

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2022**  
[Education Act, Sections 139, 140, 244]

**1180 The Foothills School Division**

Legal Name of School Jurisdiction

**PO Box 5700 High River AB T1V 1M7**

Mailing Address

**403-652-6510 chipmand@fsd38.ab.ca**

Contact Numbers and Email Address

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of 1180 The Foothills School Division presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

**Board of Trustees Responsibility**

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

**External Auditors**

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

**Declaration of Management and Board Chair**

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

**BOARD CHAIR**

Ms. Theresa Letendre

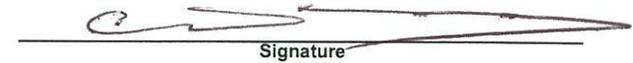
Name

  
Signature

**SUPERINTENDENT**

Dr. Christopher Fuzessy

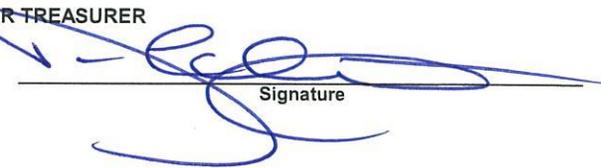
Name

  
Signature

**SECRETARY-TREASURER OR TREASURER**

Mr. Andrew F. Chipman

Name

  
Signature

November 30, 2022

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
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**TABLE OF CONTENTS**

	<b>Page</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>3</b>
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>5</b>
<b>STATEMENT OF OPERATIONS</b>	<b>6</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>7</b>
<b>STATEMENT OF CHANGE IN NET FINANCIAL ASSETS</b>	<b>8</b>
<b>STATEMENT OF REMEASUREMENT GAINS AND LOSSES</b>	<b>9</b>
<b>SCHEDULE 1: SCHEDULE OF NET ASSETS</b>	<b>10</b>
<b>SCHEDULE 2: SCHEDULE OF DEFERRED CONTRIBUTIONS</b>	<b>12</b>
<b>SCHEDULE 3: SCHEDULE OF PROGRAM OPERATIONS</b>	<b>14</b>
<b>SCHEDULE 4: SCHEDULE OF OPERATIONS AND MAINTENANCE</b>	<b>15</b>
<b>SCHEDULE 5: SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS</b>	<b>16</b>
<b>SCHEDULE 6: SCHEDULE OF TANGIBLE CAPITAL ASSETS</b>	<b>17</b>
<b>SCHEDULE 7: SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES</b>	<b>18</b>
<b>SCHEDULE 8: UNAUDITED SCHEDULE OF FEES</b>	<b>31</b>
<b>SCHEDULE 9: UNAUDITED SCHEDULE OF SYSTEM ADMINISTRATION</b>	<b>32</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>19</b>



## INDEPENDENT AUDITORS' REPORT

To: The Board of Trustees of  
The Foothills School Division

### *Opinion*

We have audited the financial statements of The Foothills School Division, which comprise the statement of financial position as at August 31, 2022 and the statements of operations, change in net debt, remeasurement gains and losses, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements and related schedules present fairly, in all material respects, the financial position of the Division as at August 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *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 are independent of the Division in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *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 public sector accounting standards, 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 fraud or error.

In preparing the financial statements, management is responsible for assessing the Division'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 intends to liquidate the Division or to cease operations, or has no realistic alternative by to do so.

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

### *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 and 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.

## INDEPENDENT AUDITORS' REPORT, continued

- 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 division'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 of the division'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 division 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.

, Alberta

November 30, 2022



Chartered Professional Accountants

**STATEMENT OF FINANCIAL POSITION**  
As at August 31, 2022 (in dollars)

		2022	2021
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	(Schedule 5)	\$ 7,332,920	\$ 8,525,899
Accounts receivable (net after allowances)	(Note 4)	\$ 1,421,652	\$ 2,145,842
Portfolio investments			
Operating	(Schedule 5)	\$ -	\$ 1,801,722
Endowments		\$ -	\$ -
Inventories for resale		\$ -	\$ -
Other financial assets		\$ -	\$ -
<b>Total financial assets</b>		\$ 8,754,572	\$ 12,473,463
<b>LIABILITIES</b>			
Bank indebtedness		\$ -	\$ -
Accounts payable and accrued liabilities	(Note 5)	\$ 1,710,651	\$ 2,111,530
Unspent deferred contributions	(Schedule 2)	\$ 2,420,999	\$ 2,970,040
Employee future benefits liabilities	(Note 6)	\$ 157,200	\$ 195,100
Environmental liabilities		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Unsupported: Debentures		\$ -	\$ -
Mortgages and capital loans		\$ -	\$ -
Capital leases	(Note 7)	\$ 134,034	\$ 143,933
<b>Total liabilities</b>		\$ 4,422,884	\$ 5,420,603
<b>Net financial assets</b>		\$ 4,331,688	\$ 7,052,860
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	(Schedule 6)	\$ 103,925,513	\$ 102,959,546
Inventory of supplies	(Note 8)	\$ 761,535	\$ 730,961
Prepaid expenses	(Note 8)	\$ 870,000	\$ 930,000
Other non-financial assets		\$ -	\$ -
<b>Total non-financial assets</b>		\$ 105,557,048	\$ 104,620,507
<b>Net assets before spent deferred capital contributions</b>		\$ 109,888,736	\$ 111,673,367
Spent deferred capital contributions	(Schedule 2)	\$ 98,220,092	\$ 97,075,315
<b>Net assets</b>		\$ 11,668,644	\$ 14,598,052
<b>Net assets</b>	(Note 9)		
Accumulated surplus (deficit)	(Schedule 1)	\$ 11,668,644	\$ 14,598,052
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 11,668,644	\$ 14,598,052
<b>Contractual rights</b>			
<b>Contingent assets</b>			
<b>Contractual obligations</b>	(Note 12)		
<b>Contingent liabilities</b>	(Note 11)		

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF OPERATIONS**  
For the Year Ended August 31, 2022 (in dollars)

	Budget 2022	Actual 2022	Actual 2021
<b>REVENUES</b>			
Government of Alberta	\$ 88,800,601	\$ 91,628,554	\$ 91,948,452
Federal Government and other government grants	\$ 332,192	\$ 484,196	\$ 346,744
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 1,755,022	\$ 1,376,258	\$ 463,694
Sales of services and products	\$ 656,000	\$ 723,910	\$ 424,151
Investment income	\$ 110,000	\$ 155,931	\$ 128,531
Donations and other contributions	\$ 860,000	\$ 1,460,545	\$ 393,181
Other revenue	\$ 768,470	\$ 855,620	\$ 315,467
<b>Total revenues</b>	<b>\$ 93,282,285</b>	<b>\$ 96,685,014</b>	<b>\$ 94,020,220</b>
<b>EXPENSES</b>			
Instruction - ECS	\$ 1,631,418	\$ 2,225,464	\$ 2,431,013
Instruction - Grades 1 to 12	\$ 72,688,005	\$ 73,966,352	\$ 70,332,581
Operations and maintenance (Schedule 4)	\$ 15,108,470	\$ 15,391,848	\$ 16,118,603
Transportation	\$ 4,925,118	\$ 5,108,218	\$ 4,761,298
System administration	\$ 3,043,604	\$ 2,922,540	\$ 2,557,836
External services	\$ -	\$ -	\$ -
<b>Total expenses</b>	<b>\$ 97,396,615</b>	<b>\$ 99,614,422</b>	<b>\$ 96,201,331</b>
<b>Annual operating surplus (deficit)</b>	<b>\$ (4,114,330)</b>	<b>\$ (2,929,408)</b>	<b>\$ (2,181,111)</b>
Endowment contributions and reinvested income	\$ -	\$ -	\$ -
<b>Annual surplus (deficit)</b>	<b>\$ (4,114,330)</b>	<b>\$ (2,929,408)</b>	<b>\$ (2,181,111)</b>
<b>Accumulated surplus (deficit) at beginning of year</b>	<b>\$ 14,598,052</b>	<b>\$ 14,598,052</b>	<b>\$ 16,779,163</b>
<b>Accumulated surplus (deficit) at end of year</b>	<b>\$ 10,483,722</b>	<b>\$ 11,668,644</b>	<b>\$ 14,598,052</b>

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF CASH FLOWS**  
For the Year Ended August 31, 2022 (in dollars)

	2022	2021
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ (2,929,408)	\$ (2,181,111)
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 6,547,548	\$ 6,403,526
Net (gain)/loss on disposal of tangible capital assets	\$ (497,822)	\$ (15,462)
Transfer of tangible capital assets (from)/to other entities	\$ (90,163)	\$ (116,756)
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Spent deferred capital recognized as revenue	\$ (5,594,294)	\$ (5,436,339)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Increase/(Decrease) in employee future benefit liabilities	\$ (37,900)	\$ (6,000)
Donations in kind	\$ -	\$ -
	\$ -	\$ -
	\$ (2,602,039)	\$ (1,352,142)
(Increase)/Decrease in accounts receivable	\$ 724,190	\$ (1,191,378)
(Increase)/Decrease in inventories for resale	\$ -	\$ -
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ (30,574)	\$ (370,080)
(Increase)/Decrease in prepaid expenses	\$ 60,000	\$ 60,000
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ (400,879)	\$ 672,317
Increase/(Decrease) in unspent deferred contributions	\$ (549,041)	\$ 288,113
Increase/(Decrease) in environmental liabilities	\$ -	\$ -
0	\$ -	\$ -
<b>Total cash flows from operating transactions</b>	<b>\$ (2,798,343)</b>	<b>\$ (1,893,170)</b>
<b>B. CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	\$ (7,423,352)	\$ (4,812,312)
Net proceeds from disposal of unsupported capital assets	\$ 497,822	\$ 22,000
Write off of capital asset	\$ -	\$ -
<b>Total cash flows from capital transactions</b>	<b>\$ (6,925,530)</b>	<b>\$ (4,790,312)</b>
<b>C. INVESTING TRANSACTIONS</b>		
Purchases of portfolio investments	\$ -	\$ -
Proceeds on sale of portfolio investments	\$ 1,801,722	\$ 1,454,415
0	\$ -	\$ -
0	\$ -	\$ -
<b>Total cash flows from investing transactions</b>	<b>\$ 1,801,722</b>	<b>\$ 1,454,415</b>
<b>D. FINANCING TRANSACTIONS</b>		
Debt issuances	\$ -	\$ -
Debt repayments	\$ -	\$ -
Increase (decrease) in spent deferred capital contributions	\$ 6,739,071	\$ 4,266,913
Capital lease issuances	\$ 66,015	\$ -
Capital lease payments	\$ (75,914)	\$ (74,343)
0	\$ -	\$ -
0	\$ -	\$ -
<b>Total cash flows from financing transactions</b>	<b>\$ 6,729,172</b>	<b>\$ 4,192,570</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>\$ (1,192,979)</b>	<b>\$ (1,036,497)</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>\$ 8,525,899</b>	<b>\$ 9,562,396</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$ 7,332,920</b>	<b>\$ 8,525,899</b>

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended August 31, 2022 (in dollars)**

	2022	2021
Annual surplus (deficit)	\$ (2,929,408)	\$ (2,181,111)
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (7,423,352)	\$ (4,812,312)
Amortization of tangible capital assets	\$ 6,547,548	\$ 6,403,526
Net (gain)/loss on disposal of tangible capital assets	\$ (497,822)	\$ (15,462)
Net proceeds from disposal of unsupported capital assets	\$ 497,822	\$ 22,000
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ (90,163)	\$ (116,756)
Other changes	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	\$ (965,967)	\$ 1,480,996
Acquisition of inventory of supplies	\$ (30,574)	\$ (370,080)
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ 60,000	\$ 60,000
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Change in spent deferred capital contributions (Schedule 2)	\$ 1,144,777	\$ (1,169,426)
Other changes	\$ -	\$ -
<b>Increase (decrease) in net financial assets</b>	\$ (2,721,172)	\$ (2,179,621)
<b>Net financial assets at beginning of year</b>	\$ 7,052,860	\$ 9,232,481
<b>Net financial assets at end of year</b>	\$ 4,331,688	\$ 7,052,860

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
**For the Year Ended August 31, 2022 (in dollars)**

	2022	2021
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Other Adjustment (Describe)	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
<b>Accumulated remeasurement gains (losses) at beginning of year</b>	\$ -	\$ -
<b>Accumulated remeasurement gains (losses) at end of year</b>	\$ -	\$ -

The accompanying notes and schedules are part of these financial statements.

**SCHEDULE 1**

**SCHEDULE OF NET ASSETS**  
For the Year Ended August 31, 2022 (in dollars)

	NET ASSETS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED SURPLUS (DEFICIT)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
<b>Balance at August 31, 2021</b>	\$ 14,598,052	\$ -	\$ 14,598,052	\$ 5,740,298	\$ 213,371	\$ -	\$ 5,025,909	\$ 3,618,474
<b>Prior period adjustments:</b>								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2021</b>	\$ 14,598,052	\$ -	\$ 14,598,052	\$ 5,740,298	\$ 213,371	\$ -	\$ 5,025,909	\$ 3,618,474
Operating surplus (deficit)	\$ (2,929,408)		\$ (2,929,408)			\$ (2,929,408)		
Board funded tangible capital asset additions				\$ 774,444			\$ -	\$ (774,444)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ (497,822)		\$ 497,822
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Reinvested endowment income	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -		\$ -	\$ -		\$ -
Amortization of tangible capital assets	\$ -			\$ (6,547,548)			\$ 6,547,548	
Capital revenue recognized	\$ -			\$ 5,594,294			\$ (5,594,294)	
Debt principal repayments (unsupported)	\$ -			\$ 75,914			\$ (75,914)	
Additional capital debt or capital leases	\$ -			\$ (66,015)			\$ 66,015	
Net transfers to operating reserves	\$ -					\$ (1,270,000)	\$ 1,270,000	
Net transfers from operating reserves	\$ -					\$ 2,483,875	\$ (2,483,875)	
Net transfers to capital reserves	\$ -					\$ (650,000)		\$ 650,000
Net transfers from capital reserves	\$ -					\$ 1,920,000		\$ (1,920,000)
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2022</b>	\$ 11,668,644	\$ -	\$ 11,668,644	\$ 5,571,387	\$ 213,371	\$ -	\$ 3,812,034	\$ 2,071,852

**SCHEDULE 1**

School Jurisdiction Code: \_\_\_\_\_

1180

**SCHEDULE OF NET ASSETS  
For the Year Ended August 31, 2022 (in dollars)**

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
<b>Balance at August 31, 2021</b>	\$ 3,525,909	\$ 870,494	\$ 250,000	\$ 1,430,057	\$ 1,000,000	\$ 743,777	\$ 250,000	\$ 574,146	\$ -	\$ -
<b>Prior period adjustments:</b>										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2021</b>	\$ 3,525,909	\$ 870,494	\$ 250,000	\$ 1,430,057	\$ 1,000,000	\$ 743,777	\$ 250,000	\$ 574,146	\$ -	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (66,015)	\$ -	\$ (88,669)	\$ -	\$ -	\$ -	\$ (619,760)	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ 489,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,482	\$ -	\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net remeasurement gains (losses) for the year										
Endowment expenses & disbursements										
Endowment contributions										
Reinvested endowment income										
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ 1,270,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers from operating reserves	\$ (1,933,875)	\$ (150,000)	\$ (150,000)	\$ -	\$ (250,000)	\$ -	\$ (150,000)	\$ -	\$ -	\$ -
Net transfers to capital reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650,000	\$ -	\$ -
Net transfers from capital reserves	\$ -	\$ (1,170,000)	\$ -	\$ (690,000)	\$ -	\$ (60,000)	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2022</b>	\$ 2,862,034	\$ 123,819	\$ 100,000	\$ 651,388	\$ 750,000	\$ 683,777	\$ 100,000	\$ 612,868	\$ -	\$ -

SCHEDULE OF DEFERRED CONTRIBUTIONS  
(EXTERNALLY RESTRICTED CONTRIBUTIONS ONLY)  
For the Year Ended August 31, 2022 (in dollars)

	Alberta Education					Other GoA Ministries				
	IMR	CMR	Safe Return to Class/Safe Indoor Air	Others	Total Education	Alberta Infrastructure	Children's Services	Health	Other GOA Ministries	Total Other GOA Ministries
<b>Deferred Operating Contributions (DOC)</b>										
Balance at August 31, 2021	\$ 245,262	\$ -	\$ -	\$ 177,913	\$ 423,175	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2021</b>	<b>\$ 245,262</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 177,913</b>	<b>\$ 423,175</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Received during the year (excluding investment income)	\$ 1,027,822	\$ -	\$ 149,075	\$ 150,000	\$ 1,326,897	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer (to) grant/donation revenue (excluding investment income)	\$ (996,014)	\$ -	\$ (149,075)	\$ (166,045)	\$ (1,311,134)	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred directly (to) SDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ 226,557	\$ -	\$ -	\$ -	\$ 226,557	\$ -	\$ -	\$ -	\$ -	\$ -
from CMR per AB	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>DOC closing balance at August 31, 2022</b>	<b>\$ 503,627</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 161,868</b>	<b>\$ 665,495</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Unspent Deferred Capital Contributions (UDCC)</b>										
Balance at August 31, 2021	\$ -	\$ 712,611	\$ -	\$ 230,782	\$ 943,393	\$ 122,305	\$ -	\$ -	\$ -	\$ 122,305
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2021</b>	<b>\$ -</b>	<b>\$ 712,611</b>	<b>\$ -</b>	<b>\$ 230,782</b>	<b>\$ 943,393</b>	<b>\$ 122,305</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 122,305</b>
Received during the year (excluding investment income)	\$ -	\$ 926,597	\$ -	\$ 218,772	\$ 1,145,369	\$ 4,602,138	\$ -	\$ -	\$ -	\$ 4,602,138
UDCC Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295,838	\$ -	\$ -	\$ -	\$ 295,838
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital/ insurance proceeds (and related interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) DOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) SDCC	\$ -	\$ (1,272,195)	\$ -	\$ (218,772)	\$ (1,490,967)	\$ (4,907,941)	\$ -	\$ -	\$ -	\$ (4,907,941)
Transferred (to) from others - please explain:	\$ -	\$ (226,557)	\$ -	\$ -	\$ (226,557)	\$ -	\$ -	\$ -	\$ -	\$ -
to IMR per AB Infr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>UDCC closing balance at August 31, 2022</b>	<b>\$ -</b>	<b>\$ 140,456</b>	<b>\$ -</b>	<b>\$ 230,782</b>	<b>\$ 371,238</b>	<b>\$ 112,340</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 112,340</b>
<b>Total Unspent Deferred Contributions at August 31, 2022</b>	<b>\$ 503,627</b>	<b>\$ 140,456</b>	<b>\$ -</b>	<b>\$ 392,650</b>	<b>\$ 1,036,733</b>	<b>\$ 112,340</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 112,340</b>
<b>Spent Deferred Capital Contributions (SDCC)</b>										
Balance at August 31, 2021	\$ 2,730,555	\$ 2,360,672	\$ -	\$ 19,218	\$ 5,110,445	\$ 91,964,870	\$ -	\$ -	\$ -	\$ 91,964,870
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2021</b>	<b>\$ 2,730,555</b>	<b>\$ 2,360,672</b>	<b>\$ -</b>	<b>\$ 19,218</b>	<b>\$ 5,110,445</b>	<b>\$ 91,964,870</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,964,870</b>
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,163	\$ -	\$ -	\$ -	\$ 90,163
Alberta Infrastructure managed projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from DOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from UDCC	\$ (549,508)	\$ (126,128)	\$ -	\$ (3,646)	\$ (679,282)	\$ 4,907,941	\$ -	\$ -	\$ -	\$ 4,907,941
Amounts recognized as revenue (Amortization of SDCC)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,910,845)	\$ -	\$ -	\$ -	\$ (4,910,845)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SDCC closing balance at August 31, 2022	\$ 2,181,047	\$ 3,506,739	\$ -	\$ 234,344	\$ 5,922,130	\$ 92,052,129	\$ -	\$ -	\$ -	\$ 92,052,129

SCHEDULE 2

	Other Sources			Total other sources
	Gov't of Canada	Donations and grants from others	Other	
<b>Deferred Operating Contributions (DOC)</b>				
Balance at August 31, 2021	\$ -	\$ -	\$ 1,231,167	\$ 1,231,167
Prior period adjustments - please explain:	-	-	-	-
<b>Adjusted ending balance August 31, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,231,167</b>	<b>\$ 1,231,167</b>
Received during the year (excluding investment income)	\$ -	\$ -	\$ 2,529,012	\$ 2,529,012
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ (2,490,406)	\$ (2,490,406)
Investment earnings - Received during the year	\$ -	\$ -	\$ 2,153	\$ 2,153
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ -
Transferred directly (to) SDCC	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -
from CIMR per AB	\$ -	\$ -	\$ -	\$ -
<b>DOC closing balance at August 31, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,271,926</b>	<b>\$ 1,271,926</b>
<b>Unspent Deferred Capital Contributions (UDCC)</b>				
Balance at August 31, 2021	\$ -	\$ 250,000	\$ -	\$ 250,000
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2021</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>
Received during the year (excluding investment income)	\$ -	\$ -	\$ -	\$ -
UDCC Receivable	\$ -	\$ -	\$ -	\$ -
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -
Investment earnings - Received during the year	\$ -	\$ -	\$ -	\$ -
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	\$ -	\$ -	\$ -	\$ -
Transferred from (to) DOC	\$ -	\$ -	\$ -	\$ -
Transferred from (to) SDCC	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ (250,000)	\$ -	\$ (250,000)
to IMR per AB infra	\$ -	\$ -	\$ -	\$ -
<b>UDCC closing balance at August 31, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Unspent Deferred Contributions at August 31, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,271,926</b>	<b>\$ 1,271,926</b>
<b>Spent Deferred Capital Contributions (SDCC)</b>				
Balance at August 31, 2021	\$ -	\$ -	\$ -	\$ -
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects	\$ -	\$ -	\$ -	\$ -
Transferred from DOC	\$ -	\$ -	\$ -	\$ -
Transferred from UDCC	\$ -	\$ 250,000	\$ -	\$ 250,000
Amounts recognized as revenue (Amortization of SDCC)	\$ -	\$ (4,167)	\$ -	\$ (4,167)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -
<b>SDCC closing balance at August 31, 2022</b>	<b>\$ -</b>	<b>\$ 245,833</b>	<b>\$ -</b>	<b>\$ 245,833</b>
<b>Total</b>				
	\$ 1,654,342	\$ -	\$ -	\$ 1,654,342
	\$ -	\$ -	\$ -	\$ -
	\$ 1,654,342	\$ -	\$ -	\$ 1,654,342
	\$ 3,855,909	\$ -	\$ -	\$ 3,855,909
	\$ (3,801,540)	\$ -	\$ -	\$ (3,801,540)
	\$ 2,153	\$ -	\$ -	\$ 2,153
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ 226,557	\$ -	\$ -	\$ 226,557
	\$ 1,937,421	\$ -	\$ -	\$ 1,937,421
<b>Total</b>				
	\$ 1,315,698	\$ -	\$ -	\$ 1,315,698
	\$ -	\$ -	\$ -	\$ -
	\$ 1,315,698	\$ -	\$ -	\$ 1,315,698
	\$ 5,747,507	\$ -	\$ -	\$ 5,747,507
	\$ 295,838	\$ -	\$ -	\$ 295,838
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ (6,648,908)	\$ -	\$ -	\$ (6,648,908)
	\$ (226,557)	\$ -	\$ -	\$ (226,557)
	\$ 483,578	\$ -	\$ -	\$ 483,578
	\$ 2,420,999	\$ -	\$ -	\$ 2,420,999
<b>Total</b>				
	\$ 97,075,315	\$ -	\$ -	\$ 97,075,315
	\$ -	\$ -	\$ -	\$ -
	\$ 97,075,315	\$ -	\$ -	\$ 97,075,315
	\$ -	\$ -	\$ -	\$ -
	\$ 90,163	\$ -	\$ -	\$ 90,163
	\$ -	\$ -	\$ -	\$ -
	\$ 6,648,908	\$ -	\$ -	\$ 6,648,908
	\$ (5,594,294)	\$ -	\$ -	\$ (5,594,294)
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ 98,220,092	\$ -	\$ -	\$ 98,220,092

**SCHEDULE OF PROGRAM OPERATIONS**  
For the Year Ended August 31, 2022 (in dollars)

REVENUES	2022						2021
	Instruction		Operations and Maintenance	Transportation	System Administration	External Services	TOTAL
	ECS	Grades 1 - 12					
(1) Alberta Education	\$ 2,779,773	\$ 65,342,193	\$ 8,971,201	\$ 4,597,382	\$ 3,094,604	\$ -	\$ 84,785,153
(2) Alberta Infrastructure	-	-	\$ 5,594,294	-	-	-	\$ 5,594,294
(3) Other - Government of Alberta	-	\$ 1,236,781	-	-	\$ 12,326	-	\$ 1,249,107
(4) Federal Government and First Nations	-	\$ 470,240	-	-	\$ 13,956	-	\$ 484,196
(5) Other Alberta school authorities	-	-	-	-	-	-	\$ -
(6) Out of province authorities	-	-	-	-	-	-	\$ -
(7) Alberta municipalities-special tax levies	-	-	-	-	-	-	\$ -
(8) Property taxes	-	-	-	-	-	-	\$ -
(9) Fees	\$ 205,276	\$ 1,143,232	-	\$ 27,750	-	-	\$ 1,376,258
(10) Sales of services and products	-	\$ 642,454	-	\$ 78,524	\$ 2,932	-	\$ 723,910
(11) Investment income	-	\$ 155,931	-	-	-	-	\$ 155,931
(12) Gifts and donations	-	\$ 871,352	-	-	-	-	\$ 871,352
(13) Rental of facilities	-	\$ 17,966	\$ 60,398	-	\$ 2,927	-	\$ 81,291
(14) Fundraising	-	\$ 589,193	-	-	-	-	\$ 589,193
(15) Gains on disposal of tangible capital assets	-	\$ 489,340	-	\$ 8,177	\$ 305	-	\$ 497,822
(16) Other	\$ 152,427	\$ 87,585	-	\$ 21,263	\$ 15,232	-	\$ 276,507
<b>(17) TOTAL REVENUES</b>	\$ 3,137,476	\$ 71,046,267	\$ 14,625,893	\$ 4,733,096	\$ 3,142,282	\$ -	\$ 96,685,014
<b>EXPENSES</b>							
(18) Certificated salaries	\$ 1,587,230	\$ 42,993,542	-	-	\$ 562,137	-	\$ 45,142,909
(19) Certificated benefits	\$ 219,860	\$ 10,120,295	-	-	\$ 6,107	-	\$ 10,346,262
(20) Non-certificated salaries and wages	\$ 185,728	\$ 8,915,053	\$ 741,963	\$ 2,234,265	\$ 1,370,394	-	\$ 13,447,403
(21) Non-certificated benefits	\$ 41,543	\$ 2,914,589	\$ 184,593	\$ 654,998	\$ 334,199	-	\$ 4,129,922
(22) SUB - TOTAL	\$ 2,034,361	\$ 64,943,479	\$ 926,556	\$ 2,889,263	\$ 2,272,837	-	\$ 73,066,496
(23) Services, contracts and supplies	\$ 191,103	\$ 8,828,601	\$ 8,661,156	\$ 1,620,512	\$ 643,849	-	\$ 19,945,221
(24) Amortization of supported tangible capital assets	-	-	\$ 5,594,294	-	-	-	\$ 5,594,294
(25) Amortization of unsupported tangible capital assets	-	\$ 139,115	\$ 209,842	\$ 598,443	\$ 5,854	-	\$ 953,254
(26) Unsupported interest on capital debt	-	\$ 7,004	-	-	-	-	\$ 7,004
(27) Other interest and finance charges	-	\$ 48,153	-	-	-	-	\$ 48,153
(28) Losses on disposal of tangible capital assets	-	-	-	-	-	-	\$ -
(29) Other expense	-	-	-	-	-	-	\$ -
<b>(30) TOTAL EXPENSES</b>	\$ 2,225,464	\$ 73,966,352	\$ 15,391,848	\$ 5,108,218	\$ 2,922,540	-	\$ 99,614,422
<b>(31) OPERATING SURPLUS (DEFICIT)</b>	\$ 912,012	\$ (2,920,085)	\$ (765,955)	\$ (375,122)	\$ 219,742	\$ -	\$ (2,929,408)

**SCHEDULE OF OPERATIONS AND MAINTENANCE**  
For the Year Ended August 31, 2022 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR/CMR, Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2022 TOTAL Operations and Maintenance	2021 TOTAL Operations and Maintenance
Non-certificated salaries and wages	\$ -	\$ 503,966	\$ -	\$ 93,803	\$ 144,194			\$ 741,963	\$ 948,102
Non-certificated benefits	\$ -	\$ 120,493	\$ -	\$ 23,567	\$ 40,543			\$ 184,593	\$ 218,613
<b>SUB-TOTAL REMUNERATION</b>	\$ -	\$ 624,449	\$ -	\$ 117,370	\$ 184,737			\$ 926,556	\$ 1,166,715
Supplies and services	\$ 3,606,745	\$ 955,919	\$ 97,437	\$ 918,554	\$ 7,500			\$ 5,586,155	\$ 6,514,832
Electricity			\$ 908,508					\$ 908,508	\$ 826,158
Natural gas/heating fuel		\$	\$ 603,878					\$ 603,878	\$ 443,109
Sewer and water		\$	\$ 213,683					\$ 213,683	\$ 205,019
Telecommunications		\$	\$ 17,507					\$ 17,507	\$ 14,778
Insurance					\$ 1,331,425			\$ 1,331,425	\$ 1,285,542
ASAP maintenance & renewal payments							\$	\$	\$
Amortization of tangible capital assets									
Supported							\$ 5,594,294	\$ 5,594,294	\$ 5,436,339
Unsupported						\$ 209,842	\$ 5,594,294	\$ 209,842	\$ 226,111
<b>TOTAL AMORTIZATION</b>						\$ 209,842	\$ 5,594,294	\$ 5,804,136	\$ 5,662,450
Interest on capital debt									
Unsupported						\$		\$	\$
Lease payments for facilities				\$				\$	\$
Other interest charges								\$	\$
Losses on disposal of capital assets								\$	\$
<b>TOTAL EXPENSES</b>	\$ 3,606,745	\$ 1,580,368	\$ 1,841,013	\$ 1,035,924	\$ 1,523,662	\$ 209,842	\$ 5,594,294	\$ 15,391,848	\$ 16,118,603

SQUARE METRES									
School buildings								\$ 93,061.3	\$ 93,281
Non school buildings								\$ 4,118.3	\$ 4,118

**Notes:**

- Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
- Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed Infrastructure Maintenance Renewal (IMR), CMR & Modular Unit relocations, as they are reported on separately.
- Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
- ensed IMR, CMR & Modular Unit Relocation & Lease Payments:** All operational expenses associated with non-capitalized IMR and CMR projects, modular unit (portable) relocation, and payments on leased facilities.
- Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project administration; administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
- Unsupported Amortization & Other Expenses:** All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.
- Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS**  
For the Year Ended August 31, 2022 (in dollars)

**Cash & Cash Equivalents**

	2022			2021
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 7,332,920	\$ 7,332,920	\$ 8,525,899
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents		\$ 7,332,920	\$ 7,332,920	\$ 8,525,899

See Note 3 for additional detail.

**Portfolio Investments**

	2022			2021	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
<b>Interest-bearing securities</b>					
Deposits and short-term securities	0.00%	\$ -	\$ -	\$ -	\$ -
Bonds and mortgages	0.00%	-	-	-	-
	0.00%	-	-	-	-
<b>Equities</b>					
Canadian equities	0.00%	\$ -	\$ -	\$ -	\$ -
Global developed equities	0.00%	-	-	-	-
Emerging markets equities	0.00%	-	-	-	-
Private equities	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
	0.00%	-	-	-	-
<b>Other</b>					
Guaranteed interest certificate	0.00%	\$ -	\$ -	\$ -	\$ 1,801,722
#REF!	0.00%	-	-	-	-
#REF!	0.00%	-	-	-	-
#REF!	0.00%	-	-	-	-
	0.00%	-	-	-	1,801,722
Total portfolio investments	0.00%	\$ -	\$ -	\$ -	\$ 1,801,722

See Note 5 for additional detail.

**Portfolio investments**

	2022	2021
<b>Operating</b>		
Cost	\$ -	\$ 1,801,722
Unrealized gains and losses	-	-
	-	1,801,722
<b>Endowments</b>		
Cost	\$ -	\$ -
Unrealized gains and losses	-	-
Deferred revenue	-	-
	-	-
<b>Total portfolio investments</b>	\$ -	\$ 1,801,722

The following represents the maturity structure for portfolio investments based on principal amount:

	2022	2021
Under 1 year	0.0%	100.0%
1 to 5 years	0.0%	0.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	0.0%	100.0%

**SCHEDULE 6**

School Jurisdiction Code: 1180

**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
For the Year Ended August 31, 2022 (in dollars)

Tangible Capital Assets	2022						2021
	Land	Work In Progress*	Buildings** 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	
Estimated useful life							
<b>Historical cost</b>							
Beginning of year	\$ 1,193,103	\$ 3,568,434	\$ 186,163,114	\$ 3,956,425	\$ 9,312,245	\$ 731,340	\$ 204,924,661
Prior period adjustments	-	-	-	-	-	-	-
Additions	-	8,552	6,388,861	407,670	708,429	-	7,513,512
Transfers in (out)	-	(3,568,434)	3,568,434	260,455	(234,056)	(260,455)	-
Less disposals including write-offs	-	-	(147,500)	-	(234,056)	-	(381,556)
Historical cost, August 31, 2022	\$ 1,193,103	\$ 8,552	\$ 195,972,909	\$ 4,624,550	\$ 9,786,618	\$ 470,885	\$ 212,056,617
<b>Accumulated amortization</b>							
Beginning of year	\$ -	\$ -	\$ 94,109,559	\$ 1,353,054	\$ 5,821,492	\$ 681,010	\$ 101,965,115
Prior period adjustments	-	-	-	-	-	-	-
Amortization	-	-	5,448,689	389,611	640,872	68,373	6,547,545
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	361,480	-	(361,480)	-
Less disposals including write-offs	-	-	(147,500)	-	(234,056)	-	(381,556)
Accumulated amortization, August 31, 2022	\$ -	\$ -	\$ 99,410,748	\$ 2,104,145	\$ 6,228,308	\$ 387,903	\$ 108,131,104
<b>Net Book Value at August 31, 2022</b>	\$ 1,193,103	\$ 8,552	\$ 96,562,161	\$ 2,520,405	\$ 3,558,310	\$ 82,982	\$ 103,925,513
<b>Net Book Value at August 31, 2021</b>	\$ 1,193,103	\$ 3,568,434	\$ 92,053,555	\$ 2,603,371	\$ 3,490,753	\$ 50,330	\$ 102,959,546

	2022	2021
Total cost of assets under capital lease	\$ 996,777	\$ 930,762
Total amortization of assets under capital lease	\$ (867,842)	\$ (793,400)

\*Work in Progress includes \$8,552 in work on roof slope not completed at year end.

**SCHEDULE 7**

School Jurisdiction Code: 1180

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES  
For the Year Ended August 31, 2022 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Chair - Theresa Letendre - Ward 3	1.00	\$34,193	\$1,727	\$0			\$0	\$5,412
Vice-Chair - John Evans - Ward 2	1.00	\$21,296	\$1,037	\$0			\$0	\$2,812
Lack Molyneux - Ward 1	1.00	\$21,214	\$956	\$0			\$0	\$2,498
Larry Albrecht - Ward 4	0.17	\$3,703	\$170	\$0			\$0	\$119
Lisa Penzo - Ward 4	0.83	\$19,080	\$913	\$0			\$0	\$1,166
Sharon Nichols - Ward 4	1.00	\$21,113	\$0	\$0			\$0	\$2,027
Phil Irwin - Ward 5	1.00	\$20,574	\$819	\$0			\$0	\$3,007
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
<b>Subtotal</b>	<b>6.00</b>	<b>\$141,173</b>	<b>\$5,662</b>	<b>\$0</b>			<b>\$0</b>	<b>\$17,041</b>
Name, Superintendent 1	1.00	\$203,000	\$46,930	\$0			\$0	\$5,058
Name, Superintendent 2	-	\$0	\$0	\$0			\$0	\$0
Name, Superintendent 3	-	\$0	\$0	\$0			\$0	\$0
Name, Treasurer 1	1.00	\$179,569	\$42,799	\$0			\$0	\$4,276
Name, Treasurer 2	-	\$0	\$0	\$0			\$0	\$0
Name, Treasurer 3	-	\$0	\$0	\$0			\$0	\$0
Name, Other	-	\$0	\$0	\$0			\$0	\$0
Certificated		\$44,939,909	\$10,299,332	\$0			\$0	\$0
School based	412.52							
Non-School based	6.40							
Non-certificated		\$13,126,661	\$4,081,461	\$0			\$0	\$0
Instructional	211.98							
Operations & Maintenance	12.00							
Transportation	22.98							
Other	28.57							
<b>TOTALS</b>	<b>702.45</b>	<b>\$58,590,312</b>	<b>\$14,476,184</b>	<b>\$0</b>			<b>\$0</b>	<b>\$26,375</b>

**1. AUTHORITY AND PURPOSE**

The School Jurisdiction delivers education programs under the authority of the *Education Act*, 2012, Chapter E-0.3.

The jurisdiction receives funding for instruction and support under Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the Canadian Public Sector Accounting Standards (PSAS). The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

**a) Basis of Financial Reporting**

**Valuation of Financial Assets and Liabilities**

The organization's financial assets and liabilities are generally measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Accounts receivable	Lower of cost or net recoverable value
Inventories for resale	Lower of cost or net realizable value
Portfolio investments	Fair value and amortized cost
Accounts payable and other accrued liabilities	Cost
Debt	Amortized cost

**Financial Assets**

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the school jurisdiction's financial claims on external organizations and individuals, as well as cash and inventories for resale at the year end.

Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid, investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term commitments rather than for investment purposes.

Scholarship Endowment Funds are included in Financial Assets in the Statement of Financial Position. Donors have placed restrictions on their contributions to endowments, for example capital preservation. The principal restriction is that the original contribution should be maintained intact in perpetuity.

Detailed information regarding portfolio investments is disclosed in Schedule 5: Schedule of Cash, Cash Equivalents, and Portfolio Investments.

Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

## **Liabilities**

Liabilities are present obligations of the school jurisdiction to external organizations and individuals arising from past transactions or events occurring before the year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

### Accounts payable and other accrued liabilities

Accounts payable and accrued liabilities include unearned revenue collected from external organizations and individuals for which goods and services have yet to be provided.

### Deferred Contributions

Deferred contributions include contributions received for operations which have stipulations that meet the definition of a liability per Public Sector Accounting Standard (PSAS) PS 3200. These contributions are recognized by the Division once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred contributions are recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

Deferred contributions also include contributions for capital expenditures, unspent and spent.

Unspent Deferred Capital Contributions (UDCC) represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per PS 3200 when spent.

Spent Deferred Capital Contributions (SDCC) represent externally restricted supported capital funds that have been spent but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require the school jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

### Employee Future Benefits

The Division provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include defined-benefit retirement plans, non-vested or accumulating sick leave, early retirement, retirement/severance, job-training and counseling, post-employment benefit continuation, death benefits, and various qualifying compensated absences and vested sick leave.

### Environmental Liabilities

#### *Liability for Contaminated Sites*

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment.

A liability for remediation of a contaminated site may arise from an operation that is either in productive use or no longer in productive use and may also arise from an unexpected event resulting in contamination. The resulting liability is recognized when all of the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the school jurisdiction is directly responsible or accepts responsibility;
- iv. it is expected that future economic benefits will be given up; and
- v. a reasonable estimate of the amount can be made

*Other environmental liabilities*

Other environmental liabilities (which are not liabilities for contaminated sites under PS 3260 or asset retirement obligations under PS 3280) are recognized when all of the following criteria are met:

- i. the school jurisdiction has a duty or responsibility to others, leaving little or no discretion to avoid the obligation;
- ii. the duty or responsibility to others entails settlement by future transfer or use of assets, or a provision of services at a specified or determinable date, or on demand;
- iii. the transaction or events obligating the school jurisdiction have already occurred; and
- iv. a reasonable estimate of the amount can be made.

Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets.

The Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be discharged in the future by funding through the Government of Alberta. The Division is in the process of estimating the asset retirement obligations for the adoption of PS 3280 during the 2022-23 fiscal year.

Debt

Notes, debentures, and mortgages are recognized at their face amount less unamortized discount, which includes issue expenses.

**Non-Financial Assets**

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- a) are normally employed to deliver government services;
- b) may be consumed in the normal course of operations; and
- c) are not for sale in the normal course of operations.

Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost, including amounts directly related to the acquisition, design, construction, development, or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Construction-in-progress is recorded as a transfer to the applicable asset class at substantial completion.
- Buildings include site and leasehold improvements as well as assets under capital lease.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the Division to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. For supported assets, the write-downs are accounted for as reductions to Spent Deferred Capital Contributions (SDCC).
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the Board are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs,

**THE FOOTHILLS SCHOOL DIVISION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2022

e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the Division's rate for incremental borrowing or the interest rate implicit in the lease. A schedule of repayments and amount of interest on the leases is provided in Note 7.

- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2% to 4%
Vehicles and Buses	10% to 20%
Computer Hardware and Software	20% to 25%
Other Equipment and Furnishings	10% to 20%

#### Inventories of Supplies

Inventories of supplies are valued at the lower of cost and replacement cost. Cost is determined on a first-in, first-out basis.

#### Prepaid Expenses

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement or using a methodology that reflects use of the resource.

#### **Operating and Capital Reserves**

Certain amounts, as approved by the Board of Trustees, are internally or externally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Changes in Net Assets.

#### **Revenue Recognition**

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as unearned revenue and recorded in accounts payable and other accrued liabilities.

Endowment contributions, matching contributions, and associated investment income allocated for preservation of endowment capital purchasing power are recognized in the Statement of Operations in the period in which they are received.

#### Government Transfers

Transfers from all governments are referred to as government transfers.

Government transfers and associated externally restricted investment income are recognized as deferred contributions if the eligibility criteria for use of the transfer, or the stipulations together with the Division's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, Foothills School Division complies with its communicated use of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the Division meets the eligibility criteria (if any).

#### Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recognized as revenue in the year received or in the year the funds are committed to the Division if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions and realized and unrealized gains and losses for the associated externally restricted investment income are recognized as deferred contributions if the terms for their use, or the terms along with the Division's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Division complies with its communicated use.

In-kind donations of services and materials are recognized at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Division, the value of their services are not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

#### Grants and Donations for Land

The Division records transfers and donations for the purchase of the land as a liability when received and as revenue when the Division purchases the land. The Division records in-kind contributions of land as revenue at the fair value of the land. When the Division cannot determine the fair value, it records such in-kind contributions at nominal value.

#### Investment Income

Investment income includes dividend and interest income and realized gains or losses on the sale of portfolio investments. Unrealized gains and losses on portfolio investments that are not from restricted transfers, donations or contributions are recognized in the Statement of Accumulated Remeasurement Gains and Losses until the related investments are sold. Once realized, these gains or losses are recognized in the Statement of Operations.

#### **Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

#### Allocation of Costs

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

#### **Program Reporting**

The Division's operations have been segmented as follows:

- **ECS Instruction:** The provision of ECS education instructional services that fall under the basic public education mandate.
- **Grades 1 - 12 Instruction:** The provision of instructional services for Grades 1 - 12 that fall under the basic public education mandate.
- **Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.
- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facility expenses.
- **System Administration:** The provision of board governance and system-based / central office administration.
- **External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in Grades 1 - 12. Services offered beyond the mandate for public education must be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenues and expenses are reported by program, source, and object on the Schedule of Program Operations. Respective instruction expenses include the cost of certificated teachers, non-certificated teaching assistants as well as a proportionate share of supplies and services, school administration and instruction support, and System Instructional Support.

#### **Trusts Under Administration**

The Division has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The Division holds title to the property for the benefit of the beneficiary. Trusts under administration have been excluded from the financial reporting of the Division. A summary of Trust balances is listed in Note 13.

#### **Financial Instruments**

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Division recognizes a financial instrument when it becomes a party to a financial instrument contract.

#### **Measurement Uncertainty**

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits recognized/disclosed as \$157,200 in these financial statements, is subject to measurement uncertainty.

### **3. FUTURE CHANGES IN ACCOUNTING STANDARDS**

During the fiscal year 2022-23, Foothills School Division will adopt the following new accounting standard of the Public Sector Accounting Board:

- **PS 3280 Asset Retirement Obligations**

This accounting standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets. The Division plans to adopt this accounting standard on a modified retroactive basis, consistent with the transitional provisions in PS 3280, and information presented for comparative purposes will be restated. The impact of the adoption of this accounting standard on the financial statements is currently being analyzed.

In addition to the above, the Public Sector Accounting Board has approved the following accounting standards, which are effective for fiscal years starting on or after April 1, 2023:

- **PS 3400 Revenue (effective September 1, 2023)**

This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and non-exchange transactions.

- **PS 3160 Public Private Partnerships**

This accounting standard provides guidance on how to account for public private partnerships between public and private sector entities, where the public sector entity procures infrastructure using a private sector partner.

The Division has not yet adopted these two accounting standards. Management is currently assessing the impact of these standards on the financial statements.

**THE FOOTHILLS SCHOOL DIVISION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2022

**4. ACCOUNTS RECEIVABLE**

	<b>2022</b>		<b>2021</b>
	<b>Gross Amount</b>	<b>Net Realizable Value</b>	<b>Net Realizable Value</b>
Alberta Education - grants	\$ 30,364	\$ 30,364	\$ 32,469
Alberta Infrastructure - capital	959,310	959,310	1,897,772
Federal government	116,194	116,194	142,694
Other	315,784	315,784	72,907
<b>Total</b>	<b><u>\$ 1,421,652</u></b>	<b><u>\$ 1,421,652</u></b>	<b><u>\$ 2,145,842</u></b>

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2022</b>	<b>2021</b>
Alberta Education	\$ 410,174	\$ 950,590
Accrued vacation pay liability	351,450	319,312
Other trade payables and accrued liabilities	949,027	841,628
<b>Total</b>	<b><u>\$ 1,710,651</u></b>	<b><u>\$ 2,111,530</u></b>

**6. BENEFIT PLANS**

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

Current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the Division does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2022, the amount contributed by the Government was \$4,695,884 (2021 - \$4,704,639).

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan. The Division is not responsible for future funding of the plan deficit other than through contribution increases. The expense for this pension plan is equivalent to the annual contributions of \$864,792 for the year ended August 31, 2022 (2021 - \$950,966). At December 31, 2021, the Local Authorities Pension Plan reported a surplus of \$11,922,000,000 (2020 - \$4,961,337,000).

The Division provides non-contributory defined benefit supplementary retirement benefits to its executives.

The jurisdiction participates in the multi-employer supplementary integrated pension plan (SiPP) for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension to a full 2% of pensionable earnings multiplied by pensionable service, limited by the *Income Tax Act*. The annual expenditure for this pension plan is equivalent to the annual contributions of \$33,619 for the year ended August 31, 2022 (2021 - \$31,944).

The non-registered supplemental executive retirement plan (SERP) is administered by the Division and provides an annual retirement benefit of 2% of total employee earnings. The cost of SERP is by the Division and is actuarially determined using the projected accrued benefit cost method with proration of service costs.

**THE FOOTHILLS SCHOOL DIVISION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2022

The Division does not have sufficient plan information on the LAPP/MEPP/PSPP/SiPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the PSPP/LAPP/MEPP/SiPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

Employee future benefit liabilities consist of the following:

	2022	2021
Defined benefit pension plan liability (SERP)	\$ 157,200	\$ 195,100
<b>Total</b>	<b>\$ 157,200</b>	<b>\$ 195,100</b>

**7. DEBT**

	2022	2021
This obligation under capital lease will be repaid at \$1,197 monthly including interest at 2.89% due in 2026. The lease is secured by specific equipment with a net book value of \$64,913	\$ 55,631	\$ -
This obligation under capital lease will be repaid at \$1,961 monthly including interest at 4.05% due in 2025. The lease is secured by specific equipment with a net book value of \$44,308	47,271	68,318
This obligation under capital lease will be repaid at \$2,102 monthly including interest at 4.04% due in 2023. The lease is secured by specific equipment with a net book value of \$24,792	25,059	48,925
This obligation under capital lease will be repaid at \$1,741 monthly including interest at 3.50% due in 2023. The lease is secured by specific equipment with a net book value of \$4,822	6,073	26,690
<b>Total</b>	<b>\$ 134,034</b>	<b>\$ 143,933</b>

Capital Leases

Capital leases are approved by the Minister of Education but are funded by the Division. Capital leases are secured by specifically identified assets.

	Principal	Interest	Total
2022-2023	\$ 65,854	\$ 3,709	69,563
2023-2024	36,267	1,998	38,265
2024-2025	15,518	833	16,351
2025-2026	14,012	348	14,360
2026-2027	2,383	10	2,393
<b>Total</b>	<b>\$ 134,034</b>	<b>\$ 6,898</b>	<b>\$ 140,932</b>

**THE FOOTHILLS SCHOOL DIVISION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2022

**8. PREPAID EXPENSES**

Prepaid expenses consist of the following:

	<b>2022</b>	<b>2021</b>
Prepaid lease (Note 14)	\$ 870,000	\$ 930,000
Inventory of supplies	761,535	730,961
<b>Total</b>	<b>\$ 1,631,535</b>	<b>\$ 1,660,961</b>

**9. NET ASSETS**

Detailed information related to accumulated surplus is available on the Schedule of Changes in Net Assets. Accumulated surplus may be summarized as follows:

	<b>2022</b>	<b>2021</b>
Unrestricted surplus	\$ -	\$ -
Operating reserves	3,812,034	5,025,909
Accumulated surplus (deficit) from operations	3,812,034	5,025,909
Investment in tangible capital assets	5,571,387	5,740,298
Capital reserves	2,071,852	3,618,474
Endowments <sup>(1)</sup>	213,371	213,371
Accumulated rereasurement gains (losses)	-	-
<b>Accumulated surplus (deficit)</b>	<b>\$ 11,668,644</b>	<b>\$ 14,598,052</b>

(1) Terms of the endowments stipulate that the principal balance be maintained permanently. Investment income of \$50,694 (2021 - \$48,541) is externally restricted for scholarships and is included in deferred contributions. Investment income of \$155,931 (2021 - \$128,531) is unrestricted.

**10. ENDOWMENTS**

Endowments represent principal amounts contributed for student scholarships. The conditions of the endowment agreement are such that principal amounts must be held in perpetuity in accordance with stipulations placed by the contributor. Endowment assets are held in cash and cash equivalents.

**11. CONTINGENT LIABILITIES**

The Division is a member of Alberta Risk Management Insurance Consortium (ARMIC). Under the terms of its membership, the Division could become liable for its proportionate share of any claim or losses in excess of the funds held by the exchange. The Division's share of the pool as of August 31, 2022 is \$405,318 (2021 - \$271,355). The Alberta School Boards Insurance Exchange shows the Division's share of the pool as of December 31, 2021 as \$151,580 (2020 - \$269,432).

**THE FOOTHILLS SCHOOL DIVISION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2022

**12. CONTRACTUAL OBLIGATIONS**

	2022	2021
Building projects <sup>(1)</sup>	\$ 25,000	\$ 6,704,122
Building leases <sup>(2)</sup>	1	1
Service providers <sup>(3)</sup>	15,161,921	3,405,231
Total	\$ 15,186,922	\$ 10,109,354

<sup>(1)</sup> Building projects: The Division has entered into a contract for the modernization of Blackie School. Their fee will be paid out over the next year.

<sup>(2)</sup> Building leases: The Division is committed to a 20-year lease for office space at \$1 per year but will be required to pay its share of operating costs based on square meters and actual operating costs to be determined annually.

<sup>(3)</sup> Service providers: As of August 31, 2022, the Division has \$15,161,921 (2021 - \$3,405,231) in commitments relating to service and grant contracts.

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Building projects	Building leases	Service providers
2022-23	\$ 25,000	\$ -	\$ 3,137,724
2023-24	-	-	3,177,697
2024-25	-	-	3,101,012
2025-26	-	-	3,122,096
2026-27	-	-	2,623,392
Thereafter	-	1	-
	\$ 25,000	\$ 1	\$ 15,161,921

**13. TRUSTS UNDER ADMINISTRATION**

These balances represent assets that are held in trust by the jurisdiction. They are not recorded on the statements of the Division.

	2022	2021
Scholarship trusts	\$ 138,773	\$ 142,463
Total	<u>\$ 138,773</u>	<u>\$ 142,463</u>

**14. TRANSFER OF ADMINISTRATION LAND AND BUILDING**

During the 2017 year, the Division entered into a 20-year lease for the use of a new administration building owned by the Province. As part of the terms of the lease, the Division transferred the land and building formerly used as the administration building to the Province. The deemed proceeds on the transfer were determined at \$1,200,000 based on the estimated fair value of the land and building and were reflected as an increase in capital reserves under System Administration.

The deemed proceeds were not received in cash but will be reflected in reduced lease payments over the 20-year lease term. As a result, a prepaid lease asset has been recorded which will be amortized over the 20-year lease at \$60,000 per year, leaving a net prepaid lease expense of \$870,000 (Note 8) as at August 31, 2022 (2021 - \$930,000).

**THE FOOTHILLS SCHOOL DIVISION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2022

**15. SCHOOL GENERATED FUNDS**

	2022	2021
School Generated Funds, Beginning of Year	\$ 1,083,000	\$ 1,082,610
Gross Receipts:		
Fees	605,238	83,415
Fundraising	589,193	93,902
Gifts and donations	846,440	219,979
Grants to schools	6,589	-
Other sales and services	402,100	202,917
Total gross receipts	2,449,560	600,213
Total Related Expenses and Uses of Funds	1,837,245	338,379
Total Direct Costs Including Cost of Goods Sold to Raise Funds	510,296	261,444
School Generated Funds, End of Year	<u>\$ 1,185,019</u>	<u>\$ 1,083,000</u>
Balance included in Deferred Contributions	\$ 1,185,019	\$ 1,083,000
Balance included in Accumulated Surplus	\$ -	\$ -

**16. RELATED PARTY TRANSACTIONS**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta Consolidated Financial Statements. Related parties also include key management personnel in division and their close family members.

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
<b>Government of Alberta (GOA):</b>				
<b>Alberta Education</b>				
Accounts receivable / Accounts payable	\$ 30,364	\$ 410,174	\$ -	\$ -
Prepaid expenses / Deferred revenue	870,000	665,493	-	-
Unspent deferred capital contributions	-	371,237	-	-
Spent deferred capital contributions	-	5,922,131	-	-
Grant revenue & expenses	-	-	84,785,153	-
<b>Alberta Health Services</b>	-	-	1,249,107	-
<b>Alberta Infrastructure</b>				
Accounts receivable / Accounts payable	959,310	-	-	-
Unspent deferred capital contributions	-	112,340	-	-
Spent deferred capital contributions	-	92,052,127	-	-
Grant revenue & expenses	-	-	5,594,294	-
<b>TOTAL 2021-22</b>	<u>\$1,859,674</u>	<u>\$ 99,533,502</u>	<u>\$91,628,554</u>	<u>\$ -</u>
<b>TOTAL 2020-21</b>	<u>\$2,860,241</u>	<u>\$ 99,514,776</u>	<u>\$91,947,132</u>	<u>\$ -</u>

The Division and its employees paid or collected certain taxes and amounts set by regulation or local policy. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

**17. COVID-19**

During the year, the Division received support for supplies and PPE (Personal Protective Equipment) from the provincial government. See the COVID schedule for details.

The year had significant pressures due to COVID-19 outbreaks and staff absences. We were not required to track COVID-19 absences during the 2021-22 school year, as a result, we have included an estimate for salaries at \$1.2 million to the schedule detailing expenses.

**18. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY**

The Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

**19. BUDGET AMOUNTS**

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 16, 2021. It is presented for information purposes only and has not been audited.

**SCHEDULE 8**  
**UNAUDITED SCHEDULE OF FEES**  
**For the Year Ended August 31, 2022 (in dollars)**

	Actual Fees Collected 2020/2021	Budgeted Fee Revenue 2021/2022	(A) Actual Fees Collected 2021/2022	(B) Unspent September 1, 2021*	(C) Funds Raised to Defray Fees 2021/2022	(D) Expenditures 2021/2022	(A) + (B) + (C) - (D) Unspent Balance at August 31, 2022*
<b>Transportation Fees</b>	\$1,461	\$51,600	\$27,750	\$0	\$0	\$27,750	\$0
<b>Basic Instruction Fees</b>							
Basic instruction supplies	\$27,176	\$0	\$46,291	\$0	\$0	\$46,291	\$0
<b>Fees to Enhance Basic Instruction</b>							
Technology user fees	\$86,621	\$92,922	\$86,479	\$0	\$0	\$86,479	\$0
Alternative program fees	\$7,156	\$7,600	\$7,150	\$0	\$0	\$7,150	\$0
Fees for optional courses	\$264,663	\$650,000	\$446,629	\$0	\$0	\$446,629	\$0
Activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Early childhood services	\$0	\$0	\$205,276	\$0	\$0	\$205,276	\$0
Other fees to enhance education	\$10,438	\$625,000	\$182,889	\$0	\$0	\$182,889	\$0
<b>Non-Curricular fees</b>							
Extracurricular fees	\$3,892	\$200,000	\$234,841	\$0	\$0	\$234,841	\$0
Non-curricular travel	\$257	\$25,000	\$29,424	\$0	\$0	\$29,424	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$3,071	\$2,900	\$1,894	\$0	\$0	\$1,894	\$0
Other Fees	\$58,959	\$100,000	\$107,635	\$0	\$0	\$107,635	\$0
<b>TOTAL FEES</b>	\$463,694	\$1,755,022	\$1,376,258	\$0	\$0	\$1,376,258	\$0

\*Unspent balances cannot be less than \$0

Please disclose amounts paid by parents of students that are recorded as "Sales of services and products", "Fundraising", or "Other revenue" (rather than fee revenue):	Actual 2022	Actual 2021
Cafeteria sales, hot lunch, milk programs	\$110,132	\$24,250
Special events, graduation, tickets	\$80,483	\$44,289
International and out of province student revenue	\$6,910	\$9,221
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$292,502	\$161,857
Adult education revenue	\$0	\$0
Preschool	\$152,427	\$184,534
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$0	\$0
0	\$0	\$0
0	\$0	\$0
<b>TOTAL</b>	\$642,454	\$424,151

**SCHEDULE 9**

**UNAUDITED SCHEDULE OF SYSTEM ADMINISTRATION**  
**For the Year Ended August 31, 2022 (in dollars)**

EXPENSES	Allocated to System Administration 2022			
	Salaries & Benefits	Supplies & Services	Other	TOTAL
Office of the superintendent	\$ 323,256	\$ 9,200	\$ -	\$ 332,456
Educational administration (excluding superintendent)	488,448	-	-	488,448
Business administration	634,513	475,139	-	1,109,652
Board governance (Board of Trustees)	153,135	75,575	-	228,710
Information technology	-	-	-	-
Human resources	316,358	-	-	316,358
Central purchasing, communications, marketing	159,721	61,244	-	220,965
Payroll	197,406	-	-	197,406
Administration - insurance			22,691	22,691
Administration - amortization			5,854	5,854
Administration - other (admin building, interest)			-	-
Other (describe)	-	-	-	-
Other (describe)	-	-	-	-
Other (describe)	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>\$ 2,272,837</b>	<b>\$ 621,158</b>	<b>\$ 28,545</b>	<b>\$ 2,922,540</b>
Less: Amortization of unsupported tangible capital assets				(\$5,854)
<b>TOTAL FUNDED SYSTEM ADMINISTRATION EXPENSES</b>				<b>2,916,686</b>

REVENUES	2022
System Administration grant from Alberta Education	3,094,605
System Administration other funding/revenue from Alberta Education (ATRF, secondment revenue, etc)	12,326
System Administration funding from others	35,351
<b>TOTAL SYSTEM ADMINISTRATION REVENUES</b>	<b>3,142,282</b>
Transfers (to)/from System Administration reserves	-
Transfers to other programs	-
<b>SUBTOTAL</b>	<b>3,142,282</b>
2021 - 22 System Administration expense (over) under spent	\$225,596