

## **Financial Statement Review for the Year Ended June 30, 2025**

### **Overview**

The financial statements of Merrimack College (the “College”), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and cash flows and notes to the financial statements for the year then ended, were audited by CBIZ CPAs P.C. (“CBIZ CPAs”). CBIZ CPAs’ independent auditors’ report dated November 25, 2025 reported an unmodified, or “clean”, audit opinion. In addition, there were no reported significant deficiencies or material weaknesses in internal control over financial reporting nor over compliance with the College’s major federal programs.

The following discussion and analysis provide commentary and data related to the financial performance of the College for the year ended June 30, 2025.

### **Statement of Financial Position**

The financial statements at June 30, 2025 demonstrate continued balance sheet strength and strong financial management. The College’s investment position increased \$10.8M or 12.0% driven by strong investment returns and additional funds invested by the College. The College has a strong liquid position at June 30, 2025 to meet general expenditures for the upcoming fiscal year.

The College’s total assets have grown from \$402M at June 30, 2024 to \$429M in 2025. Total net assets have also grown from \$210.9M in 2024 to \$231.7M in 2025. Further proving a position of financial strength, the College’s unrestricted (without donor restriction) net assets are over 59% of total net assets, which is positive relative to most institutions.

### **Statement of Activities Operating Results**

The College had an increase in net assets from operations of \$7.6M in 2025, adding to the \$9.9M increase in 2024. Total operating revenues, which includes revenues from tuition, fees, room and board, grants and contributions, increased \$452k in 2025. Total operating expenses increased \$2.7M or 1.5%. The main driver for the increase in expenses is growth in student services and institutional support offset by a decrease in auxiliary enterprises.

### **Statement of Cash Flows**

The College continues to generate significant positive cash flow from operations. Net cash provided by operating activities was \$23.4M in 2025 and \$13.7M in 2024. Total cash and cash equivalents increased from \$49.2M in 2024 to \$54.6M at the end of fiscal year 2025.