

Sheridan 2027:
Forging the Future

2024/25 Financial Results

June 19, 2025



Land acknowledgment

First Nations peoples have lived on this part of Turtle Island for millenia, stewarding the land, the water and all that contributes to life in this region. Today, the culture and presence of First Nations, Inuit and Metis peoples enrich the lands and people of this territory.

Over two centuries ago, the Mississauga people welcomed settlers to this territory, providing sustenance and engaging in trade and commerce. Between 1781 to 1820, eight treaties were signed with the Mississaugas of the Credit First Nation who opened their territory to settlement. Today, Sheridan campuses are located on Treaty 14, also known as the Head of the Lake Purchase of 1806 and Treaty 22 and 23 of 1820.

Treaty history is foundational, and it is our collective responsibility to honour the land, as we honour and respect those who have gone before us, those who are here and those who have yet to come. We are grateful for the opportunity to be learning, working and thriving on this land, and we commit to learn the truth and be active in the process of reconciliation.

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1.0 Introduction

The Sheridan College Institute of Technology and Advanced Learning (Sheridan) has experienced a strong financial result for the year ended March 31, 2025, generating an operating surplus of \$49.0 million. This result was driven by additional tuition revenues, with better than budgeted domestic enrolment as well as reduced expenses due to effective expense controls and in-year cost reduction efforts. In addition, due to the Immigration, Refugees and Citizenship Canada (IRCC) announcement on January 22, 2024, significant expense reductions were achieved as part of the original budget, laying the solid foundation for positive financial results. Overall, Sheridan has maintained a strong financial position as per financial health indicators outlined in Section 6.0.

This report complements Sheridan’s 2024/25 Financial Statements by providing additional detail and context to the fiscal year’s operating results.

2.0 Financial Overview

This section provides an overview of the financial results for 2024/25, including comparison to 2023/2024 actuals and to the 2024/25 approved budget.

2.1 Overview of Financial Results

Table 1 presents a summary of the statement of operations for the past two years and comparison to budget. Subsequent sections of the report provide further details for the significant line items.

Table 1 – Year over Year and Budget to Actual Results

(in \$ thousands)	2023/24 Actuals	2024/25 Actuals	Year-over-Year Change	2024/25 Budget	Variance to Budget
Revenues					
Tuition and Fees	359,671	384,936	25,265	382,024	2,912
Government Grants	88,886	92,890	4,004	84,790	8,100
Other Revenues	71,274	71,627	353	72,940	(1,313)
Total Revenues	519,831	549,453	29,622	539,754	9,699
Expenses					
Salaries and Benefits	298,400	302,502	4,102	296,271	6,231
Supplies and Services	140,127	159,117	18,990	182,337	(23,220)
Amortization of Capital Assets	22,340	24,098	1,758	23,398	700
Expenses related to Deferred Contributions	12,618	13,564	946	15,000	(1,436)
Other Expenses	1,115	1,134	19	-	1,134
Total Expenses	474,600	500,415	25,815	517,006	(16,591)
Surplus	45,231	49,038	3,807	22,748	26,290

Figure 1 shows the revenue and expenses for the past five years. Revenues improved by \$29.6 million year-over-year or 5.7%. Expenses increased by \$25.8 million year-over-year or 5.4%. Figure 2 shows the comparison to budget. Revenues exceeded budget by \$9.7 million or 1.8% while expenses were less than budget by \$16.6 million or 3.2%.

Appendix A – 2024/25 Financial Results

Figure 1 – Multi-year Income Trend

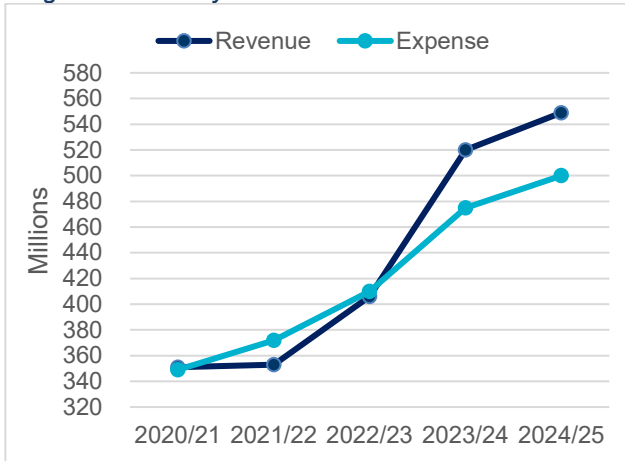
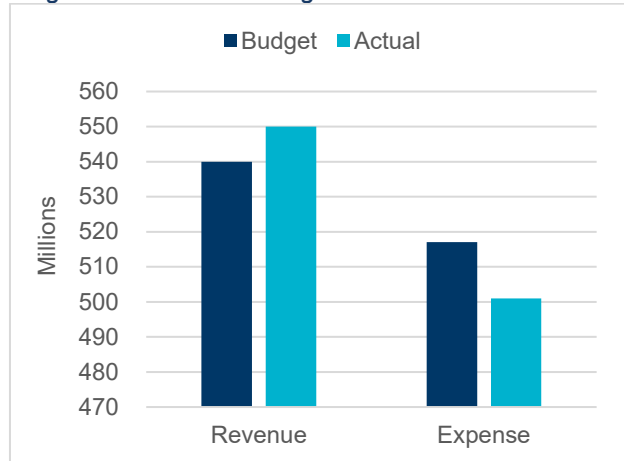


Figure 2 – 2024/25 Budget vs Actuals



2.2 Enrolment

Enrolment in 2024/25 grew slightly over 2023/24. Figure 3 shows the multi-year enrolment trend and Figure 4 shows the comparison from budgeted enrolments to actuals.

Key highlights include:

- International enrolments increased by 0.1% year-over-year. International enrolments fell short of the budget by 4.5%.
- Domestic enrolments increased by 5.3% year-over-year and were above budget by 0.4%.

Figure 3 – Multi-year Enrolment Trend

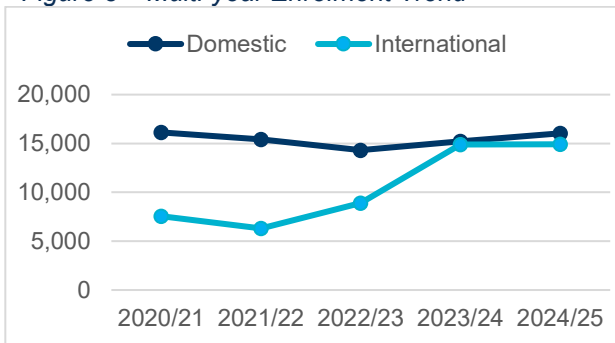
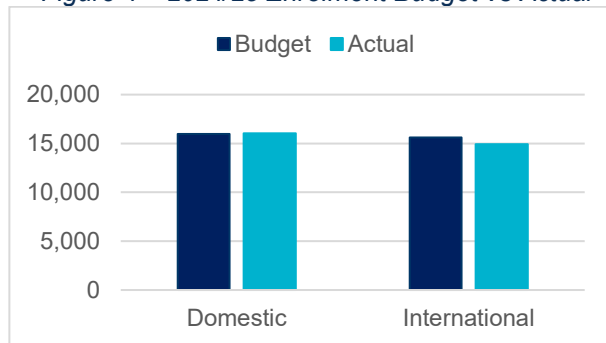


Figure 4 – 2024/25 Enrolment Budget vs Actual



3.0 Revenues

Table 2 provides a summary of revenues, including the year-over-year change and comparison to budget. Overall, revenues increased by \$29.6 million year-over-year and \$9.7 million compared to budget. The changes are mainly due to increases in tuition and fees as well as government grants which will be discussed in sections 3.1 and 3.2.

Table 2 – Revenues

(in \$ thousands)	2023/24 Actuals	2024/25 Actuals	Year-over-Year Change	2024/25 Budget	Variance to Budget
Tuition and Fees	359,671	384,936	25,265	382,024	2,912
Government Grants	88,886	92,890	4,004	84,790	8,100
Other Revenues	71,274	71,627	353	72,940	(1,313)
Total	519,831	549,453	29,622	539,754	9,699

3.1 Tuition and Fees

Table 3 shows the year-over-year change and comparison to budget for tuition and fee revenues. Tuition and fee revenues have increased by \$25.3 million (7.0%) from 2023/24 to 2024/25 and were \$2.9 million (0.8%) more than the approved 2024/25 budget. Key drivers include:

- Domestic tuition increased by \$3.0 million (5.3%) year-over-year and was \$3.0 million (5.2%) above the approved budget target, primarily due to enrolment. Part of this change can be attributed to an increase in the tuition set-aside of \$0.7 million year-over-year.
- Increased international tuition of \$14.2 million (6.0%) year-over-year was due to an increase in the prior year's Winter tuition deferral recorded in the current year along with a slight increase in international enrolment and a 2% increase in tuition fees. International tuition exceeded the approved budget by \$4.1 million (1.7%).
- Collaborative tuition revenue decreased by \$2.6 million due to the gradual phase out of the Culture, Communication, Information and Technology (CCIT) program in partnership with the University of Toronto Mississauga.
- Sheridan at Canadian College of Technology and Trades (CCTT) was launched in Fall 2023/2024. Sheridan earns a 35% revenue share based on tuition charged to students and 100% of Sheridan specific ancillary fees. The increase is due to a full year of operations in 2024/2025.

Table 3 – Tuition and Fee Revenue

(in \$ thousands)	2023/24 Actuals	2024/25 Actuals	Year-over-Year Change	2024/25 Budget	Variance to Budget
Domestic Full Time Tuition	52,910	56,721	3,811	53,019	3,702
Domestic Part Time Tuition	5,088	4,323	(765)	5,025	(702)
International Full Time Tuition	233,150	246,303	13,153	243,158	3,145
International Part Time Tuition	4,410	5,460	1,050	4,499	961
Collaborative Tuition	6,124	3,483	(2,641)	3,489	(6)
Sheridan at CCTT	5,899	16,197	10,298	18,998	(2,801)
Student Fees	52,090	52,449	359	53,836	(1,387)
Total	359,671	384,936	25,265	382,024	2,912

3.2 Government Grant Revenue

Table 4 shows government grant revenue including year-over-year change and comparison to budget. Government grant revenue increased by \$4.0 million (4.5%) year-over-year and \$8.1 million (9.6%) compared to budget. Key drivers include:

- Ministry of Colleges, Universities, Research Excellence and Security (MCURES) operating grants increased by \$1.9 million year-over-year and are \$2.4 million more than budget. This increase is mainly due to Sheridan receiving \$2.6 million of unbudgeted funding from the first year of the Postsecondary Education Sustainability Fund which is a three-year government funding commitment intended to support financial sustainability across the sector in light of international student caps.
- The MCURES grant is partially offset by an increase in the international student recovery fee (contra revenue) of \$0.5 million year-over-year and \$0.2 million higher than budget. The government reduces the operating grant by \$375 per international student per term. Since international enrolment has increased slightly over the prior year, Sheridan's operating grant has decreased.
- Special purpose grants increased by \$1.8 million year-over-year due to an increase in the Nursing Expansion grant of \$1.6 million and are \$3.6 million above budget due to the unbudgeted Nursing Expansion grant of \$2.8 million and \$0.7 million higher than budget Clinical Education grant.
- Ministry of Labour, Immigration, Training and Skills Development (MLITSD) grants are \$1.0 million higher than budget due to \$0.8 million higher than budget Provincial Apprenticeship Training grant.

Table 4 – Government Grant Revenue

(in \$ thousands)	2023/24 Actuals	2024/25 Actuals	Year-over- Year Change	2024/25 Budget	Variance to Budget
MCURES Operating Grants	74,580	76,461	1,881	74,091	2,370
Special Purpose	4,864	6,638	1,774	3,019	3,619
MLITSD Grants	6,510	6,281	(229)	5,246	1,035
Other Grants	2,698	3,233	535	2,434	799
Capital Grants	234	277	43	-	277
Total	88,886	92,890	4,004	84,790	8,100

4.0 Expenses

Table 5 provides a summary of expenses, including the year-over-year change and comparison to budget. Overall, expenses have increased by \$25.8 million (5.4%) year-over-year and are \$16.6 million (3.2%) lower than budget. Refer to sections 4.1 and 4.2 for explanations for changes in balances.

Table 5 – Expenses

(in \$ thousands)	2023/24 Actuals	2024/25 Actuals	Year-over-Year Change	2024/25 Budget	Variance to Budget
Salaries and Benefits	298,400	302,502	4,102	296,271	6,231
Supplies and Services	140,127	159,117	18,990	182,337	(23,220)
Amortization of Capital Assets	22,340	24,098	1,758	23,398	700
Expenses related to Deferred Contributions	12,618	13,564	946	15,000	(1,436)
Other	1,115	1,134	19	-	1,134
Total	474,600	500,415	25,815	517,006	(16,591)

4.1 Salaries and Benefits

Salaries and benefit expenses are \$4.0 million (1.4%) higher than prior year and \$6.2 million (2.1%) higher than budget. Table 6 shows total salaries and benefits by category. Key drivers include:

- Part-time faculty costs increased as more teaching was delivered by non-full-time faculty due to an overall year-over-year enrolment increase. In addition, vacant full-time faculty positions were not filled due to the financial outlook based on IRCC restrictions and decreased projected international enrolments in FY2026.
- Administrative costs increased due to annual wage and benefit increases and increased costs related to layoffs and early terminations.
- Part-time support staff costs decreased as a result of prioritization of key activities and improved staff deployment models.

Table 6 – Salaries and Benefits

(in \$ thousands)	2023/24 Actuals	2024/25 Actuals	Year-over-Year Change	2024/25 Budget	Variance to Budget
Faculty - Full Time	85,972	85,096	(876)	87,627	(2,540)
Faculty - Part Time	60,502	66,284	5,782	56,841	9,443
Administration	58,095	62,798	4,703	61,468	1,336
Support - Full Time	68,051	68,518	467	67,855	666
Support - Part Time	25,780	19,806	(5,974)	22,480	(2,674)
Total	298,400	302,502	4,102	296,271	6,231

4.2 Supplies and Services

Supplies and services spending increased by \$19.0 million (13.6%) year-over-year and was \$23.2 million (12.7%) less than budget. Figure 5 shows the breakdown between instructional and non-instructional costs and Figure 6 shows supplies and services by category.

The year-over-year increased spending is comprised of:

- \$8.1 million more for instructional supplies due to an increase in CCTT expenses of \$6.4 million and kit supplies of \$1.2 million
- \$4.8 million more for general contract services related to PeopleSoft upgrades of \$3.0 million
- \$2.9 million more for student awards, as a result of increased international entrance scholarships as part of a key strategy to attract students
- \$1.1 million more for utilities and municipal taxes

Figure 5 – Instructional vs. Non-Instructional costs

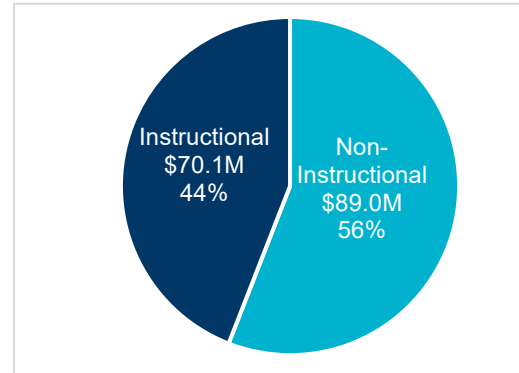
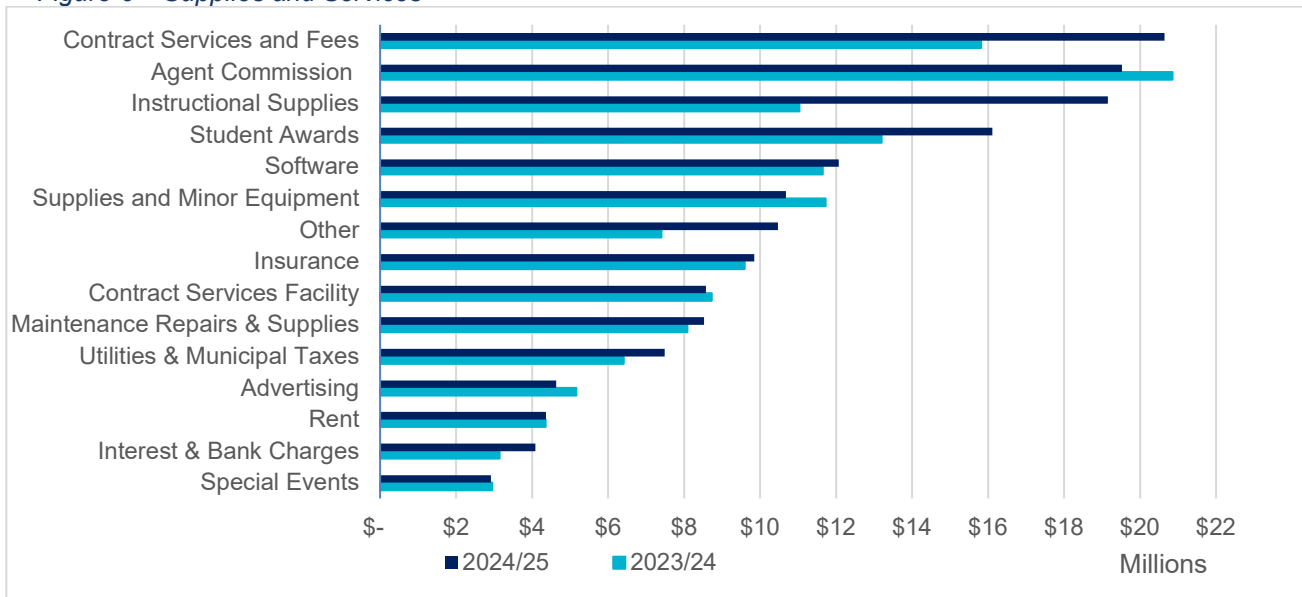


Figure 6 – Supplies and Services



The actual to budget decreased spending is primarily due to:

- \$2.3 million lower agent commission costs due to a 20% decrease to budget in new international enrolment intakes
- \$1.6 million lower spending on student awards due to new international enrolment intakes being down 20% to budget
- \$5.0 million operating contingency included in the original budget was not required
- \$2.5 million lower software expense due to overall underspend of capital and in-year expenses compared to initial allocation of capital and springboard budget
- \$1.9 million underspending on employee devices due to change in laptop refresh from 3 to 4 years
- \$3.9 million initially budgeted as part of the computer refresh plan but only \$0.6 million spent

5.0 Balance Sheet

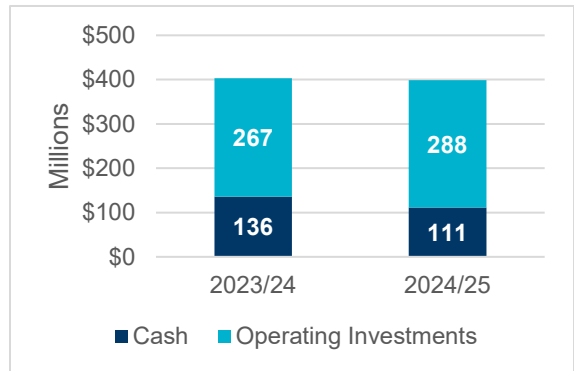
The section below includes key balance sheet accounts:

5.1 Cash and Operating Investments

Sheridan currently has sufficient cash and operating investments on hand to fund its operations. The combined value decreased year-over-year from \$403 million to \$399 million (see Figure 7). Operating investments are for funds that are not required in the short term and are invested in Guaranteed Investment Certificates (GICs).

Sheridan prepares a rolling cash flow forecast that is updated monthly and is used to support operating investment decisions.

Figure 7 – Cash and Operating Investments

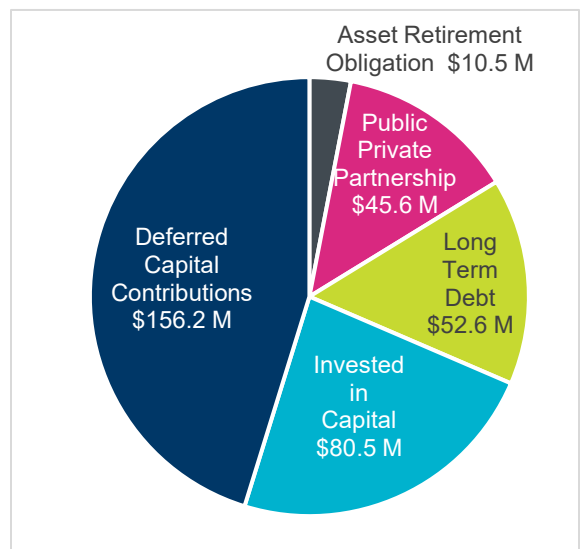


5.2 Capital Assets

The net book value of Sheridan’s capital assets is \$345.4 million (see Figure 8) and is funded through:

- \$156.2 million (45%) from capital contributions, including government capital grants, research capital grants and donations restricted for capital
- \$52.6 million (15%) from long-term debt which is calculated as long-term debt less receivables for future student fees intended to pay portions of the Davis gym and HMC C-wing debts
- \$80.5 million (24%) from Sheridan’s accumulated surplus which represents operating funds invested in capital
- \$45.6 million (13%) from Public Private Partnership (residence)
- \$10.5 million (3%) from Asset Retirement Obligation

Figure 8 – Capital Asset Funding

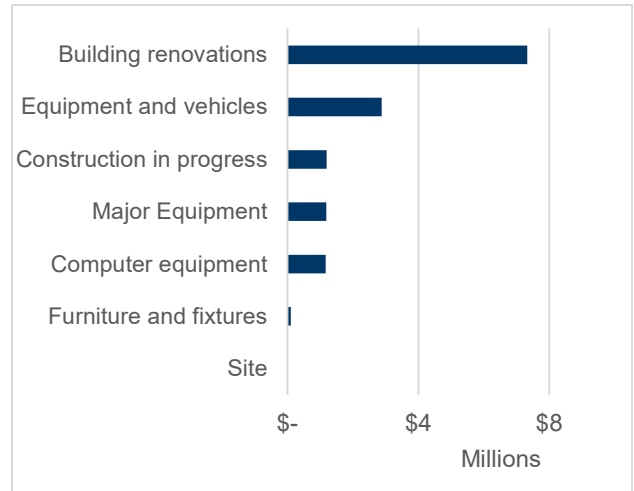


Appendix A – 2024/25 Financial Results

Capital assets additions were \$13.8 million during the year (see Figure 9). Major additions include:

- \$7.3 million for building renovations including electrical infrastructure upgrades, air handling unit and energy recovery ventilator replacement, roof replacement at Trafalgar B-Wing, classroom renovation for Nursing program at Davis Campus and Athletics stadium seating replacement
- \$2.9 million for equipment and vehicle category, including IT classroom refreshes and treadmills for athletics
- \$1.2 million for construction in progress for Davis campus Centre for Healthy Communities
- \$1.2 million for major equipment replacement including hydraulic and pneumatic machinery and an emergency generator at Trafalgar
- \$1.2 million for computer equipment for faculties

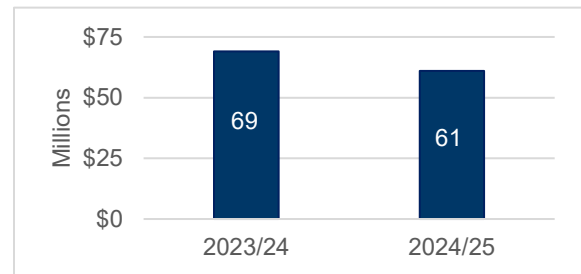
Figure 9 – Capital Asset Additions



5.3 Long-Term Debt

Sheridan's long-term debt decreased year-over-year from \$69 million to \$61 million (see Figure 10). This decrease was due to scheduled principal payments and early repayment of two loan facilities, Davis Residence and Davis Gymnasium.

Figure 10 – Long Term Debt



5.4 Deferred Revenue

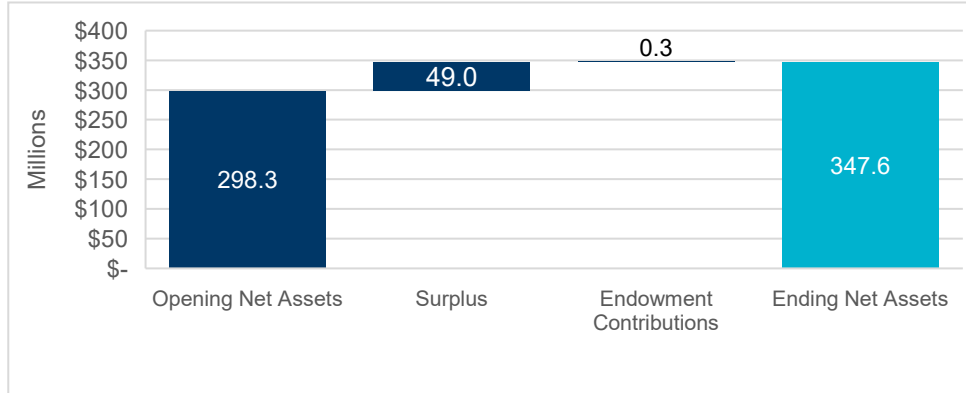
Deferred revenue decreased year-over-year from \$136.4 million to 84.8 million. Key drivers include:

- Student prepayment decreased by approximately \$42 million. In prior years, new international students (residing in Canada) were required to prepay their full first semester fees to secure a seat in their program. Effective July 2024 Sheridan reduced this deposit amount to \$2,000 to align with new IRCC requirements. This combined with the international enrolment decrease expected for the upcoming academic year has led to a significant decrease in student prepayments.
- Winter deferral has also decreased by \$5.8 million due to a decrease in the number of days from Winter term attributable to following fiscal year, deferred 13 days from Winter 2025 compared to 15 days from Winter 2024
- There is also a decrease in Winter tuition from prior year due to decreased Winter enrollment.

5.5 Accumulated Surplus

Figure 11 shows the change in net assets from 2023/24 to 2024/25.

Figure 11 – Change in Net Assets (\$ millions)



6.0 Financial Health Metrics

Table 7 shows the financial health indicators for 2024/25 compared to the prior year. These measures are discussed below. These indicators are used by the MCURES to assess the financial health of the college.

Table 7 – Financial Health Metrics

Financial Health Metrics	Benchmark	2024/25	2023/24
Quick ratio	1.0 or higher	3.24	4.05
Total Debt to Assets	35% or less	27.94%	28.10%
Debt Servicing	3% or less	1.89%	1.16%
Net Assets to Expense	60% or higher	93.96%	89.1%
Surplus to Revenue	1.5% or higher	8.9%	8.7%
Annual Surplus	Positive	\$49,038,282	\$45,231,411
Accumulated Surplus	Positive	\$313,951,000	\$264,912,717

*MCURES is reviewing the financial metrics as part of the implementation of the revised College Financial Accountability Framework and may differ from the above.

6.1 Quick Ratio

This ratio is a measure of our ability to meet our short-term financial obligations by comparing current assets to current liabilities. Current assets include cash, accounts receivable and short-term investments (<1 year). Current liabilities include bank indebtedness, accounts payable and accrued liabilities.

Sheridan exceeds the Ministry benchmark, and we continue to have sufficient cash on hand to meet our short-term obligations. Sheridan's ratio has declined over 2023/24 due to a reduction of cash and cash equivalents of \$24.8 million (note that more cash has been invested in long term GICs), decreased other current assets (short term investments) of \$67.5 million, and an increase in accounts receivables of \$5.5 million while accounts payable remained unchanged.

6.2 Debt to Assets Ratio and Debt Servicing Ratio

These ratios measure the amount of debt that we are carrying and the ability to make payments as well as the ability to borrow new funds. Sheridan exceeds the MCURES benchmarks for both ratios. The ratio has improved over the prior year (decrease in percentage) due to the net increase of assets over debt. Debt increased by \$2.8 million while assets (less adjustments) decreased by \$4.9 million. The debt servicing ratio has increased compared to last year due to the increase in debt paid off during the year (early repayment of two loans), and an increase in revenue.

6.3 Net Assets to Expense Ratio

This metric measures the ability for us to continue operations if there is a delay in revenue streams (e.g. ability to use reserves to sustain operations). Sheridan is well above the MCURES benchmark for this metric. The increase from 2023/24 is due to a \$47.1 million increase in net assets while total expenses have increased by \$25.8 million.

6.4 Surplus and Accumulated Surplus Ratio

These metrics measure the size of our surplus/deficit compared to in-year revenue and gauge our ability to operate within a balanced budget and sustain operations for the future. Sheridan surpassed the Surplus to Revenue ratio benchmark of 1.50% due to a surplus of \$49.0 million.

2024/25 resulted in a surplus of revenue over expenditures of \$49.0 million as compared to a surplus of 45.2 million in the previous year. Figure 12 shows the surplus/deficit trend over the past 5 years.

Figure 12 – Surplus/Deficit

