

Private School Authority Code: 0258
School Code: 1598

**AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules for
FUNDED PRIVATE SCHOOLS
FOR THE YEAR ENDED AUGUST 31, 2023**

Education Act, Section 29
Private Schools Regulation, Alberta Regulation 127/2022

Alberta Ballet School

Name of Private School and Legal Name of Organization Operating the Private School

906 12 Ave SW, #2, Calgary AB T2R 1K7

Mailing Address

Tel: 403-245-4222; Fax: 403-245-6573

Telephone and Fax Numbers

These Financial Statements and Supporting Schedules are Audited by:

Baker Tilly Catalyst LLP
205 Quarry Park Blvd SE, Ste 330,
Calgary, AB T2C 3E7

Name and Address of the Audit Firm

Baker Tilly Catalyst LLP
Auditor's Signature

PRIVATE SCHOOL MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING.

The financial statements and supporting schedules of

Alberta Ballet School

(Name of Private School)

presented to Alberta Education have been prepared by the private school's management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit organizations and Ministerial requirements for Alberta funded private schools.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the private school'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 private school'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 budgetary system of control.

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

External Independent Auditors

The Board appoints external independent auditors to audit these financial statements and meets with the auditor to review their findings. The external independent auditors have full and free access to school authority's records.

Declaration of Board Chair and Treasurer, Secretary-Treasurer

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position as at August 31, 2023 and results of operations, cash flows, and changes in net assets for the year then ended in accordance with Canadian Accounting Standards for Not-For-Profit Organizations and Ministerial requirements for Alberta funded private schools.

BOARD CHAIR / PRESIDENT

Daryl Fridhandler

Name

Daryl Fridhandler
Signature

HEAD OF SCHOOL / PRINCIPAL

Candice Beermann

Name

C Beermann
Signature

TREASURER OR SECRETARY - TREASURER

Jana Neal

Name

Jana Neal
Signature

November 23, 2023

Board-approved Release Date

ALBERTA EDUCATION, Financial Reporting and Accountability,
8th Floor Commerce Place, 10155-102 Street, Edmonton, Alberta T5J 4L5
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Alberta Government

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Alberta Ballet School:

Opinion

We have audited the financial statements of the Alberta Ballet Company operating as Alberta Ballet School (the "School"), which are presented in the prescribed format by Alberta Education and which comprise:

- the statement of financial position as at August 31, 2023;
- the statement of operations for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in net assets for the year then ended;
- the Schedules 1,2,3,4,and 5;
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School as at August 31, 2023, and the results of its operations, changes in net assets, and its cash flows for the year ended in accordance with basis of accounting in Note 2 to the financial statements.

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 School 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.

Information other than Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information is comprised of the information, other than the financial statements and our auditor's report thereon, included in the Annual Education Results Report document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the information, other than the financial statements and the auditors' report thereon, included in Annual Education Results Report document as at the date of this auditors' report. If, based

on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Emphasis of Matter

We draw attention to Note 2 in the financial statements, which describes the applicable financial reporting framework and the purpose of the financial statements.

As a result, the financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

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 the basis of accounting in Note 2 to the financial statements, 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 School'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 School or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit 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 School'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 School'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 School 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.

Other Matter

The financial statements for the year ended August 31, 2022 were audited by another auditor who expressed an unqualified opinion on those statements on November 25, 2022.

**CALGARY, ALBERTA
NOVEMBER 23, 2023**

Baker Tilly Catalyst LLP

**CHARTERED PROFESSIONAL
ACCOUNTANTS**

Private School Authority Code:	0258
School Code:	1598

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STATEMENT OF FINANCIAL POSITION
as at August 31
(in dollars)

		AFS 2023	AFS 2022 (NOTE *)
ASSETS			
Current assets			
Cash and cash equivalents	Note 3	\$702,989	\$1,588,783
Accounts receivable (net after allowances)			
Province of Alberta	Note	\$0	\$0
Federal Government and/or First Nations	Note 4	\$0	\$243,341
Other accounts receivable	Note	\$162,786	\$111,840
Prepaid expenses	Note	\$19,529	\$21,589
Other current assets	Note 5	\$9,825	\$69,263
Total current assets		\$895,129	\$2,034,816
School generated assets	Note	\$0	\$0
Trust assets	Note	\$0	\$0
Other assets	Note 6	\$2,299,299	\$1,470,893
Capital assets			
Land at cost		\$0	\$0
Buildings at cost	\$0		
Less: accumulated amortization	\$0	\$0	\$0
Leasehold improvements at cost	\$1,003,639		
Less: accumulated amortization	\$903,858	\$99,781	\$100,212
Equipment at cost	\$503,525		
Less: accumulated amortization	\$367,125	\$136,400	\$170,788
Vehicles at cost	\$0		
Less: accumulated amortization	\$0	\$0	\$0
Total capital assets	Note 7	\$236,181	\$271,000
TOTAL ASSETS	\$3,430,609	\$3,430,609	\$3,776,709
LIABILITIES			
Current liabilities			
Bank indebtedness	Note	\$0	\$0
Accounts payable and accrued liabilities			
Province of Alberta	Note	\$0	\$0
Federal Government and/or First Nations	Note	\$0	\$932
Other payables and accrued liabilities	Note 8	\$227,440	\$357,524
Capital payables	Note	\$0	\$0
Deferred contributions	Note 9	\$1,320,486	\$1,585,437
Deferred capital allocations	Note 10	\$45,867	\$50,000
Current portion of long term debt		\$0	\$2,479
Total current liabilities		\$1,593,793	\$1,996,372
School generated liabilities	Note	\$0	\$0
Trust liabilities	Note	\$0	\$0
Other liabilities	Note	\$0	\$0
Long term debt			
Debentures & Bonds	Note	\$0	\$0
Capital loans	Note	\$0	\$0
Capital leases	Note 11	\$0	\$2,479
Mortgages	Note	\$0	\$0
Other loans	Note	\$0	\$0
Less: Current portion of long term debt	Note 11	\$0	(\$2,479)
Unamortized capital allocations	Note 12	\$82,664	\$122,474
Total long term liabilities		\$82,664	\$122,474
TOTAL LIABILITIES		\$1,676,457	\$2,118,846
NET ASSETS			
Unrestricted net assets		\$1,624,134	\$1,535,227
Operating reserves		\$0	\$0
Total accumulated surplus (deficit) from operations		\$1,624,134	\$1,535,227
Investment in capital assets		\$130,018	\$122,636
Capital reserves		\$0	\$0
Total capital funds		\$130,018	\$122,636
Total net assets		\$1,754,152	\$1,657,863
TOTAL LIABILITIES AND NET ASSETS	\$3,430,609	\$3,430,609	\$3,776,709

Note: * Audited Financial Statements (AFS) as submitted to Alberta Education pursuant to Section 29 of the Education Act;

Private Schools Regulation, Alberta Regulation 127/2022 or as restated.

Input "(Restated)" in 2022 column heading where not taken from the finalized 2021/2022 Audited Financial Statements.

STATEMENT OF OPERATIONS
for the Year Ended August 31
(in dollars)

	AFS 2023	Budget 2023 (NOTE *)	AFS 2022 (NOTE *)
		x	x
REVENUES			
Alberta Education (excluding Home Education)	\$292,334	\$260,804	\$293,211
Alberta Education - Home Education	\$0	\$0	\$0
Total Alberta Education Revenues	\$292,334	\$260,804	\$293,211
Other Government of Alberta	\$648,451	\$583,376	\$556,092
Federal Government and/or First Nations	\$230,500	\$65,000	\$819,429
Other Alberta school authorities	\$0	\$0	\$0
Instructional fees/Tuition fees	\$3,357,672	\$3,857,659	\$2,997,808
Non-instructional fees (O&M, Transportation, Admin, etc.)	\$1,193,035	\$1,140,700	\$1,089,707
Other sales and services	\$183,045	\$248,430	\$154,800
Interest on investments	\$2,426	\$1,500	\$4,515
Gifts and donations	\$113,157	\$46,500	\$79,213
Amortization of capital allocations	\$39,722	\$42,867	\$42,558
Other	\$188,726	\$147,884	\$173,881
Total Revenues	\$6,249,068	\$6,394,720	\$6,211,214
EXPENSES			
Home Education	\$0	\$0	\$0
Instruction - ECS	\$0	\$0	\$0
Instruction - Grades 1 to 12	\$3,210,171	\$3,526,623	\$2,229,455
Operations and maintenance	\$259,544	\$362,741	\$376,585
Transportation	\$46	\$60,057	\$59,059
Board and System Administration	\$394,978	\$100,490	\$364,231
External services	\$2,288,040	\$1,187,434	\$3,125,562
Total Expenses	\$6,152,779	\$5,237,345	\$6,154,892
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	\$96,289	\$1,157,375	\$56,322
	\$96,289		

Note: * Input "(Restated)" in Budget 2023 and/or AFS 2022 column headings where comparatives are not taken from the respective finalized 2022/2023 Budget Report and/or finalized 2021/2022 Audited Financial Statements.

Private School Authority Code:	0258
School Code:	1598

STATEMENT OF CASH FLOWS
for the Year Ended August 31
(in dollars)

	AFS 2023	AFS 2022 (NOTE *)	
		x	
CASH FLOWS FROM:			
A. OPERATING ACTIVITIES			
Surplus (deficit) of revenues over expenses for the year	\$96,289	\$56,322	
Add (Deduct) items not requiring cash:			
Amortization of capital allocations revenue	(\$39,722)	(\$42,558)	
Total amortization expense	\$106,467	\$111,061	
Add losses or deduct gains on disposal of capital assets	\$0	\$0	
Changes in accrued accounts:			
Accounts receivable	\$192,395	\$241,895	
Prepays and other current assets	\$61,498	\$67,410	
Payables and accrued liabilities	(\$131,016)	\$31,289	
Deferred contributions	(\$264,951)	\$387,496	
Other (specify): Due from Alberta Ballet Company	(\$831,380)	(\$238,535)	
Total sources (uses) of cash from operations	(\$810,420)	\$614,380	
B. INVESTING ACTIVITIES			
Purchases of capital assets:			
Land	\$0	\$0	
Buildings	\$0	\$0	
Leasehold improvements	(\$59,882)	\$0	
Equipment	(\$12,266)	(\$65,185)	
Vehicles	\$0	\$0	
Net proceeds from disposal of capital assets	\$500	\$0	
Other (specify):		\$0	
Total sources (uses) of cash from investing activities	(\$71,648)	(\$65,185)	
C. FINANCING ACTIVITIES			
Capital contributions received	\$0	\$9,309	
Issuance of long term debt	\$0	\$0	
Repayment of long term debt	(\$2,479)	(\$8,688)	
Other (specify): Deferred Capital Allocations, Restricted Investments	(\$1,247)	\$9,278	
Total sources (uses) from financing activities	(\$3,726)	\$9,899	
Net sources (uses) of cash equivalents* * during year	(\$885,794)	\$559,094	
Cash equivalents at the beginning of year	\$1,588,783	\$1,029,689	
Cash equivalents at the end of year	\$702,989	\$1,588,783	\$1,588,783

NOTE: * Input "(Restated)" in 2022 column heading where not taken from the finalized 2021/2022 Audited Financial Statements.

* * Cash equivalents consist of cash and temporary investments net of bank indebtedness.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2023
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS (+, -)	TOTAL RESTRICTED NET ASSETS (Columns 5 to 8)	RESTRICTED NET ASSETS			
					OPERATING RESERVES		CAPITAL RESERVES	
					Grades K to 12	External Services	Grades K to 12	External Services
Balance at August 31, 2022	\$1,657,863	\$122,636	\$1,535,227	\$0	\$0	\$0	\$0	\$0
Prior period adjustments (specify):								
	\$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
Adjusted balance, August 31, 2022	\$1,657,863	\$122,636	\$1,535,227	\$0	\$0	\$0	\$0	\$0
Surplus(deficit) of revenues over expenses (from page 3)	\$96,289		\$96,289					
Capital asset acquisitions (less financed and/or less capital contributions received)		\$72,148	(\$72,148)	\$0	\$0	\$0	\$0	\$0
Donations of non-amortizable assets	\$0	\$0						
Amortization of capital assets (expense) *		(\$106,467)	\$106,467					
Amortization of capital allocations (revenue) * *		\$39,722	(\$39,722)					
Disposal of capital assets		(\$500)	\$500	\$0			\$0	\$0
Debt principal payments * * *		\$2,479	(\$2,479)					
Net transfers to/from operating reserves	\$0	\$0	\$0	\$0	\$0	\$0		
Net transfers to/from capital reserves	\$0	\$0	\$0	\$0			\$0	\$0
Other transfers (specify):	\$0	\$0	\$0					
Balance at August 31, 2023	\$1,754,152	\$130,018	\$1,624,134	\$0	\$0	\$0	\$0	\$0
	\$1,754,152	\$1,754,152	\$130,018	\$1,624,134	\$0			

Note:

* Amortization of Capital Assets expense decreases the Investment in Capital Assets and increases Unrestricted Net Assets.

* * Amortization of Capital Allocations revenue increases the Investment in Capital Assets and decreases Unrestricted Net Assets.

* * * Principal payments increase Investment in Capital Assets and decreases Unrestricted Net Assets as the outstanding capital debt is paid down.

SCHEDULE 1
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS
for the Year Ended August 31, 2023

Private School Authority Code: **0258**
School Code: **1598**

REVENUES	TOTAL	Instruction			Operations and Maintenance of Schools	Transportation	Board and System Administration	External Services
		Home Education and Shared Responsibility	Early Childhood Services (ECS)	Instruction (Grades 1 to 12)				
Alberta Education allocations								
(1) ECS Base Instruction	\$0		\$0					
(2) Grades 1 to 12 Base Instruction (including Distance Education Primary and Non-Primary, Summer School)	\$253,552			\$253,552				
(3) Home Education and Shared Responsibility	\$0	\$0						
(4) Program Supports and Services	\$672		\$0	\$672				
(5) Operations and Maintenance Grant	\$25,291		\$0	\$0	\$25,291			
(6) Transportation Grant	\$0					\$0		
(7) System Administration	\$12,820		\$0	\$0	\$0	\$0	\$12,820	
(8) Other - Alberta Education	\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL ALBERTA EDUCATION ALLOCATIONS	\$292,334	\$0	\$0	\$254,224	\$25,291	\$0	\$12,820	
(9) Other Government of Alberta	\$648,451	\$0	\$0	\$324,992	\$0	\$0	\$0	\$323,459
(10) Federal Government and/or First Nations	\$230,500	\$0	\$0	\$230,500	\$0	\$0	\$0	\$0
(11) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(12) Instructional fees / tuition fees	\$3,357,672	\$0	\$0	\$1,727,539				\$1,630,133
(13) Non-instructional fees (O&M, Transport, Admin, etc.)	\$1,193,035	\$0	\$0	\$73,911	\$0	\$0	\$0	\$1,119,124
(14) Other sales and services	\$183,045	\$0	\$0	\$74,731	\$0	\$0	\$0	\$108,314
(15) Interest on investments	\$2,426	\$0	\$0	\$2,426	\$0	\$0	\$0	\$0
(16) Gifts and donations	\$113,157	\$0	\$0	\$112,141	\$0	\$0	\$0	\$1,016
(17) Amortization of capital allocations	\$39,722	\$0	\$0	\$0	\$0	\$0	\$0	\$39,722
(18) Other (specify): Grants, GST	\$188,726	\$0	\$0	\$112,933	\$0	\$0	\$0	\$75,793
TOTAL REVENUES	\$6,249,068	\$6,249,068	\$0	\$2,913,396	\$25,291	\$0	\$12,820	\$3,297,561
EXPENSES								
(19) Certificated salaries	\$753,029	\$0	\$0	\$753,029			\$0	\$0
(20) Certificated benefits	\$121,632	\$0	\$0	\$121,632			\$0	\$0
(21) Non-certificated salaries and wages	\$2,220,024	\$0	\$0	\$831,335	\$0	\$0	\$0	\$1,388,689
(22) Non-certificated benefits	\$322,028	\$0	\$0	\$139,124	\$0	\$0	\$0	\$182,904
SUB-TOTAL	\$3,416,713	\$0	\$0	\$1,845,120	\$0	\$0	\$0	\$1,571,593
(23) Services, contracts & supplies - other than Consulting fees / Management fees, and leases	\$1,812,132	\$0	\$0	\$1,120,872	\$259,544	\$46	\$24,116	\$407,554
(24) Consulting / Management Fees	\$370,862	\$0	\$0	\$0	\$0	\$0	\$370,862	
(25) Leases - Building	\$395,672	\$0	\$0	\$185,148	\$0	\$0	\$0	\$210,524
(26) Leases - Other	\$47,626	\$0	\$0	\$37,449	\$0	\$0	\$0	\$10,177
Capital and debt services								
(27) Amortization of capital assets from restricted funds	\$39,722	\$0	\$0	\$0	\$0	\$0	\$0	\$39,722
(28) Amortization of capital assets from unrestricted funds	\$66,745	\$0	\$0	\$19,089	\$0	\$0	\$0	\$47,656
(29) Interest on capital debt	\$136	\$0	\$0	\$0	\$0	\$0	\$0	\$136
(30) Other interest charges	\$178	\$0	\$0	\$0	\$0	\$0	\$0	\$178
(31) Losses (gains) on disposal of capital assets	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$500
(32) Other (specify): Investment loss, bad debt recovery	\$2,493	\$0	\$0	\$2,493	\$0	\$0	\$0	\$0
TOTAL EXPENSES	\$6,152,779	\$6,152,779	\$0	\$3,210,171	\$259,544	\$46	\$394,978	\$2,288,040
Surplus(deficit) of revenues over expenses		\$96,289	\$0	(\$296,774)	(\$234,253)	(\$46)	(\$382,158)	\$1,009,521
		\$96,289						

SCHEDULE 2
ANALYSIS OF EARLY CHILDHOOD SERVICES (ECS) PROGRAM UNIT EXPENSES
for the Year Ended August 31, 2023

	ECS Program Unit (excluding Moderate Language Delay Grant)	ECS Moderate Language Delay Grant code 48 only
Instruction		
Certificated salaries	\$0	\$0
Certificated benefits	\$0	\$0
Non-certificated salaries and wages	\$0	\$0
Non-certificated benefits	\$0	\$0
Specialized services and supports	\$0	\$0
Supplies and materials	\$0	\$0
Parent and staff in-service	\$0	\$0
Other (specify)	\$0	\$0
Specialized equipment & furniture (child specific). Please specify:	\$0	\$0
Total	\$0	\$0

Schedule 3
Remuneration and Monetary Incentives
for the Year Ended August 31, 2023

Position	Name	Full Time Equivalent (FTE)	Remuneration	Benefits and Allowances	Other Accrued Unpaid Benefits	Other Expenses
Board Chair:	Daryl Findlater	0.05	\$0	\$0	\$0	\$0
Secretary-Treasurer:	Jana Neal	0.00	\$0	\$0	\$0	\$0
Secretary:	Frank Molnar	0.02	\$0	\$0	\$0	\$0
Treasurer:	Jana Neal	0.02	\$0	\$0	\$0	\$0
Board of Directors:	1 Noel Papadopoulos	0.02	\$0	\$0	\$0	\$0
	2 Heather Rae	0.02	\$0	\$0	\$0	\$0
	3 Heather Klimchuk	0.02	\$0	\$0	\$0	\$0
	4 Sarah Palmer	0.02	\$0	\$0	\$0	\$0
	5 Ellie Siebens	0.02	\$0	\$0	\$0	\$0
	6 Aggie Mikulski	0.02	\$0	\$0	\$0	\$0
	7 Alyssa Kim	0.02	\$0	\$0	\$0	\$0
	8 Bob Willows	0.02	\$0	\$0	\$0	\$0
	9 Lawrence Gervais	0.02	\$0	\$0	\$0	\$0
	10 Noel Xavier	0.02	\$0	\$0	\$0	\$0
	11 Denise Clarke	0.02	\$0	\$0	\$0	\$0
	12 Eric Toker	0.02	\$0	\$0	\$0	\$0
	13 Wendy Gnenz	0.02	\$0	\$0	\$0	\$0
Board of Directors - Total		0.26	\$0	\$0	\$0	\$0
Head of School	Christopher George	0.10	\$0	\$0	\$0	\$0
Principals:	1 Candice Beerman	1.00	\$140,110	\$21,351	\$745	\$165
	2	0.00	\$0	\$0	\$0	\$0
	3	0.00	\$0	\$0	\$0	\$0
	4	0.00	\$0	\$0	\$0	\$0
	5	0.00	\$0	\$0	\$0	\$0
	6	0.00	\$0	\$0	\$0	\$0
	7	0.00	\$0	\$0	\$0	\$0
	8	0.00	\$0	\$0	\$0	\$0
	9	0.00	\$0	\$0	\$0	\$0
Principals - Total		1.00	\$140,110	\$21,351	\$745	\$165
Chief Financial Officer:		0.00	\$0	\$0	\$0	\$0
Management/Executives:	1. Ashley McNeil, Director, Alberta Ballet School	1.00	\$140,005	\$11,711	\$1,638	\$0
	2 Dalma Czippott, Director, Finance	0.40	\$0	\$0	\$0	\$0
	3	0.00	\$0	\$0	\$0	\$0
	4	0.00	\$0	\$0	\$0	\$0
	5	0.00	\$0	\$0	\$0	\$0
	6	0.00	\$0	\$0	\$0	\$0
Management/Executives - Total		1.40	\$140,005	\$11,711	\$1,638	\$0
Total Certificated staff (excluding Home Education)			\$600,075	\$85,944	\$748	\$3,920
Total Non-Certificated staff (excluding Home Education)			\$2,172,081	\$197,240	\$9,591	\$18,605
Total Certificated contract staff (excluding Home Education)			\$8,310	\$0	\$0	\$0
Total Non-Certificated contract staff (excluding Home Education)			\$8,809	\$0	\$0	\$0
Total Certificated staff (Home Education)			\$0	\$0	\$0	\$0
Total Non-Certificated staff (Home Education)			\$0	\$0	\$0	\$0
Total Certificated Contract staff (Home Education)			\$0	\$0	\$0	\$0
Total Non-Certificated Contract staff (Home Education)			\$0	\$0	\$0	\$0
Contracted Services for Senior Management and Director's Position Only:						
Position	Name	FTE 2023	Contract Amount 2023	Allowances 2023	Bonuses 2023	Other Expenses 2023
Consulting / Management fees:	1	0.00	\$0	\$0	\$0	\$0
	2	0.00	\$0	\$0	\$0	\$0
	3	0.00	\$0	\$0	\$0	\$0
	4	0.00	\$0	\$0	\$0	\$0
Consulting / Management fees - Total		0.00	\$0	\$0	\$0	\$0

Schedule 4
Related Party Transactions
for the Year Ended August 31, 2023
(in dollars)

DETAILS OF TRANSACTION	DETAILS AND NATURE OF RELATIONSHIP	2023	2022
Revenues			
Rental		\$0	\$0
Sale of Capital Assets		\$0	\$0
Donations-in-kind of legal services	Limited liability partnership where one of the Board of Directors has significant influence	\$44,960	\$32,238
Other (specify)		\$0	\$0
Total Revenues		\$44,960	\$32,238
Expenses			
Salary and Benefits (Position)		\$0	\$0
Salary and Benefits (Position)		\$0	\$0
Salary and Benefits (Position)		\$0	\$0
Rental		\$0	\$0
System Support		\$0	\$0
Legal services	Limited liability partnership where one of the Board of Directors has significant influence	\$50,750	\$32,238
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Total Expenses		\$50,750	\$32,238
Receivable from/ Payable to			
		\$0	\$0
		\$0	\$0
		\$0	\$0
Other Contractual Obligations/ Contingencies			
		\$0	\$0
		\$0	\$0

Note:

- Describe the nature of different fees and charges and segregate if significant.
- Group with other if not significant.
- Describe the nature of transactions included in Other.
- If applicable, include loans, payables, and receivables.

Schedule 5
Analysis of Home Education Funding Balances
for the Year Ended August 31, 2023
(in dollars)

DETAILS OF TRANSACTION	Full Time Equivalent (FTE) Enrolled	2022/2023	2021/2022
Home Education Funding Received from Alberta Education	0	\$0	\$0
Eligible 50% parent portion		\$0	\$0
Alberta Education Home Education Funding*:			
Paid to parents		\$0	\$0
Unclaimed by parents (deferred)		\$0	\$0
Declined by parents (deferred)		\$0	\$0
Parents transferred parental portion to school (per signed Parent Declaration** form)		\$0	\$0
Accounts Payable to Alberta Education			
Prior year deferred Unclaimed and Declined balances		\$0	
Less: reimbursements to parents for 2021/2022 expenses		\$0	
Less: 2021/2022 parent portion transferred to school		\$0	
Total Accounts Payable to Alberta Education		\$0	

Note:

* An accredited funded private school must offer to the parents of a home education student 50 per cent of the home education funding for the purchase of instructional materials. Parents have up to two years to access the parental portion of home education funding. Alberta Education will recover the unclaimed/declined portion, the year following the previous two year period.

** Declaration forms must be made available upon request by Alberta Education.

Parents who were eligible to receive 50% funding in 2021/22 had until the end of 2022/23 to claim expenses and/or transfer to school per signed Parent Declaration form. Any unclaimed/declined amounts remaining are payable to Alberta Education.

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements

Year ended August 31, 2023, with comparative information for 2022

1. Nature of the business:

Alberta Ballet Company (the "Company") is Alberta's dance company. As a major professional performing arts company with an internationally renowned ballet training institution, it is a rare artistic institution to serve a provincial mandate. For over five decades, the Company has connected audiences with world-class live dance and trained current and future generations of dancers. The Company includes a division operating as the Alberta Ballet School (the "School"). The Company focuses on supporting activity that makes ballet more approachable, accessible, and inspirational. Its mission is to ignite the curiosity and imagination of people in all communities across the province, championing their stories and experiences through dance training, creation, and performances. The Company is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta and is a registered charity under the Income Tax Act.

2. Significant accounting policies:

Significant accounting policies are summarized below:

(a) Basis of presentation:

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO"), except that these financial statements reflect only the assets and liabilities of the division of Alberta Ballet Company known as the Alberta Ballet School and do not purport to show the financial position or operating results of the Company. The financial statements are prepared for the reporting requirements of Alberta Education, as outlined in the Alberta Education Guidelines for the Preparation of the Audited Financial Statements and Supporting Schedules for Funded Private Schools.

(b) Fund accounting:

All revenues and expenses related to program delivery, operation of the Alberta Ballet School and administrative activities are reported in unrestricted net assets. All transactions related to capital asset acquisitions and disposals are reported in investment in capital assets.

Net investment income (loss), if restricted, are reported in the appropriate externally restricted or internally restricted fund.

(c) Revenue recognition:

The School follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 2

Year ended August 31, 2023, with comparative information for 2022

2. Significant accounting policies (continued):

(d) Deferred revenue:

The School defers revenue from ticket sales until the date of the performance. Tuition and residence fees are deferred and recognized on monthly basis as the classes are provided. Sponsorships and grant revenues are deferred until the period being funded.

(e) Deferred capital allocations:

Restricted donations the School receives for capital purposes are recorded as unamortized capital allocations when received or receivable and are taken into income each period in proportion to the annual amortization of the related assets for which the capital allocations were received.

Related net investment income is also deferred if specifically required to be added to the principal balance of the contribution until utilized.

(f) Donations in-kind:

Donations in-kind of capital assets and contributed materials and services are recognized at the fair value at the date of contribution. Volunteers contribute significant time every period in assisting the School in a variety of areas. Because of the difficulty of determining their fair value, contributed services related to volunteer activities are not recognized in the financial statements.

(g) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with original maturities of three months or less.

(h) Short-term and long-term investment:

Investments are classified as short term investment if they have original maturities of more than three months and mature within one year from the Statement of Financial Position date. Short term investment consists of a guaranteed investment certificate.

Investments are classified as short term restricted investment and cash if they have original maturities of more than three months, mature within one year from the Statement of Financial Position date, and are subject to external restrictions limiting their use.

Investments are classified as long-term restricted investment and cash if they have original maturities of more than one year from the Statement of Financial Position date, and are subject to external restrictions limiting their use.

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 3

Year ended August 31, 2023, with comparative information for 2022

2. Significant accounting policies (continued):

(i) Inventory:

Inventory consists of merchandise and is valued at the lower of cost, on a weighted average basis, and net realizable value. Previous write-downs to net realizable value are reversed to the extent there is a subsequent increase in the net realizable value of the inventory.

(j) Capital assets:

Capital assets are recorded at cost at the time of the acquisition. Contributed capital assets are recorded at fair value at the date of the contribution. Capital assets are amortized as follows:

Leasehold improvements	Straight-line over term of lease
Office furniture, fixtures, and equipment	20% declining balance
Computers and software	30% declining balance
School costumes	5 years straight line

(k) Allocation of revenue and expenses:

The Company allocates certain expenses to the School by way of a management fee and direct expense allocation. The management fee is an estimate of the cost of shared resources and includes, but is not limited to, the President & CEO, Director of Finance, finance and human resources personnel as well as information technology. The allocation is determined by management of the Company.

The Company allocates actual grant revenue to the School based on the initial grant applications and the proportion determined by management of the Company of the portion attributable to the School.

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 4

Year ended August 31, 2023, with comparative information for 2022

2. Significant accounting policies (continued):

(l) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The School has not elected to carry such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the School determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the School expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(m) Long-lived assets:

The School performs impairment testing on long-lived assets which include leasehold improvements, office furniture and equipment, computers and costumes whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from use and disposal are less than the asset's carrying value. Any impairment loss is measured as the amount by which the carrying value exceeds the fair value and would be included in the statement of operations for the period.

(n) Foreign currency translation:

Transactions denominated in foreign currencies are translated into Canadian dollars at the approximate rate of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the period exchange rate. Non-monetary assets and liabilities are translated at the approximate rate of exchange prevailing at the transaction date.

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 5

Year ended August 31, 2023, with comparative information for 2022

2. Significant accounting policies (continued):

(o) Use of accounting estimates:

The preparation of the financial statements in accordance with ASNPO requires management to make accounting estimates and assumptions that affect the reported amount of assets, liabilities and contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include grant allocations, management fee, and the useful lives of costumes, leasehold improvements and equipment. Actual results could differ from and affect the results reported in these financial statements.

3. Cash and cash equivalents:

Included in cash and cash equivalents is the following restricted cash:

Restricted cash	2023	2022	Restricted by
Current cash:			
Raffle accounts	\$ 22,703	\$ 23,517	Alberta Gaming, Liquor & Cannabis Commission
	\$ 22,703	\$ 23,517	

4. Accounts receivable (net after allowances) Federal Government and/or First Nations:

Accounts receivable (net after allowances) Federal Government and/or First Nations is \$nil (2022 – \$243,341 related to the Tourism and Hospitality Recovery Program).

5. Other current assets:

Other current assets consist of:

	2023	2022
Merchandise inventory	\$ 9,825	\$ 69,263
	\$ 9,825	\$ 69,263

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 6

Year ended August 31, 2023, with comparative information for 2022

6. Other assets:

Other assets include restricted investments and amounts receivable from Alberta Ballet Company which are unsecured, non-interest bearing and have no set repayment terms. Alberta Ballet School does not intend to demand repayment in the next year.

	2023	2022	Restricted by
Receivable from Alberta Ballet Company	\$ 2,257,439	\$ 1,426,147	
Flora Altieri Award for Academic Advancement Fund	41,860	44,746	Donor
	\$ 2,299,299	\$ 1,470,893	

7. Capital assets:

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Leasehold improvements	\$ 1,003,639	\$ 903,858	\$ 99,781	\$ 100,212
Office furniture, fixtures and equipment	272,360	190,702	81,658	93,788
Computers and software	226,414	173,097	53,317	68,623
School costumes	4,751	3,326	1,425	8,377
	\$ 1,507,164	\$ 1,270,983	\$ 236,181	\$ 271,000

Amortization provided for the current year totaled \$106,467 (2022 – \$111,061).

8. Other payables and accrued liabilities:

Government remittances for 2023 are a payable of \$13,100 (2022 – payable of \$12,755) related to non-resident, goods and services and payroll taxes.

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 7

Year ended August 31, 2023, with comparative information for 2022

9. Deferred contributions:

Deferred contributions represent tuition, grants, and donations restricted to future expenditures. The components of deferred contributions are as follows:

	2023	2022
Tuition	\$ 979,382	\$ 895,734
Government grants	301,215	555,730
Fundraising	39,889	108,973
Donation	—	25,000
	<u>\$ 1,320,486</u>	<u>\$ 1,585,437</u>

10. Deferred capital allocations:

Deferred capital allocations relate to restricted contributions the School receives that are related to the payment of future professional development expenses.

Changes in the deferred capital allocation balance are as follows:

	2023	2022
Opening balance	\$ 50,000	\$ 50,828
Less amounts recognized as revenue	(4,133)	—
Less unrealized loss on investments	—	(828)
Ending balance	<u>\$ 45,867</u>	<u>\$ 50,000</u>

11. Capital leases:

The Company financed copier equipment by entering into a capital lease arrangement. The contracts matured on September 22, 2022, bearing interest at 22% per annum and were collateralized by a general security agreement of the equipment.

Interest of \$136 (2022 – \$1,772) relating to the capital lease obligation has been included in services, contracts and supplies expense. The total amount of equipment under capital lease is \$nil (2022 – \$34,716) with accumulated amortization of \$nil (2022 – \$33,138).

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 8

Year ended August 31, 2023, with comparative information for 2022

12. Unamortized capital allocations:

Unamortized capital allocations relate to restricted contributions the School receives that were used for the acquisition of leasehold improvements and equipment.

Changes in the unamortized capital allocation balance are as follows:

	2023	2022
Opening balance	\$ 122,474	\$ 187,423
Contributions received	—	9,309
Less amounts recognized as revenue in the year	(39,810)	(42,471)
Less amounts transferred to Alberta Ballet Company	—	(31,787)
Ending balance	\$ 82,664	\$ 122,474

13. Other Government of Alberta, Federal Government and/or First Nations, and Other Revenues:

During the year ended August 31, 2023, \$510,233 (2022 – \$483,376) of the Alberta Foundation for the Arts Professional Performing Arts Organizations (“PPAO”) grant awarded to the Company was allocated to the School and included in other Government of Alberta revenue. The PPAO grant is based on community-derived revenue and funds all aspects of the Company, including the School.

During the year ended August 31, 2023, \$230,500 (2022 – \$65,000) of the Canada Arts Training Fund (“CATF”), through the Department of Canadian Heritage, was awarded to the School and included in Federal Government and /or First Nations revenue. The CATF grant is based on training costs and funds the Professional Division.

During the year ended August 31, 2023, \$116,480 (2022 – \$109,890) of the Calgary Arts Development Authority (“CADA”) Operating Grant was allocated to the School and included in Other revenue. The CADA Operating Grant is based on the estimated weighting of highest Living a Creative Life focus areas: youth, education, arts, and incubation and funds the Open and Professional Divisions of the School.

During the year ended August 31, 2023, \$50,000 (2022 – \$nil) grant from the Shaw Family Foundation was awarded to the School and included in Other revenue. The grant helps fund scholarships for the School.

During the year ended August 31, 2023, \$15,000 (2022 – \$nil) grant from the Nickle Mental Health Foundation was awarded to the School and included in Other revenue. The grant is for student mental health support.

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 9

Year ended August 31, 2023, with comparative information for 2022

During the year ended August 31, 2023, \$3,750 (2022 – \$nil) grant from the Rozsa Foundation was awarded to the School and included in Other revenue. The grant is for outreach, specifically providing free recreational dance classes to youth from newcomer communities in Calgary and Edmonton.

During the year ended August 31, 2023, \$1,263 (2022 – \$nil) of job grants from the Government of Alberta was awarded to the School and included in Other revenue.

During the year ended August 31, 2023, \$nil (2022 – \$527,630) of CEWS payments and \$nil (2022 – \$226,800) of CERS payments were received by the School, respectively, and included in Federal Government and / or First Nations revenue.

During the year ended August 31, 2023, \$nil (2022 – \$37,219) of the Edmonton Arts Council (“EAC”) Arts Operating Grant awarded to the Company was allocated to the School and included in Other revenue. The EAC grant is based on community factors weighting and funds the community activity provided by the Company and by the School's Edmonton Open Division.

During the year ended August 31, 2023, \$ nil (2022 – \$13,852) of the Other Initiatives Program (“OIP”) Grant, was allocated to the School and included in other Government of Alberta revenue.

15. Consulting/Management Fees:

The Company has allocated a management fee of \$370,862 (2022 – \$324,586) to account for shared resources of the President & CEO, Director of Finance, finance and human resources, personnel, and information technology.

16. Commitments:

Effective June 2017, the Company entered into a 7-year lease agreement with an option to terminate after 5 years. The lease included a provision for a tenant inducement of \$208,227.

Effective June 2019, the Company entered into a 3-year lease agreement to lease studio space in Edmonton expiring in August 2022, with an option to extend a further 3 years. The Company exercised its option to extend the lease effective September 2022 expiring in August 2025.

Effective November 2022, the Company entered into a 1-year lease agreement to lease residence space at Mount Royal University in Calgary expiring in October 2023, with an option to extend a further 3 years. Subsequent to year-end, effective November 2023, the Company entered into a 10-month lease agreement to lease residence space at Mount Royal University in Calgary expiring in June 2024, with an option to extend a further 3 years.

ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 10

Year ended August 31, 2023, with comparative information for 2022

Minimum base rent payable for premises and equipment leases for each of the next five fiscal years is as follows:

2024	\$ 404,901
2025	68,100
2026	—
2027	—
2028	—
	<hr/>
	\$ 473,001

17. Financial instruments:

The School's financial instruments consist of cash and cash equivalents, short term and long term restricted investments and cash included under other assets, accounts receivable and accounts payables and accrued liabilities. The School is not exposed to significant interest risk or foreign exchange risk.

(a) Credit risk:

The School is exposed to credit risk, which is the risk that a counterparty will fail to perform an obligation or settle a liability, resulting in a financial loss to the School. Credit risk is assessed by management as moderate for the School. To mitigate this risk, the School's cash and investments are held with Canadian financial institutions. The School's accounts receivable is primarily due from students and corporations and are subject to normal credit risks. The maximum credit risk exposure associated with the School's financial assets is the carrying amount. The allowance for doubtful account for accounts receivable as of August 31, 2023 was \$13,125 (2022 – \$19,145).

(b) Liquidity risk:

The School is exposed to liquidity risk, which is the risk that the School will be unable to generate or obtain sufficient cash to meet its obligations as they come due. Liquidity risk is assessed by School management as minimal. Mitigation of this risk is achieved through active cash management and budgeting processes.

(c) Market risk:

Market risk is the risk that changes in market prices, such as interest rates or foreign exchange rates will affect the School's loss or the value of its financial instruments. Management's objective is to control market risk exposures of its restricted investments within acceptable parameters while maximizing return.