

**Almoner Foundation Revenue:  
Economic Dependence on  
Lease Payments from  
Quest University**

**2016: 99%**

**2017: 96%**

Compiled by Vivian Krause  
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@FairQuestions

**Almoner Foundation**  
**Notes to Financial Statements**  
(Unaudited)

**March 31, 2016**

**6. Treasury Facility**

The Foundation has an authorized treasury facility of \$1,500,000 for the purpose of interest rate swaps, subject to market conditions. This facility is secured by general security agreements, assignment of insurance, all indebtedness mortgage and assignment of \$14,500,000 rents, and specific assignment of lease to Quest University.

The treasury facility requires the Foundation to maintain certain financial covenants, including:

- (a) Debt service coverage ratio to be maintained at or above 1.30 times
- (b) Liquidity to be maintained at or above \$1,000,000 per quarter

As at March 31, 2016, the treasury facility was not in use and the Foundation was in compliance with its financial covenants.

During the year, the liquidity to be maintained per quarter by the Foundation was changed from \$2,000,000 to \$1,000,000.

**7. Economic Dependence**

The Foundation receives a significant portion of its revenue pursuant to a lease agreement with Quest University Canada. The Foundation's ability to continue its activities is dependent upon the agreement remaining in effect. During the year, Quest University Canada provided 99% of the Foundation's total revenue before the fair value adjustment of investments.

**Almoner Foundation**  
**Notes to Financial Statements**

**March 31, 2017**

**5. Long-Term Debt and Bank Facilities (continued)**

Subsequent to year-end, a \$15,000,000 floating rate demand loan ("loan") was accepted and drawn in full. This loan has monthly payments of \$88,543, with the interest rate of prime plus 1% (4.20% at March 31, 2017).

Estimated principal payments, assuming a 20 year amortization period, due in the next five years for the loan are as follows:

2018	\$ 440,945
2019	459,825
2020	479,514
2021	500,046
2022	521,457
	<u>\$ 2,401,787</u>

The new loan and existing treasury facility require the Foundation to maintain certain financial covenants, including a debt service coverage ratio at or above 1.20 times.

**7. Economic Dependence**

The Foundation receives a significant portion of its revenue pursuant to a lease agreement with Quest University Canada. The Foundation's ability to continue its activities is dependent upon the agreement remaining in effect. During the year, Quest University Canada provided 96% of the Foundation's total revenue before the fair value adjustment of investments.