower Due from Province ($10M); and a decrease in Accounts receivable and accrued revenue ($1.4M).

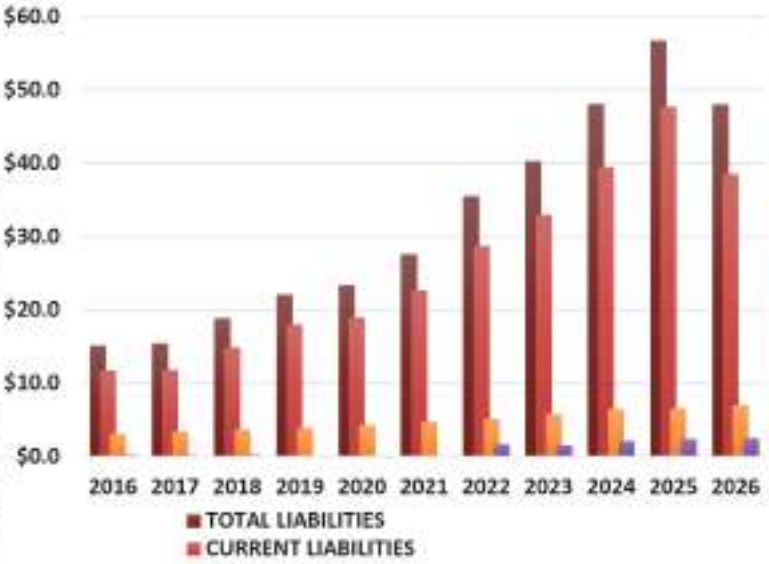
Liabilities ($ Millions)

Liabilities total $48.0M in 2025-26 ($56.7M in 2024-25).

This represents a decrease of $8.7M (or 15.3%) year-over-year.

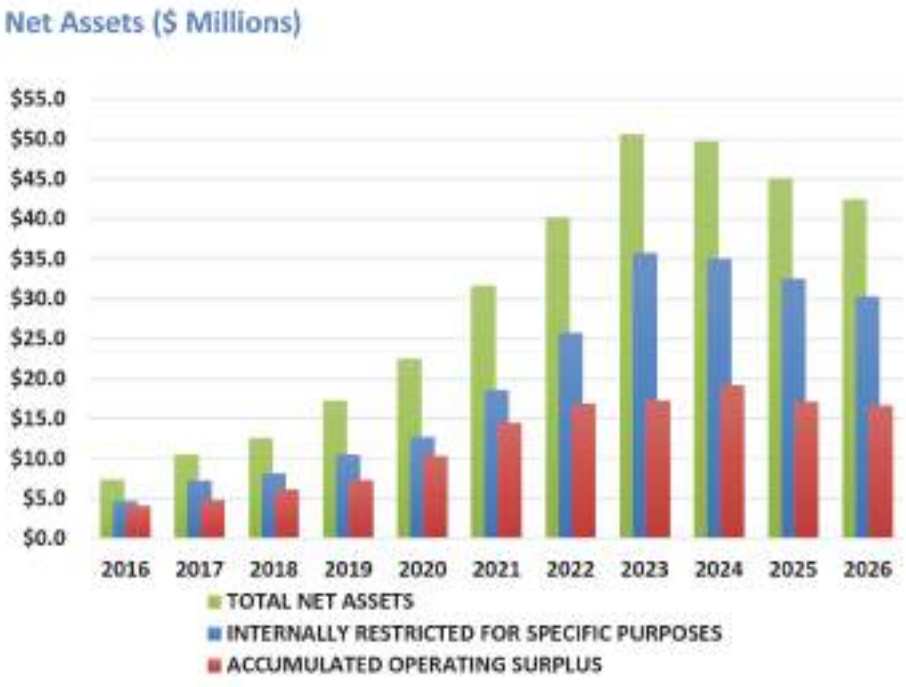
This is primarily attributed to decreases in Current Liabilities ($9.2M); increase in Unfunded employee future benefits ($0.42M); and Deferred capital contributions increase ($0.11M).

Current Liabilities decline is largely attributed to decreases in Deferred Revenue ($10M); a decrease in Accounts payable and accruals ($1.8M); and offset by an increase in Accrued salary and benefits ($2.5M). Fluctuations within this range are normal and are attributable to timing differences.



Long Term Trend: ***Liabilities*** have increased from $15.2M in 2016 to $48.0M in 2026 (representing an increase of $32.9M and 217%). These are largely driven by annual increases in Deferred revenue, Accrued salaries and benefits and Unfunded employee benefits as the College has grown.

STATEMENT OF FINANCIAL POSITION



Net Assets total $42.5M in 2025-26 ($45.1M in 2024-25).

This represents a decrease of $2.6M (or 5.8%) year over year.

This is primarily attributed to a decrease in Net assets internally restricted for specific purposes ($2.2M); unfunded future employee benefits ($0.42M); and a decrease in Accumulated operating surplus ($0.45M).

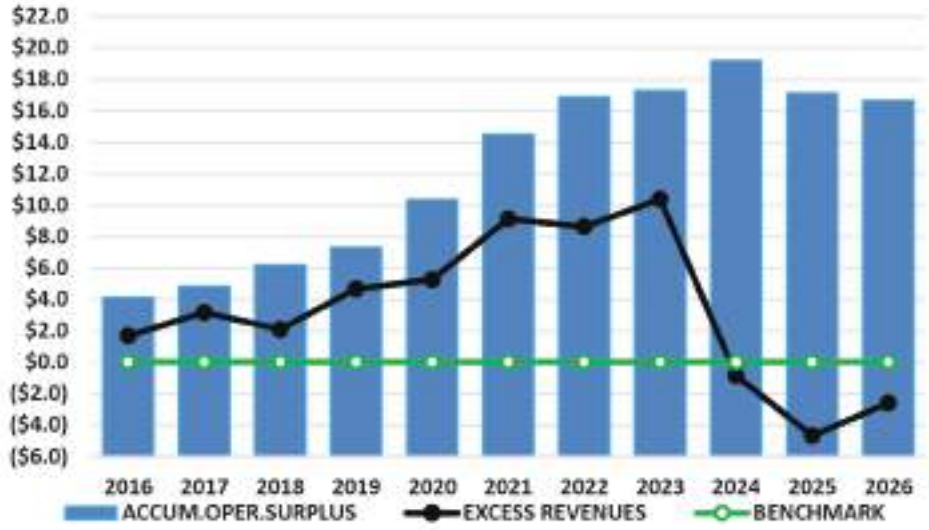
Long Term Trend: ***Net Assets*** increased from $7.4M in 2016 to $42.5M in 2026 (or $35.1M and 476%).

The long-term trend has historically been driven by the reinvestment of annual excesses of revenue over expenses into internally restricted net assets for specific purposes, as well as accumulated operating surplus. This trend is expected to evolve, with forecasted surpluses anticipated to be utilized in response to changes in the operating environment and associated economic pressures.

KEY FINANCIAL HEALTH INDICATORS

Excess of Revenues over Expenses and Accumulated Operating Surplus ($ Millions)

Excesses of Revenues over Expenses ('Excess Revenues') measures the extent to which the College operations have contributed to (been subsidized from) Net Assets.



NBCC experienced a deficit of revenues over expenses totalling $2.6M (or 1.76% of revenues) in 2026.

A benchmark of $0 (i.e., breakeven) indicates in-year expenses are entirely covered by in-year revenues.

Deficiencies may indicate a decline in financial health or that the College is intentionally or unintentionally relying on Net Assets to fund in-year expenses.

NBCC experienced Excesses of revenues over expenses for seven of the past ten years.

In 2025-26, NBCC's budget reflected a Deficiency of revenues over expenses ($13.1M) as it intended to undertake and/or complete significant strategic projects ($7.1M) for which Net assets internally restricted for specific purposes would provide funding.

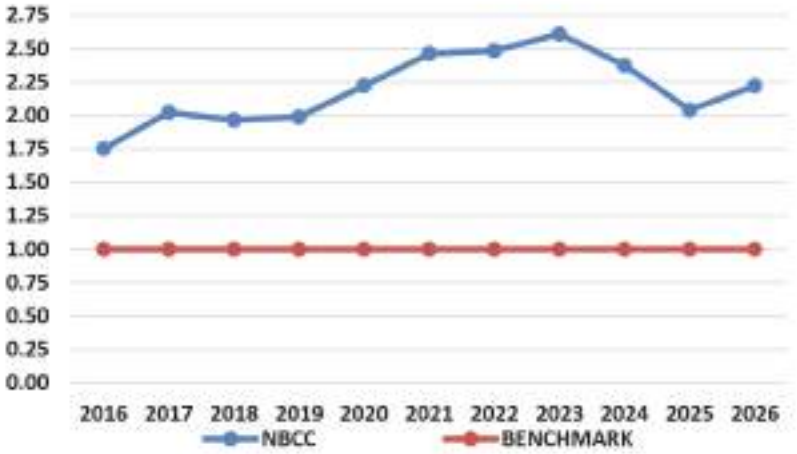
NBCC's actual results for 2025-26 indicate that a more modest Deficiency of revenues over expenses ($2.6M) is largely the result of projects undertaken/completed ($2.2M).

Accumulated operating surplus saw a decrease of $0.45M in 2025-26 ($2.1M decrease in 2024-25). This amount represents the cumulative wealth available to assist with ongoing operations. A benchmark of $0 (i.e., breakeven) indicates that in-year expenses are entirely covered by in-year revenues – and that sufficient funds exist to improve reserves for future flexibility. NBCC has shown consistent increases in Accumulated operating surplus for seven of the last ten years, growing from $4.1M in 2016 to $16.7M in 2026.

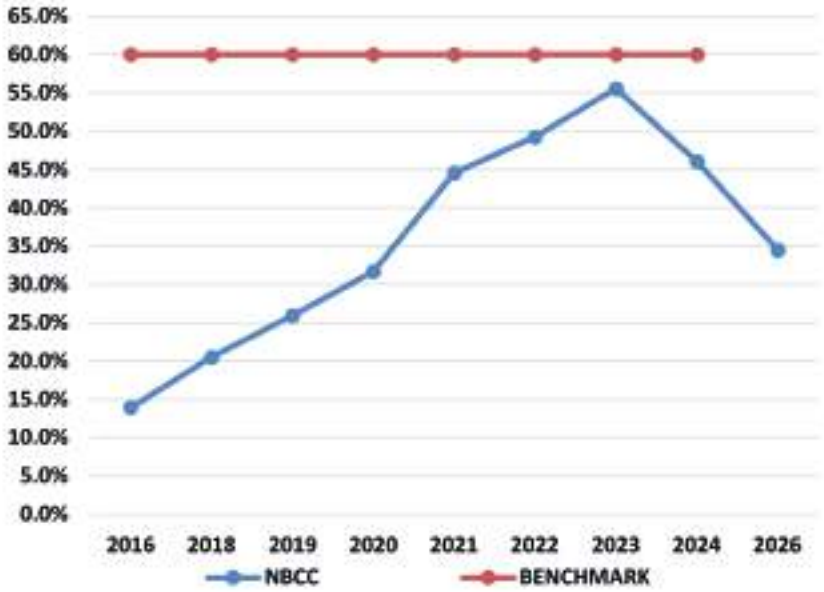
Quick Ratio

Quick Ratio is defined as the ratio of Current Assets to Current Liabilities and represents a measure of liquidity (i.e., the College's ability to pay its short-term obligations). The greater the ***Quick Ratio,*** the greater NBCC's liquidity.

A benchmark of 1.0 or higher is typical in business. A ratio of less than 1.0 may indicate an inability to meet short-term obligations. As can be seen above, NBCC has a ***Quick Ratio*** greater than 1.0, with a 2026 result of 2.22.



Net Assets to Expenses Ratio



Net Assets to Expenses Ratio measures the organization's ability to continue operations in the event of a delay or reduction in revenue.

A benchmark for a mature institution is at least 60%. Less may indicate a lower tolerance for variabilities in revenues.

As NBCC has only been in existence as a Crown corporation since 2010, there has not yet been sufficient time for the College to accumulate the Net Assets of 60%.

NBCC has increased this ratio from 14% in 2016 to 34.5% in 2026. 2023-2026, however, does demonstrate that where expenses grow faster than our contribution to net assets, NBCC may lose ground on this measure.

It should also be noted that as NBCC enters a phase of undertaken and completing major projects funded by Net assets internally restricted for specific purposes, Net assets will decrease over time. This may further impact this measure.

NBCC will be revisiting this measure over the coming year (from an enterprise risk management perspective) to ensure that this measure (or equivalent measure(s); targets) are best selected to meet the objective of this ratio.

For the purposes of this ratio, net assets include accumulated operating surplus, amounts internally restricted for specific purposes, and investment in capital assets, as well as deferred capital contributions. Unfunded employee future benefits are excluded as they do not represent an amount likely to be accessed in the event of a delay or reduction in revenue nor an amount likely to be called upon for settlement in the short to medium term.

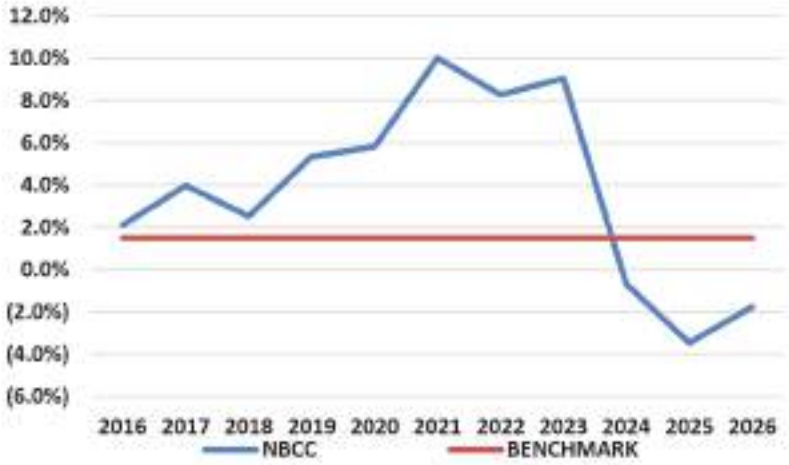
future benefits are excluded as they do not represent an amount likely to be accessed in the event of a delay or reduction in revenue nor an amount likely to be called upon for settlement in the short to medium term.

Excess (Deficiency) to Revenues Ratio

Excess (Deficiency) of Revenues over Expenses to Revenues Ratio measures the extent to which each dollar of revenue yields a contribution to the College's Net Assets.

A benchmark of at least 1.5% is typical. Annual contributions of less than 1.5% leave little room for contingency in annual operations.

As shown above, NBCC achieved a ratio of (1.76%) in 2025-26, although it has typically achieved greater than 1.5% prior to 2024.



NBCC experienced Excesses of revenues over expenses for seven of the past ten years. Howe'ver, this measure does demonstrate that where expenses attributable to projects funded from Net assets are undertaken or completed, (causing a Deficiency of revenues over expenses) NBCC may lose ground on this measure. This was the case in 2025-26.

It should also be noted that as NBCC enters a phase of undertaking and completing major projects funded by Net assets internally restricted for specific purposes, it is expected that Deficiencies of revenues over expenses will occur more frequently.

NBCC will be revisiting this measure over the coming year (from an enterprise risk management perspective) to ensure that this measure (or equivalent measure(s); target(s) are best selected to meet the objective of this ratio.

DEFERRED MAINTENANCE AND REPAIRS

Deferred maintenance includes those maintenance and repair activities on buildings and related systems which were not performed as required or scheduled, usually due to financial or market constraints, but which remain outstanding to return capital assets to an acceptable operating condition. These outstanding activities have therefore been 'deferred' to a future period.

NBCC does not own its buildings. NBCC occupies over 1.4M gross square feet within buildings owned by the Province of New Brunswick subject to a Memorandum of Agreement with the Department of Transportation and Infrastructure (DTI) and Post-Secondary Education, Training and Labour (PETL).

In December 2021, NBCC completed its first Strategic Facilities Master Plan (SFMP). This plan included a non-invasive facilities assessment, which was an update of the one completed in 2014. This facilities condition assessment informs NBCC's 2025-2026 Capital Budget Submission as well as its 10-year capital plan. According to this assessment, NBCC has approximately $27.25 Million in Priority 1 projects excluding areas already subject to regular DTI inspection, such as roofing. The significance of this challenge warrants its inclusion in NBCC's Enterprise Risk Management Report (2025–26) as the following reportable risk:

"Aging infrastructure and accumulated deferred maintenance *- Fiscal restrictions limit the amount of preventative maintenance and capital planning that can be undertaken (fact). This may result in continued deterioration of equipment and infrastructure (risk), which could affect program quality, student/staff experience and enrolments (effect)."*

This risk has consistently been assessed as "High" in annual risk assessments. Accordingly, significant efforts have been undertaken in recent years to mitigate this risk. Through PETL, NBCC annually requests a capital grant to address deferred maintenance. Recent history regarding this process includes NBCC's submission for:

- $6.8M in Priority 1 projects for 2022-23 from which $2.4M in projects were approved;
- $8.5M in Priority 1 projects for 2023-24 from which $2.2M in projects were approved;
- $9.0M in Priority 1 projects for 2024-25 from which $2.2M in projects were approved;
- $8.0M in Priority 1 projects for 2025-26 from which $2.2M in projects were approved; and
- $5.4M in Priority 1 projects for 2026-27 from which $2.2M in projects were approved.

It is important to note that amounts approved by PETL are administered by DTI and do not represent Revenues or Expenses of the College in our audited financial statements.

In addition to this grant and a major capital project to redevelop the Saint John (Grandview) campus, NBCC strives to invest up to 2.5% of its annual revenue in NBCC's capital plan. The 2025–26 audited financial statements reflect total expenditures of $16.7M related to deferred maintenance, repairs and maintenance, and transfers of assets to the Province, each capital in nature, representing 11% of revenues, compared to $5.6M (4.2%) in 2024–25.

Financial Statements

MARCH 31, 2026



KPMG LLP
Frederick Square
77 Westmorland Street, Suite 700
Fredericton, NB E3B 6Z3
Canada
Telephone 506 452 8000
Fax 506 450 0072

INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Board of Governors of New Brunswick Community College

Opinion

We have audited the financial statements of New Brunswick Community College (the College), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of operations and changes in accumulated operating surplus for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2026, and its results of operations and changes in accumulated operating surplus, its changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College'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 College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Fredericton, Canada

June 11, 2026

STATEMENT OF FINANCIAL POSITION

New Brunswick Community College
Statement of Financial Position
Year Ended March 31, 2026

	2026	2025
ASSETS		
Current Assets		
Cash (Note 2c)	$ 15,575	$ 13,525
Due from Province (Note 2c)	80,169,985	90,208,725
Accounts receivable (Note 3)	3,127,956	4,503,005
Inventories (Note 4)	1,337,618	1,597,405
Prepaid expenses	856,100	1,086,910
	85,507,234	97,409,570
Capital assets (Note 5)	4,996,528	4,403,858
	$ 90,503,762	**$ 101,813,428**
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	$ 5,613,097	$ 7,374,547
Accrued salaries and benefits	10,423,323	7,938,865
Deferred revenue (Note 6)	22,468,457	32,424,614
	38,504,877	47,738,026
Long Term Liabilities		
Deferred capital contributions (Note 7)	2,514,307	2,400,367
Employee future benefits (Note 8)	7,002,700	6,586,500
	9,517,007	8,986,867
	48,021,884	56,724,893
NET ASSETS		
Invested in capital assets (Note 10)	$ 2,482,221	$ 2,003,491
Internally restricted for specific purposes (Note 9)	30,329,653	32,549,071
Unfunded employee future benefits (Note 8)	(7,002,700)	(6,586,500)
Accumulated operating surplus	16,672,704	17,122,473
	42,481,878	45,088,535
	$ 90,503,762	**$ 101,813,428**

For further information with regard to Commitments, see Note 12.
For further information with regard to Contingencies, see Note 15.



Wes McLean
Board Chair, Board of Governors



Mary Butler
President and CEO

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

STATEMENT OF OPERATIONS AND CHANGES IN ACCUMULATED OPERATING SURPLUS

	2026 Budget	2026 Actual	2025 Actual
REVENUES			
Grant from Province (Note 14)	$ 70,050,189	$ 73,230,915	$ 69,027,359
Tuition and fees	28,580,082	31,788,655	36,434,769
Contract training	6,000,000	8,012,444	6,719,471
Apprenticeship (Note 14)	5,800,000	8,051,074	5,914,929
Cost recoveries (Note 14)	3,000,000	7,357,924	6,971,890
Sales	3,450,741	3,963,746	2,735,256
College office of research enterprise	2,500,000	1,301,164	2,029,127
Application fee	1,502,750	884,200	934,042
Other grants	210,000	1,971,843	1,452,492
Amortization of deferred capital contributions (Note 7)	402,212	585,516	383,903
Other (Note 11)	129,175	10,865,349	2,165,797
	121,625,149	**148,012,830**	**134,769,035**
EXPENSES			
Salaries and benefits	$ 99,984,634	$105,239,349	$ 103,784,035
Services	12,834,409	13,974,060	15,103,131
Small tools and equipment	5,228,298	3,568,291	4,001,917
Repairs and maintenance	2,118,188	458,565	447,975
Supplies	4,513,356	6,892,414	6,666,168
Cost of goods sold	2,168,546	1,915,662	1,733,686
Deferred maintenance	5,213,383	4,172,985	2,636,246
Amortization of capital assets	902,940	1,389,755	1,177,247
Grants and payments	486,505	820,216	630,668
Bad debt (recovery)	145,000	(124,740)	318,934
Bank fees and miscellaneous	95,483	105,968	90,244
Inventory obsolescence and adjustments	79,400	185,503	361,547
Transfer of assets to Province (Note 14)	1,000,000	12,021,459	2,500,023
	134,770,142	**150,619,487**	**139,451,821**
DEFICIENCY OF REVENUES OVER EXPENSES	**$ (13,144,993)**	**$ (2,606,657)**	**$ (4,682,786)**
Changes in accumulated operating surplus			
Net change in investment in capital assets (Note 10)	500,728	(478,730)	15,901
Net change in net assets internally restricted	7,072,237	2,219,418	2,485,874
Net change in unfunded future employee benefits	527,800	416,200	114,500
DECREASE IN ACCUMULATED OPERATING	**$ (5,044,228)**	**$ (449,769)**	**$ (2,066,511)**

STATEMENT OF CHANGES IN NET ASSETS

	2026					
	Accumulated Operating Surplus	Invested in Capital Assets (Note 10)	Internally Restricted for Specific Purposes (Note 9)	Unfunded Employee Future Benefits: Sick Leave and WorkSafe (Note 8)	Total	2025
NET ASSETS (LIABILITIES), BEGINNING OF YEAR	**$ 17,122,473**	**$ 2,003,491**	**$ 32,549,071**	**$ (6,586,500)**	**$ 45,088,535**	**$ 49,771,321**
Changes during the year						
Deficiency of revenues over expenses	833,200	(804,239)	(2,219,418)	(416,200)	(2,606,657)	(4,682,786)
Net change in investment in capital assets	(1,282,969)	1,282,969	-	-	-	-
Net change during the year	**(449,769)**	**478,730**	**(2,219,418)**	**(416,200)**	**(2,606,657)**	**(4,682,786)**
NET ASSETS (LIABILITIES), END OF YEAR	**$ 16,672,704**	**$ 2,482,221**	**$ 30,329,653**	**$ (7,002,700)**	**$ 42,481,878**	**$ 45,088,535**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

STATEMENT OF CASH FLOWS

	2026	2025
Operating Activities		
Deficiency of revenue over expense	$ (2,606,657)	$ (4,682,786)
Add (deduct) non-cash items		
Amortization of capital assets	1,389,755	1,177,247
Amortization of deferred capital contributions	(585,516)	(383,903)
Bad debt (recovery)	(124,740)	318,934
Inventory obsolescence and adjustments	185,503	361,547
Unfunded employee future benefits	416,200	114,500
	1,281,202	1,588,325
Add (deduct) changes in non-cash working capital		
Accounts receivable	1,499,789	(1,665,825)
Inventories	74,284	12,457
Prepaid expenses	230,810	(210,472)
Accounts payable and accrued liabilities	(1,761,450)	(1,637,514)
Accrued salaries and benefits	2,484,458	(2,785,429)
Deferred revenue	(9,956,157)	12,704,108
	(7,428,266)	6,417,325
Net change in cash from operating activities	(6,147,064)	8,005,650
Add (deduct) capital activities		
Deferred capital contributions	699,456	651,753
Acquisition of capital assets	(1,982,425)	(1,429,196)
	(1,282,969)	(777,443)
(DECREASE) INCREASE TO CASH AND CASH EQUIVALENTS	**$ (10,036,690)**	**$ 2,545,421**
Add: Cash and cash equivalents, beginning of year	90,222,250	87,676,829
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 80,185,560**	**$ 90,222,250**
CASH AND CASH EQUIVALENTS REPRESENTED ON STATEMENT OF FINANCIAL POSITION BY:		
Cash (Note 2c)	$ 15,575	$ 13,525
Due from Province (Note 2c)	80,169,985	90,208,725
Cash and cash equivalents, end of year	**$ 80,185,560**	**$ 90,222,250**

NOTES TO FINANCIAL STATEMENTS

1. AUTHORITY AND PURPOSE

New Brunswick Community College (the "College") was established as a post-secondary public education corporation under the authority of the New Brunswick Community Colleges Act effective May 29, 2010. The College is exempt from income tax under section 149 of the Income Tax Act.

The College, with campuses located in Fredericton, Miramichi, Moncton, Saint John, St. Andrews and Woodstock, is responsible for enhancing the economic and social wellbeing of the Province of New Brunswick ("Province") by addressing the occupational training requirements of the population and of the labour market of the Province.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The College is responsible for the preparation of the financial statements and has prepared them in accordance with Canadian public sector accounting standards for non-profit organizations (PSAS-NPO). The following is a summary of significant accounting policies:

a. Revenue recognition

The College follows the deferral method of revenue recognition for contributions which include donations and government grants.

The College receives grants and donations from a number of different sources for operating, research and capital expenditures.

- Unrestricted operating grant is recognized in the period when received or receivable. Unrestricted operating grant received restricted to use in a future period are considered externally restricted.
- Externally restricted operating grants and contributions are deferred until the period that the expenditure occurs. Externally restricted amounts may only be used for purposes designated by the funder.

Contributions restricted for the purchase of capital assets and capital contributions are deferred and amortized into revenue on a straight-line basis at a rate corresponding with the amortization rate for the related capital assets.

Amounts received or receivable for tuition and fees, sales, apprenticeship, cost recoveries, application fees, and contract training are recognized as revenue in the year in which the underlying transaction or event occurred, performance of obligation fulfilled and future economic benefits are measured and expected to be obtained. Amounts received in advance of the goods or services being provided are reported as unearned (i.e. deferred) revenue.

b. Expense recognition

The College uses the accrual basis of accounting for expenses.

Amounts paid or payable are recognized as expenses in the period in which the goods are delivered or the services are provided to the College. Amounts paid in advance are reported as prepaid expenses.

NOTES TO FINANCIAL STATEMENTS

c. Cash and Due from Province

Cash consists of cash on hand and amounts held by financial institutions.

Amounts due from the Province are cash equivalents. College operational expenses and revenues flow through the Province's bank account as it is cost effective for the College to employ cash concentration services provided by the Province rather than implement independent banking arrangements.

d. Inventories

Inventories for resale are held by bookstores and copy centres operated by the College. Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less any applicable costs associated with its sale or disposal. See Note 4 for more information about inventories.

Inventories held for consumption exist in administrative and instructional programs across the College. The value of these inventories is not recognized in these statements.

e. Capital assets

Purchased capital assets are recorded at cost and are amortized on a straight-line basis over the estimated useful lives. See Note 5 for more information about capital assets. Donated capital assets are recorded at fair value at the date the donation was received. Disposals of capital assets are removed from the accounts at their net book value.

Repairs and maintenance and deferred maintenance are charged to operating expense to the extent that they do not meet capitalization criteria. Betterments which extend the estimated life of an asset owned by the College, (i.e., which increases its service capacity or lowers future costs), are capitalized. When a capital asset no longer contributes to the College's ability to provide services, its' carrying amount is written down to its residual value.

The College operates from land and buildings provided by the Province. A Memorandum of Understanding between the College, the Minister of Transportation and Infrastructure, and the Minister of Post-Secondary Education, Training and Labour outlines the rights and obligations of these parties in relation to their occupancy and use. The Memorandum of Understanding does not constitute a lease or transfer of property to the College. Land, land improvements, buildings and major equipment owned by the Province and occupied or used by the College are therefore not reflected as assets of the College. Construction costs (including work in progress) related to any asset which will be owned by the Province, and betterments made to any asset owned by the Province, are expensed in the year and reflected as a *Transfer of assets to Province* on the Statement of Operations and Changes in Accumulated Operating Surplus.

Asset Class	Estimated Useful Life
Vehicles	5–15 years
Furniture and equipment	5–10 years

NOTES TO FINANCIAL STATEMENTS

f. Accrued payroll benefits

The College has accrued accumulated vacation pay and non-instructional time for employees. The number of days accumulated for each employee as well as their rate of pay (in accordance with current policy and collective agreements) has been used to determine the estimated amount of the liability. This liability is value recorded in accrued salaries and benefits at a value of $6,297,060 in 2025 ($5,020,467 in 2024).

g. Liability for sick leave obligation

Employees of the College are entitled to sick leave benefits which accumulate but do not vest. Sick leave benefits which accumulate but do not vest are considered obligations. PSAS-NPO related to post-employment benefits and compensated absences require the College to recognize that liability in the period in which the employees renders services. Note 8c offers more detail regarding the College's liability for sick leave obligation.

h. Liability for WorkSafeNB obligation

Employees of the College are entitled to wage-replacement benefits in the event of illness or injury which can be established occurred as a result of employment at the College through WorkSafeNB. Benefits payable in the future related to claims approved by WorkSafeNB are considered obligations. PSAS-NPO standards related to post-employment benefits and compensated absences require the College to recognize that liability in the period in which the employee renders services. Note 8d offers more detail regarding liability for WorkSafeNB obligation.

i. Financial instruments

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has not elected to carry any such financial instruments at fair value.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the College determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the College expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

NOTES TO FINANCIAL STATEMENTS

j. Accounting estimates

The preparation of financial statements in accordance with PSAS-NPO standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

If actual results differ from management's estimates the impact is recorded in future periods when the difference is known.

The most significant estimates made in the preparation of the financial statements include:

- Allowance for uncollectible (doubtful) accounts receivable;
- Useful life of capital assets;
- Accrued liabilities related to sick leave obligation;
- Accrued liabilities related to WorkSafeNB obligation; and,
- Deferred revenue.

3. ACCOUNTS RECEIVABLE

	2026	2025
Organizations other than Province	$ 1,157,529	$ 513,126
HST	1,110,010	2,414,886
Tuition and fees	832,194	1,512,430
Advances and other	187,991	191,782
Province of New Brunswick	9,736	293,447
ACCOUNTS RECEIVABLE (GROSS)	**3,297,460**	**4,925,671**
Allowance for doubtful accounts	(169,504)	(422,666)
ACCOUNTS RECEIVABLE (NET)	**$ 3,127,956**	**$ 4,503,005**

NOTES TO FINANCIAL STATEMENTS

3. ACCOUNTS RECEIVABLE (continued)

Accounts Receivable (Gross) comprises the following categories:

	Tuition and fees	Organizations other than the Province	Province	Advances and other	HST	Total
0 - 30 days	367,417	585,296	5,703	187,991	1,110,010	**2,256,417**
31 - 60 days	90,179	121,444	-	-	-	**211,623**
61 - 90 days	207,857	10,391	4,033	-	-	**222,281**
91 - 180 days	12,728	3,465	-	-	-	**16,193**
181 - 360 days	70,405	26,050	-	-	-	**96,455**
361+ days	83,508	736	-	-	-	**84,244**
Other adjustments	100	410,147	-	-	-	**410,247**
Accounts Receivable (Gross)	**832,194**	**1,157,529**	**9,736**	**187,991**	**1,110,010**	**3,297,460**
Allowance for doubtful accounts	(169,504)	-	-	-	-	**(169,504)**
Accounts Receivable (Net)	**$ 662,690**	**$ 1,157,529**	**$ 9,736**	**$ 187,991**	**$ 1,110,010**	**$ 3,127,956**

4. INVENTORIES

	2026	2025
Textbooks for resale	$ 1,071,566	$ 1,291,732
Stationery and supplies for resale	138,113	160,750
Clothing and other items for resale	127,939	144,923
INVENTORIES	**$ 1,337,618**	**$ 1,597,405**

5. CAPITAL ASSETS

	2026			2025
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Vehicles	$ 4,424,079	$ 2,575,422	$ 1,848,657	$ 1,860,556
Furniture and equipment	14,503,755	11,355,884	3,147,871	2,543,302
CAPITAL ASSETS	**$ 18,927,834**	**$ 13,931,306**	**$ 4,996,528**	**$ 4,403,858**

NOTES TO FINANCIAL STATEMENTS

6. DEFERRED REVENUE

	2026	2025
Student tuition	$ 6,558,368	$ 7,699,403
Confirmation fees	5,338,299	6,476,965
Contract training	3,570,989	4,887,780
Saint John campus redevelopment (Note 16)	1,798,522	9,937,892
Capital campaign	1,724,120	501,306
Other	1,633,558	564,066
College office of research enterprise	1,381,169	1,998,414
Technology and learning resource fee	386,347	208,788
Apprenticeship	77,085	150,000
DEFERRED REVENUE	**$ 22,468,457**	**$ 32,424,614**

7. DEFERRED CAPITAL CONTRIBUTIONS

	2026	2025
Deferred capital contributions, beginning of year	$ 2,400,367	$ 2,132,517
Contributions during the year	699,456	651,753
Amortization during the year	(585,516)	(383,903)
DEFERRED CAPITAL CONTRIBUTIONS, end of year	**$ 2,514,307**	**$ 2,400,367**

NOTES TO FINANCIAL STATEMENTS

8. EMPLOYEE FUTURE BENEFITS

a. Pension

Effective January 1, 2014, the Public Service Superannuation Act (the "PSSA") was converted and replaced by the Public Service Shared Risk Plan (PSSRP) by the Act Respecting Pensions under the Public Superannuation Act. The PSSRP is a shared risk pension plan in accordance with New Brunswick's Pension Benefits Act. Certain employees of the College are entitled to receive benefits under the PSSRP. Under the New Brunswick Community Colleges Act, liabilities related to the PSSA were not transferred to the College and are the responsibility of the Province. Obligations under the PSSRP continues to be the responsibility of the Province. As such contributions and the related liabilities are not reflected in these financial statements.

b. Retirement allowance

Certain long serving employees receive a retirement allowance upon retirement from public service. The plan is funded by the Province. The Province made changes to this program in 2013-14 where management and non-union employees of the College no longer accumulate retirement allowance credits. Under the New Brunswick Community Colleges Act, liabilities related to retirement allowances were not transferred to the College and are the responsibility of the Province. Retirement obligations continue to be the responsibility of the Province. As such, contributions and the related liabilities are not reflected in these financial statements.

c. Sick leave

The College provides sick leave benefits to every employee who works full-time at a rate of 1.25 days per month (or 15 days per year) up to a maximum of 240 days. The benefits are pro-rated for part-time employees. An employee can take a leave due to sickness with pay for an amount of time equal to the total accumulated sick leave days. Unused sick leave days are carried forward for use in future years, providing the employee remains employed with the College. When an employee retires or terminates there is no pay-out of the remaining accumulated sick leave days. Therefore, the sick leave benefits are benefits that accumulate but do not vest. Based on an actuarial valuation of the liability at March 31, 2024, and extrapolated to March 31, 2026, the accrued sick leave obligation and the expense related to the accrued sick leave obligation are as follows:

	2026	2025
Accrued sick leave obligation, beginning of year	$ 3,162,200	$ 2,991,500
Expense related to accrued sick leave obligation:		
Current period benefit cost	689,100	647,700
Amortization of actuarial losses	136,500	225,500
Sick leave benefit interest expense	172,200	176,800
	997,800	1,050,000
Employer benefit payments	(628,900)	(879,300)
ACCRUED SICK LEAVE OBLIGATION, END OF YEAR	**$ 3,531,100**	**$ 3,162,200**

NOTES TO FINANCIAL STATEMENTS

c. Sick leave (continued)

The sick leave liability is unfunded. The liability has been determined by an actuarial valuation using management's best estimate of salary escalation, accumulated sick days at retirement, long term inflation rates and discount rates, as follows:

	March 31, 2026	March 31, 2025
Workforce Profile		
Number of employees	1,068	1,068
Average age of employees	48.7 years	48.7 years
Average service of employees	8.9 years	8.9 years
Expected average remaining service life	11 years	11 years
Actuarial Assumptions		
Discount rate	4.60% per annum	4.30% per annum
Salary escalation	3.00% per annum	3.00% per annum

d. WorkSafeNB

The College provides benefits to workers who are injured in the course of their employment. These benefits are administered by WorkSafeNB. The College is self-insured for WorkSafeNB claims. Claim payments are factored into the liability for WorkSafeNB obligation as outlined below. Based on an actuarial valuation of the liability at March 31, 2024, and extrapolated to March 31, 2026, the accrued WorkSafeNB obligation and the expense related to the accrued WorkSafeNB obligation are as follows:

	2026	2025
Accrued WorkSafeNB obligation, beginning of year	$ 3,424,300	$ 3,480,500
Expense related to accrued sick leave obligation:		
Current period benefit cost	343,800	323,200
Amortization of actuarial (gains) losses	(88,500)	(84,600)
Workers' compensation benefit interest expense	104,900	105,600
	360,200	344,200
Employer benefit payments	(312,900)	(400,400)
ACCRUED WORKSAFENB OBLIGATION, END OF YEAR	**$ 3,471,600**	**$ 3,424,300**

NOTES TO FINANCIAL STATEMENTS

d. WorkSafeNB (continued)

Annual claim payments are expensed by the College and are included in salaries and benefits in the Statement of Operations and Changes in Accumulated Operating Surplus. The WorkSafeNB liability is unfunded. The liability has been determined by an actuarial valuation using management's best estimate of inflation, discount rate and assumed average age at accident, as follows:

	March 31, 2026	March 31, 2025
Workforce Profile		
Extended wage loss benefits in pay	4	4
Average age of extended wage loss benefits	60.02 years	60.02 years
Assumed average age at accident	47 years	47 years
Economic Assumptions		
Discount rate	4.60% per annum	4.30% per annum
Inflation rate	1.90% per annum	1.80% per annum
Health Care Inflation rate	4.25% per annum	4.25% per annum

NOTES TO FINANCIAL STATEMENTS

9. NET ASSETS INTERNALLY RESTRICTED FOR SPECIFIC PURPOSES

The College restricts a portion of its net assets for specific purposes. Restrictions are recorded to reflect funds that have been internally restricted for specific projects and purposes including one-time, non-recurring expenditures as approved by the Board of Governors. Amounts included in net assets internally restricted for specific purposes include the following categories:

	2026	2025
President and CEO		
Capital Investment Fund	$ 13,562,096	$ 13,562,096
Strategic Funds	720,873	703,809
Central Classroom Evergreening Funds	621,480	-
College-wide Contingency	284,884	1,000,000
All other	215,000	50,000
	15,404,333	15,315,905
Executive Director People and Culture		
Facilities and Ancillary Services	8,664,660	10,078,021
	8,664,660	10,078,021
Vice-President Engagement and Experience		
Operational Excellence	550,116	-
Strategic Partnerships	219,036	219,313
Advancement	55,676	55,856
Marketing	12,350	16,354
	837,178	291,523
Vice-President Academic and Research		
Information Technology	1,440,479	2,181,556
School of Trades and Apprenticeship	1,225,034	1,219,825
Academic Planning and Evaluation	1,111,529	1,154,612
School of Professional and Part-time Learning	593,468	1,222,115
College Office of Research Enterprise	487,728	178,722
Student Development	265,536	167,778
School of Engineering Technologies	192,735	338,106
School of Information Technology	61,706	97,695
School of Health and Wellness	24,928	51,395
School of Business, Hospitality and Tourism	14,489	104,171
School of Arts, Community and Protective Services	5,443	139,771
Registrar Office	407	-
Global Partnerships	-	7,876
	5,423,482	6,863,622
Net assets internally restricted for specific purposes	**$ 30,329,653**	**$ 32,549,071**

NOTES TO FINANCIAL STATEMENTS

10. NET ASSETS INVESTED IN CAPITAL ASSETS

	2026	2025
Capital assets (net book value) (Note 5)	$ 4,996,528	$ 4,403,858
Capital assets funded from capital contributions (Note 7)	(2,514,307)	(2,400,367)
NET ASSETS INVESTED IN CAPITAL ASSETS	**$ 2,482,221**	**$ 2,003,491**

The change in Net Assets Invested in Capital Assets comprises:

	2026	2025
Net change in investment in capital assets:		
Acquisition of capital assets	$ 1,982,425	$ 1,429,196
Amount funded by deferred contributions	(699,456)	(651,753)
	1,282,969	777,443
Excess (deficiency) of revenues over expenses:		
Amortization of capital assets	(1,389,755)	(1,177,247)
Amortization of deferred capital contributions	585,516	383,903
	(804,239)	(793,344)
NET CHANGE IN INVESTMENT IN CAPITAL ASSETS	**$ 478,730**	**$ (15,901)**

11. OTHER REVENUE

	2026	2025
Saint John redevelopment (Note 16)	$10,589,010	1,940,701
Other	169,390	107,437
Facility and related rentals	106,949	117,659
OTHER REVENUE	**$ 10,865,349**	**$ 2,165,797**

NOTES TO FINANCIAL STATEMENTS

12. COMMITMENTS

The College is committed to the following lease, maintenance, or other agreement payments for future years.

	2026	2025
2025-26	$ -	$ 3,322,595
2026-27	3,237,049	1,494,896
2027-28	1,861,258	1,344,327
2028-29	751,662	500,265
2029-30	192,459	235,780
2030-31	129,585	-
	$ 6,172,013	**$ 6,897,863**

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a. Fair value of financial assets and financial liabilities

Financial instruments of the College comprise cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, as well as accrued salaries and benefits. The carrying value of these financial instruments approximates their fair value due to the relatively short terms to maturity.

b. Credit risk

The College may be exposed to credit-related losses in the event of non-performance by counterparties to its financial instruments including accounts receivable of students, sponsors and other parties contracting for the receipt of instruction. The amounts disclosed in the financial statements are net of an allowance for doubtful accounts, estimated by the College in accordance with its guidelines. The College has a diverse mix of students, sponsors and other parties limiting significant exposure to any individual counterparty.

c. Liquidity risk

The College may be exposed to liquidity risk in the event that its obligations exceed its supply of liquid assets or authorized spending. Through cash concentration services provided by the Province, the College receives adequate liquid assets to fulfill its obligations as they become due. The College also has an internally restricted contingency fund in place to accommodate reasonable unforeseen expenditure.

NOTES TO FINANCIAL STATEMENTS

14. RELATED PARTY TRANSACTIONS

The College was established as a post-secondary public education corporation under the authority of the *New Brunswick Community Colleges Act* to serve as an agent of the Crown. As such, the College and the Province, including its various ministries, departments and other Crown Corporations are related parties.

During the period, the following were recognized and are measured at the exchange amount, which is the amount of consideration established and agreed by the related parties:

- $73,230,915 in grants from the Province ($69,027,359 in 2025);
- $7,357,924 in revenues from departments of the Province regarding cost recoveries ($6,971,890 in 2025);
- $8,051,074 in revenues from departments of the Province regarding Apprenticeship ($5,914,929 in 2025);
- $10,589,010 in revenues from departments of the Province regarding a major capital project ($1,940,701 in 2025); and
- $327,354 in capital contributions from departments of the Province which have been recorded in deferred capital contributions ($175,413 in 2025).

Contributed services are received from the Province for various unallocated operating costs. The College has elected not to recognize these as expenses. The contributed services include:

- Use of buildings at six campuses and corporate offices, having an area in excess of 1,400,000 square feet
- Cash concentration services (see Note 2c for more information); and,
- Enterprise resource planning solutions including payroll and financial system services.

During the period, the College transferred $12,021,459 ($2,500,023 in 2025) to the Province of New Brunswick's Department of Transportation and Infrastructure related to projects completed during the period (see Note 2 e).

Amounts owing from the Province at March 31, 2026, total $9,736 ($293,447 in 2025) and are included in accounts receivable (see Note 3).

NOTES TO FINANCIAL STATEMENTS

15. CONTINGENCIES

a. Legal

The College is engaged in various legal proceedings. Potential costs, if any related to claims against the College have not been reflected in the financial statements. While the ultimate outcome of these proceedings cannot be predicted at this time, it is the opinion of the College that the resolution of these claims will not have a material impact on the financial position of the College. Any loss or gain that may result from these proceedings will be accounted for in the period in which the settlement occurs.

b. Collective bargaining

The College is party to four collective agreement expired on or before March 31, 2026. At the time of issuance of these financial statements, no settlements have been reached. The value of potential settlements cannot be predicted at this time. Accordingly, amounts are expensed in the period that they occur. The Province has traditionally increased the Grant from Province in the amount of economic increases related to approved settlements in the form of an in-year supplementary budget transfer.

16. MAJOR CAPITAL PROJECT

The College is planning for a major capital project redeveloping the Saint John (Grandview) campus to accommodate an additional 244 students in skilled trades training programs as well as to decrease campus energy utilization rates. This multi-year, multi-phase project is primarily funded by a federal contribution agreement through the Regional Development Corporation for up to $22.95 Million and a provincial contribution agreement through WorkingNB for up to $21.10 Million. The substantial completion date is expected to be no later than March 31, 2028.

The College has received $1,000,000 ($10,000,000 in 2025) from WorkingNB and $1,449,640 ($478,593 in 2025) from Regional Development Corporation.

During the year, the College recognized $10,589,010 ($1,940,701 in 2025) into *other revenues as it relates to the expenditures incurred, which are recorded in the Transfer of assets to Province*. At March 31, 2026, $1,798,522 ($9,937,892 in 2025) were unused and have been recorded as *Deferred revenue* on the Statement of Financial Position.

SUPPLEMENTARY INFORMATION SCHEDULE A: OPERATIONS BY TYPE

	2026 Budget	2026 Actual	2025 Actual
REVENUES			
Tuition and fees	$ 28,580,082	$ 31,788,655	$ 36,434,769
Contract training	6,000,000	8,012,444	6,719,471
Sales	3,450,741	3,963,746	2,735,256
College office of research enterprise	2,500,000	1,301,164	2,029,127
Application fee	1,502,750	884,200	934,042
Other grants	210,000	1,971,843	1,452,492
Other (Note 7 and 11)	531,387	11,450,865	2,549,700
	42,774,960	59,372,917	52,854,857
Apprenticeship and cost recoveries (Note 14)	8,800,000	15,408,998	12,886,819
Grant from Province (Note 14)	70,050,189	73,230,915	69,027,359
	121,625,149	148,012,830	134,769,035
EXPENSES			
Direct program	$ 50,537,006	$ 53,816,436	$ 52,486,416
Management and administrative services	40,252,953	49,730,304	41,809,588
Educational support	26,176,608	22,577,184	23,994,970
Contract training	8,587,325	10,346,190	8,224,786
Apprenticeship and cost recoveries	7,047,704	12,233,711	11,202,375
Cost of goods sold	2,168,546	1,915,662	1,733,686
	134,770,142	150,619,487	139,451,821
DEFICIENCY OF REVENUES OVER EXPENSES	**$ (13,144,993)**	**$ (2,606,657)**	**$ (4,682,786)**

Appendices



Appendix A

PERFORMANCE MEASUREMENT FRAMEWORK

						FIVE-YEAR HISTORICAL				
Item No.	**Item Description**	**Baseline**	**GNB Target**	**2025-26 Target**	**2025-26 Results**	**2024-25 Results**	**2023-24 Results**	**2022-23 Results**	**2021-22 Results**	**2020-21 Results**
1. EDUCATION THAT WORKS										
1.1	**TOTAL LEARNERS INDEX**	12,052	-	11,832	13,315	12,741	13,128	12,294	12,052	10,247
1.2	**EMPLOYMENT OUTCOME**	83.0%	-	86.5%	85.5%	87.0%	90.5%	88.0%	83.0%	86.5%
1.2.1	**Graduate Employment in Related Field (%)***	76.0%	78.0%	83.0%	79.0%	81.0%	87.0%	84.0%	76.0%	82.0%
1.2.2	**Overall Graduate Employment (%)***	90.0%	80.0%	90.0%	92.0%	93.0%	94.0%	92.0%	90.0%	91.0%
1.3.1	**Annual Graduation (%)***	78.7%	60.0%	79.0%	87.3%	90.1%	92.2%	91.0%	84.6%	78.7%
1.3.2	**Student Retention (%)***	87.5%	83.0%	83.0%	90.3%	89.5%	89.7%	88.9%	86.0%	87.5%
2. GOING BEYOND IN ALL WE DO										
2.1	**NBCC EXPERIENCE**	76.9%	-	81.0%	81.0%	85.2%	77.1%	78.2%	76.9%	76.4%
2.2	**NBCC STEWARDSHIP**	22.7	-	11.9	19.95	8.7	11.9	11.0	22.7	15.7
3. RELATIONSHIPS FOR IMPACT										
3.1.1	**Graduate Employment in NB (%)**	92.0%	-	90.0%	96.0%	95.0%	92.0%	93.0%	92.0%	93.8%
3.1.2	**Graduate Satisfaction (%)***	82.7%	80.0%	90.0%	84.3%	82.5%	84.8%	82.0%	82.7%	86.0%

**KPI's established by the Government of New Brunswick. Targets established by NBCC.*

Appendix B

NBCC FULFILMENT OF 2024-25 MANDATE LETTER

As part of the provisions of New Brunswick's *Accountability and Continuous Improvement Act,* NBCC receives an annual mandate letter from the Minister of Post-Secondary Education, Training and Labour (PETL) outlining expectations for the coming year. The following summarizes NBCC's progress in 2025-26 related to the mandate.

Trusted Leadership

NBCC strengthened transparency and accountability through enhanced KPI reporting, improved stewardship performance (129% increase), and continued compliance with all legislative reporting requirements. Additionally, work has been completed on executive compensation and surplus policy development in consultation with FTB and PETL. Awaiting final agreement.

Affordability and Housing

NBCC supported provincial housing priorities through increased domestic enrolment (+13.7%), expanded training capacity in trades and construction programs, and continued alignment of program delivery with workforce needs in housing-related sectors.

Education

NBCC advanced its mandate by welcoming 13,315 learners (+12.5% above target), increasing domestic participation, maintaining strong graduate employment outcomes (92% employed; 96% employed in NB), and progressing development of a comprehensive Student Success metric to support readiness, retention, and learner achievement.

Environment

NBCC is committed to doing its part to address climate change and continues to monitor and invest in energy efficiency upgrades. In the last year, NBCC maintained it's Energy Use and GHG Emission rates and anticipates continuing the downward trend in consumption thanks to ongoing energy improvements.

Consultation with Indigenous Communities

NBCC continued to strengthen relationships with Indigenous partners through ongoing pathway agreements, program supports, and engagement activities aligned with provincial reconciliation commitments and learner access priorities.

Diversity Representation

NBCC advanced diversity and inclusion priorities through our strategic enrolment initiatives, focusing on underrepresented learner populations. NBCC saw growth in our Indigenous and Newcomer learner populations and sustained involvement from our mature learner base.

Other Legislative Requirements

NBCC fulfilled all legislative requirements under the *Accountability and Continuous Improvement Act,* including submission of the 2025-26 Business Plan, 2024-25 Annual Report, 2020-25 Five Year Organizational and Operational Review and compliance with provincial procurement policies and reporting standards.



NBCC
COLLEGEWORKS