

Private School Authority Code: 0258  
School Code: 1598

**AUDITED  
FINANCIAL STATEMENTS  
and Supporting Schedules for  
FUNDED PRIVATE SCHOOLS**

FOR THE YEAR ENDED AUGUST 31, 2022  
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, 12th Avenue SW, Calgary, AB T2R 1K7

Mailing Address

Tel: 403-245-4222

Telephone and Fax Numbers

These Financial Statements and Supporting Schedules are Audited by:

KPMG LLP  
Suite 3100, 205 5th Avenue SW  
Calgary, AB T2P 4B9

*KPMG LLP # signed on the basis of the  
attached Independent Auditors' Report #*

Name and Address of the Audit Firm

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, 2022 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

Signature

HEAD OF SCHOOL / PRINCIPAL

Chris George

Name

Signature

TREASURER OR SECRETARY - TREASURER

Jana Neal

Name

Signature

November 25, 2022

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

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Alberta Ballet Company operating as Alberta Ballet School

### ***Opinion***

We have audited the financial statements of 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, 2022;
- 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 1,2,3,5,6 and columns "Remuneration 2022", "Benefits 2022", "Other Compensation 2022", and "Other Expenses 2022" in Schedule 4;
- 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, 2022, and its results of operations and its cash flows for the year then ended in accordance with the 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 “Auditors’ Responsibilities for the Audit of the Financial Statements” section of our auditors’ 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.

### ***Other Information***

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors’ report thereon, included in 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 and remain alert for indications that the other information 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 – Financial Reporting Framework***

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; this includes determining that the applicable financial reporting framework is an acceptable basis for the preparation of the financial statements in the circumstances, 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 School's financial reporting process.

### ***Auditors' 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 auditors' 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 the 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 auditors' 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 auditors' 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.
- 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.



## **INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT**

To the Board of Directors of Alberta Ballet Company operating as Alberta Ballet School

We have undertaken a reasonable assurance engagement of the accompanying FTE as reported in the specific columns "Full Time Equivalent (FTE) 2022" in Schedule 4 ("subject matter information") of the Alberta Ballet Company operating as Alberta Ballet School (the "School") for the year ended August 31, 2022.

### *Management's Responsibility*

Management is responsible for the preparation and presentation of the subject matter information in accordance with the criteria established as outlined in the Alberta Education AFS Guidelines ("applicable criteria").

Management is responsible for such internal control as management determines necessary to enable the preparation of the subject matter information that is free from material misstatement, whether due to fraud or error.

### *Practitioner's Responsibilities*

Our responsibility is to express a reasonable assurance opinion on the subject matter information based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standards on Assurance Engagements (CSAE) 3000, Attestation Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the subject matter information is free from material misstatement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard 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 decisions of users of our report.

The nature, timing and extent of procedures performed depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the subject matter information.

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



*Practitioner's Independence and Quality Control*

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The Firm applies Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

*Opinion*

In our opinion, the subject matter information of the School for the year ended August 31, 2022 has been prepared, in all material respects, in accordance with the applicable criteria.

*Specific Purpose of Subject Matter Information*

The subject matter information has been prepared in accordance with the applicable criteria referred to above. As a result the subject matter information may not be suitable for another purpose.

KPMG LLP

Chartered Professional Accountants

Calgary, Canada

November 25, 2022

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

			AFS 2022	AFS 2021 (NOTE *) x
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	Note	3	\$1,588,783	\$1,029,689
Accounts receivable (net after allowances)				
Province of Alberta	Note		\$0	\$0
Federal Government and/or First Nations	Note	4	\$243,341	\$464,471
Other accounts receivable	Note		\$111,840	\$132,605
Prepaid expenses	Note		\$21,589	\$76,951
Other current assets	Note	5	\$69,263	\$81,311
<b>Total current assets</b>			\$2,034,816	\$1,785,027
School generated assets	Note		\$0	\$0
Trust assets	Note		\$0	\$0
Other assets	Note	7	\$1,470,893	\$1,274,164
Capital assets				
Land at cost			\$0	\$0
Buildings at cost		\$0		
Less: accumulated amortization		\$0	\$0	\$0
Leasehold improvements at cost		\$943,756		
Less: accumulated amortization		\$843,544	\$100,212	\$154,888
Equipment at cost		\$600,360		
Less: accumulated amortization		\$429,572	\$170,788	\$161,988
Vehicles at cost		\$0		
Less: accumulated amortization		\$0	\$0	\$0
<b>Total capital assets</b>	Note	6	\$271,000	\$316,876
<b>TOTAL ASSETS</b>		<b>\$3,776,709</b>	<b>\$3,776,709</b>	<b>\$3,376,067</b>
<b>LIABILITIES</b>				
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		\$932	\$567
Other payables and accrued liabilities	Note	8	\$357,524	\$326,600
Capital payables	Note		\$0	\$0
Deferred contributions	Note	9	\$1,585,437	\$1,197,941
Deferred capital allocations	Note	10	\$50,000	\$50,828
Current portion of long term debt			\$2,479	\$8,688
<b>Total current liabilities</b>			\$1,996,372	\$1,584,624
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	\$2,479	\$11,167
Mortgages	Note		\$0	\$0
Other loans	Note		\$0	\$0
Less: Current portion of long term debt	Note	11	(\$2,479)	(\$8,688)
Unamortized capital allocations	Note	12	\$122,474	\$187,423
<b>Total long term liabilities</b>			\$122,474	\$189,902
<b>TOTAL LIABILITIES</b>			<b>\$2,118,846</b>	<b>\$1,774,526</b>
<b>NET ASSETS</b>				
Unrestricted net assets			\$1,535,227	\$1,474,878
Operating reserves			\$0	\$0
<b>Total accumulated surplus (deficit) from operations</b>			\$1,535,227	\$1,474,878
Investment in capital assets			\$122,636	\$126,663
Capital reserves			\$0	\$0
<b>Total capital funds</b>			\$122,636	\$126,663
<b>Total net assets</b>			<b>\$1,657,863</b>	<b>\$1,601,541</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>\$3,776,709</b>	<b>\$3,776,709</b>	<b>\$3,376,067</b>

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 2021 column heading where not taken from the finalized 2020/2021 Audited Financial Statements.

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

	AFS 2022	Budget 2022 (NOTE *)	AFS 2021 (NOTE *)
		x	x
<b>REVENUES</b>			
Alberta Education (excluding Home Education)	\$293,211	\$260,804	\$298,837
Alberta Education - Home Education	\$0	\$0	\$0
<b>Total Alberta Education Revenues</b>	\$293,211	\$260,804	\$298,837
Other Government of Alberta	\$556,092	\$583,376	\$535,035
Federal Government and/or First Nations	\$819,429	\$65,000	\$2,220,329
Other Alberta school authorities	\$0	\$0	\$0
Instructional fees/Tuition fees	\$2,997,807	\$3,857,659	\$2,441,854
Non-instructional fees (O&M, Transportation, Admin, etc.)	\$1,089,707	\$1,140,700	\$693,511
Other sales and services	\$154,800	\$248,430	\$159,905
Interest on investments	\$4,515	\$1,500	\$9,919
Gifts and donations	\$79,213	\$46,500	\$93,697
Gross school generated funds	\$0	\$0	\$0
Amortization of capital allocations	\$42,558	\$42,867	\$44,649
Other	\$173,881	\$147,884	\$150,890
<b>Total Revenues</b>	\$6,211,215	\$6,394,720	\$6,648,626
<b>EXPENSES</b>			
Certificated salaries and Non-certificated salaries and wages (excluding home education)	\$2,882,477	\$2,930,845	\$2,676,549
Certificated and Non-certificated benefits (excluding home education)	\$409,353	\$462,667	\$229,504
Services, contracts and supplies other than Consulting fees/Management fees, and leases (excluding home education)	\$1,985,921	\$2,043,404	\$1,441,583
Consulting / Management Fees	\$324,586	\$418,000	\$375,043
Leases - Building	\$382,334	\$393,138	\$391,239
Leases - Other	\$46,964	\$46,256	\$35,294
Severe Disabilities / DSEPS (excluding home education)	\$0	\$0	\$0
<b>Home Education:</b>			
Certificated salaries	\$0	\$0	\$0
Certificated benefits	\$0	\$0	\$0
Non-certificated salaries & wages	\$0	\$0	\$0
Non-certificated benefits	\$0	\$0	\$0
Payments to parents who provided home education programs to students	\$0	\$0	\$0
Contracts	\$0	\$0	\$0
Services and supplies	\$0	\$0	\$0
Gross school generated funds	\$0	\$0	\$0
<b>Capital and debt services</b>			
Amortization of capital assets:			
From restricted funds	\$42,558	\$42,867	\$44,649
From unrestricted funds	\$68,503	\$67,620	\$73,748
Total amortization of capital assets	\$111,061	\$110,487	\$118,397
Interest on capital debt	\$1,772	\$136	\$3,447
Other interest charges	\$355	\$0	\$0
Losses (gains) on disposal of capital assets	\$0	\$0	\$211
Other	\$10,069	\$14,500	(\$5,631)
<b>Total Expenses</b>	\$6,154,892	\$6,419,433	\$5,265,636
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<b>\$56,322</b>	<b>(\$24,713)</b>	<b>\$1,382,990</b>

\$56,322

Note: \* Input "(Restated)" in Budget 2022 and/or AFS 2021 column headings where comparatives are not taken from the respective finalized 2021/2022 Budget Report and/or finalized 2020/2021 Audited Financial Statements.

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

	AFS 2022	AFS 2021 (NOTE *) x
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING ACTIVITIES</b>		
Surplus (deficit) of revenues over expenses for the year	\$56,322	\$1,382,990
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	(\$42,558)	(\$44,649)
Total amortization expense	\$111,061	\$118,397
Add losses or deduct gains on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$241,895	\$202,505
Prepays and other current assets	\$67,410	\$188,621
Payables and accrued liabilities	\$31,289	\$69,899
Deferred contributions	\$387,496	\$225,012
Other (specify):                      Due from Alberta Ballet Company	(\$238,535)	(\$1,300,201)
<b>Total sources (uses) of cash from operations</b>	<b>\$614,379</b>	<b>\$842,574</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets:		
Land	\$0	\$0
Buildings	\$0	\$0
Leasehold improvements	\$0	\$0
Equipment	(\$65,185)	(\$45,486)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (specify):	\$0	\$0
<b>Total sources (uses) of cash from investing activities</b>	<b>(\$65,185)</b>	<b>(\$45,486)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital contributions received	\$9,309	\$36,287
Issuance of long term debt	\$0	\$0
Repayment of long term debt	(\$8,688)	(\$7,013)
Other (specify):                      Deferred Capital Allocations, Restricted Investments	\$9,278	\$50,828
<b>Total sources (uses) from financing activities</b>	<b>\$9,899</b>	<b>\$80,102</b>
<b>Net sources (uses) of cash equivalents* * during year</b>	<b>\$559,094</b>	<b>\$877,190</b>
<b>Cash equivalents at the beginning of year</b>	<b>\$1,029,689</b>	<b>\$152,499</b>
<b>Cash equivalents at the end of year</b>	<b>\$1,588,783</b>	<b>\$1,029,689</b>
	\$1,588,783	\$1,029,689

**NOTE:** \* Input "(Restated)" in 2021 column heading where not taken from the finalized 2020/2021 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, 2022**  
 (in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	TOTAL NET ASSETS <small>(Columns 2+3+4)</small>	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS <small>(+, -)</small>	TOTAL RESTRICTED NET ASSETS <small>(Columns 5 to 8)</small>	RESTRICTED NET ASSETS			
					OPERATING RESERVES		CAPITAL RESERVES	
					Grades K to 12	External Services	Grades K to 12	External Services
<b>Balance at August 31, 2021</b>	\$1,601,541	\$126,663	\$1,474,878	\$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
<b>Adjusted balance, August 31, 2021</b>	\$1,601,541	\$126,663	\$1,474,878	\$0	\$0	\$0	\$0	\$0
Surplus(deficit) of revenues over expenses (from page 3)	\$56,322		\$56,322					
Capital asset acquisitions (less financed and/or less capital contributions received)		\$55,788	(\$55,788)	\$0	\$0	\$0	\$0	\$0
Donations of non-amortizable assets	\$0	\$0						
Amortization of capital assets (expense) *		(\$111,061)	\$111,061					
Amortization of capital allocations (revenue) **		\$42,558	(\$42,558)					
Disposal of capital assets		\$0	\$0	\$0			\$0	\$0
Debt principal payments ***		\$8,688	(\$8,688)					
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					
<b>Balance at August 31, 2022</b>	<b>\$1,657,863</b>	<b>\$122,636</b>	<b>\$1,535,227</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\$1,657,863      \$1,657,863      \$122,636      \$1,535,227      \$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, 2022

Private School Authority Code:  
School Code:

**0258**  
1598

REVENUES	TOTAL	Home Education and Shared Responsibility	Early Childhood Services (ECS) (including PU Moderate Language Delay Grant code 48)	Instruction (Grades 1 to 12)	Operations and Maintenance of Schools (Grades 1 to 12)	Transportation (Grades 1 to 12)	Board and System Administration (Grades 1 to 12)	External Services
<b>Alberta Education allocations</b>								
(1) ECS Base Instruction	\$0		\$0					
(2) Grades 1 to 9 Base Instruction	\$256,087			\$256,087				
(3) Grades 10 to 12 Instruction	\$0			\$0				
<b>Distance Education:</b>								
(4) Grades 1 to 9 Full Program (Primary Registration)	\$0			\$0				
(5) Grades 10 to 12 Full Time (Primary Registration)	\$0			\$0				
(6) Grades 10 to 12 Part Time (Primary Registration)	\$0			\$0				
(7) Grades 1 to 12 (Non-Primary Registration)	\$0			\$0				
(8) Home Education and Shared Responsibility	\$0	\$0						
(9) Education Program in an Institution	\$0			\$0				
(10) ECS Program Unit (PUF) (Code 48 only)	\$0		\$0					
(11) Operations and Maintenance Grant	\$24,304		\$0	\$0	\$24,304			
(12) System Administration	\$12,820		\$0	\$0			\$12,820	
(13) Other - Alberta Education	\$0	\$0	\$0	\$0		\$0		
(14) Safe School Re-entry	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL ALBERTA EDUCATION ALLOCATIONS</b>	\$293,211	\$0	\$0	\$256,087	\$24,304	\$0	\$12,820	
(15) Other Government of Alberta	\$556,092	\$0	\$0	\$210,941	\$0	\$0	\$0	\$345,151
(16) Federal Government and/or First Nations	\$819,429	\$0	\$0	\$275,070	\$544,359	\$0	\$0	\$0
(17) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) Instructional fees / tuition fees	\$2,997,807	\$0	\$0	\$1,314,881				\$1,682,926
(19) Non-instructional fees (O&M, Transport, Admin, etc.)	\$1,089,707	\$0	\$0	\$51,460	\$0	\$0	\$0	\$1,038,247
(20) Other sales and services	\$154,800	\$0	\$0	\$43,737	\$0	\$0	\$0	\$111,063
(21) Interest on investments	\$4,515	\$0	\$0	\$0	\$0	\$0	\$0	\$4,515
(22) Gifts and donations	\$79,213	\$0	\$0	\$51,230	\$0	\$0	\$0	\$27,983
(23) Gross school generated funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(24) Amortization of capital allocations	\$42,558	\$0	\$0	\$0	\$0	\$0	\$0	\$42,558
(25) Other (specify): Municipal Grants	\$173,881	\$0	\$0	\$77,846	\$0	\$0	\$0	\$96,035
<b>TOTAL REVENUES</b>	\$6,211,215	\$6,211,215	\$0	\$2,281,253	\$568,663	\$0	\$12,820	\$3,348,479
<b>EXPENSES</b>								
(26) Certificated salaries	\$690,465	\$0	\$0	\$690,465			\$0	
(27) Certificated benefits	\$115,802	\$0	\$0	\$115,802			\$0	
(28) Non-certificated salaries and wages	\$2,192,012	\$0	\$0	\$772,995	\$0	\$0	\$0	\$1,419,017
(29) Non-certificated benefits	\$293,551	\$0	\$0	\$115,532	\$0	\$0	\$0	\$178,019
<b>SUB-TOTAL</b>	\$3,291,830	\$0	\$0	\$1,694,794	\$0	\$0	\$0	\$1,597,036
(30) Services, contracts & supplies - other than Consulting fees / Management fees, and leases	\$1,985,921	\$0	\$0	\$316,067	\$315,067	\$59,059	\$39,645	\$1,256,083
(31) Consulting / Management Fees	\$324,586	\$0	\$0	\$0	\$0	\$0	\$324,586	
(32) Leases - Building	\$382,334	\$0	\$0	\$182,650	\$0	\$0	\$0	\$199,684
(33) Leases - Other	\$46,964	\$0	\$0	\$25,875	\$0	\$0	\$0	\$21,089
(34) Severe Disabilities / DSEPS	\$0	\$0	\$0	\$0				
(35) Gross school generated funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Capital and debt services</b>								
(36) Amortization of capital assets from restricted funds	\$42,558	\$0	\$0	\$0	\$0	\$0	\$0	\$42,558
(37) Amortization of capital assets from unrestricted funds	\$68,503	\$0	\$0	\$0	\$61,518	\$0	\$0	\$6,985
(38) Interest on capital debt	\$1,772	\$0	\$0	\$0	\$0	\$0	\$0	\$1,772
(39) Other interest charges	\$355	\$0	\$0	\$0	\$0	\$0	\$0	\$355
(40) Losses (gains) on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(41) Other (specify): Investment gain/loss, bad debt	\$10,069	\$0	\$0	\$10,069	\$0	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	\$6,154,892	\$6,154,892	\$0	\$2,229,455	\$376,585	\$59,059	\$364,231	\$3,125,562
<b>Surplus(deficit) of revenues over expenses</b>	\$56,322	\$0	\$0	\$51,798	\$192,078	(\$59,059)	(\$351,411)	\$222,917

Private School Authority Code: 0258  
 School Code: 1598

**SCHEDULE 2  
 ANALYSIS OF EARLY CHILDHOOD SERVICES (ECS) REVENUES AND EXPENSES  
 for the Year Ended August 31, 2022**

	<b>AFS 2022 ECS (excluding PU Moderate Language Delay Grant code 48)</b>	<b>AFS 2022 ECS PU Moderate Language Delay Grant Code 48 only</b>
<b>REVENUES</b>		
<b>Alberta Education *</b>		
Base Instruction	\$0	
Mild/Moderate Disabilities/Delays, Gifted & Talented	\$0	
Program Unit (PU)	\$0	
Program Unit (PUF) Code 48 only		\$0
English as a Second Language (ESL)	\$0	
Transportation	\$0	
Operations and Maintenance	\$0	
Administration	\$0	
SuperNet Services	\$0	
Other-Alberta Education	\$0	
Safe School Re-entry	\$0	
<b>Total ECS Alberta Education Revenues</b>	<b>\$0</b>	<b>\$0</b>
<b>Instruction fees</b>	\$0	
<b>Non-instructional fees</b>	\$0	
<b>All other revenues</b>	\$0	
<b>TOTAL REVENUES* *</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENSES</b>		
<b>Certificated salaries</b>	\$0	\$0
<b>Certificated benefits</b>	\$0	\$0
<b>Non-certificated salaries and wages</b>	\$0	\$0
<b>Non-certificated benefits</b>	\$0	\$0
<b>Parent resources, coordination and teacher in-service</b>	\$0	\$0
<b>Food services program</b>	\$0	\$0
<b>Administration</b>	\$0	\$0
<b>Operations &amp; maintenance</b>	\$0	\$0
<b>Transportation</b>	\$0	\$0
<b>English as a Second Language (ESL)</b>	\$0	\$0
<b>SuperNet Services</b>	\$0	\$0
<b>All other expenses</b>	\$0	\$0
<b>TOTAL EXPENSES* *</b>	<b>\$0</b>	<b>\$0</b>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<b>\$0</b>	<b>\$0</b>
	\$0	

\*Alberta Education Revenues as per Funding Manual for School Authorities in the 2021/2022 School Year under the Early Childhood Services section.

\*\*Total revenues and expenses of both columns on this schedule must agree with the Schedule 1 total revenues and expenses allocated under the ECS program.

**SCHEDULE 3  
ANALYSIS OF EARLY CHILDHOOD SERVICES (ECS) PROGRAM UNIT EXPENSES  
for the Year Ended August 31, 2022**

	<b>AFS 2022 ECS PU (excluding Moderate Language Delay Grant)</b>	<b>AFS 2022 ECS PU Moderate Language Delay Grant code 48 only</b>
<b>Instruction</b>		
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
<b>Parent and staff in-service</b>	\$0	\$0
<b>Transportation</b>	\$0	\$0
<b>Specialized equipment &amp; furniture (child specific). Please specify:</b>	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>

## Schedule 4

Remuneration & Monetary Incentives, and Contracted Services For Senior Management and Directors Position  
for the Year Ended August 31, 2022

Position	Name	Full Time Equivalent (FTE) 2022	Remuneration 2022	Benefits 2022	Other Compensation 2022	Other Expenses 2022	Full Time Equivalent (FTE) 2021	Remuneration 2021	Benefits 2021	Other Compensation 2021	Other Expenses 2021
<b>Board Chair:</b>	Daryl Fridhandler	0.05	\$0	\$0	\$0	\$0	0.04	\$0	\$0	\$0	\$0
<b>Secretary-Treasurer:</b>	See Additional Directors under Principal:	0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
<b>Secretary:</b>	Frank Molnar	0.02	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
<b>Treasurer:</b>	CY: Jana Neal, LY: Gerard McInnis	0.02	\$0	\$0	\$0	\$0	0.02	\$0	\$0	\$0	\$0
<b>Board of Directors:</b>	<b>1</b> Josh Bilyk	0.01	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>2</b> Matias Grum	0.00	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>3</b> John Masters	0.00	\$0	\$0	\$0	\$0	0.02	\$0	\$0	\$0	\$0
	<b>4</b> Noel Papadopoulos	0.03	\$0	\$0	\$0	\$0	0.02	\$0	\$0	\$0	\$0
	<b>5</b> Todd Hirsch	0.01	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>6</b> Heather Rae	0.03	\$0	\$0	\$0	\$0	0.03	\$0	\$0	\$0	\$0
	<b>7</b> Heather Klimchuk	0.02	\$0	\$0	\$0	\$0	0.02	\$0	\$0	\$0	\$0
	<b>8</b> Elan MacDonald	0.02	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>9</b> CY: Gerard McInnis, LY: Jana Neal	0.02	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>10</b> Sarah Palmer	0.02	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>11</b> Ellie Siebens	0.01	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>12</b> Bob Willows	0.02	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>13</b> Aggie Mikulski	0.03	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
<b>Board of Directors - Total</b>		<b>0.22</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.18</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Head of School</b>	Christopher George	0.10	\$0	\$0	\$0	\$0	0.15	\$0	\$0	\$0	\$0
<b>Principals:</b>	<b>1</b> Candice Beerman	1.00	\$140,538	\$12,577	\$14,000	\$55	0.02	\$3,770	\$0	\$0	\$0
	<b>2</b> Flora Altieri	0.00	\$0	\$0	\$0	\$0	0.80	\$135,881	\$1,290	\$0	\$292
	<b>3</b> Directors:	0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
	<b>4</b> Linda Cochrane	0.01	\$0	\$0	\$0	\$0	0.01	\$0	\$0	\$0	\$0
	<b>5</b>	0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
	<b>6</b>	0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
	<b>7</b>	0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
	<b>8</b>	0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
	<b>9</b>	0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
<b>Principals - Total</b>		<b>1.01</b>	<b>\$140,538</b>	<b>\$12,577</b>	<b>\$14,000</b>	<b>\$55</b>	<b>0.83</b>	<b>\$139,651</b>	<b>\$1,290</b>	<b>\$0</b>	<b>\$292</b>
<b>Chief Financial Officer:</b>		0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
<b>Management/Executives:</b>	<b>1.</b> Dalma Czipott, Director Finance & Administration	0.40	\$0	\$0	\$0	\$0	0.50	\$0	\$0	\$0	\$0
	<b>2</b> Ashley McNeil, Director, AB Ballet School	1.00	\$140,538	\$7,997	\$6,462	\$0	1.00	\$127,500	\$8,359	\$1,280	\$0
	<b>3</b>	0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0

4		0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
5		0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
6		0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
<b>Management/Executives - Total</b>		<b>1.40</b>	<b>\$140,538</b>	<b>\$7,997</b>	<b>\$6,462</b>	<b>\$0</b>	<b>1.50</b>	<b>\$127,500</b>	<b>\$8,359</b>	<b>\$1,280</b>	<b>\$0</b>
<b>Total Certificated staff (excluding Home Education)</b>			\$486,485	\$47,348	\$35,999	\$1,530		\$226,480	\$23,090	\$0	\$1,620
<b>Total Non-Certificated staff (excluding Home Education)</b>			\$2,051,475	\$233,434	\$45,658	\$11,647		\$1,930,438	\$161,705	\$16,145	\$5,964
<b>Total Certificated contract staff (excluding Home Education)</b>			\$63,442	\$4,504	\$1,375			\$252,481	\$17,679	\$0	\$0
<b>Total Non-Certificated contract staff (excluding Home Education)</b>			\$14,278					\$0	\$0	\$0	\$0
<b>Total Certificated staff (Home Education)</b>			\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
<b>Total Non-Certificated staff (Home Education)</b>			\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
<b>Total Certificated Contract staff (Home Education)</b>			\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
<b>Total Non-Certificated Contract staff (Home Education)</b>			\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
<b>Contracted Services for Senior Management and Director's Position Only:</b>											
Position	Name	FTE 2022	Contract Amount 2022	Allowances 2022	Bonuses 2022	Other Expenses 2022	FTE 2021	Contract Amount 2021	Allowances 2021	Bonuses 2021	Other Expenses 2021
Consulting / Management fees: 1		0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
2		0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
3		0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
4		0.00	\$0	\$0	\$0	\$0	0.00	\$0	\$0	\$0	\$0
<b>Consulting / Management fees - Total</b>		<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Schedule 5**  
**Related Party Transactions**  
**for the Year Ended August 31, 2022**  
(in dollars)

DETAILS OF TRANSACTION	DETAILS AND NATURE OF RELATIONSHIP	2022	2021
<b>Revenues</b>			
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	\$32,238	\$17,407
Other (specify)		\$0	\$0
<b>Total Revenues</b>		<b>\$32,238</b>	<b>\$17,407</b>
<b>Expenses</b>			
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	\$32,238	\$17,407
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
<b>Total Expenses</b>		<b>\$32,238</b>	<b>\$17,407</b>
<b>Receivable from/ Payable to</b>			
		\$0	\$0
		\$0	\$0
		\$0	\$0
<b>Other Contractual Obligations/ Contingencies</b>			
		\$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.

Private School Authority Code: 0258  
 School Code: 1598

**SCHEDULE 6  
 ALLOCATION OF COVID-19 REVENUES and EXPENSES  
 for the Year Ended August 31, 2022**

REVENUES	TOTAL	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance of Schools (Grades 1 to 12)	Transportation (Grades 1 to 12)	Board and System Administration (Grades 1 to 12)
Alberta Education Covid allocations	\$22,217	\$0	\$22,217	\$0	\$0	\$0
Federal Government and/or First Nations	\$754,430	\$0	\$309,324	\$445,106	\$0	\$0
Other (specify): Field Law - Legal Advice	\$3,469	\$0	\$0	\$0	\$0	\$3,469
<b>TOTAL REVENUES</b>	<b>\$780,116</b>	<b>\$0</b>	<b>\$331,541</b>	<b>\$445,106</b>	<b>\$0</b>	<b>\$3,469</b>
<b>EXPENSES</b>						
Certificated salaries	\$0	\$0	\$0			\$0
Certificated benefits	\$0	\$0	\$0			\$0
Non-certificated salaries and wages	\$18,243	\$0	\$18,243	\$0	\$0	\$0
Non-certificated benefits	\$2,841	\$0	\$2,841	\$0	\$0	\$0
<b>Services, contracts &amp; supplies:</b>						
Adaptation of learning spaces	\$0	\$0	\$0	\$0	\$0	\$0
Testing, sanitation supplies	\$5,190	\$0	\$0	\$5,190	\$0	\$0
Personal protective equipment	\$1,987	\$0	\$0	\$1,987	\$0	\$0
Remote learning supports	\$0	\$0	\$0	\$0	\$0	\$0
Transportation costs	\$74	\$0	\$0	\$0	\$74	
Health and safety training for staff	\$0	\$0	\$0	\$0	\$0	\$0
Other (specify): Field Law - Legal Advice	\$4,432	\$0	\$0	\$0	\$0	\$4,432
<b>TOTAL EXPENSES</b>	<b>\$32,767</b>	<b>\$0</b>	<b>\$21,084</b>	<b>\$7,177</b>	<b>\$74</b>	<b>\$4,432</b>
<b>Surplus(deficit) of revenues over expenses</b>	<b>\$747,349</b>	<b>\$0</b>	<b>\$310,457</b>	<b>\$437,929</b>	<b>(\$74)</b>	<b>(\$963)</b>

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements

Year ended August 31, 2022, with comparative information for 2021

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## 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:

As at the reporting date, the School determined that COVID-19 has not impacted lease agreements, the assessment of provisions and contingent liabilities, or the timing of revenue recognition. The allocation of COVID-19 revenues and expenses during the year ended August 31, 2022 are disclosed in Schedule 6. Management assessed the financial impacts of the COVID-19 pandemic and did not identify any additional impacts on its financial statements as at August 31, 2022.

The continued impacts of the COVID-19 pandemic may present uncertainty over future government support, project revenues, cash flows, the magnitude of market fluctuations on the value of the School’s investment portfolio, which may have a significant impact on future operations. An estimate of the financial effect of these items is not practicable at this time.

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.

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 2

Year ended August 31, 2022, with comparative information for 2021

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## 2. Significant accounting policies (continued):

### (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.

### (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.

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 3

Year ended August 31, 2022, with comparative information for 2021

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## 2. Significant accounting policies (continued):

### (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.

### (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:

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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

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### (k) Allocation of revenue and expenses:

The Company allocates certain expenses to the School by way of a management fee. The management fee is an estimate of the cost of shared resources and includes, but is not limited to, the President & CEO; Director, Finance; finance, human resources, development, box office and grants 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, 2022, with comparative information for 2021

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## 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, 2022, with comparative information for 2021

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## 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	2022	2021	Restricted by
Current cash:			
Raffle accounts	\$ 23,517	\$ 21	Alberta Gaming, Liquor & Cannabis Commission
	\$ 23,517	\$ 21	

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

Included in accounts receivable (net after allowances) Federal Government and/or First Nations is \$243,341 related to the Tourism and Hospitality Recovery Program (2021 – \$335,444 related to the Canada Emergency Wage Subsidy (“CEWS”) and \$124,260 related to the Canada Emergency Rent Subsidy (“CERS”)). All amounts have been received subsequent to year-end.

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 6

Year ended August 31, 2022, with comparative information for 2021

## 5. Other current assets:

Other current assets consist of:

	2022	2021
Merchandise inventory	\$ 69,263	\$ 81,311
	\$ 69,263	\$ 81,311

## 6. Capital assets:

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Leasehold improvements	\$ 943,756	\$ (843,544)	\$ 100,212	\$ 154,888
Office furniture, fixtures and equipment	301,210	(207,422)	93,788	75,096
Computers and software	220,013	(151,390)	68,623	69,366
School costumes	79,137	(70,760)	8,377	17,526
	\$ 1,544,116	\$ (1,273,116)	\$ 271,000	\$ 316,876

Amortization provided for the current year totaled \$111,061 (2021 – \$118,397).

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 7

Year ended August 31, 2022, with comparative information for 2021

## 7. 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.

	2022	2021	Restricted by
Receivable from Alberta Ballet Company	\$ 1,426,147	\$ 1,219,582	
Flora Altieri Award for Academic Advancement Fund	44,746	54,852	Donor
	<b>\$ 1,470,893</b>	<b>\$ 1,274,434</b>	

## 8. Other payables and accrued liabilities:

Government remittances for 2022 are a payable of \$12,755 (2021 – receivable of \$4,201) related to non-resident, goods and services and payroll taxes.

## 9. Deferred contributions:

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

	2022	2021
Tuition	\$ 895,734	\$ 644,420
Government grants	555,730	546,590
Fundraising	108,973	6,931
Donation	25,000	–
	<b>\$ 1,585,437</b>	<b>\$ 1,197,941</b>

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 8

Year ended August 31, 2022, with comparative information for 2021

## 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:

	2022	2021
Opening balance	\$ 50,828	\$ –
Contributions received	–	50,828
Less amounts recognized as revenue	828	–
Ending balance	\$ 50,000	\$ 50,828

## 11. Capital leases:

The Company has financed copier equipment by entering into a capital lease arrangement. The contracts mature on September 22, 2022, bear interest at 22% per annum. Copier contracts are collateralized by a general security agreement of the equipment.

Capital lease repayments are as follows:

	2022
2023	\$ 2,615
Total minimum lease payments	2,615
Less amount representing interest	(136)
Minimum capital lease payments	2,479
Current portion of obligations under capital leases	2,479
	\$ –

Interest of \$1,772 (2021 – \$3,447) relating to the capital lease obligation has been included in services, contracts and supplies expense. The total amount of equipment under capital lease is \$34,716 (2021 – \$34,716) with accumulated amortization of \$33,138 (2021 – \$26,826).

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 9

Year ended August 31, 2022, with comparative information for 2021

## 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:

	2022	2021
Opening balance	\$ 187,423	\$ 195,785
Contributions received	9,309	36,287
Less amounts recognized as revenue in the year	(42,471)	(44,649)
Less amounts transferred to Alberta Ballet Company	(31,787)	–
Ending balance	\$ 122,474	\$ 187,423

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

During the year ended August 31, 2022, \$527,630 (2021 – \$1,693,137) of CEWS payments and \$226,800 (2021 – \$443,992) 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, 2022, \$483,376 (2021 – \$480,306) 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 School also received a one-time COVID top up of \$nil (2021 -\$48,269) from PPAO in March 2021. 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, 2022, \$65,000 (2021 – \$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, 2022, \$109,890 (2021 – \$109,896) 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.

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

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Year ended August 31, 2022, with comparative information for 2021

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## 13. Other Government of Alberta, Federal Government and/or First Nations, and Other Revenues (continued):

During the year ended August 31, 2022, \$37,219 (2021 – \$37,208) 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, 2022, \$13,852 (2021 – \$nil) of the Other Initiatives Program (“OIP”) Grant, was allocated to the School and included in other Government of Alberta revenue.

During the year ended August 31, 2022, \$nil (2021 – \$18,200) of the COVID Safe Return to School Grant, was awarded to the School and included in Federal Government and /or First Nations revenue.

## 14. Donations in-kind:

During the year, the School received donations in-kind of materials and services, the fair market value of which are included in the statement of revenues and expenses as donations revenues, and expenses as follows:

	2022	2021
Administration	\$ 32,238	\$ 17,407
	\$ 32,238	\$ 17,407

Included in these amounts is \$32,238 (2021 – \$17,407) from a certain limited liability partnership where one of the Board of Directors of the Company has significant influence. The terms and conditions of transactions with this limited liability partnership are based on market rates for similar services and are no more favourable than those available, or which might reasonable be expected to be available, in similar transactions on an arm’s length basis.

## 15. Consulting/Management Fees:

The Company has allocated a management fee of \$324,586 (2021 – \$374,998) to account for shared resources of the President & CEO; Director, Finance; finance, human resources, development, box office and grants personnel; and information technology.

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 11

Year ended August 31, 2022, with comparative information for 2021

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## 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 2021, the Company entered into a 1-year lease agreement to lease residence space at Mount Royal University in Calgary expiring in October 2022, with an option to extend a further 3 years. Subsequent to year-end, 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.

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

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2023	\$ 433,212
2024	379,527
2025	68,100
2026	—
2027	—
	<hr/>
	\$ 880,839

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## 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, 2022 was \$19,145 (2021 – \$26,895).

# ALBERTA BALLET COMPANY OPERATING AS THE ALBERTA BALLET SCHOOL

Notes to the Financial Statements, page 12

Year ended August 31, 2022, with comparative information for 2021

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## 17. Financial instruments (continued):

### (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. The risk exposures are considered unchanged from 2021, despite the potential continued impact as a result of COVID-19.

### (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.