

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2020**
[Education Act, Sections 139, 140, 244]

East Central Alberta Catholic Separate Schools Regional Division No. 16

Legal Name of School Jurisdiction

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of East Central Alberta Catholic Separate Schools Regional Division No. 16 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

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

Board of Trustees Responsibility

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

External Auditors

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

Declaration of Management and Board Chair

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

BOARD CHAIR

Ms. Debra L. Klein

Name

Signature

SUPERINTENDENT

Mr. Charlie McCormack

Name

Signature

SECRETARY-TREASURER OR TREASURER

Mary Ann Threinen

Name

Signature

November 26, 2020

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountabillity Branch
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Non-Consolidated

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Independent Auditor's Report

To the Board of Trustees,
East Central Alberta Catholic Separate Schools Regional Division No. 16

Opinion

We have audited the financial statements of East Central Alberta Catholic Separate Schools Regional Division No. 16 (the School Division), which comprise the statement of financial position as at August 31, 2020 and the statements of operations, cash flows, change in net financial assets, remeasurement gains and losses and schedules (pages 9 to 18) for the year ended August 31, 2020 and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the School Division in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the School Division's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the School Division or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud 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 Division's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School Division's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

King + Company

November 26, 2020
Edmonton, AB

CHARTERED PROFESSIONAL ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
As at August 31, 2020 (in dollars)

| | | 2020 | 2019 (Restated) |
|---|----------------------|---------------|--------------------|
| FINANCIAL ASSETS | | | |
| Cash and cash equivalents | (Schedule 5; Note 3) | \$ 9,102,156 | \$ 8,571,474 |
| Accounts receivable (net after allowances) | (Note 4) | \$ 516,727 | \$ 725,603 |
| Portfolio investments | | | |
| Operating | (Schedule 5) | \$ 9,120 | \$ 8,925 |
| Endowments | | \$ - | \$ - |
| Inventories for resale | | \$ - | \$ - |
| Other financial assets | | \$ - | \$ - |
| Total financial assets | | \$ 9,628,003 | \$ 9,306,002 |
| LIABILITIES | | | |
| Bank indebtedness | | \$ - | \$ - |
| Accounts payable and accrued liabilities | (Note 5) | \$ 1,102,333 | \$ 963,804 |
| Unspent deferred contributions | (Schedule 2) | \$ 2,921,216 | \$ 2,228,587 |
| Employee future benefits liabilities | (Note 6) | \$ 185,213 | \$ 219,713 |
| Environmental liabilities | | \$ - | \$ - |
| Other liabilities | | \$ - | \$ - |
| Debt | | | |
| Supported: Debentures | | \$ - | \$ - |
| Unsupported: Debentures | | \$ - | \$ - |
| Mortgages and capital loans | | \$ - | \$ - |
| Capital leases | | \$ - | \$ - |
| Total liabilities | | \$ 4,208,762 | \$ 3,412,104 |
| Net financial assets | | \$ 5,419,241 | \$ 5,893,898 |
| NON-FINANCIAL ASSETS | | | |
| Tangible capital assets | (Schedule 6) | \$ 29,945,559 | \$ 30,596,733 |
| Inventory of supplies | | \$ - | \$ - |
| Prepaid expenses | (Note 7) | \$ 351,368 | \$ 267,609 |
| Other non-financial assets | | \$ - | \$ - |
| Total non-financial assets | | \$ 30,296,927 | \$ 30,864,342 |
| Net assets before spent deferred capital contributions | | \$ 35,716,168 | \$ 36,758,240 |
| Spent deferred capital contributions | (Schedule 2) | \$ 25,363,666 | \$ 25,894,730 |
| Net assets | | \$ 10,352,502 | \$ 10,863,510 |
| Net assets | (Note 8) | | |
| Accumulated surplus (deficit) | (Schedule 1) | \$ 10,352,502 | \$ 10,863,510 |
| Accumulated remeasurement gains (losses) | | \$ - | \$ - |
| | | \$ 10,352,502 | \$ 10,863,510 |
| Contractual Obligations | (Note 9) | | |
| Contingent Liabilities | (Note 15) | | |

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2020 (in dollars)

| | | Budget 2020 | Actual 2020 | Actual 2019 |
|---|--------------|----------------|----------------|----------------|
| REVENUES | | | | |
| Government of Alberta | | \$ 22,614,843 | \$ 21,166,156 | \$ 22,033,683 |
| Federal Government and other government grants | | \$ - | \$ 6,300 | \$ - |
| Property taxes | | \$ 1,463,416 | \$ 1,398,639 | \$ 1,463,415 |
| Fees | (Schedule 8) | \$ 188,410 | \$ 118,222 | \$ 200,874 |
| Sales of services and products | | \$ 227,022 | \$ 158,216 | \$ 245,838 |
| Investment income | | \$ 75,000 | \$ 138,234 | \$ 183,971 |
| Donations and other contributions | | \$ 216,714 | \$ 255,847 | \$ 219,826 |
| Other revenue | | \$ 5,000 | \$ 12,145 | \$ 42,733 |
| Total revenues | | \$ 24,790,405 | \$ 23,253,759 | \$ 24,390,340 |
| EXPENSES | | | | |
| Instruction - ECS | | \$ 937,536 | \$ 856,089 | \$ 994,537 |
| Instruction - Grades 1 - 12 | | \$ 19,022,679 | \$ 17,782,452 | \$ 18,456,666 |
| Plant operations and maintenance | (Schedule 4) | \$ 3,559,574 | \$ 3,421,885 | \$ 3,679,256 |
| Transportation | | \$ 478,076 | \$ 363,270 | \$ 447,057 |
| Board & system administration | | \$ 1,277,387 | \$ 1,264,735 | \$ 1,304,701 |
| External services | | \$ 133,612 | \$ 76,336 | \$ 125,088 |
| Total expenses | | \$ 25,408,764 | \$ 23,764,767 | \$ 25,007,305 |
| Annual operating surplus (deficit) | | \$ (618,359) | \$ (511,008) | \$ (616,965) |
| Endowment contributions and reinvested income | | \$ - | \$ - | \$ - |
| Annual surplus (deficit) | | \$ (618,359) | \$ (511,008) | \$ (616,965) |
| Accumulated surplus (deficit) at beginning of year | | \$ 10,863,510 | \$ 10,863,510 | \$ 11,480,475 |
| Accumulated surplus (deficit) at end of year | | \$ 10,245,151 | \$ 10,352,502 | \$ 10,863,510 |

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2020 (In dollars)

| | 2020 | 2019 (Restated) |
|--|----------------|--------------------|
| CASH FLOWS FROM: | | |
| A. OPERATING TRANSACTIONS | | |
| Annual surplus (deficit) | \$ (511,008) | \$ (616,965) |
| Add (Deduct) items not affecting cash: | | |
| Amortization of tangible capital assets | \$ 2,017,628 | \$ 1,883,492 |
| Net (gain)/loss on disposal of tangible capital assets | \$ - | \$ - |
| Transfer of tangible capital assets (from)/to other entities | \$ - | \$ (652,662) |
| (Gain)/Loss on sale of portfolio investments | \$ - | \$ - |
| Spent deferred capital recognized as revenue | \$ (1,511,561) | \$ (1,466,148) |
| Deferred capital revenue write-down / adjustment | \$ - | \$ - |
| Increase/(Decrease) in employee future benefit liabilities | \$ (34,500) | \$ 125,048 |
| Donations in kind | \$ - | \$ - |
| | \$ (39,441) | \$ (727,235) |
| (Increase)/Decrease in accounts receivable | \$ 208,876 | \$ (109,349) |
| (Increase)/Decrease in inventories for resale | \$ - | \$ - |
| (Increase)/Decrease in other financial assets | \$ - | \$ - |
| (Increase)/Decrease in inventory of supplies | \$ - | \$ - |
| (Increase)/Decrease in prepaid expenses | \$ (83,759) | \$ 48,210 |
| (Increase)/Decrease in other non-financial assets | \$ - | \$ - |
| Increase/(Decrease) in accounts payable, accrued and other liabilities | \$ 138,529 | \$ (442,911) |
| Increase/(Decrease) in unspent deferred contributions | \$ 692,629 | \$ 885,881 |
| | \$ - | \$ - |
| | \$ - | \$ - |
| Total cash flows from operating transactions | \$ 916,834 | \$ (345,404) |
| B. CAPITAL TRANSACTIONS | | |
| Acquisition of tangible capital assets | \$ (1,366,454) | \$ (1,990,545) |
| Net proceeds from disposal of unsupported capital assets | \$ - | \$ - |
| | \$ - | \$ - |
| Total cash flows from capital transactions | \$ (1,366,454) | \$ (1,990,545) |
| C. INVESTING TRANSACTIONS | | |
| Purchases of portfolio investments | \$ (195) | \$ (222) |
| Proceeds on sale of portfolio investments | \$ - | \$ - |
| | \$ - | \$ - |
| | \$ - | \$ - |
| Total cash flows from investing transactions | \$ (195) | \$ (222) |
| D. FINANCING TRANSACTIONS | | |
| Debt issuances | \$ - | \$ - |
| Debt repayments | \$ - | \$ - |
| Increase (decrease) in spent deferred capital contributions | \$ 980,497 | \$ 502,078 |
| Capital lease issuances | \$ - | \$ - |
| Capital lease payments | \$ - | \$ - |
| | \$ - | \$ - |
| | \$ - | \$ - |
| Total cash flows from financing transactions | \$ 980,497 | \$ 502,078 |
| Increase (decrease) in cash and cash equivalents | \$ 530,682 | \$ (1,834,093) |
| Cash and cash equivalents, at beginning of year | \$ 8,571,474 | \$ 10,405,567 |
| Cash and cash equivalents, at end of year | \$ 9,102,156 | \$ 8,571,474 |

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

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended August 31, 2020 (in dollars)

| | Budget 2020 | 2020 | 2019 (Restated) |
|--|----------------|----------------|--------------------|
| Annual surplus (deficit) | \$ (618,359) | \$ (511,008) | \$ (616,965) |
| Effect of changes in tangible capital assets | | | |
| Acquisition of tangible capital assets | \$ (2,622,355) | \$ (1,366,454) | \$ (1,990,545) |
| Amortization of tangible capital assets | \$ 2,124,888 | \$ 2,017,628 | \$ 1,883,492 |
| Net (gain)/loss on disposal of tangible capital assets | \$ - | \$ - | \$ - |
| Net proceeds from disposal of unsupported capital assets | \$ - | \$ - | \$ - |
| Write-down carrying value of tangible capital assets | \$ - | \$ - | \$ - |
| Transfer of tangible capital assets (from)/to other entities | \$ - | \$ - | \$ (652,662) |
| Other changes | \$ - | \$ - | \$ - |
| Total effect of changes in tangible capital assets | \$ (497,467) | \$ 651,174 | \$ (759,715) |
| Acquisition of inventory of supplies | \$ - | \$ - | \$ - |
| Consumption of inventory of supplies | \$ - | \$ - | \$ - |
| (Increase)/Decrease in prepaid expenses | \$ - | \$ (83,759) | \$ 48,210 |
| (Increase)/Decrease in other non-financial assets | \$ - | \$ - | \$ - |
| Net remeasurement gains and (losses) | \$ - | \$ - | \$ - |
| Change in spent deferred capital contributions (Schedule 2) | \$ - | \$ (531,064) | \$ (311,408) |
| Other changes | \$ - | \$ - | \$ - |
| Increase (decrease) in net financial assets | \$ (1,115,826) | \$ (474,657) | \$ (1,639,878) |
| Net financial assets at beginning of year | \$ 5,893,898 | \$ 5,893,898 | \$ 7,533,776 |
| Net financial assets at end of year | \$ 4,778,072 | \$ 5,419,241 | \$ 5,893,898 |

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended August 31, 2020 (in dollars)

| | 2020 | 2019 |
|---|------|------|
| Unrealized gains (losses) attributable to: | | |
| Portfolio investments | \$ - | \$ - |
| Derivatives | \$ - | \$ - |
| | \$ - | \$ - |
| Amounts reclassified to the statement of operations: | | |
| Portfolio investments | \$ - | \$ - |
| Derivatives | \$ - | \$ - |
| | \$ - | \$ - |
| Other Adjustment (Describe) | \$ - | \$ - |
| Net remeasurement gains (losses) for the year | \$ - | \$ - |
| Accumulated remeasurement gains (losses) at beginning of year | \$ - | \$ - |
| Accumulated remeasurement gains (losses) at end of year | \$ - | \$ - |

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

SCHEDULE 1

SCHEDULE OF NET ASSETS
For the Year Ended August 31, 2020 (in dollars)

| | NET ASSETS | ACCUMULATED REMEASUREMENT GAINS (LOSSES) | ACCUMULATED SURPLUS (DEFICIT) | INVESTMENT IN TANGIBLE CAPITAL ASSETS | ENDOWMENTS | UNRESTRICTED SURPLUS | INTERNALLY RESTRICTED | |
|--|---------------|--|-------------------------------|---------------------------------------|------------|----------------------|--------------------------|------------------------|
| | | | | | | | TOTAL OPERATING RESERVES | TOTAL CAPITAL RESERVES |
| Balance at August 31, 2019 | \$ 10,863,510 | \$ - | \$ 10,863,510 | \$ 4,702,014 | \$ - | \$ - | \$ 5,332,409 | \$ 829,087 |
| Prior period adjustments: | | | | | | | | |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Adjusted Balance, August 31, 2019 | \$ 10,863,510 | \$ - | \$ 10,863,510 | \$ 4,702,014 | \$ - | \$ - | \$ 5,332,409 | \$ 829,087 |
| Operating surplus (deficit) | \$ (511,008) | | \$ (511,008) | | | \$ (511,008) | | |
| Board funded tangible capital asset additions | | | | \$ 385,956 | | \$ (385,956) | \$ - | \$ - |
| Disposal of unsupported tangible capital assets or board funded portion of supported | \$ - | | \$ - | \$ - | | \$ - | \$ - | \$ - |
| Write-down of unsupported tangible capital assets or board funded portion of supported | \$ - | | \$ - | \$ - | | \$ - | \$ - | \$ - |
| Net remeasurement gains (losses) for the year | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ - | \$ - |
| Endowment expenses & disbursements | \$ - | | \$ - | | \$ - | \$ - | | |
| Endowment contributions | \$ - | | \$ - | | \$ - | \$ - | | |
| Reinvested endowment income | \$ - | | \$ - | | \$ - | \$ - | | |
| Direct credits to accumulated surplus (Describe) | \$ - | | \$ - | \$ (2,017,628) | | \$ 2,017,628 | \$ - | \$ - |
| Amortization of tangible capital assets | \$ - | | \$ - | \$ 1,511,561 | | \$ (1,511,561) | | |
| Capital revenue recognized | \$ - | | \$ - | \$ - | | \$ - | | |
| Debt principal repayments (unsupported) | \$ - | | \$ - | \$ - | | \$ - | | |
| Additional capital debt or capital leases | \$ - | | \$ - | \$ - | | \$ - | | |
| Net transfers to operating reserves | \$ - | | \$ - | | | \$ 390,897 | \$ (390,897) | |
| Net transfers from operating reserves | \$ - | | \$ - | | | \$ 500,000 | \$ (500,000) | |
| Net transfers to capital reserves | \$ - | | \$ - | | | \$ (500,000) | | \$ 500,000 |
| Net transfers from capital reserves | \$ - | | \$ - | | | \$ - | | \$ - |
| Other Changes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Changes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Balance at August 31, 2020 | \$ 10,352,502 | \$ - | \$ 10,352,502 | \$ 4,581,903 | \$ - | \$ - | \$ 4,441,512 | \$ 1,329,087 |

SCHEDULE 1

School Jurisdiction Code: 4330

SCHEDULE OF NET ASSETS
For the Year Ended August 31, 2020 (in dollars)

| | INTERNALLY RESTRICTED RESERVES BY PROGRAM | | | | | | | | | | | |
|--|---|------------------|--------------------------|------------------|--------------------|-------------------------------|--------------------|------------------|--------------------|------------------|-------------------|--|
| | School & Instruction Related | | Operations & Maintenance | | | Board & System Administration | | | Transportation | | External Services | |
| | Operating Reserves | Capital Reserves | Operating Reserves | Capital Reserves | Operating Reserves | Capital Reserves | Operating Reserves | Capital Reserves | Operating Reserves | Capital Reserves | | |
| Balance at August 31, 2019 | \$ 4,867,191 | \$ 680,320 | \$ 215,184 | \$ 8,750 | \$ 250,034 | \$ 83,874 | \$ - | \$ 56,143 | \$ - | \$ - | \$ - | |
| Prior period adjustments: | | | | | | | | | | | | |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Adjusted Balance, August 31, 2019 | \$ 4,867,191 | \$ 680,320 | \$ 215,184 | \$ 8,750 | \$ 250,034 | \$ 83,874 | \$ - | \$ 56,143 | \$ - | \$ - | \$ - | |
| Operating surplus (deficit) | | | | | | | | | | | | |
| Board funded tangible capital asset additions | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Disposal of unsupported tangible capital assets or board funded portion of supported | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Write-down of unsupported tangible capital assets or board funded portion of supported | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Net remeasurement gains (losses) for the year | | | | | | | | | | | | |
| Endowment expenses & disbursements | | | | | | | | | | | | |
| Endowment contributions | | | | | | | | | | | | |
| Reinvested endowment income | | | | | | | | | | | | |
| Direct credits to accumulated surplus (Describe) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Amortization of tangible capital assets | | | | | | | | | | | | |
| Capital revenue recognized | | | | | | | | | | | | |
| Debt principal repayments (unsupported) | | | | | | | | | | | | |
| Additional capital debt or capital leases | | | | | | | | | | | | |
| Net transfers to operating reserves | \$ (390,897) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Net transfers from operating reserves | \$ (500,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Net transfers to capital reserves | | \$ 175,000 | | \$ 325,000 | | \$ - | | \$ - | | \$ - | \$ - | |
| Net transfers from capital reserves | | | | | | | | | | | | |
| Other Changes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Other Changes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Balance at August 31, 2020 | \$ 3,976,294 | \$ 855,320 | \$ 215,184 | \$ 333,750 | \$ 250,034 | \$ 83,874 | \$ - | \$ 56,143 | \$ - | \$ - | \$ - | |

SCHEDULE OF DEFERRED CONTRIBUTIONS
(EXTERNALLY RESTRICTED CONTRIBUTIONS ONLY)
For the Year Ended August 31, 2020 (in dollars)

| | Alberta Education | | | | Other GoA Ministries | | | | Other Sources | | | Total | | |
|--|-------------------|--------------|----------------------|--------|----------------------|------------------------|---------------------|--------|----------------------|----------------------------|-----------------|--------------|----------------------------------|---------------|
| | IMR | CMR | Safe Return to Class | Others | Total Education | Alberta Infrastructure | Children's Services | Health | Other GOA Ministries | Total Other GOA Ministries | Gov't of Canada | | Donations and grants from others | Other |
| Deferred Operating Contributions (DOC) | | | | | | | | | | | | | | |
| Balance at Aug 31, 2019 | \$ 1,950,780 | | | | \$ 1,688,334 | | | | | | | \$ 535,437 | | \$ 535,437 |
| Prior period adjustments - please explain: | | | | | | | | | | | | | | |
| Adjusted ending balance Aug. 31, 2019 | \$ 1,680,750 | | | | \$ 1,688,334 | | | | | | | \$ 535,437 | | \$ 535,437 |
| Received during the year (excluding investment income) | \$ 522,654 | | | | \$ 14,890 | | | | | \$ 56,838 | | \$ 41,020 | | \$ 41,020 |
| Transfer (to) grant/donation revenue (excluding investment income) | | | | | | \$ 31,152 | | | | | | | | |
| Investment earnings | | | | | | | | | | | | | | |
| Received during the year | | | | | | | | | | | | | | |
| Transferred to investment income | | | | | | | | | | | | | | |
| Transferred (to) from UDCC | | | | | | | | | | | | | | |
| Transferred directly (to) SDOCC | \$ (20,831) | | | | \$ (20,831) | | | | | | | | | |
| Transferred (to) from others - please explain: | \$ (427,066) | | | | \$ (88,416) | | | | | \$ (46,561) | | \$ (955,087) | | \$ (955,087) |
| UDCC closing balance at Aug 31, 2020 | \$ 2,138,696 | | | | \$ 2,178,671 | | | | | \$ 8,277 | | \$ 108,518 | | \$ 108,518 |
| Unspent Deferred Capital Contributions (UDCC) | | | | | | | | | | | | | | |
| Balance at Aug 31, 2019 | | | | | | | | | | | | | | |
| Prior period adjustments - please explain: | | | | | | | | | | | | | | |
| Adjusted ending balance Aug. 31, 2019 | | | | | | | | | | | | | | |
| Received during the year (excluding investment income) | | | | | | | | | | | | | | |
| UDCC Receivable | | \$ 1,050,000 | | | \$ 1,050,000 | | | | | | | | | |
| Transfer (to) grant/donation revenue (excluding investment income) | | | | | | | | | | | | | | |
| Investment earnings | | | | | | | | | | | | | | |
| Received during the year | | | | | | | | | | | | | | |
| Transferred to investment income | | | | | | | | | | | | | | |
| Proceeds on disposition of supported capital insurance proceeds (net related interest) | | | | | | | | | | | | | | |
| Transferred from (to) DOC | | | | | | | | | | | | | | |
| Transferred from (to) SDOCC | | | | | | | | | | | | | | |
| Transferred (to) from others - please explain: | | \$ (427,066) | | | \$ (427,066) | | | | | | | | | |
| UDCC closing balance at Aug 31, 2020 | | \$ 622,934 | | | \$ 622,934 | | | | | \$ 4,816 | | | | |
| Total Unspent Deferred Contributions at Aug 31, 2020 | \$ 2,138,696 | \$ 622,934 | | | \$ 2,799,665 | \$ 4,816 | | | \$ 8,277 | \$ 13,093 | | \$ 108,518 | | \$ 2,921,216 |
| Spent Deferred Capital Contributions (SDCC) | | | | | | | | | | | | | | |
| Balance at Aug 31, 2019 | \$ 747,197 | | | | \$ 747,197 | | | | | | | | | \$ 90,785 |
| Prior period adjustments - please explain: | | | | | | | | | | | | | | |
| Adjusted ending balance Aug. 31, 2019 | \$ 747,197 | | | | \$ 747,197 | | | | | | | | | \$ 90,785 |
| Disposal (saleable) capital assets | | | | | | | | | | | | | | |
| Alberta Infrastructure managed projects | | | | | | | | | | | | | | |
| Transferred from DOC | | | | | | | | | | | | | | |
| Transferred from UDCC | | | | | | | | | | | | | | |
| Amounts recognized as revenue (Amortization of SDCC) | | \$ 427,066 | | | \$ 427,066 | | | | | | | | | \$ 427,066 |
| Disposal of supported capital assets | | \$ (95,232) | | | \$ (95,232) | | | | | | | | | \$ (95,232) |
| Transferred (to) from others - please explain: | | | | | | | | | | | | | | |
| SDCC closing balance at Aug 31, 2020 | \$ 671,618 | \$ 427,066 | | | \$ 1,098,682 | \$ 23,700,402 | | | \$ 40,353 | \$ 23,743,795 | | \$ 521,229 | | \$ 24,395,686 |

SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2020 (in dollars)

| REVENUES | 2020 | | | | | | 2019 |
|--|--------------|---------------|----------------------------------|----------------|-------------------------------|-------------------|---------------|
| | Instruction | | Plant Operations and Maintenance | Transportation | Board & System Administration | External Services | TOTAL |
| | ECS | Grades 1 - 12 | | | | | |
| (1) Alberta Education | \$ 706,310 | \$ 15,816,369 | \$ 1,748,279 | \$ 125,799 | \$ 1,152,569 | \$ - | \$ 19,549,316 |
| (2) Alberta Infrastructure | - | - | \$ 1,384,498 | - | - | - | \$ 1,384,498 |
| (3) Other - Government of Alberta | - | \$ 124,420 | \$ 10,938 | - | - | - | \$ 135,358 |
| (4) Federal Government and First Nations | - | \$ 6,300 | - | - | - | - | \$ 6,300 |
| (5) Other Alberta school authorities | - | \$ 96,984 | - | - | - | - | \$ 96,984 |
| (6) Out of province authorities | - | - | - | - | - | - | - |
| (7) Alberta municipalities-special tax levies | - | - | - | - | - | - | - |
| (8) Property taxes | - | \$ 1,398,639 | - | - | - | - | \$ 1,398,639 |
| (9) Fees | - | \$ 50,206 | - | \$ 24,431 | - | - | \$ 74,637 |
| (10) Sales of services and products | - | \$ 158,216 | - | - | - | \$ 43,585 | \$ 201,801 |
| (11) Investment income | - | \$ 354 | - | - | - | - | \$ 354 |
| (12) Gifts and donations | - | \$ 34,035 | \$ 24,462 | - | \$ 105,129 | - | \$ 163,626 |
| (13) Rental of facilities | - | - | \$ 7,785 | - | - | \$ 32,751 | \$ 40,536 |
| (14) Fundraising | - | \$ 197,350 | - | - | - | - | \$ 197,350 |
| (15) Gains on disposal of tangible capital assets | - | - | - | - | - | - | - |
| (16) Other revenue | - | \$ 3,750 | - | - | \$ 610 | - | \$ 4,360 |
| (17) TOTAL REVENUES | \$ 706,310 | \$ 17,886,623 | \$ 3,175,962 | \$ 150,230 | \$ 1,256,298 | \$ 76,336 | \$ 23,253,759 |
| EXPENSES | | | | | | | |
| (18) Certificated salaries | \$ 575,052 | \$ 10,079,573 | - | - | \$ 300,822 | - | \$ 10,955,447 |
| (19) Certificated benefits | \$ 74,508 | \$ 2,312,456 | - | - | \$ 88,520 | - | \$ 2,475,483 |
| (20) Non-certificated salaries and wages | \$ 117,371 | \$ 2,026,419 | \$ 246,033 | \$ 128,343 | \$ 409,721 | \$ 52,871 | \$ 2,980,758 |
| (21) Non-certificated benefits | \$ 36,020 | \$ 591,863 | \$ 64,818 | \$ 7,880 | \$ 119,593 | \$ 18,620 | \$ 838,794 |
| (22) SUB - TOTAL | \$ 802,951 | \$ 15,010,310 | \$ 310,851 | \$ 136,223 | \$ 918,656 | \$ 71,491 | \$ 17,250,482 |
| (23) Services, contracts and supplies | \$ 53,138 | \$ 2,680,512 | \$ 1,411,484 | \$ 169,421 | \$ 273,109 | \$ 4,845 | \$ 4,992,509 |
| (24) Amortization of supported tangible capital assets | - | - | \$ 1,511,561 | - | - | - | \$ 1,511,561 |
| (25) Amortization of unsupported tangible capital assets | - | \$ 187,482 | \$ 187,989 | \$ 57,626 | \$ 72,970 | - | \$ 506,067 |
| (26) Supported interest on capital debt | - | - | - | - | - | - | - |
| (27) Unsupported interest on capital debt | - | - | - | - | - | - | - |
| (28) Other interest and finance charges | - | \$ 4,148 | - | - | - | - | \$ 4,148 |
| (29) Losses on disposal of tangible capital assets | - | - | - | - | - | - | - |
| (30) Other expense | - | - | - | - | - | - | - |
| (31) TOTAL EXPENSES | \$ 856,089 | \$ 17,762,452 | \$ 3,421,885 | \$ 363,270 | \$ 1,264,735 | \$ 76,336 | \$ 23,764,767 |
| (32) OPERATING SURPLUS (DEFICIT) | \$ (149,779) | \$ 104,171 | \$ (245,923) | \$ (213,040) | \$ (6,437) | \$ - | \$ (511,008) |

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE
for the Year Ended August 31, 2020 (in dollars)

| EXPENSES | Custodial | Maintenance | Utilities and Telecomm. | Expensed IMR/CMR, Relocations & Lease Payments | Facility Planning & Operations Administration | Unsupported Amortization & Other Expenses | Supported Capital & Debt Services | 2020 TOTAL Operations and Maintenance | 2019 TOTAL Operations and Maintenance |
|---|------------|-------------|-------------------------|--|---|---|-----------------------------------|---------------------------------------|---------------------------------------|
| Non-certificated salaries and wages | \$ 209,795 | \$ - | \$ - | \$ - | \$ 36,238 | | | \$ 246,033 | \$ 231,115 |
| Non-certificated benefits | \$ 53,938 | \$ - | \$ - | \$ - | \$ 10,882 | | | \$ 64,818 | \$ 48,727 |
| Sub-total Remuneration | \$ 263,731 | \$ - | \$ - | \$ - | \$ 47,120 | | | \$ 310,851 | \$ 280,842 |
| Supplies and services | \$ 265,171 | \$ 339,305 | \$ - | \$ 44,117 | \$ - | | | \$ 648,593 | \$ 1,277,616 |
| Electricity | | | \$ 223,419 | | | | | \$ 223,419 | \$ 211,401 |
| Natural gas/heating fuel | | | \$ 104,052 | | | | | \$ 104,052 | \$ 111,888 |
| Sewer and water | | | \$ 27,585 | | | | | \$ 27,585 | \$ 33,602 |
| Telecommunications | | | \$ 2,560 | | | | | \$ 2,560 | \$ 2,591 |
| Insurance | | | | | \$ 290,050 | | | \$ 290,050 | \$ 81,241 |
| ASAP maintenance & renewal payments | | | | | | | | | |
| Amortization of tangible capital assets | | | | | | | | | |
| Supported | | | | | | | \$ - | \$ - | \$ - |
| Unsupported | | | | | | \$ 187,989 | \$ 1,511,561 | \$ 1,511,561 | \$ 1,466,148 |
| Total Amortization | | | | | | \$ 187,989 | \$ 1,511,561 | \$ 1,699,550 | \$ 1,562,630 |
| Interest on capital debt | | | | | | | | | |
| Supported | | | | | | | \$ - | \$ - | \$ - |
| Unsupported | | | | | | | | | |
| Lease payments for facilities | | | | \$ 115,235 | | | | \$ 115,235 | \$ 117,445 |
| Other interest charges | | | | | | | | | |
| Losses on disposal of capital assets | | | | | | | | | |
| TOTAL EXPENSES | \$ 528,902 | \$ 339,305 | \$ 357,596 | \$ 159,352 | \$ 337,180 | \$ 187,989 | \$ 1,511,561 | \$ 3,421,885 | \$ 3,679,256 |

| SQUARE METRES | School buildings | Non school buildings |
|---------------|------------------|----------------------|
| | \$ 20,114.0 | \$ 1,226.0 |
| | \$ 20,114.0 | \$ 1,226.0 |

Note:

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

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2020 (in dollars)**

Cash & Cash Equivalents

| | 2020 | | | 2019 |
|---|----------------------------------|--------------|----------------|----------------|
| | Average Effective (Market) Yield | Cost | Amortized Cost | Amortized Cost |
| Cash | | \$ 4,802,436 | \$ 4,802,436 | 4,571,474 |
| Cash equivalents | | | | |
| Government of Canada, direct and guaranteed | 0.00% | - | - | - |
| Provincial, direct and guaranteed | 0.00% | - | - | - |
| Corporale | 0.00% | - | - | - |
| Other, including GIC's | 1.00% | 4,299,720 | 4,299,720 | 4,000,000 |
| Total cash and cash equivalents | | \$ 9,102,156 | \$ 9,102,156 | \$ 8,571,474 |

See Note 3 for additional detail.

Portfolio Investments

| | 2020 | | | | 2019 |
|------------------------------------|----------------------------------|----------|------------|----------|----------|
| | Average Effective (Market) Yield | Cost | Fair Value | Balance | Balance |
| Interest-bearing securities | | | | | |
| Deposits and short-term securities | 2.20% | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| Bonds and mortgages | 0.00% | - | - | - | - |
| | 2.20% | 5,000 | 5,000 | 5,000 | 5,000 |
| Equities | | | | | |
| Canadian equities | 0.00% | \$ - | \$ - | \$ - | \$ - |
| Global developed equities | 0.00% | - | - | - | - |
| Emerging markets equities | 0.00% | - | - | - | - |
| Private equities | 0.00% | - | - | - | - |
| Pooled investment funds | 0.00% | - | - | - | - |
| Total fixed income securities | 0.00% | - | - | - | - |
| Other | | | | | |
| Credit Union Shares | 0.00% | \$ 4,120 | \$ 4,120 | \$ 4,120 | \$ 3,925 |
| Credit Union Shares | 0.00% | - | - | - | - |
| Credit Union Shares | 0.00% | - | - | - | - |
| | 0.00% | - | - | - | - |
| Total equities | 0.00% | 4,120 | 4,120 | 4,120 | 3,925 |
| Total portfolio Investments | 1.21% | \$ 9,120 | \$ 9,120 | \$ 9,120 | \$ 8,925 |

Portfolio Investments

Operating

Cost
Unrealized gains and losses

Endowments

Cost
Unrealized gains and losses
Deferred revenue

Total portfolio investments

| | 2020 | 2019 |
|-----------------------------|----------|----------|
| Cost | \$ 9,120 | \$ 8,925 |
| Unrealized gains and losses | - | - |
| | 9,120 | 8,925 |
| Cost | \$ - | \$ - |
| Unrealized gains and losses | - | - |
| Deferred revenue | - | - |
| | - | - |
| Total portfolio investments | \$ 9,120 | \$ 8,925 |

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

| | 2020 | 2019 |
|----------------|--------|--------|
| Under 1 year | 100.0% | 100.0% |
| 1 to 5 years | 0.0% | 0.0% |
| 6 to 10 years | 0.0% | 0.0% |
| 11 to 20 years | 0.0% | 0.0% |
| Over 20 years | 0.0% | 0.0% |
| | 100.0% | 100.0% |

SCHEDULE 6

School Jurisdiction Code: 4330

SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the Year Ended August 31, 2020 (in dollars)

| Tangible Capital Assets | 2020 | | | | | | 2019 | |
|---|-----------|-------------------|----------------------------|-------------------------|------------------------|---|---------------|---------------|
| | Land | Work in Progress* | Buildings** 25-50 Years | Equipment 5-10 Years | Vehicles 5-10 Years | Computer Hardware & Software 3-5 Years | Total | Total |
| Estimated useful life | | | | | | | | |
| Historical cost | | | | | | | | |
| Beginning of year | \$ 49,698 | \$ 164,159 | \$ 46,406,598 | \$ 2,322,904 | \$ 1,225,660 | \$ 796,813 | \$ 50,965,822 | 48,322,615 |
| Prior period adjustments | - | - | - | - | - | - | - | - |
| Additions | - | 748,223 | 219,294 | 301,909 | - | 97,028 | 1,366,454 | 2,643,207 |
| Transfers in (out) | - | (150,549) | - | 150,549 | - | - | - | - |
| Less disposals including write-offs | - | - | - | - | - | - | - | - |
| Historical cost, August 31, 2020 | \$ 49,698 | \$ 761,833 | \$ 46,625,892 | \$ 2,775,362 | \$ 1,225,660 | \$ 893,841 | \$ 52,332,276 | \$ 50,965,822 |
| Accumulated amortization | | | | | | | | |
| Beginning of year | \$ - | \$ - | \$ 18,469,026 | \$ 637,582 | \$ 574,829 | \$ 687,652 | \$ 20,369,089 | 18,485,597 |
| Prior period adjustments | - | - | - | - | - | - | - | - |
| Amortization | - | - | 1,559,709 | 304,937 | 93,436 | 59,546 | 2,017,628 | 1,883,492 |
| Other additions | - | - | - | - | - | - | - | - |
| Transfers in (out) | - | - | - | - | - | - | - | - |
| Less disposals including write-offs | - | - | - | - | - | - | - | - |
| Accumulated amortization, August 31, 2020 | \$ - | \$ - | \$ 20,028,735 | \$ 942,519 | \$ 668,265 | \$ 747,198 | \$ 22,386,717 | \$ 20,369,089 |
| Net Book Value at August 31, 2020 | \$ 49,698 | \$ 761,833 | \$ 26,597,147 | \$ 1,832,843 | \$ 557,395 | \$ 146,643 | \$ 29,945,559 | |
| Net Book Value at August 31, 2019 | \$ 49,698 | \$ 164,159 | \$ 27,937,582 | \$ 1,685,322 | \$ 650,831 | \$ 109,161 | \$ 30,596,733 | |

| | 2020 | 2019 |
|--|------|------|
| Total cost of assets under capital lease | \$ - | \$ - |
| Total amortization of assets under capital lease | \$ - | \$ - |

An additional \$1,996,312 in work-in-progress is not included in this figure, as this amount represents an additional school that is managed and controlled by Alberta Infrastructure. The school division will report this school with its tangible capital assets when the school is complete and controlled by the Division.

**Buildings include leasehold improvements with a total cost of \$26,028,681 and accumulated amortization of \$9,064,865 as well as site improvements with a total cost of \$1,906,550 and accumulated amortization of \$812,443.

SCHEDULE 7

School Jurisdiction Code: 4330

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES
For the Year Ended August 31, 2020 (in dollars)**

| Board Members: | FTE | Remuneration | Benefits | Allowances | Performance Bonuses | ERIP's / Other Paid | Other Accrued Unpaid Benefits | Expenses |
|-------------------------------------|---------------|---------------------|--------------------|-----------------|---------------------|---------------------|-------------------------------|-----------------|
| Chair (Klein) | 1.00 | \$8,340 | \$4,755 | \$0 | | | \$0 | \$8,615 |
| Trustee (Ibach) | 1.00 | \$4,770 | \$4,555 | \$0 | | | \$0 | \$2,806 |
| Trustee (Nichols) | 1.00 | \$3,600 | \$4,517 | \$0 | | | \$0 | \$4,990 |
| Trustee (Austin) | 1.00 | \$3,780 | \$4,508 | \$0 | | | \$0 | \$3,506 |
| Trustee (Sanson) | 1.00 | \$6,030 | \$4,652 | \$0 | | | \$0 | \$5,024 |
| Trustee (Allan) | 1.00 | \$3,060 | \$4,473 | \$0 | | | \$0 | \$2,491 |
| Trustee (Young) | 1.00 | \$2,160 | \$4,442 | \$0 | | | \$0 | \$240 |
| Trustee (Loonen) | 1.00 | \$4,140 | \$1,899 | \$0 | | | \$0 | \$896 |
| | - | \$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 |
| Subtotal | 8.00 | \$35,860 | \$33,601 | \$0 | | | \$0 | \$28,568 |
| Superintendent McCormack | 1.00 | \$214,452 | \$49,301 | \$10,000 | | | \$0 | \$11,904 |
| Secretary-Treasurer Threinen | 1.00 | \$150,354 | \$24,931 | \$0 | | | \$0 | \$1,142 |
| | - | \$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 |
| Certificated | | \$10,740,995 | \$2,416,182 | \$0 | | | \$0 | \$0 |
| School based | 109.00 | | | | | | | |
| Non-School based | 1.00 | | | | | | | |
| Non-certificated | | | | | | | | |
| Instructional | 77.00 | \$2,794,524 | \$780,062 | \$0 | | | \$0 | \$0 |
| Plant Operations & Maintenance | 5.00 | | | | | | | |
| Transportation | 6.00 | | | | | | | |
| Other | 13.00 | | | | | | | |
| TOTALS | 221.00 | \$13,936,205 | \$3,304,277 | \$10,000 | | | \$0 | \$41,614 |

SCHEDULE 8

UNAUDITED SCHEDULE OF FEES
For the Year Ended August 31, 2020 (in dollars)

| | Actual Fees Collected 2018/2019 | Budgeted Fee Revenue 2019/2020 | (A) Actual Fees Collected 2019/2020 | (B) Unspent September 1, 2019* | (C) Funds Raised to Defray Fees 2019/2020 | (D) Expenditures 2019/2020 | (A) + (B) + (C) - (D) Unspent Balance at August 31, 2020* |
|--|---------------------------------|--------------------------------|-------------------------------------|--------------------------------|---|----------------------------|---|
| Transportation Fees | \$37,718 | \$34,700 | \$22,931 | \$0 | \$0 | \$22,931 | \$0 |
| Basic Instruction Fees | | | | | | | |
| Basic instruction supplies | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fees to Enhance Basic Instruction | | | | | | | |
| Technology user fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Alternative program fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fees for optional courses | \$5,657 | \$4,160 | \$2,800 | \$0 | \$0 | \$2,887 | \$0 |
| Activity fees | \$60,472 | \$50,100 | \$39,269 | \$0 | \$0 | \$40,812 | \$0 |
| Early childhood services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other fees to enhance education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Non-Curricular fees | | | | | | | |
| Extracurricular fees | \$89,186 | \$88,350 | \$47,371 | \$0 | \$0 | \$86,194 | \$0 |
| Non-curricular travel | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Lunch supervision and noon hour activity fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Non-curricular goods and services | \$6,141 | \$11,100 | \$5,851 | \$0 | \$0 | \$9,484 | \$0 |
| Other Fees | \$1,700 | \$0 | \$0 | \$1,700 | \$0 | \$1,755 | \$0 |
| TOTAL FEES | \$200,874 | \$188,410 | \$118,222 | \$1,700 | \$0 | \$164,063 | \$0 |
| *Unspent balances cannot be less than \$0 | | | | | | | |
| Please disclose amounts paid by parents of students that are recorded as "Sales of services and products", "Fundraising", or "Other revenue" (rather than fee revenue): | | | | | | | |
| Cafeteria sales, hot lunch, milk programs | | | | | | \$66,409 | \$91,574 |
| Special events, graduation, tickets | | | | | | \$6,176 | \$19,837 |
| International and out of province student revenue | | | | | | \$0 | \$11,660 |
| Sales or rentals of other supplies/services (clothing, agendas, yearbooks) | | | | | | \$26,086 | \$35,833 |
| Adult education revenue | | | | | | \$4,300 | \$3,650 |
| Preschool | | | | | | \$43,585 | \$79,434 |
| Child care & before and after school care | | | | | | \$0 | \$0 |
| Lost item replacement fee | | | | | | \$0 | \$0 |
| Other (Describe) | | | | | | \$0 | \$0 |
| Other (Describe) | | | | | | \$0 | \$0 |
| Other (Describe) | | | | | | \$0 | \$0 |
| TOTAL | | | | | | \$146,556 | \$241,988 |

SCHEDULE 9

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES
For the Year Ended August 31, 2020 (in dollars)

| EXPENSES | Allocated to Board & System Administration | | | |
|---|--|---------------------|------------|--------------|
| | Salaries & Benefits | Supplies & Services | Other | TOTAL |
| Office of the superintendent | \$ 273,753 | \$ 16,664 | \$ - | \$ 290,417 |
| Educational administration (excluding superintendent) | \$ 115,590 | \$ 11,582 | \$ - | \$ 127,172 |
| Business administration | \$ 175,285 | \$ 43,712 | \$ - | \$ 218,997 |
| Board governance (Board of Trustees) | \$ 107,856 | \$ 72,018 | \$ - | \$ 179,874 |
| Information technology | \$ - | \$ - | \$ - | \$ - |
| Human resources | \$ 59,807 | \$ 20,618 | \$ - | \$ 80,425 |
| Central purchasing, communications, marketing | \$ 76,582 | \$ 20,838 | \$ - | \$ 97,420 |
| Payroll | \$ 109,783 | \$ 19,385 | \$ - | \$ 129,168 |
| Administration - insurance | | | \$ 5,011 | \$ 5,011 |
| Administration - amortization | | | \$ 72,970 | \$ 72,970 |
| Administration - other (admin building, interest) | | | \$ 63,281 | \$ 63,281 |
| Other (describe) | \$ - | \$ - | \$ - | \$ - |
| Other (describe) | \$ - | \$ - | \$ - | \$ - |
| Other (describe) | \$ - | \$ - | \$ - | \$ - |
| TOTAL EXPENSES | \$ 918,656 | \$ 204,817 | \$ 141,262 | \$ 1,264,735 |

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the Education Act, 2012, Chapter E-0.3. This School Division is exempt from payment of income tax and is a registered charity under the Income Tax Act.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A) Valuation of Financial Assets and Liabilities

The School Division’s financial assets and liabilities are generally measured as follows:

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

B) Financial Assets

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

Financial assets are the School Division’s financial claims on external organizations and individuals, and inventories for resale at the year end.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

a. Cash and Cash Equivalents

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

b. Accounts Receivable

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

c. Portfolio Investments

The School Division has investments in GIC's, term deposits, bonds, equity instruments and mutual funds that have no maturity dates or a maturity of greater than three months. GIC's, term deposits and investments not quoted in an active market are reported at cost or amortized cost. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value. Discounts and premiums arising on the purchase of fixed income securities are amortized over the term of the investments.

Derivatives and portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are derecognized. Upon derecognition, the accumulated remeasurement gains or losses associated with the derecognized portfolio investments are reversed and reclassified to the Statement of Operations.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. A subsequent increase in value would be recognized on the Statement of Remeasurement Gains and Losses and realized on the Statement of Operations only when sold.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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

d. Inventories for Resale

Inventories for resale are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

e. Other Financial Assets

Other financial assets are valued at the lower of cost or expected net realizable value.

C) Liabilities

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

a. Accounts Payable and Accrued Liabilities

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

b. Deferred Contributions

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

Deferred contributions also include contributions for capital expenditures, unspent and spent. Unspent Deferred Capital Contributions (UDCC) represent externally restricted

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

supported capital funds provided for a specific capital purpose received or receivable by the School Division, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per PS 3200 when expended.

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

c. Employee Future Benefits

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

The School Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include defined-benefit retirement plans, non-vested & accumulating sick leave, early retirement, retirement/severance, job-training and counseling, post-employment benefit continuation, death benefits, and various qualifying compensated absences, early retirement, retirement/severance, death benefit and vested sick leave. The future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, benefit usage, termination and retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

d. Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs are capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included on the Statement of Operations.

The School Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be discharged in the future by funding through the Alberta Government. The School Division believes that there is insufficient information to estimate the fair value of the asset retirement obligation because the settlement date or the range of potential settlement dates has not been determined and information is not available to apply an expected present value technique.

e. Debt

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

D) Non-Financial Assets

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

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

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

a. Tangible Capital Assets

The following criteria apply:

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

| | |
|-------------------------------|----------------|
| Buildings | 25 to 50 years |
| Vehicles & Buses | 5 to 10 years |
| Computer Hardware & Software | 3 to 5 years |
| Other Equipment & Furnishings | 5 to 10 years |

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b. Inventories of Supplies

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

c. Prepaid Expenses

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

d. Other Non-Financial Assets

Intangible assets, assets acquired by right, works of art, historical treasures, collections, certain land, and construction-in-progress managed by Alberta Infrastructure are not recognized in these financial statements.

E) Operating and Capital Reserves

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

F) Revenue Recognition

Revenues are recorded on an accrual basis. Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Contributed services are not recognized in the financial statements.

Eligibility criteria are criteria that the School Division has to meet in order to receive certain contributions. *Stipulations* describe what the School Division must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with stipulations are recognized as revenue in the period that the stipulations are met, except to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *PS 3200*. Such liabilities are recorded as deferred revenue.

G) Expenses

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

Allocation of Costs

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

H) Program Reporting

The School Division's operations have been segmented as follows:

- **ECS Instruction:** The provision of Early Childhood Services education instructional services that fall under the basic public education mandate.
- **Grade 1-12 Instruction:** The provision of instructional services for grades 1 - 12 that fall under the basic public education mandate.
- **Plant Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.
- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or Division operated, including transportation facility expenses.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

- **Board & System Administration:** The provision of board governance and system-based / central office administration.
- **External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education must be self-supporting, and Alberta Education funding may not be utilized to support these programs.

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

I) Trusts Under Administration

The School Division has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The School Division holds title to the property for the benefit of the beneficiary. Trusts under administration have been excluded from the financial reporting of the School Division. A summary of Trust balances is listed in Note 11.

J) Financial Instruments

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

K) Measurement Uncertainty

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

L) Future Accounting Changes

The Public Sector Accounting Board has issued the following accounting standards:

- **PS 3280 Asset Retirement Obligations (effective September 1, 2022)**
Effective April 1, 2022, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- **PS 3400 Revenue (effective September 1, 2023)**
This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these standards on the financial statements.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include a notice demand account of \$4,299,720 (2019 - \$4,000,000) held with ATB Financial. The interest rate is 1.00% (2019 – 2.25%) and the funds can be accessed after providing notice of 31 days.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

4. ACCOUNTS RECEIVABLE

| | 2020 | | | 2019 |
|---|--------------------------|---------------------------------|--------------------------|--------------------------|
| | Gross Amount | Allowance for Doubtful Accounts | Net Realizable Value | Net Realizable Value |
| Alberta Education - Grants | \$ 16,555 | \$ - | \$ 16,555 | \$ 57,169 |
| Alberta Education - (Exam Marking) | - | - | - | 7,256 |
| Other Alberta School Divisions | - | - | - | 19,287 |
| Alberta Health Services | 31,761 | - | 31,761 | 43,616 |
| Government of Alberta Ministry (STEP) | - | - | - | 6,370 |
| Government of Alberta Ministry (Infrastructure) | - | - | - | 80,358 |
| Federal Government | 137,348 | - | 137,348 | 213,271 |
| Municipalities | 317,709 | - | 317,709 | 277,259 |
| Alberta Education Diploma Program | 8,544 | - | 8,544 | - |
| Other | 4,810 | - | 4,810 | 20,017 |
| Total | <u>\$ 516,727</u> | <u>\$ -</u> | <u>\$ 516,727</u> | <u>\$ 725,603</u> |

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | 2020 | 2019 |
|--|----------------------------|--------------------------|
| Alberta Education | \$ - | \$ 152,902 |
| Other Alberta School Divisions | 4,046 | 17,305 |
| Accrued vacation pay | 64,155 | 39,545 |
| Salaries & benefit costs | 34,535 | 4,012 |
| Other trade payables and accrued liabilities | 977,178 | 709,491 |
| Unearned Revenue | | |
| Other fee revenue | 22,419 | 40,549 |
| Total | <u>\$ 1,102,333</u> | <u>\$ 963,804</u> |

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

6. EMPLOYEE FUTURE BENEFITS LIABILITIES

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

Current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the School Division does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the School Division is included in both revenues and expenses. For the school year ended August 31, 2020, the amount contributed by the Government was \$1,197,788 (2019 - \$1,173,626).

The School Division participates in a multi-employer pension plan, the Local Authorities Pension Plan (LAPP). The School Division is not responsible for future funding of the plan deficit other than through contribution increases. The expense for this pension plan is equivalent to the annual contributions of \$ 234,31 for the year ended August 31, 2020 (2019 - \$258,676). At December 31, 2019, the Local Authorities Pension Plan reported a surplus of \$7,913,261,000 (2018, a surplus of \$3,469,347,000).

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

The School Division participates in the multi-employer supplementary integrated pension plan (SiPP) for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension to a full 2% of pensionable earnings multiplied by pensionable service. The annual expenditure for this pension plan is equivalent to the annual contributions of \$7,675 for the year ended August 31, 2020 (2019 - \$8,724).

**EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS
REGIONAL DIVISION NO. 16**

**Notes to the Financial Statements
For the Year Ended August 31, 2020**

6. EMPLOYEE FUTURE BENEFITS LIABILITIES (continued)

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

Employee future benefit liabilities consist of the following:

| | 2020 | 2019 |
|-----------------------|-------------|-------------|
| Retirement allowances | \$ 185,213 | \$ 219,713 |

7. PREPAID EXPENSES

Prepaid expenses consist of the following:

| | 2020 | 2019 |
|---|-------------------|-------------------|
| Insurance | \$ 52,420 | \$ 48,197 |
| Software | 109,604 | 119,686 |
| Textbooks/Resources | 69,251 | 51,386 |
| Damage Deposit | 5,122 | 8,102 |
| COVID-19 supplies | 51,956 | - |
| Professional fees for Students with Needs | 35,000 | - |
| Other | 28,015 | 40,238 |
| Total | \$ 351,368 | \$ 267,609 |

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

8. ACCUMULATED SURPLUS

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

| | 2020 | 2019 |
|--|----------------------|----------------------|
| Unrestricted surplus | \$ - | \$ - |
| Operating reserves | <u>5,332,409</u> | <u>5,332,409</u> |
| Accumulated surplus from operations | 4,441,512 | 5,332,409 |
| Investment in tangible capital assets | 4,581,903 | 4,702,014 |
| Capital reserves | 1,329,087 | 829,087 |
| Accumulated remeasurement gains (losses) | - | - |
| Accumulated surplus | <u>\$ 10,352,502</u> | <u>\$ 10,863,510</u> |

Accumulated surplus from operations include funds of \$ 318,601 that are raised at school level and are not available to spend at board level. The School Division's adjusted surplus from operations is calculated as follows:

| | 2020 | 2019 |
|--|---------------------|---------------------|
| Accumulated surplus from operations | \$ 4,441,512 | \$ 5,322,409 |
| Deduct: School generated funds included in accumulated surplus (Note 11) | <u>318,601</u> | <u>249,977</u> |
| Adjusted accumulated surplus ⁽¹⁾ | <u>\$ 4,122,911</u> | <u>\$ 5,072,432</u> |

(1) Adjusted accumulated surplus represents funds available for use by the School Division after deducting funds raised at school-level.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

9. CONTRACTUAL OBLIGATIONS

| | 2020 | 2019 |
|----------------------------------|---------------------|---------------------|
| Building projects ⁽¹⁾ | \$ 1,161,793 | \$ 909,868 |
| Building leases ⁽²⁾ | 219,158 | 192,190 |
| Service providers ⁽³⁾ | 570,311 | 408,758 |
| Technology ⁽⁴⁾ | 501,456 | 665,901 |
| Other ⁽⁵⁾ | 57,928 | - |
| Total | \$ 2,510,646 | \$ 2,176,717 |

⁽¹⁾ Building projects: The School Division is under contract to pay for a larger gym in a replacement school, to complete Accelerated Capital projects, engineering costs for the 4-classroom addition to Blessed Sacrament School.

⁽²⁾ Building leases: The School Division's leases on buildings expire; January 31, 2021; July 31, 2021 and June 30, 2022.

⁽³⁾ Service providers: The School Division is under a contract for maintenance and custodial services.

⁽⁴⁾ Technology: The School Division is under contract for technology services, internet and software services.

⁽⁵⁾ Other: A 12-passenger van has been ordered to transport children to extra-curricular venues.

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

| | Building Projects | Building Leases | Service Providers | Technology | Other |
|-----------|----------------------|--------------------|----------------------|-------------------|------------------|
| 2020-2021 | 1,161,793 | 113,054 | 490,767 | 285,923 | 57,928 |
| 2021-2022 | - | 66,239 | 74,027 | 215,533 | - |
| 2022-2023 | - | 39,865 | 5,517 | - | - |
| 2023-2024 | - | - | - | - | - |
| 2024-2025 | - | - | - | - | - |
| | \$ 1,161,793 | \$ 219,158 | \$ 570,311 | \$ 501,456 | \$ 57,928 |

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

10. TRUSTS UNDER ADMINISTRATION

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

| | 2020 | 2019 |
|--------------------|------------------|------------------|
| Scholarship trusts | \$ 13,192 | \$ 12,933 |
| Other foundations | 35,977 | 17,493 |
| Total | \$ 49,169 | \$ 30,426 |

11. SCHOOL GENERATED FUNDS

| | 2020 | 2019 |
|--|-------------------|-------------------|
| School Generated Revenue, Beginning of Year | \$ 781,076 | \$ 270,944 |
| Gross Receipts: | | |
| Fees | 92,105 | 161,457 |
| Fundraising | 197,350 | 180,145 |
| Gifts and donations | 33,035 | 503,831 |
| Grants to schools | 40,525 | 125,000 |
| Other sales and services | 99,081 | 147,586 |
| Total gross receipts | 462,096 | 1,118,019 |
| Total Related Expenses and Uses of Funds | 596,741 | 263,638 |
| Total Direct Costs Including Cost of Goods Sold to Raise Funds | 222,658 | 344,249 |
| School Generated Revenues, End of Year | \$ 423,773 | \$ 781,076 |
| Balance included in Deferred Contributions | \$ 104,178 | \$ 531,099 |
| Balance included in Accounts Payable | \$ 994 | \$ - |
| Balances included in Accumulated Surplus (Operating Reserves) (Note 8) | \$ 318,601 | \$ 249,977 |

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

12. RELATED PARTY TRANSACTIONS

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

All entities that are consolidated in the accounts of the Government of Alberta are related parties of School Divisions. These include government departments, health authorities, post-secondary institutions and other school divisions in Alberta. Related party transactions are recorded at the exchange amount, which is the amount of consideration established and agreed upon between the related parties. Amounts due to or from and the amounts of transactions with related parties are recorded in the financial statements and are as follows:

| | Balances | | Transactions | |
|---|--|---------------------------------|----------------------|-------------------|
| | Financial Assets (at cost or net realizable value) | Liabilities (at amortized cost) | Revenues | Expenses |
| Government of Alberta (GOA): | | | | |
| Alberta Education | | | | |
| Accounts receivable / Accounts payable | \$ 25,099 | \$ - | | |
| Prepaid expenses / Deferred operating revenue | 59,890 | 24,890 | | |
| Spent deferred capital contributions | | 1,098,682 | 96,212 | |
| Grant revenue & expenses | | | 18,255,316 | - |
| ATRF payments made on behalf of district | | | 1,197,788 | |
| Post-secondary Institutions | - | - | 96,984 | 14,759 |
| Alberta Health Services | 31,761 | - | 135,358 | 2,460 |
| Alberta Infrastructure | | | | |
| Unexpended deferred capital contributions | | 4,816 | | |
| Spent deferred capital contributions | | 23,703,402 | 1,384,498 | |
| Culture and Tourism | - | 48,630 | 6,208 | - |
| Alberta Local Authorities Pension Plan Corp. | | 15,102 | | 234,311 |
| TOTAL 2019/2020 | <u>\$ 116,750</u> | <u>\$ 24,895,522</u> | <u>\$ 21,172,364</u> | <u>\$ 251,530</u> |
| TOTAL 2018/2019 | <u>\$ 215,538</u> | <u>\$ 27,659,718</u> | <u>\$ 22,045,040</u> | <u>\$ 368,183</u> |

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

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

Notes to the Financial Statements For the Year Ended August 31, 2020

13. SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread in Canada and around the world.

This pandemic is evolving and the school jurisdiction continues to respond with public health measures and financial assistance as necessary. The duration and potential impacts of COVID-19 are unknown at this time. As a result, we are unable to estimate the effect of these developments on the financial statements.

14. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

15. CONTINGENT LIABILITIES

The School Division is a member of the Alberta School Boards Insurance Exchange (ASBIE). Under the terms of its membership, the School Division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. The School Division's share of the pool as at August 31, 2020 is \$ 104,028.

16. BUDGET AMOUNTS

The budget was prepared by the School Division and approved by the Board of Trustees on June 27, 2019. It is presented for information purposes only and has not been audited.

17. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2019/2020 presentation.