



axp247



9

REGISTERED CHARITY INFORMATION RETURN

Section A: Identification 22 2012-05-31 864070859 RR 0001 3020678

- Guide T4033, Completing the Registered Charity Information Return, is available through our Forms and publications Web pages at www.cra.gc.ca/charities.
The Privacy Act protects all personal information given on this form, which is kept in personal information Bank CRA PPU 200. The Canada Revenue Agency (CRA) will make this form and all attachments available to the public on the Charities Directorate Web site except for information or data identified as confidential.

Remember: Even if the charity goes through an inactive period, you must continue to file information returns to maintain your status.

If you did not receive a barcode label to affix to the return, please complete the following:

1. Charity name:

Quest University Canada

2. Return for fiscal period ending:

Table with columns Year, Month, Day and values 2, 0, 1, 2, 0, 5, 3, 1

3. BN/registration number:

864070859 RR 0001

4. Web address (if applicable):

www.questu.ca

A1 Was the charity in a subordinate position to a parent organization? 1510 Yes No

If yes, please provide the name and BN/registration number of the organization.

Table with columns Name and BN (if applicable)

A2 Has the charity wound-up, dissolved, or terminated operations? 1570 Yes No

Are you designated as one of the following: a charitable organization, a public foundation, or a private foundation. 1600 Yes No

Please refer to Form TF725, Registered Charity Basic Information Sheet (BIS) to confirm. This form is included in the return.

You must complete and attach Schedule 1, Foundations, to your return.

Directors/trustees and like officials

You are required to provide certain information for all members of its board of directors/trustees for the complete fiscal period. Only the public information section on the worksheet is available to the public. The confidential data section is for the CRA's use but may be shared as permitted by law.

Programs and general information

Was the charity active during the fiscal period? If no, explain why in the "Programs" space provided at C2. 1800 Yes No

If provided, describe all ongoing and new charitable programs the charity carried on to further its charitable purpose(s) (as defined in its documents) this fiscal period. "Programs" includes all of the charitable work the charity carries out on its own through employees or volunteers as well as through qualified donees and intermediaries.

Ongoing programs:

Daily operations including delivery of academic programs to students for a Four-Year Baccalaureate Liberal Arts and Science Degree
Providing of residence facilities to students
Developed partnership agreements with certain Post-Secondary Institutions around the world

New programs:

Registered charities may make gifts to qualified donees. Qualified donees are other registered Canadian charities, as well as certain other organizations described in the *Income Tax Act*.

C3 Did the charity make gifts or transfer funds to qualified donees or other organizations? **2000** Yes No
 If **yes**, you must complete and attach Form T1236, *Qualified Donees Worksheet/Amounts Provided to Other Organizations*, to your return.

C4 Did the charity carry on, fund, or provide any resources through employees, volunteers, agents, joint ventures, contractors, or any other individuals, intermediaries, entities, or means (other than qualified donees) for any activity/program/project outside Canada? **2100** Yes No
 If **yes**, you must complete and attach Schedule 2, *Activities Outside Canada*, to your return.

A registered charity may pursue political activities to retain, oppose, or change the law, policy, or decision of any level of government inside or outside Canada provided the activities are non-partisan, related to its charitable purposes, and limited in extent.

C5 (a) Did the charity carry on any political activities during the fiscal period? **2400** Yes No
 (b) Enter the total amount spent by the charity on these activities **5030** \$

C6 If the charity carried on fundraising activities or engaged third parties to carry on fundraising activities on its behalf, tick all fundraising methods that it used during the fiscal period.

- | | | |
|--|---|--|
| 2500 <input type="checkbox"/> Advertisements/print/radio/TV commercials | 2570 <input checked="" type="checkbox"/> Fundraising sales (e.g., cookies) | 2620 <input type="checkbox"/> Telephone/TV solicitations |
| 2510 <input type="checkbox"/> Auctions | 2575 <input type="checkbox"/> Internet | 2630 <input checked="" type="checkbox"/> Tournament/sporting events |
| 2530 <input type="checkbox"/> Collection plate/boxes | 2580 <input type="checkbox"/> Mail campaigns | 2640 <input type="checkbox"/> Cause-related marketing |
| 2540 <input type="checkbox"/> Door-to-door solicitation | 2590 <input checked="" type="checkbox"/> Planned-giving programs | 2650 <input type="checkbox"/> Other |
| 2550 <input type="checkbox"/> Draws/lotteries | 2600 <input type="checkbox"/> Targeted corporate donations/sponsorships | 2660 Specify: _____ |
| 2560 <input type="checkbox"/> Fundraising dinners/galas/concerts | 2610 <input checked="" type="checkbox"/> Targeted contacts | |

C7 Did the charity pay external fundraisers? **2700** Yes No
 If **yes**, you must complete the following lines, and complete and attach Schedule 4, *Confidential Data*, 1. Information about Fundraisers.

- (a) Enter the gross revenue collected by the fundraisers on behalf of the charity. **5450** \$
- (b) Enter the amounts paid to and/or retained by the fundraisers **5460** \$
- (c) Identify the method of payment to the fundraiser:
- | | | |
|--|---|--|
| 2730 <input type="checkbox"/> Commissions | 2750 <input type="checkbox"/> Finder's fees | 2770 <input type="checkbox"/> Honoraria |
| 2740 <input type="checkbox"/> Bonuses | 2760 <input type="checkbox"/> Set fee for services | 2780 <input type="checkbox"/> Other |
| | | 2790 Specify: _____ |

(d) Did the fundraiser issue tax receipts on behalf of the charity? **2800** Yes No

C8 Did the charity compensate any of its directors/trustees or like officials or persons not at arm's length from the charity for services provided during the fiscal period (other than reimbursement for out-of-pocket expenses)? **3200** Yes No

C9 Did the charity incur any expenses for compensation of employees during the fiscal period? **3400** Yes No
 If **yes**, you must complete and attach Schedule 3, *Compensation*, to your return.

C10 Did the charity receive any donations or gifts of any kind valued at \$10,000 or more from any donor that was **not** resident in Canada and was **not** any of the following: **3900** Yes No

- A Canadian citizen, nor
- Employed in Canada, nor
- Carrying on a business in Canada, nor
- A person having disposed of taxable Canadian property?

If **yes**, you must complete and attach Schedule 4, *Confidential Data*, 2. Information about Donors Not Resident in Canada, for each donation of \$10,000 or more.

C11 Did the charity receive any non-cash gifts (gifts-in-kind) for which it issued tax receipts? **4000** Yes No
 If **yes**, you must complete and attach Schedule 5, *Non-Cash Gifts*, to your return.

C12 Did the charity acquire a non-qualifying security? **5800** Yes No

C13 Did the charity allow a donor to use any of the charity's property during the fiscal period? (except for permissible uses) **5810** Yes No

C14 Did the charity issue any of its tax receipts for donations on behalf of another organization? **5820** Yes No

Section D: Financial Information

If any of the following applies to your charity, proceed to Schedule 6, *Detailed Financial Information*, and do not complete Section D below. If none of the following applies, complete Section D.

- a) The charity's revenue exceeds \$100,000.
- b) The amount of all property (e.g., investments, rental properties) not used in charitable programs exceeds \$25,000.
- c) The charity currently has permission to accumulate funds during this fiscal period.

Please show all figures to the nearest single dollar.

D1 Was the financial information reported below prepared on an accrual or cash basis? 4020 Accrual Cash

D2 Summary of financial position:

Using the charity's own financial statements, provide the following:

Does the charity own land and/or buildings? 4050 Yes No

Total assets (including land and buildings) 4200 \$ _____

Total liabilities 4350 \$ _____

Did the charity borrow from, loan to, or invest assets with any non-arm's length parties? 4400 Yes No

D3 Revenue:

Did the charity issue tax receipts for donations? 4490 Yes No

If yes, what is the total eligible amount of all donations for which the charity issued tax receipts? 4500 \$ _____

Total amount of 10 year gifts received 4505 \$ _____

Total amount received from other registered charities 4510 \$ _____

What is the total amount for all other donations received for which a tax receipt was **not** issued by the charity? (excluding amounts at lines 4575 and 4630) 4530 \$ _____

Did the charity receive any revenue from any level of Canadian government? 4565 Yes No

If yes, total amount received 4570 \$ _____

Total non tax-receipted amounts from all sources outside Canada (government and non-government) 4575 \$ _____

Total non tax-receipted amounts from fundraising 4630 \$ _____

Total revenue from sale of goods and services (except to any level of Canadian government) 4640 \$ _____

Other amounts not already included in the amounts above 4650 \$ _____

Total revenue (Add lines 4500 to 4650, excluding line 4505) 4700 \$ _____

D4 Expenditures:

What was the charity's total expenditure on professional and consulting fees? 4860 \$ _____

What was the charity's total expenditure on travel and vehicles? 4810 \$ _____

All other expenditures not already included in the amounts above (excluding gifts to qualified donees) 4920 \$ _____

Total expenditures (excluding gifts to qualified donees) (Add lines 4860, 4810, and 4920) 4950 \$ _____

Of the total amount at line 4950:

a) How much did the charity spend on charitable programs? 5000 \$ _____

b) How much did the charity spend on management and administration? 5010 \$ _____

Total amount of gifts made to all qualified donees 5050 \$ _____

Total expenditures (Add lines 4950 and 5050) 5100 \$ _____

Section E: Certification

This return **must** be signed by a director/trustee or like official of the registered charity who has authority to sign on behalf of the charity. It is a **serious offence under the *Income Tax Act* to provide false or deceptive information.**

I certify that the information given on this form, the basic information sheet, and any attachment is, to the best of my knowledge, correct, complete, and current.

Name (please print): David Helfand	Signature: [Redacted]
Position in charity: President / Director	Date: [Redacted] Telephone No.: [Redacted]

Section F: Confidential Data

F1 Provide the physical address of the charity and the address in Canada for the charity's books and records. Post office box numbers and rural routes are not sufficient.

	Physical address of the charity	Address for the charity's books and records
Number, street, apt. no., or lot and concession no.	[Redacted]	[Redacted]
City	[Redacted]	[Redacted]
Province or territory and postal code	[Redacted]	[Redacted]

F2 Name and address of individual who completed this return.

[Redacted]

T3010, Registered Charity Information Return, checklist

- Have you confirmed that all charity information included in the Form TF725, **Registered Charity Basic Information Sheet (BIS)** is correct?
 - Some changes can be made **directly** on the BIS.
- Have you attached Form TF725, **Registered Charity Basic Information Sheet (BIS)**?
- Has the charity made any amendments to its governing documents during the fiscal period?
 - **If yes**, have you sent us an official copy of the amended governing documents in a separate envelope?
- Have you completed Schedule 1, **Foundations**, if required?
- Have you attached Form T1235, **Directors/Trustees and Like Officials Worksheet**?
- Have you attached Form T1236, **Qualified Donees Worksheet/Amounts Provided to Other Organizations**, if required?
- Have you completed Schedule 2, **Activities Outside Canada**, if required?
- Have you completed Schedule 3, **Compensation**, if required?
- Have you completed Schedule 4, **Confidential Data**, if required?
- Have you completed Schedule 5, **Non-Cash Gifts**, if required?
- Have you completed Schedule 6, **Detailed Financial Information**, if required?
- Have you attached a copy of the charity's financial statements?

- 1 Did the foundation acquire control of a corporation in the fiscal period? 100 Yes No
- 2 Did the foundation incur any debts at any time during the fiscal period other than for current operating expenses, purchasing or selling investments, or in administering charitable programs? 110 Yes No

For private foundations only:

- 3 At any time during the fiscal period, did the foundation hold any shares, rights to acquire shares, or debts owing to it that meet the definition of a non-qualified investment? 120 Yes No
- 4 Did the foundation own more than 2% of any class of shares of a corporation at any time during this fiscal period? 130 Yes No

If **yes**, you must complete and attach Form T2081, *Excess Corporate Holdings Worksheet*, to your return.
 (Note: Only private foundations will have this worksheet included in their return package.)

For more information about carrying on programs outside Canada see the Charities Directorate website at www.cra.gc.ca/charities

- 1 What were total expenditures on activities/programs/projects carried on outside Canada during the fiscal period, excluding gifts to qualified donees? 200 \$ _____
- 2 Were any of the charity's resources provided for programs outside Canada under any kind of an arrangement including a contract, agency agreement, or joint venture to any other individual or entity (excluding gifts to qualified donees)? 210 Yes No

If **yes**, enter the amounts of the total reported on line 200 transferred to these individuals/organizations as required in the following table:

Name of individual/organization	Using the list on the reverse, identify country code where activities were carried on.	Amount (\$) Show amounts to the nearest single dollar.

- 3 Using the list on the reverse, identify the countries where the charity itself carried on programs or provided any of its resources. Enter the appropriate country codes in the following spaces.

- 4 Are any projects undertaken outside Canada funded by the Canadian International Development Agency (CIDA)? 220 Yes No
- If **yes**, what was the total amount of funds expended under this arrangement? 230 \$ _____

- 5 Were any programs carried on outside Canada carried out by employees of the charity? 240 Yes No
- 6 Were any programs carried on outside Canada carried out by volunteers of the charity? 250 Yes No
- 7 Is the charity exporting goods as part of its charitable programs? 260 Yes No

If **yes**, list the items being exported, their value, their destination (city/region) and country code.

Item	Value	Destination (city/region)	Country code

COUNTRY CODES

Americas-Central and South

AR-Argentina
 BO-Bolivia
 BR-Brazil
 CL-Chile
 CO-Columbia
 CR-Costa Rica
 CU-Cuba
 DO-Dominican Republic
 EC-Ecuador
 SV-El Salvador
 GT-Guatemala
 GY-Guyana
 HT-Haiti
 HN-Honduras
 JM-Jamaica
 MX-Mexico
 NI-Nicaragua
 PA-Panama
 PE-Peru
 UY-Uruguay
 VE-Venezuela
 QM-Other

Americas-North

US-United States of America
 QN-Other

Middle East

IR-Iran
 IQ-Iraq

IL-Israel
 PS-Israeli Occupied Territories
 JO-Jordan
 KW-Kuwait
 LB-Lebanon
 OM-Oman
 QA-Qatar
 SA-Saudi Arabia
 SY-Syrian Arab Republic
 YE-Yemen
 QO-Other

Europe

AL- Albania
 AM-Armenia
 BA-Bosnia and Herzegovina
 BY-Belarus
 BG-Bulgaria
 DK-Denmark
 ES-Spain
 FR-France
 GE-Georgia
 DE-Germany
 GB-United Kingdom
 HR-Croatia
 IT-Italy
 CY-Cyprus
 MK-Macedonia
 ME-Montenegro
 NL-Netherlands
 PL-Poland
 RO-Romania

RU-Russia
 RS-Serbia
 TR-Turkey
 UA-Ukraine
 QP-Other

Asia and Oceania

AF- Afghanistan
 AZ-Azerbaijan
 BD-Bangladesh
 BT-Bhutan
 KH-Cambodia
 CN-China
 IN-India
 ID-Indonesia
 KZ-Kazakhstan
 KG-Kyrgyzstan
 LA-Laos
 LK-Sri Lanka
 MY-Malaysia
 MN-Mongolia
 MM-Myanmar (Burma)
 KP-North Korea
 KR-South Korea
 PK-Pakistan
 PH-Philippines
 SG-Singapore
 TH-Thailand
 TJ-Tajikistan
 TL-Timor-Leste
 UZ-Uzbekistan
 VN-Vietnam
 QR-Other

Africa

DZ-Algeria
 AO-Angola
 BW-Botswana
 CM-Cameroon
 CF-Central African Republic
 TD-Chad
 CG-Republic of Congo
 CD- Democratic Republic of Congo
 EG-Egypt
 ET-Ethiopia
 GA-Gabon
 GM-Gambia
 GH-Ghana
 NA-Namibia
 KE-Kenya
 LR-Liberia
 MG-Madagascar
 NE-Niger
 NG-Nigeria
 RW-Rwanda
 SL-Sierra Leone
 SO-Somalia
 SD-Sudan
 UG-Uganda
 ZM-Zambia
 ZW-Zimbabwe
 QS-Other

Compensation **Schedule 3**

1 (a) Enter the **number** of permanent, full-time, compensated positions in the fiscal period. This number should represent the number of positions the charity had including both managerial positions and others, and should not include independent contractors. **300**

(b) For the **ten (10)** highest compensated, permanent, full-time positions enter the **number** falling within each of the following annual compensation categories.

305 <input type="text"/> \$1 – \$39,999	310 <input type="text"/> \$40,000 – \$79,999	315 <input type="text" value="6"/> \$80,000 – \$119,999
320 <input type="text" value="3"/> \$120,000 – \$159,999	325 <input type="text" value="1"/> \$160,000 – \$199,999	330 <input type="text"/> \$200,000 – \$249,999
335 <input type="text"/> \$250,000 – \$299,999	340 <input type="text"/> \$300,000 – \$349,999	345 <input type="text"/> \$350,000 and over

2 (a) Enter the **number** of part-time or part-year (for example, seasonal) employees the charity employed during the fiscal period. **370**

(b) What was the total expenditure on compensation for part-time or part-year employees in the fiscal period? **380** \$

3 What was the charity's total expenditure on all compensation in the fiscal period? **390** \$

The information in this confidential data schedule is for the CRA's use but may be shared as permitted by law (e.g., with certain other government departments and agencies).

1. Information about Fundraisers

Please provide the name(s) and arm's length status of external fundraiser(s).

Name	At arm's length? Yes/No
------	-------------------------

2. Information about Donors Not Resident in Canada

Complete this schedule to report any donation of \$10,000 or more received from any donor that was not resident in Canada and was not any of the following:

- A Canadian citizen, nor
- Employed in Canada, nor
- Carrying on business in Canada, nor
- A person having disposed of taxable Canadian property

Provide the name of the donor and the value of the donation in the chart below. You must also indicate whether the donor was an organization (for example a business, corporate entity, charity, non-profit organization), a government or an individual by placing a check mark in the appropriate box.

Name	Amount	Organization	Government	Individual
------	--------	--------------	------------	------------

Non-Cash Gifts

Schedule 5

1 Identify all types of non-cash gifts (gifts-in-kind) received for which a tax receipt was issued:

- | | | |
|--|---|--|
| <input type="checkbox"/> 500 Artwork/wine/jewellery | <input type="checkbox"/> 525 Ecological properties | <input type="checkbox"/> 550 Publicly traded securities/mutual funds |
| <input type="checkbox"/> 505 Building materials | <input type="checkbox"/> 530 Life insurance policies | <input type="checkbox"/> 555 Books (literature, comics) |
| <input type="checkbox"/> 510 Clothing/furniture/food | <input type="checkbox"/> 535 Medical equipment/supplies | <input type="checkbox"/> 560 Other |
| <input type="checkbox"/> 515 Vehicles | <input type="checkbox"/> 540 Privately-held securities | <input type="checkbox"/> 565 Specify: _____ |
| <input type="checkbox"/> 520 Cultural properties | <input type="checkbox"/> 545 Machinery/equipment (including computers and software) | |

2 Indicate the total eligible amount of tax-receipted non-cash gifts 580 \$ _____

Was the financial information reported below prepared on an accrual or cash basis? 4020 Accrual Cash

Statement of financial position

Show figures to the nearest single dollar.

Assets:		Liabilities:	
Cash, bank accounts, and short-term investments.	4100 \$ 1,835,612	Accounts payable and accrued liabilities.	4300 \$ 848,594
Amounts receivable from non-arm's length parties.	4110 \$	Deferred revenue.	4310 \$ 929,473
Amounts receivable from all others.	4120 \$ 292,495	Amounts owing to non-arm's length parties.	4320 \$
Investments in non-arm's length parties.	4130 \$	Other liabilities.	4330 \$ 71,325,925
Long-term investments.	4140 \$ 1,872,874	Total liabilities (add lines 4300 to 4330)	4350 \$ 73,103,992
Inventories.	4150 \$ 113,330		
Land and buildings in Canada.	4155 \$ 92,371,453		
Other capital assets in Canada.	4160 \$ 2,495,080		
Capital assets outside Canada.	4165 \$		
Accumulated amortization of capital assets.	4166 \$ -12,269,328		
Other assets.	4170 \$ 1,102,555		
10 year gifts.	4180 \$	Amount included in lines 4150, 4155, 4160, 4165 and 4170 not used in charitable programs.	4250 \$
Total assets (add lines 4100 to 4170)	4200 \$ 87,814,071		

Statement of operations

Revenue:	
Total eligible amount of all gifts for which the charity issued tax receipts.	4500 \$ 32,051
Total eligible amount of tax-receipted tuition fees.	5610 \$
Total amount of 10 year gifts received.	4505 \$
Total amount received from other registered charities.	4510 \$ 1,410,521
Total other gifts received for which a tax receipt was not issued by the charity.	4530 \$ 66,413
Total revenue received from federal government.	4540 \$
Total revenue received from provincial/territorial governments.	4550 \$ 11,496
Total revenue received from municipal/regional governments.	4560 \$
Total revenue received from all sources outside Canada.	4575 \$
Total interest and investment income received or earned.	4580 \$ 46,225
Gross proceeds from disposition of assets.	4590 \$
Net proceeds from disposition of assets (show a negative amount with brackets).	4600 \$
Gross income received from rental of land and/or buildings.	4610 \$ 309,069
Non tax-receipted revenues received for memberships, dues, and association fees.	4620 \$
Total non tax-receipted revenue from fundraising.	4630 \$ 26,204
Total revenue from sale of goods and services (except to government).	4640 \$ 2,972,528
Other revenue not already included in the amounts above.	4650 \$ 9,256,767
Specify type(s) of revenue included in the amount reported at 4650 (e.g., dividends) 4655	
Total revenue (add lines 4500, 4510 to 4580, and 4600 to 4650)	4700 \$ 14,131,274
Expenditures:	
Advertising and promotion.	4800 \$ 192,519
Travel and vehicle expenses.	4810 \$ 274,597
Interest and bank charges.	4820 \$ 361,118
Licences, memberships, and dues.	4830 \$ 14,608
Office supplies and expenses.	4840 \$ 498,673
Occupancy costs.	4850 \$ 4,692,462
Professional and consulting fees.	4860 \$ 118,594
Education and training for staff and volunteers.	4870 \$
Total expenditure on all compensation (enter the amount reported at line 390 in Schedule 3, if applicable).	4880 \$ 5,061,845
Fair market value of all donated goods used in charitable programs.	4890 \$
Total cost of all purchased supplies and assets.	4891 \$

Amortization of capitalized assets	4900	\$	2,563,441
Total expenditure for research grants and scholarships as part of charitable programs	4910	\$	5,406,007
Other expenditures not included in the amounts above (excluding gifts to qualified donees)	4920	\$	721,954
Specify type(s) of expenditures included in the amount reported at 4920 4930			
Total expenditures before gifts to qualified donees (add lines 4800 to 4920)	4950	\$	19,905,818

Lines 5000 to 5040 represent a breakdown of the expenditures on lines 4800 to 4920. The total of lines 5000 to 5040 should equal line 4950.

Total expenditures on charitable programs	5000	\$	18,751,833
Total expenditures on management and administration	5010	\$	1,153,149
Total expenditures on fundraising	5020	\$	836
Total expenditures on political activities, inside or outside Canada	5030	\$	
Total other expenditures included in line 4950	5040	\$	
Total amount of gifts made to all qualified donees	5050	\$	
Total expenditures (add amounts from lines 4950 and 5050)	5100	\$	19,905,818

Other financial information

Permission to accumulate property:

Only registered charities that have written permission to accumulate should complete this section.

- Enter the amount accumulated for the fiscal period, including income earned on accumulated funds
- Enter the amount disbursed for the fiscal period for the specified purpose we have permitted

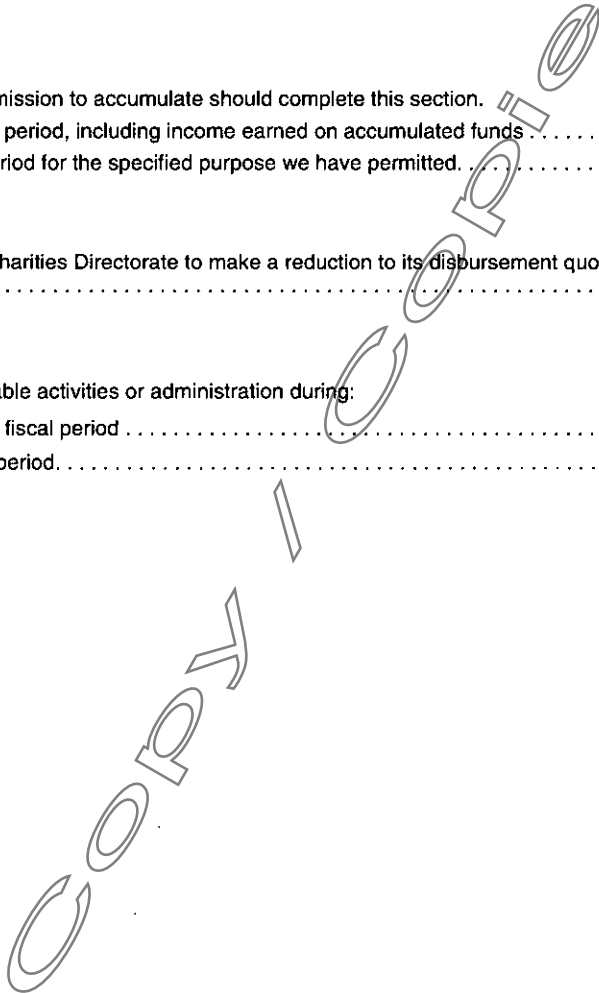
Permission to reduce disbursement quota:

If the charity has received approval from the Charities Directorate to make a reduction to its disbursement quota, enter the amount for the fiscal period

Property not used in charitable activities:

Enter the value of property not used for charitable activities or administration during:

- The 24 months before the **beginning** of the fiscal period
- The 24 months before the **end** of the fiscal period





Enter the prescribed information for each director/trustee and like official of the charity's board of directors/trustees. The Canada Revenue Agency available to the public. All of the information collected on this form, including the confidential data, may be shared as permitted by law (e.g. will see the reverse of this form for an explanation of terms used).

22 2012-05-31 864070859 RR 0001 3020678

Total Number of Directors/Trustees and Like Officials: **5**

Public Information	Confidential Data
Last name: Annandale First name: Ken Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: 2011/11/08 End Date:	
Position: Director At arm's length with other Directors, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Last name: Birch First name: Dan Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: 2012/04/28 End Date:	
Position: Director At arm's length with other Directors, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Last name: Helfand First name: David Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: 2008/09/26 End Date:	
Position: Director At arm's length with other Directors, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Last name: Lee First name: Greg Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: 2011/11/08 End Date:	
Position: Director At arm's length with other Directors, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Last name: Worland First name: Ian Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: 2008/07/28 End Date:	
Position: Director At arm's length with other Directors, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Last name: First name: Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: End Date:	
Position: At arm's length with other Directors, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Last name: First name: Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: End Date:	
Position: At arm's length with other Directors, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Last name: First name: Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: End Date:	
Position: At arm's length with other Directors, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Last name: First name: Initial:	
Director/Trustee/Like Officials Term ▶ Start Date: End Date:	
Position: At arm's length with other Directors, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Quest University Canada

Financial Statements For the year ended May 31, 2012

Contents

Independent Auditors' Report	2
Financial Statements	
Statement of Financial Position	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 13



Independent Auditors' Report

**To the Members of:
Quest University Canada**

We have audited the accompanying financial statements of Quest University Canada ("the University"), which comprise of the statement of financial position as at May 31, 2012 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these statements in accordance with Canadian generally accepted accounting principles, 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 error or fraud.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the University's preparation and fair presentation of the financial statements 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 University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the University as at May 31, 2012 and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Vancouver, British Columbia
October 24, 2012



Chartered Accountants

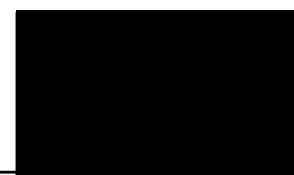
Quest University Canada
Statement of Financial Position

May 31	2012	2011
Assets		
Current		
Cash	\$ 1,663,608	\$ 299,532
Term deposits	172,004	171,123
Accounts receivable	292,495	329,699
Prepaid expenses & other current assets	1,102,555	172,163
Inventory	113,330	86,545
	<u>3,343,992</u>	<u>1,059,062</u>
Restricted cash (Note 3)	1,872,874	505,050
Property & equipment (Note 4)	82,597,205	85,045,021
	<u>\$ 87,814,071</u>	<u>\$ 86,609,133</u>
Liabilities, Deferred Contributions and Net Assets		
Current		
Accounts payable & accrued liabilities	\$ 848,594	\$ 727,012
Deferred tuition revenues	325,931	210,013
Deferred contributions	408,554	-
Current portion of long-term debt (Note 6)	1,450,925	-
Demand loan (Note 5)	65,000,000	75,023,352
	<u>68,034,004</u>	<u>75,960,377</u>
Long-term debt (Note 6)	4,875,000	-
Deferred library contributions (Note 7)	194,988	187,485
	<u>73,103,992</u>	<u>76,147,862</u>
Net assets		
Unrestricted	(4,565,012)	122,037
Invested in property & equipment (Note 8)	17,369,002	9,802,477
Invested in library collection	33,215	31,707
Restricted for certification (Note 3)	1,872,874	505,050
	<u>14,710,079</u>	<u>10,461,271</u>
	<u>\$ 87,814,071</u>	<u>\$ 86,609,133</u>

Commitments (Note 9)

Approved on behalf of the Board of Governors:

 Director

 Director

The accompanying notes form an integral part of these financial statements.

Quest University Canada
Statement of Operations

For the year ended May 31	2012	2011
Revenues		
Tuition	\$ 9,069,507	\$ 7,335,442
Room and boarding	2,635,073	2,131,838
Ancillary rentals	489,946	488,986
School operations	228,339	262,527
Foreign exchange gain (loss)	110,702	(38,015)
	<u>12,533,567</u>	<u>10,180,778</u>
Expenses		
Administration	399,554	341,293
Advertising, promotion and student recruitment	192,519	241,637
Amortization of property & equipment	2,563,441	2,575,855
Ancillary rental costs	175,599	167,600
Campus accommodations	3,748,022	3,428,821
Campus operations	944,440	920,946
Consulting	4,466	82,833
Insurance	139,811	159,710
Interest on long-term debt	320,427	-
Loss on disposal	-	278,993
Professional fees	114,128	79,881
Programs	860,357	912,471
Salaries and employee benefits	4,923,024	4,106,432
Scholarships and bursaries	5,520,030	4,612,878
	<u>19,905,818</u>	<u>17,909,350</u>
Loss from operations before other items	<u>(7,372,251)</u>	<u>(7,728,572)</u>
Other items		
Donations	1,508,985	5,485,263
Interest	46,225	1,647
Amortization of deferred library contributions	42,497	39,875
Amortization of deferred athletic contributions	-	2,906
	<u>1,597,707</u>	<u>5,529,691</u>
Loss from operations	<u>\$ (5,774,544)</u>	<u>\$ (2,198,881)</u>

The accompanying notes form an integral part of these financial statements.

Quest University Canada
Statement of Changes in Net Assets

For the year ended May 31, 2012

	Unrestricted	Invested in property & equipment	Invested in library collection	Externally restricted for certification	Total
Net Assets, May 31, 2010	\$ 87,267	\$ 12,189,254	\$ 32,125	\$ 351,506	\$ 12,660,152
Loss from operations	(2,198,881)	-	-	-	(2,198,881)
Investment in property & equipment	(148,785)	142,110	6,675	-	-
Amortization of property & equipment	2,575,855	(2,528,887)	(46,968)	-	-
Amortization of deferred library contributions	(39,875)	-	39,875	-	-
Interfund transfers	(153,544)	-	-	153,544	-
Net Assets, May 31, 2011	\$ 122,037	\$ 9,802,477	\$ 31,707	\$ 505,050	\$ 10,461,271
Loss from operations	(5,774,544)	-	-	-	(5,774,544)
Investment in property & equipment	(65,625)	56,903	8,722	-	-
Amortization of property & equipment	2,563,441	(2,513,730)	(49,711)	-	-
Amortization of deferred library contributions	(42,497)	-	42,497	-	-
Contribution for repayment of demand loan on land	-	10,023,352	-	-	10,023,352
Interfund transfers	(1,367,824)	-	-	1,367,824	-
Net Assets, May 31, 2012	\$ (4,565,012)	\$ 17,369,002	\$ 33,215	\$ 1,872,874	\$ 14,710,079

The accompanying notes form an integral part of these financial statements.

Quest University Canada
Statement of Cash Flows

For the year ended May 31

	2012	2011
Cash flows from operating activities		
Cash received from students, net of bursaries	\$ 6,337,672	\$ 4,751,236
Cash received from contributions	1,960,522	5,336,908
Cash received from other operations	718,285	713,499
Cash used for program and administrative expenditures	(6,725,610)	(5,184,780)
Cash used for salaries and benefits	(4,923,024)	(4,106,432)
Cash used for campus operations	(944,440)	(920,946)
	<u>(3,576,595)</u>	<u>589,485</u>
Cash flows from investing activities		
Proceeds from sale of term deposits	159,752	159,143
Purchases of term deposits	(160,632)	(158,905)
Purchase of equipment	(115,625)	(389,502)
	<u>(116,505)</u>	<u>(389,264)</u>
Cash flows from financing activities		
Increase in long-term debt	6,375,000	-
Library contributions received	50,000	50,000
Capital lease payments	-	(94,245)
	<u>6,425,000</u>	<u>(44,245)</u>
Increase in cash during the year	2,731,900	155,976
Cash, beginning of period	804,582	648,606
Cash, end of period	\$ 3,536,482	\$ 804,582
Supplemental cash flow information		
Cash comprised of:		
Cash	\$ 1,663,608	\$ 299,532
Restricted cash (Note 3)	1,872,874	505,050
	<u>\$ 3,536,482</u>	<u>\$ 804,582</u>

The accompanying notes form an integral part of these financial statements.

May 31, 2012

1. Nature and Purpose of Operations

Quest University Canada (the "University") is incorporated under the Sea to Sky University Act of the Province of British Columbia. The University began operations in September 2007 as an independent university and focuses exclusively on liberal arts and sciences.

The University is registered with the Canada Revenue Agency as a charitable organization and is therefore exempt from income tax under section 149 of the Income Tax Act. The University is also exempt from provincial property taxes as the land is used exclusively for educational purposes.

2. Summary of Significant Accounting Policies

(a) Basis of presentation

These financial statements have been prepared by the University in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") using the following significant accounting policies.

(b) Use of estimates

The preparation of these financial statements in conformity with Canadian GAAP requires the University's management to make estimates and assumptions about future events that affect the reported amounts in the financial statements and accompanying notes. Actual results may differ from these estimates and assumptions. Estimates and assumptions are reviewed periodically based on historical experience and other relevant considerations. Revisions to estimates and assumptions are accounted for prospectively.

(c) Revenue recognition

The University uses the deferral method of accounting for contributions. Under the deferral method of accounting for contributions, restricted contributions are deferred and recognized as revenue when the related expenditures designated by the contributor are incurred. Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest income is recognized as revenue in the year earned.

Restricted contributions relating to the library collection are deferred and amortized to revenue on a basis consistent with the amortization rate for the library collection.

Revenues from tuition, room and boarding, and University operations are recognized when earned.

(d) Term deposits

Term deposits consist of guaranteed investment certificates with maturities greater than 90 days with an annual interest rate ranging from 0.40% - 1.61%.

May 31, 2012

2. Summary of Significant Accounting Policies (continued)

(e) Accounts receivable

Accounts receivable are stated net of allowances for uncollectible accounts. Management develops the estimate of the allowance based on the University's assessment of its accounts.

(f) Deferred tuition

Deferred tuition is comprised of prepaid tuition fees.

(g) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

(h) Property & equipment

Property & equipment are stated at cost less accumulated amortization, and amortized over the estimated useful lives of the assets as follows:

Buildings		straight-line over 40 years
Computer equipment	30%	declining balance
Furniture and equipment	20%	declining balance
Leasehold improvements		straight-line over the lease term
Library collection	20%	declining balance
Vehicles	20%	declining balance
Website	30%	declining balance

Amortization is calculated at one-half of the rate in the year of acquisition except for buildings and leasehold improvements.

May 31, 2012

2. Summary of Significant Accounting Policies (continued)

(i) Financial instruments

During 2009, the CICA announced that not-for-profit organizations could elect to continue to apply CICA Handbook ("Section 3861"), *Financial Instruments - Disclosure and Presentation* instead of adopting CICA Handbook ("Sections 3862"), *Financial Instruments - Disclosures* and ("Section 3863"), *Financial Instruments - Presentation*. The University has elected to continue to apply the financial instrument disclosure and presentation standards in accordance with Section 3861.

The University has designated cash, restricted cash and term deposits as "held for trading"; accounts receivable as "loans and receivables"; accounts payable and accrued liabilities, demand loan and long-term debt as "other financial liabilities". All financial instruments are recognized at fair value on initial recognition.

Subsequent to initial recognition, financial assets designated as "held for trading" are recorded at fair value. Gains and losses realized on disposal, unrealized gains and losses from market fluctuations and other investment income are reported in the statement of operations.

Subsequent to initial recognition, financial instruments classified as loans and receivables or other financial liabilities are measured at amortized cost using the effective interest rate method.

It is management's opinion that the University is not exposed to significant currency risk on its financial instruments. The University is exposed to interest rate risk on fixed income term deposits held. The risk arises from fluctuations in interest rates and the degree of volatility of these risks. The University is exposed to credit risk. Credit risk is monitored on a regular basis, and management determines the probable losses and sets up a provision for doubtful accounts, as needed, based on the estimated realizable value. The University is exposed to market risk as the fair value or future cash flows from investments will fluctuate due to changes in market prices.

The fair value of the University's financial instruments approximates carrying value due to their short term nature.

(j) Foreign currency transactions

The measurement and presentation currency of the University is the Canadian dollar. Transactions denominated in a currency other than Canadian dollars are translated using the temporal method. Under this method, monetary assets and liabilities denominated in a foreign currency are translated into Canadian dollars using the exchange rate prevailing at the balance sheet date. Non-monetary assets are translated using the rate of exchange at the transaction date, and revenues and expenses denominated in foreign currencies are translated using the date of transaction. Any resulting foreign currency translation gains and losses are included in income.

Quest University Canada
Notes to Financial Statements

May 31, 2012

3. Restricted Cash

Restricted cash consists of two guaranteed investment certificates held in trust [REDACTED] in accordance with irrevocable letters of credit to the Ministry of Advanced Education and the [REDACTED], respectively.

	2012	2011
Ministry of Advanced Education, bears a term of seven months ending on July 31, 2012.	\$ 668,250	\$ 505,050
[REDACTED] bears a term of twelve months ending on January 31, 2013.	1,204,624	-
	\$ 1,872,874	\$ 505,050

4. Property & Equipment

	Cost	Accumulated amortization	Net 2012
Buildings	\$ 91,721,453	\$ 10,735,051	\$ 80,986,402
Computer equipment	1,010,894	767,358	243,536
Furniture and equipment	866,502	426,728	439,774
Land	650,000	-	650,000
Library collection	445,557	217,354	228,203
Vehicles	101,533	58,789	42,744
Website	70,594	64,048	6,546
	\$ 94,866,533	\$ 12,269,328	\$ 82,597,205

	Cost	Accumulated amortization	Net 2011
Buildings	\$ 91,721,453	\$ 8,442,014	\$ 83,279,439
Computer equipment	1,010,893	662,986	347,907
Furniture and equipment	813,000	323,472	489,528
Land	650,000	-	650,000
Leasehold improvements	58,803	58,803	-
Library collection	386,835	167,643	219,192
Vehicles	98,133	48,529	49,604
Website	70,594	61,243	9,351
	\$ 94,809,711	\$ 9,764,690	\$ 85,045,021

Quest University Canada
Notes to Financial Statements

May 31, 2012

5. Demand Loan

	2012	2011
Demand loan payable to ██████████ non-interest bearing. Secured by University's property up to \$65,000,000. ██████████ has agreed not to demand full repayment until December 1, 2012 or such later date as may be agreed upon.	\$ 65,000,000	\$ -
Demand loan payable to Sea to Sky Foundation, non-interest bearing, payable at the earlier of written demand or August 15, 2017. Secured by University's property up to \$75,000,000.	-	75,023,352
	\$ 65,000,000	\$ 75,023,352

During the year, \$10,023,352 of the demand loan payable to Sea to Sky Foundation was forgiven and recorded as a direct increase in net assets invested in property & equipment. The remaining \$65,000,000 was discharged, and Sea to Sky Foundation released all security over the University's property. In exchange, the University assumed Sea to Sky Foundation's demand loan payable to ██████████ in the amount of \$65,000,000.

6. Long-Term Debt

	2012	2011
Loan payable due on January 31, 2013, non-interest bearing, with a par value of \$1,500,000, amortized at an effective interest rate of 5%. After January 31, 2013, due on demand, including interest at 5% per annum.	\$ 1,450,925	\$ -
Loan payable due on October 31, 2014, including interest at 7% per annum. Secured by a general security agreement.	2,125,000	-
Loan payable due on October 31, 2014, including interest at 8% per annum. Secured by a general security agreement.	2,750,000	-
	6,325,925	-
Less: current portion	(1,450,925)	-
	\$ 4,875,000	\$ -

Quest University Canada
Notes to Financial Statements

May 31, 2012

7. Deferred Library Contributions

Deferred library contributions represent the unamortized amount of contributions received for the purchase of the library collection. The amortization of deferred contributions for library collection is recorded as revenue in the statement of operations.

	2012	2011
Balance, beginning of year	\$ 187,485	\$ 171,390
Contributions received during the year	50,000	55,970
Amortization	(42,497)	(39,875)
Balance, end of year	\$ 194,988	\$ 187,485

8. Net Assets Invested in Property & Equipment

Net assets invested in property & equipment is calculated as follows:

	2012	2011
Property & equipment	\$ 82,597,205	\$ 85,045,021
Less: Library collection	(228,203)	(219,192)
Due to ██████████	(65,000,000)	-
Due to Sea to Sky Foundation	-	(75,023,352)
Total	\$ 17,369,002	\$ 9,802,477

9. Commitments

The University has various operating leases for equipment & student residences. The annual commitments for the four years are as follows:

2013	\$ 2,553,584
2014	440,497
2015	14,153
2016	2,775
	\$ 3,011,009

10. Related Party Transactions

The University is related to Quest University Canada Foundation due to common economic interest. During the year, Quest University Canada Foundation donated \$245,000 (2011 - \$275,000) to the University.

Quest University Canada
Notes to Financial Statements

May 31, 2012

11. Major Contributors

During fiscal year 2012, two major contributors provided 96.8% of donation revenue (2011 - three major contributors provided 99.8%), which funded 56% of expenses (2011 - 31% of expenses).

12. Management of Capital

The University's objectives of capital management are to safeguard its ability to continue as an independent liberal arts and sciences university on an ongoing basis. The University receives its principal source of revenue through university operations.

The University manages the revenues and the cash flows to ensure there is sufficient liquidity to meet its obligations as they become due. Management ensures there are sufficient resources available to meet its short-term expenditure requirements.

The University is not subject to any externally imposed capital requirements, and there have been no changes to its approach to capital management in the year. Donations received for designated purposes must be used for the purpose outlined by the donor and the University has complied with those restrictions.

At May 31, 2012, the University expects its accounts receivable and projected revenue and donations to be able to fund the various expenditures carried out by the University.

13. Changes in Accounting Policies and Primary Basis of Accounting

The Canadian Accounting Standards Board has issued a new financial reporting framework for Canadian not-for-profit organizations which is effective for annual financial statements relating to fiscal years beginning on or after January 1, 2012. Early adoption is permitted.

The University has not elected to adopt International Financial Reporting Standards (CICA Handbook Part I) and therefore will adopt the framework under CICA Handbook Part III for its fiscal year ended May 31, 2013. The University is currently evaluating the impact of this change on its systems and financial reporting. The University believes that this adoption will not have any significant change in its current systems or financial reporting.

14. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.