

**College of Registered Nurses of  
Alberta**

Financial Statements  
**September 30, 2025**



## Independent auditor's report

To the Members of College of Registered Nurses of Alberta

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### Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of College of Registered Nurses of Alberta (the Entity) as at September 30, 2025 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### What we have audited

The Entity's financial statements comprise:

- the statement of financial position as at September 30, 2025;
- the statement of operations 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
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### 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 report.

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

#### Independence

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

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### 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 accounting standards for not-for-profit organizations, and for such internal

PricewaterhouseCoopers LLP  
Stantec Tower, 10220 103rd Avenue North West, Suite 2200, Edmonton, Alberta, Canada T5J 0K4  
T.: +1 780 441 6700, F.: +1 780 441 6776, Fax to mail: ca\_edmonton\_main\_fax@pwc.com

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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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

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### **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 these 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 Entity'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 Entity'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 Entity 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.

We 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.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Edmonton, Alberta  
December 12, 2025

# College of Registered Nurses of Alberta

## Statement of Financial Position

As at September 30, 2025

	2025 \$	2024 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (note 3)	50,482,648	49,114,119
Accounts receivable	181,822	205,045
Prepaid expenses	303,975	200,239
	<hr/> 50,968,445	<hr/> 49,519,403
<b>Investments</b> (note 4)	9,909,071	9,106,380
<b>Capital assets</b> (note 5)	10,242,183	9,495,714
<b>Intangible assets</b> (note 6)	4,436,791	3,190,958
<b>Employee future benefits</b> (note 7)	13,842,900	10,927,000
	<hr/> 89,399,390	<hr/> 82,239,455
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 8)	1,967,113	1,689,307
Accrued vacation payable	1,173,562	1,036,505
Deferred registration fee revenue	23,616,933	23,052,571
Debt obligations (note 10)	-	2,541,813
	<hr/> 26,757,608	<hr/> 28,320,196
<b>Long-term liabilities</b>		
Deferred contributions relating to capital assets (note 9)	3,323,759	3,316,449
	<hr/> 30,081,367	<hr/> 31,636,645
<b>Net Assets</b>		
<b>Invested in capital and intangible assets</b>	13,427,688	9,550,457
<b>Internally restricted fund</b> (note 11)	2,752,675	1,900,443
<b>Unrestricted fund</b>	43,137,660	39,151,910
	<hr/> 59,318,023	<hr/> 50,602,810
	<hr/> 89,399,390	<hr/> 82,239,455

### Approved by the Council

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Member

Signed by:

  
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Member

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

# College of Registered Nurses of Alberta

## Statement of Operations

For the year ended September 30, 2025

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	<b>2025</b>	<b>2024</b>
	\$	\$ (Reclassified – note 14)
<b>Revenue</b>		
Registration fees	24,047,394	23,905,278
Investment income (note 4)	2,126,739	3,227,492
Application and other fees	2,090,364	3,006,347
Amortization of deferred capital contributions (note 9)	526,850	534,319
Sundry	12,174	58,398
	<hr/> 28,803,521	<hr/> 30,731,834
<b>Expenses</b> (schedule)		
Strategy and operations	10,623,780	9,685,312
Finance, people, planning and risk	4,556,784	4,489,436
Governance, regulation and standards	2,458,551	2,290,742
Amortization (notes 5 and 6)	1,330,700	1,114,474
Enterprise projects and extraordinary items	1,157,071	668,328
Executive office	989,032	1,159,230
Chief executive office	947,846	1,328,214
Governance council and committees	416,745	323,490
	<hr/> 22,480,509	<hr/> 21,059,226
<b>Excess of revenue over expenses for the year</b>	<hr/> <b>6,323,012</b>	<hr/> <b>9,672,608</b>

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

# College of Registered Nurses of Alberta

## Statement of Changes in Net Assets

For the year ended September 30, 2025

				2025	2024
	Invested in capital and intangible assets \$	Internally restricted fund \$ (note 11)	Unrestricted \$	Total \$	Total \$
<b>Net assets – Beginning of year</b>	9,550,457	1,900,443	39,151,910	50,602,810	37,572,302
Excess of revenue over expenses for the year	-	-	6,323,012	6,323,012	9,672,608
Internal restrictions (note 11)	-	3,000,000	(3,000,000)	-	-
Investment in capital and intangible assets					
Purchase of capital and intangible assets	2,139,268	(2,147,768)	8,500	-	-
Amortization (notes 5 and 6)	(1,330,700)	-	1,330,700	-	-
Amortization of deferred capital contributions (note 9)	526,850	-	(526,850)	-	-
Repayment of debt obligations	2,541,813	-	(2,541,813)	-	-
Remeasurements and other items of employee future benefits (note 7)	-	-	2,392,201	2,392,201	3,357,900
<b>Net assets – End of year</b>	<b>13,427,688</b>	<b>2,752,675</b>	<b>43,137,660</b>	<b>59,318,023</b>	<b>50,602,810</b>

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

# College of Registered Nurses of Alberta

## Statement of Cash Flows

For the year ended September 30, 2025

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	2025 \$	2024 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Registration fees	26,725,344	28,656,833
Investment income	1,607,606	2,098,077
Other income (expenses)	20,674	(65,240)
Cash paid to suppliers and employees	(21,310,526)	(19,821,580)
Interest paid on debt obligations	(51,887)	(157,809)
	<u>6,991,211</u>	<u>10,710,281</u>
<b>Investing activities</b>		
Proceeds on sale of investments	1,584,998	2,807,163
Purchase of investments	(1,868,524)	(3,056,095)
Purchase of intangible assets	(2,147,768)	(1,988,428)
Purchase of capital assets	(1,183,735)	(88,895)
	<u>(3,615,029)</u>	<u>(2,326,255)</u>
<b>Financing activities</b>		
Externally restricted contributions for purchase of capital assets (note 9)	534,160	559,430
Repayments of debt obligations	(2,541,813)	(73,492)
	<u>(2,007,653)</u>	<u>485,938</u>
<b>Increase in cash and cash equivalents during the year</b>	1,368,529	8,869,964
<b>Cash and cash equivalents – Beginning of year</b>	49,114,119	40,244,155
<b>Cash and cash equivalents – End of year (note 3)</b>	<u>50,482,648</u>	<u>49,114,119</u>

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

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

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### 1 Purpose of organization

College of Registered Nurses of Alberta (CRNA) is responsible for protecting the public through safe, competent and ethical nursing practices. On August 19, 2020, CRNA's Governing Council (the Council) voted unanimously to move to a single mandate regulatory organization with a commitment to develop and grow a new association. CRNA, incorporated under the Health Professions Act (RSA 2000), is a not-for-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

On January 29, 2023, an amendment was made to the Health Professions Act reflecting Bill 46, which mandated the separation of the regulatory colleges and professional associations. The legal name of CRNA was changed from College and Association of Registered Nurses of Alberta to College of Registered Nurses of Alberta.

### 2 Summary of significant accounting policies

#### Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). Significant accounting policies observed in the preparation of the financial statements are summarized below.

#### Use of estimates

The precise determination of certain assets and liabilities is dependent on future events, and the preparation of financial statements for a year necessarily involves identification of assets and liabilities that are subject to estimates and approximations. Actual results could differ from those estimates. Significant estimates include providing for amortization of capital assets and intangible assets and assumptions associated with employee future benefits.

#### Investments

CRNA's investments consist of fixed income and equity based instruments held primarily for trading purposes. The investment portfolios, managed by a third party investment manager, are subject to an investment policy set by management and reviewed by the Finance and Audit Committee. CRNA's primary investment objective is to maximize returns within a low to medium level of risk, with medium liquidity.

Investments are recorded at fair value on the latest closing bid price. This accounting treatment results in unrealized changes in the market value of the investment portfolio being reported as a component of fair value changes on the statement of operations. The current year includes an unrealized gain of \$519,133 (2024 – \$1,124,258) resulting from net unrealized portfolio gains and losses that have occurred during the year.

The purchase and sale of investments are recognized on the settlement date.

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

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### Cash and cash equivalents

Cash and cash equivalents comprise interest bearing deposits held with Canadian chartered banks and cash funds with maturities of three months or less from the date of inception.

### Capital assets

Capital assets are recorded at cost less accumulated amortization and any provision for impairment. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the useful lives of the separate components.

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to CRNA's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The writedowns of capital assets are recognized as expenses in the statement of operations. Writedowns are not subsequently reversed.

Amortization is provided on a straight-line basis at the following annual rates:

Buildings	3 1/3%
Building improvements	10% – 20%
Furniture and equipment	10% – 33 1/3%

Capital assets acquired during the year are not amortized until they are placed into use. The cost and accumulated amortization for fully amortized capital assets are removed from the movement schedule (note 5), though the assets remain in use.

### Intangible assets

Expenditures on research are recognized as an expense in the period in which they are incurred.

Costs incurred on custom developed software applications, etc. are capitalized as an intangible asset when they are evaluated as being technically feasible, have an intention to complete the asset, an ability to use the asset to generate probable future economic benefit, have the availability of adequate technical, financial and other resources to complete the asset's development and costs can be reliably measured. The expenditures capitalized include cost of materials, direct labour and overhead costs that are directly attributable to the asset in order for it to be capable of operating in the manner intended by management. Subsequent to initial recognition, development expenditures are measured at cost less accumulated amortization and any provisions for impairment.

Amortization is provided on a straight-line basis for finite useful lived intangibles at the following annual rate:

Software and IT programming	20%
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# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

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Intangible assets acquired or developed during the year are not amortized until they are placed into use. The cost and accumulated amortization for fully amortized intangible assets are removed from the movement schedule (note 6), though the assets remain in use.

### **Employee future benefits**

CRNA has a defined benefit pension plan for all permanent employees.

CRNA recognizes its defined benefit obligation as the employees render services giving them the right to earn the pension benefit. The defined benefit obligation at the statement of financial position date is determined using the most recent actuarial valuation report prepared for funding purposes. The measurement date of the plan assets and the defined benefit obligation is CRNA's statement of financial position date.

In its year-end statement of financial position, CRNA recognizes the defined benefit obligation, less the fair value of the plan assets, adjusted for any valuation allowance in the case of a net defined benefit asset. The plan cost for the year is recognized in the statement of operations.

Remeasurements and other items comprise the aggregate of the following: the difference between the actual return on plan assets and the return calculated using the discount rate; actuarial gains and losses; the effect of any valuation in the case of a net defined benefit asset; past service costs; and gains and losses arising from settlements and curtailments. The remeasurement costs are reflected in the statement of changes in net assets.

When measured using an actuarial valuation of funding purposes, the defined benefit obligation is measured at the amount that is required to be funded by contributions in accordance with legislative, regulatory or contractual requirements. This includes the aggregate of all underlying components of the legislative, regulatory or contractual requirements.

### **Deferred registration fee revenue**

Deferred registration fees arise from timing differences between the collection of registration fees and the practice year. The registration revenues are collected in advance for the period from October through September.

### **Deferred contributions**

Externally restricted contributions relating to capital assets are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. The cash is held as restricted cash until it is spent.

Externally restricted grants are deferred and recognized as revenue when the related expenses are incurred.

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

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### Foreign exchange

A portion of CRNA's investments are denominated in foreign currencies and are translated into Canadian dollars at exchange rates in effect at the statement of financial position date. Income and losses earned on the investments are translated at average rates during the period and are included in the determination of investment income.

### Revenue recognition

Revenue is recognized when received, receivable or in the year to which it relates, if amounts can be reasonably estimated and collection is reasonably assured.

Where CRNA's role in the transaction is that of principal, revenue is recognized on a gross basis. This requires revenue to comprise the gross value of the transactions with any related expenditures charged to expenses.

Where CRNA's role in a transaction is that of an agent, revenue is recognized on a net basis with revenue representing the margin earned.

- Registration fees

Fees are set by the Council of CRNA. The revenue generated on an annual basis is deferred and recognized proportionally over the fiscal year.

- Application and other fees

Other fees comprise the following:

- a) Application and other fees: These fees are determined by the Chief Executive Officer of CRNA as delegated by the Council. The revenue generated is recognized in the fiscal year to which it relates.
- b) Temporary, courtesy and limited permits: These fees are set by the Council of CRNA. The revenue generated is recognized in the fiscal year to which it relates.

- Investment income

Investment income includes dividends, interest income and realized and unrealized investment gains and losses. CRNA's investment income is not subject to any restrictions, either internally or externally.

- Grants

Grants are recorded when there is a reasonable assurance CRNA has complied with and will continue to comply with all the necessary conditions to obtain the grants.

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

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- Sundry

Sundry revenue is recognized in the year in which the revenue is earned, specifically when the following conditions are met:

- services are provided or products are delivered to registrants;
- there is clear evidence that an arrangement exists;
- amounts are fixed or can be determined; and
- the ability to collect is reasonably assured.

### Adoption of accounting policies – Accounting Guideline AcG-20

Effective October 1, 2024, CRNA has adopted the requirements of AcG-20, *Customer’s accounting for cloud computing arrangements*. CRNA has applied the requirements retrospectively.

There was no impact on the prior period statement of financial position or statement of operations as the Company had been expensing elements of cloud computing arrangements in scope of the guideline prior to October 1, 2024.

An enterprise is permitted to apply a simplification approach, as an accounting policy choice to account for expenditures in a cloud computing arrangement that are within the scope of AcG-20. In applying this approach, the expenditures in the arrangement shall be treated as the supply of services. In particular:

- In the case of supply of services, the enterprise recognized the expenditure as an expense when it received the services.
- Recognizing a prepayment as an asset is not precluded when payment for the delivery of the services has been made in advance of the enterprise receiving the service.

### 3 Cash and cash equivalents

	2025 \$	2024 \$
Cash	8,912,575	3,262,770
Canadian Money Market Funds Series O through Phillips, Hager & North Investment Management. The funds’ one-year gross rate of return was 3.36% from October 1, 2024 to September 30, 2025 (2024 – 5.25%)	41,570,073	45,851,349
	<u>50,482,648</u>	<u>49,114,119</u>

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

### 4 Investments

	2025 \$	2024 \$
Fixed income measured at fair value with maturities ranging between 2028 and 2046 with a weighted average time to maturity of 10.43 years and weighted average yield to maturity of 3.9% per annum	6,506,614	6,126,916
Common equities measured at fair value	3,402,457	2,979,464
	<u>9,909,071</u>	<u>9,106,380</u>

Common equities include United States dollar denominated investments and equivalents of \$1,606,454 (2024 – \$1,364,566). These assets have been translated and presented in Canadian dollars at the year-end exchange rate.

Investment income earned on investments and cash and cash equivalents comprise the following:

	2025 \$	2024 \$
Interest	1,550,576	2,020,392
Unrealized gain on investments	519,133	1,124,258
Dividends	54,878	64,387
Realized gain on investments	2,152	18,455
	<u>2,126,739</u>	<u>3,227,492</u>

### 5 Capital assets

	2025		2024	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Land	3,873,887	-	3,873,887	3,873,887
Building and building improvements	7,181,099	1,539,893	5,641,206	5,187,732
Furniture and equipment	1,283,711	556,621	727,090	434,095
	<u>12,338,697</u>	<u>2,096,514</u>	<u>10,242,183</u>	<u>9,495,714</u>

No impairment charge was required in 2025 or 2024. Amortization of \$429,348 (2024 – \$436,797) was recognized on the statement of operations.

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

### 6 Intangible assets

			2025	2024
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Software and IT programming	6,431,958	1,995,167	4,436,791	3,190,958

As at September 30, 2025, \$890,066 (2024 – \$653,421) of the software and IT programming was associated with a software project still in development and as such was not subject to amortization. Amortization of \$901,352 (2024 – \$677,677) was recognized in the statement of operations related to in-service projects.

A software element in the arrangement that does not meet the criteria to be recognized as an intangible asset is a software service. The fees allocated to software services are expensed as those services are received and included the determination of excess of revenue over expenses.

### 7 Employee future benefits

CRNA has a defined benefit pension plan (the Plan) for all permanent employees. The benefits are based on years of service and the employees' final average earnings.

CRNA accrues its obligations under the employee Plan as the employees render the services necessary to earn the pension.

CRNA measures its accrued employee future benefit obligation and the fair value of plan assets using the valuation for funding as at June 30 each year. The most recent actuarial valuation of the Plan for funding purposes was as at June 30, 2024 and the next required valuation will be as at June 30, 2027.

As at September 30, a reconciliation of the funded status of the Plan to the amounts recorded on the statement of financial position is as follows:

	2025 \$	2024 \$
Fair value of plan assets	64,287,000	58,377,200
Accrued benefit obligation	(48,042,000)	(45,190,600)
Funded status – surplus	16,245,000	13,186,600
Less: Valuation allowance	(2,402,100)	(2,259,600)
Defined benefit asset	13,842,900	10,927,000

As at September 30, 2024, a valuation allowance of \$2,259,600 was recorded representing the excess of plan surplus over the expected future benefit of the pension fund. As at September 30, 2025, a change in the valuation allowance of \$142,500 was recorded. This valuation allowance and change therein has been included in the remeasurement of employee future benefits included directly in unrestricted net assets.

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

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The significant actuarial assumptions adopted in measuring CRNA's employee future benefit determination are as follows:

	<b>2025</b>	<b>2024</b>
	%	%
Discount rate	4.80	4.80
Salary increases	3.50	3.50
Inflation	2.00	2.00

Total cash payments for employee future benefits for 2025, consisting of cash contributed by CRNA to the registered pension plan, were \$1,846,065 (2024 – \$1,357,873).

Employee future benefits as reported on the statement of financial position include the following:

	<b>2025</b>	<b>2024</b>
	\$	\$
Employee future benefits – Opening balance	10,927,000	7,511,800
Net benefit plan expense	(1,322,366)	(1,300,573)
Remeasurements of employee future benefits	2,392,201	3,357,900
Gross employer contributions	1,846,065	1,357,873
	<hr/>	<hr/>
Employee future benefits – Ending balance	13,842,900	10,927,000

The net benefit plan expense amount above has been allocated through staff cost expenses within the schedule of expenses and the statement of operations.

### 8 Government remittances

Included in accounts payable and accrued liabilities are government remittances, which consist of sales taxes. As at September 30, 2025, the amount payable was \$731,471 (2024 – \$653,652).

### 9 Deferred contributions relating to capital assets

Deferred contributions relating to capital assets represent externally restricted contributions collected from the registrants of CRNA for the purpose of capital acquisitions as approved by the Council. As at September 30, 2025, \$2,072,475 (2024 – \$2,722,050) of the funds had not been expended. The change in the deferred capital contribution balance is as follows:

	<b>2025</b>	<b>2024</b>
	\$	\$
Balance – Beginning of year	3,316,449	3,291,338
Contributions received	534,160	559,430
Amounts amortized to revenue	(526,850)	(534,319)
	<hr/>	<hr/>
Balance – End of year	3,323,759	3,316,449

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

### 10 Debt obligations

	2025 \$	2024 \$
Debt obligation under fixed rate loan	-	2,541,813
Less: Current portion	-	2,541,813
	<u>-</u>	<u>-</u>

The debt obligation was secured by a general security agreement constituting a first ranking security interest in all personal property of CRNA; a collateral mortgage in the amount borrowed including an assignment of rents, constituting a first fixed charge on the lands and improvements located at 11120 – 178 Street, Edmonton, Alberta (the 178 Street Property); and a certificate of insurance evidencing fire and other perils coverage on the 178 Street Property, showing the bank as first mortgage.

On January 3, 2023, CRNA renewed the fixed rate loan from Royal Bank of Canada (RBC) for a two-year term at 6.13% per annum, repayable in monthly blended payments of \$19,725. The loan was being amortized over 25 years with a renewal date of January 3, 2025. On January 3, 2025, CRNA fully paid the outstanding debt obligation, and the mortgage was not renewed.

Interest expense incurred with respect to the fixed rate loan referenced above during the year was \$51,887 (2024 – \$157,809). This expense is categorized under finance, people, planning and risk in the statement of operations.

### 11 Internally restricted fund

			2025	2024
	IM Program \$	Sustainability	Total \$	Total \$
Balance – Beginning of year	1,900,443	-	1,900,443	1,505,656
Internal restriction	1,500,000	1,500,000	3,000,000	2,500,000
Current year costs incurred	(2,147,768)	-	(2,147,768)	(2,105,213)
Balance – End of year	<u>1,252,675</u>	<u>1,500,000</u>	<u>2,752,675</u>	<u>1,900,443</u>

During the year, the Council approved an internal restriction of \$1,500,000 to fund the capital requirements of CRNA's Information Management Program within the 2026 intangible asset plans and an additional \$1,500,000 to create a Registrant Revenue Sustainability Fund as a provision against future revenue decreases.

### 12 Financial instruments

CRNA initially measures financial assets originated or acquired and financial liabilities issued or assumed in an arm's length transaction at air value. These financial assets and liabilities are subsequently measured at amortized cost, except for investments quoted in active markets, which are measured at fair value. Changes in fair value are recognized in the determination of excess of revenue over expenses during the year. The fair

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

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value of other financial instruments approximate their carrying amounts due to the short-term maturity of these instruments.

CRNA's financial instruments include cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities, accrued vacation payable and debt obligations. Cash and cash equivalents and accounts receivable are classified as loans and receivables and are accounted for at amortized cost using the effective interest rate method. Loans and receivables are initially recorded at fair value. Accounts payable and accrued liabilities and debt obligations are classified as other liabilities and are accounted for at amortized cost using the effective interest rate method. Financial liabilities are initially recorded at fair value.

CRNA is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks as at September 30, 2025.

### **Credit risk**

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. CRNA's investment in bonds and interest accrued thereon is primarily with federal and provincial governments with a portion allocated to investment-grade corporate bonds concentrated in Canada. Accounts receivable are of a short-term nature and no individual account receivable is significant to CRNA's financial position.

A portion of the assets held in the pension plan is exposed to credit risk, similar to the risks on CRNA's bond portfolio. In the event of loss in the pension plan, CRNA would be obligated to fund any deficiency that may arise. The investment fund invests in a mix of government and investment-grade corporate bonds.

Cash and cash equivalents and term deposits are maintained with a Schedule I financial institution. There has been no change to credit risk from the prior year.

### **Market and other price risk**

CRNA's equity interest investments are primarily focused on the Canadian public market and are subject to fluctuations due to changes in market prices of individual securities, general market and industry trends, changes in interest rates, creditworthiness and foreign exchange rates. CRNA is also exposed to interest rate risk through its holdings of bonds and variable rate debt obligations. Market and other price risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. All investments are of large market entities regularly traded on the exchanges. A sensitivity analysis indicates that a +1% (-1%) change in investments market rates would impact CRNA's unrealized gains or losses by \$34,000.

A portion of the assets held in the pension plan is exposed to market and other price risk, similar to the risks on CRNA's investment portfolio. In the event of loss in the pension plan, CRNA would be obligated to fund any deficiency that may arise. The investment fund invests in a mix of large market entities or funds regularly traded on the exchanges.

# College of Registered Nurses of Alberta

## Notes to Financial Statements

September 30, 2025

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### **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities. Management monitors cash flow to ensure it is able to pay debt obligations and liabilities as they come due. CRNA is exposed to liquidity risk mainly with respect to its accounts payable and accrued liabilities. Cash flows from operations and reserves provide a substantial portion of CRNA's cash requirements.

### **Currency risk**

Currency risk is the risk to CRNA's earnings that arises from fluctuations in foreign exchange rates and the degree of volatility of those exchange rates. CRNA holds US dollar denominated securities in its investment portfolio. CRNA does not use derivative instruments to reduce its exposure associated with foreign currency risk.

## **13 Contingencies**

CRNA, along with external legal counsel and insurance providers, monitor claims and litigations as they arise. As the outcome cannot be determined at this time for outstanding claim(s) and the amount of any possible settlement cannot be readily estimated, no provision has been accrued in the financial statements.

## **14 Comparative figures**

Certain comparative amounts have been reclassified to conform to the current year's presentation, this includes the reorganization of various departments and portfolios to align with the organizational structure of CRNA.

These reclassifications have no effect on the reported results of operations.

# College of Registered Nurses of Alberta

## Schedule of Expenses

For the year ended September 30, 2025

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	2025 \$	2024 \$ (Reclassified – note 14)
<b>Strategy and operations</b>		
Digital strategy		
Staff costs	2,469,302	2,078,681
Licencing and software	1,212,038	1,580,599
Contracted services and consulting	357,029	99,098
Other costs	119,743	243,602
Professional conduct		
Staff costs	1,935,007	2,148,240
Legal costs	316,557	236,113
Other costs	117,594	43,408
Contracted services and consulting costs	37,895	11,843
Professional fees	-	14,453
Service delivery		
Staff costs	1,568,433	487,435
Other costs	14,199	885
Registration and case management		
Staff costs	1,362,910	1,778,829
Other costs	27,425	112,468
Legal fees	1,804	40,330
Staff costs	1,028,866	804,135
Other costs	54,978	5,193
	<hr/>	<hr/>
	10,623,780	9,685,312
<b>Finance, people, planning and risk</b>		
Finance and business support		
Bank, service fees and financing costs	804,526	944,172
Staff costs	518,404	508,891
Contracted services and consulting	149,725	36,056
Professional fees	115,132	88,150
Insurance	72,127	74,104
Other costs	15,988	18,894
Facilities operations		
Building cost	603,543	934,397
Staff costs	432,347	359,831
Other costs	267,669	225,990
Telecommunication	200,162	197,481
Contracted services and consulting	3,655	8,129
People and culture		
Staff costs	651,589	625,903
Professional fees	83,740	84,493
Other costs	15,301	15,092
Planning, risk and procurement		
Staff costs	609,311	367,765
Other cost	13,565	88
	<hr/>	<hr/>
	4,556,784	4,489,436

# College of Registered Nurses of Alberta

Schedule of Expenses ...continued

For the year ended September 30, 2025

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	2025 \$	2024 \$ (Reclassified – note 14)
<b>Governance, regulation and standards</b>		
Regulation and standards		
Staff costs	1,102,693	1,905,364
Other costs	30,448	35,023
Contracted services and consulting	734	39,802
Regulatory initiatives and IDEA	623,788	163,002
Other costs	209,105	4,896
Council support		
Staff costs	455,647	137,467
Other costs	36,136	180
Legal fees	-	5,008
	<hr/> 2,458,551	<hr/> 2,290,742
<b>Enterprise projects and extraordinary items</b>		
Enterprise projects		
Contracted services and consulting	739,025	572,358
Staff costs	410,185	73,564
Licencing and software costs	7,861	18,566
Other costs	-	3,840
	<hr/> 1,157,071	<hr/> 668,328
<b>Executive office</b>		
Executive directors		
Staff costs	960,615	1,035,988
Other costs	28,417	34,387
Contracted services and consulting	-	88,855
	<hr/> 989,032	<hr/> 1,159,230
<b>Chief executive office</b>		
Executive office		
Staff costs	667,534	977,072
Contracted services and consulting	157,440	124,960
Other costs	122,872	198,134
Legal fees	-	28,048
	<hr/> 947,846	<hr/> 1,328,214

# College of Registered Nurses of Alberta

Schedule of Expenses ...continued

For the year ended September 30, 2025

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	<b>2025</b>	<b>2024</b>
	\$	\$
		(Reclassified – note 14)
<b>Governance council and committees</b>		
Governance council		
Other costs	272,531	224,478
Professional fees	18,412	535
Legal fees	9,551	-
Governance committees		
Contracted services and consulting	107,593	98,297
Legal fees	8,658	-
Other costs	-	180
	<hr/>	<hr/>
	416,745	323,490
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