

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Calgary Arts Academy Society

Legal Name of School Jurisdiction

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Mailing Address

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Contact Numbers and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Calgary Arts Academy Society 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

Todd Hirsch
Name


Signature

SUPERINTENDENT

Dale Erickson
Name


Signature

SECRETARY-TREASURER OR TREASURER

Cole Jordan
Name


Signature

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Calgary Arts Academy Society

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of the Calgary Arts Academy Society, which comprise the statement of financial position as at August 31, 2018, the statements of operations, remeasurement gains and losses, change in net financial assets (net debt) and cash flows for the year then ended, which are presented in the format prescribed by Alberta Education, and notes, comprising a summary of significant accounting policies and other explanatory information, including complete Schedules 1, 2, 3, 5 and 6, Schedule 4 excluding the rows under "Square Metres", Schedule 7 columns "Remuneration", "Benefits", "Negotiated Allowances", "Performance Bonuses", "ERIP's/Other Paid", "Other Accrued Unpaid Benefits" and "Expenses".

Management's Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility for the financial statements

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Calgary Arts Academy Society as at August 31, 2018, and its results of operations, its changes in net financial assets (net debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Independent Practitioner's Reasonable Assurance Report

To the Board of Directors of the Calgary Arts Academy Society

We have undertaken a reasonable assurance engagement of the accompanying FTE and Metres Square as reported in the specific rows "Square Metres – School buildings" and "Square Metres – Non school buildings" in Schedule 4 and columns "FTE" in Schedule 7 ("subject matter information") both prescribed by Alberta Education of the Calgary Arts Academy Society (the "Entity") for the year ended August 31, 2018.

Management's Responsibility

Management is responsible for the preparation of the subject matter information in accordance with the criteria established by Alberta Education in the 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.

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.

Opinion

In our opinion, FTE and Metres Square as reported in the specific rows "Square Metres – School buildings" and "Square Metres – Non school buildings" in Schedule 4 and columns "FTE" in Schedule 7 for the year ended August 31, 2018 have been prepared, in all material respects, in accordance the applicable criteria.

Chartered Professional Accountants

Calgary, Canada
November 20, 2018

STATEMENT OF FINANCIAL POSITION
As at August 31, 2018 (in dollars)

		2018	2017
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5)	\$ 274,175	\$ 848,019
Accounts receivable (net after allowances)	(Note 4)	\$ 23,339	\$ 395,424
Portfolio investments	(Schedule 5; Note 5)	\$ 73,471	\$ 53,824
Other financial assets		\$ -	\$ -
Total financial assets		\$ 370,985	\$ 1,297,267
LIABILITIES			
Bank indebtedness		\$ -	\$ -
Accounts payable and accrued liabilities	(Note 6)	\$ 291,634	\$ 724,988
Deferred revenue	(Note 8)	\$ 11,644,142	\$ 10,761,239
Employee future benefits liabilities		\$ -	\$ -
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Supported: Debentures and other supported debt		\$ -	\$ -
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 11,935,776	\$ 11,486,227
Net debt		\$ (11,564,791)	\$ (10,188,960)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)		
Land		\$ -	\$ -
Construction in progress		\$ 109,222	\$ 11,050,926
Buildings	\$ 12,922,263		
Less: Accumulated amortization	\$ (628,009)	\$ 12,294,254	\$ 110,569
Equipment	\$ 700,235		
Less: Accumulated amortization	\$ (455,177)	\$ 245,058	\$ 135,828
Vehicles	\$ 28,150		
Less: Accumulated amortization	\$ (28,150)	\$ -	\$ -
Computer Equipment	\$ 629,688		
Less: Accumulated amortization	\$ (561,432)	\$ 68,256	\$ 5,605
Total tangible capital assets		\$ 12,716,790	\$ 11,302,928
Prepaid expenses		\$ 42,535	\$ 32,105
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 12,759,325	\$ 11,335,033
Accumulated surplus	(Schedule 1)	\$ 1,194,534	\$ 1,146,073
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 1,194,534	\$ 1,146,073
Accumulated rereasurement gains (losses)		\$ -	\$ -
		\$ 1,194,534	\$ 1,146,073
Contractual obligations	(Note 9)		

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2018 (in dollars)

	Budget 2018	Actual 2018	Actual 2017
REVENUES			
Alberta Education	\$ 4,531,609	\$ 4,502,130	\$ 4,672,943
Other - Government of Alberta	\$ -	\$ -	\$ -
Federal Government and First Nations	\$ -	\$ -	\$ -
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 371,910	\$ 455,210	\$ 399,135
Other sales and services	\$ 72,000	\$ 26,750	\$ 55,522
Investment income	\$ -	\$ 4,363	\$ 9,464
Gifts and donations	\$ -	\$ 6,202	\$ -
Rental of facilities	\$ -	\$ 4,282	\$ -
Fundraising	\$ -	\$ -	\$ 2,677
Gains on disposal of capital assets	\$ -	\$ 3,078	\$ -
Other revenue	\$ 19,720	\$ 516,564	\$ 41,620
Total revenues	\$ 4,995,239	\$ 5,518,579	\$ 5,181,361
EXPENSES			
Instruction - ECS	\$ 227,086	\$ 203,871	\$ 158,424
Instruction - Grades 1 - 12	\$ 3,783,381	\$ 3,683,101	\$ 3,802,165
Plant operations and maintenance (Schedule 4)	\$ 460,052	\$ 970,153	\$ 462,723
Transportation	\$ 325,527	\$ 351,014	\$ 375,360
Board & system administration	\$ 255,461	\$ 261,979	\$ 249,560
External services	\$ -	\$ -	\$ -
Total expenses	\$ 5,051,507	\$ 5,470,118	\$ 5,048,232
Operating surplus (deficit)	\$ (56,268)	\$ 48,461	\$ 133,129

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2018 (in dollars)

	2018	2017
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 48,461	\$ 133,129
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 488,995	\$ 36,279
Gains on disposal of tangible capital assets	\$ (3,078)	\$ -
Losses on disposal of tangible capital assets	\$ 68,336	\$ -
Expended deferred capital revenue recognition	\$ (449,880)	\$ (14,824)
Deferred capital revenue write-down / adjustment	\$ 66,684	\$ 102,777
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 372,085	\$ (347,732)
Prepays	\$ (10,430)	\$ 4,885
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ (433,354)	\$ 600,919
Deferred revenue (excluding EDCR)	\$ 1,221,985	\$ 8,362,960
Employee future benefit liabilities	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from operating transactions	\$ 1,369,804	\$ 8,878,393
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (1,717,064)	\$ (9,167,537)
Equipment	\$ (164,545)	\$ (131,033)
Vehicles	\$ -	\$ -
Computer equipment	\$ (44,151)	\$ -
Net proceeds from disposal of unsupported capital assets	\$ 1,759	\$ -
Other (Playground and Renovations)	\$ -	\$ -
Total cash flows from capital transactions	\$ (1,924,001)	\$ (9,298,570)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (19,647)	\$ 18,225
Dispositions of portfolio investments	\$ -	\$ 590,536
Remeasurement (gains) losses reclassified to the statement of operations	\$ -	\$ -
Other (Describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ (19,647)	\$ 608,761
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ -	\$ -
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ -	\$ -
Increase (decrease) in cash and cash equivalents	\$ (573,844)	\$ 188,584
Cash and cash equivalents, at beginning of year	\$ 848,019	\$ 659,435
Cash and cash equivalents, at end of year	\$ 274,175	\$ 848,019

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

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)
 For the Year Ended August 31, 2018 (in dollars)

	Budget 2018	2018	2017
Operating surplus (deficit)	\$ -	\$ 48,461	\$ 133,129
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ -	\$ (1,969,874)	\$ (9,298,570)
Amortization of tangible capital assets	\$ -	\$ 488,995	\$ 36,279
Net carrying value of tangible capital assets disposed of	\$ -	\$ 68,336	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ -	\$ (1,319)	
Total effect of changes in tangible capital assets	\$ -	\$ (1,413,862)	\$ (9,262,291)
Changes in:			
Prepaid expenses	\$ -	\$ (10,430)	\$ 4,885
Other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -	\$ -
Endowments	\$ -	\$ -	\$ -
Increase (decrease) in net financial assets (net debt)	\$ -	\$ (1,375,831)	\$ (9,124,277)
Net financial assets (net debt) at beginning of year	\$ -	\$ (10,188,960)	\$ (1,064,683)
Net financial assets (net debt) at end of year	\$ -	\$ (11,564,791)	\$ (10,188,960)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
 For the Year Ended August 31, 2018 (in dollars)

	2018	2017
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Prior Period Adjustment 1 (Describe)	\$ -	\$ -
Prior Period Adjustment 2 (Describe)	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
Accumulated remeasurement gains (losses) at end of year	\$ -	\$ -

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

SCHEDULE 1

School Jurisdiction Code:

151

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2018 (in dollars)**

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2017	\$ 1,146,073	\$ -	\$ 1,146,073	\$ 966,445	\$ -	\$ 179,628	\$ -	\$ -
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 1,146,073	\$ -	\$ 1,146,073	\$ 966,445	\$ -	\$ 179,628	\$ -	\$ -
Operating surplus (deficit)	\$ 48,461		\$ 48,461			\$ 48,461		
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	\$ -			\$ (488,995)		\$ 488,995		
Capital revenue recognized	\$ -			\$ 449,880		\$ (449,880)		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ -	\$ -	
Net transfers from operating reserves	\$ -					\$ -	\$ -	
Net transfers to capital reserves	\$ -					\$ -		\$ -
Net transfers from capital reserves	\$ -					\$ -		\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2018	\$ 1,194,534	\$ -	\$ 1,194,534	\$ 927,330	\$ -	\$ 267,204	\$ -	\$ -

SCHEDULE 1

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2018 (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, 2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -		\$ -		\$ -		\$ -		\$ -	
Net transfers from operating reserves	\$ -		\$ -		\$ -		\$ -		\$ -	
Net transfers to capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2018:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2018 (in dollars)**

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2017	\$ 180,867	\$ -	\$ -	\$ -	\$ 10,336,483
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 180,867	\$ -	\$ -	\$ -	\$ 10,336,483
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education capital funding (excl. IMR)	\$ 651,822				
Alberta Infrastructure school building & modular projects	\$ -				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources: Foundation	\$ 620,000			\$ -	
Other sources: Capital funding	\$ -			\$ 33,413	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education capital funding (excl. IMR)	\$ -				
Alberta Infrastructure school building & modular projects	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital				\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets: School council computer donation					\$ 44,114
Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (1,452,689)	\$ -	\$ -	\$ (33,413)	\$ 1,486,102
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Supported tangible capital dispositions					\$ -
Other adjustments: Gym floor flooding	\$ -	\$ -	\$ -	\$ -	\$ 66,684
Capital revenue recognized - Alberta Education					\$ 449,880
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2018	\$ -	\$ -	\$ -	\$ -	\$ 11,350,135
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2018 (A) + (B) + (C) + (D)				\$ -	

Unexpended Deferred Capital Revenue

- (A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only. Please specify department if funds received from a source other than Alberta Education.
- (B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.
- (C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved capital assets per 10(2)(a) of Disposition of Property Reg. 181/2010.
- (D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2018 (in dollars)

REVENUES	2018							2017
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 215,033	\$ 3,568,950	\$ 394,126	\$ 133,956	\$ 190,065	\$ -	\$ 4,502,130	\$ 4,672,943
(2) Other - Government of Alberta	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(3) Federal Government and First Nations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 14,850	\$ 276,138		\$ 164,222		\$ -	\$ 455,210	\$ 399,135
(9) Other sales and services	\$ -	\$ 26,750	\$ -	\$ -	\$ -	\$ -	\$ 26,750	\$ 55,522
(10) Investment income	\$ -	\$ -	\$ -	\$ -	\$ 4,363	\$ -	\$ 4,363	\$ 9,464
(11) Gifts and donations	\$ -	\$ 6,202	\$ -	\$ -	\$ -	\$ -	\$ 6,202	\$ -
(12) Rental of facilities	\$ -	\$ -	\$ 4,282	\$ -	\$ -	\$ -	\$ 4,282	\$ -
(13) Fundraising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,677
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ 3,078	\$ -	\$ -	\$ -	\$ 3,078	\$ -
(15) Other revenue	\$ -	\$ 20,983	\$ 495,581	\$ -	\$ -	\$ -	\$ 516,564	\$ 41,620
(16) TOTAL REVENUES	\$ 229,883	\$ 3,899,023	\$ 897,067	\$ 298,178	\$ 194,428	\$ -	\$ 5,518,579	\$ 5,181,361
EXPENSES								
(17) Certificated salaries	\$ 97,511	\$ 1,632,653			\$ 124,000	\$ -	\$ 1,854,164	\$ 2,019,427
(18) Certificated benefits	\$ 18,362	\$ 348,882			\$ 5,236	\$ -	\$ 372,480	\$ 413,173
(19) Non-certificated salaries and wages	\$ 53,544	\$ 1,017,350	\$ 182,750	\$ 9,303	\$ 63,916	\$ -	\$ 1,326,863	\$ 1,232,832
(20) Non-certificated benefits	\$ 7,001	\$ 133,020	\$ 17,869	\$ -	\$ 10,084	\$ -	\$ 167,974	\$ 132,946
(21) SUB - TOTAL	\$ 176,418	\$ 3,131,905	\$ 200,619	\$ 9,303	\$ 203,236	\$ -	\$ 3,721,481	\$ 3,798,378
(22) Services, contracts and supplies	\$ 27,453	\$ 521,614	\$ 241,785	\$ 341,711	\$ 52,003	\$ -	\$ 1,184,566	\$ 1,213,575
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 449,880	\$ -	\$ -	\$ -	\$ 449,880	\$ 14,824
(24) Amortization of unsupported tangible capital assets	\$ -	\$ 29,582	\$ 9,533	\$ -	\$ -	\$ -	\$ 39,115	\$ 21,455
(25) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Other interest and finance charges	\$ -	\$ -	\$ -	\$ -	\$ 6,740	\$ -	\$ 6,740	\$ -
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ 68,336	\$ -	\$ -	\$ -	\$ 68,336	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 203,871	\$ 3,683,101	\$ 970,153	\$ 351,014	\$ 261,979	\$ -	\$ 5,470,118	\$ 5,048,232
(31) OPERATING SURPLUS (DEFICIT)	\$ 26,012	\$ 215,922	\$ (73,086)	\$ (52,836)	\$ (67,551)	\$ -	\$ 48,461	\$ 133,129

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2018 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2018 TOTAL Operations and Maintenance	2017 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ -	\$ 162,652	\$ -	\$ -	\$ 20,099			\$ 182,751	\$ 146,316
Uncertificated benefits	\$ -	\$ 15,809	\$ -	\$ -	\$ 2,060			\$ 17,869	\$ 14,618
Sub-total Remuneration	\$ -	\$ 178,461	\$ -	\$ -	\$ 22,159			\$ 200,620	\$ 160,934
Supplies and services	\$ -	\$ 153,693	\$ -	\$ -	\$ -			\$ 153,693	\$ 164,257
Electricity			\$ 29,709					\$ 29,709	\$ 27,327
Natural gas/heating fuel			\$ 25,891					\$ 25,891	\$ 34,921
Sewer and water			\$ 11,672					\$ 11,672	\$ 20,019
Telecommunications			\$ 9,456					\$ 9,456	\$ 10,461
Insurance					\$ 11,363			\$ 11,363	\$ 1,644
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 449,880	\$ 449,880	\$ 14,824
Unsupported						\$ 9,533		\$ 9,533	\$ 1,381
Total Amortization						\$ 9,533	\$ 449,880	\$ 459,413	\$ 16,205
Interest on capital debt									
Supported							\$ -	\$ -	\$ -
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ -				\$ -	\$ -
Other interest charges						\$ -		\$ -	\$ 26,955
Losses on disposal of capital assets						\$ 68,336		\$ 68,336	\$ -
TOTAL EXPENSES	\$ -	\$ 332,154	\$ 76,728	\$ -	\$ 33,522	\$ 77,869	\$ 449,880	\$ 970,153	\$ 462,723
SQUARE METRES									
School buildings								5,112.0	5,339.0
Non school buildings								0.0	0.0

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, 2018 (in dollars)**

<u>Cash & Cash Equivalents</u>	2018			2017
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 274,175	\$ 274,175	\$ 848,019
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents	0.00%	\$ 274,175	\$ 274,175	\$ 848,019

See Note 3 for additional detail.

<u>Portfolio Investments</u>	2018				2017
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed investment certificates	0.00%	73,471	73,471	73,471	53,824
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	0.00%	-	-	-	-
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ -
Foreign	0.00%	-	-	-	-
Total equities	0.00%	-	-	-	-
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total portfolio investments	0.00%	\$ 73,471	\$ 73,471	\$ 73,471	\$ 53,824

See Note 5 for additional detail.

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

	2018	2017
Under 1 year	100.0%	0.0%
1 to 5 years	0.0%	100.0%
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: 151

**SCHEDULE OF CAPITAL ASSETS
for the Year Ended August 31, 2018 (in dollars)**

Tangible Capital Assets

Estimated useful life	2018						2017	
	Land	Construction In Progress*	Buildings 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total	
Historical cost								
Beginning of year	\$ -	\$ 11,050,926	\$ 333,985	\$ 535,501	\$ 28,150	\$ 540,293	\$ 12,488,855	\$ 3,190,285
Prior period adjustments	-	-	-	189	-	1,130	1,319	-
Additions	-	1,717,064	-	164,545	-	88,265	1,969,874	9,298,570
Transfers in (out)	-	(12,658,768)	12,658,768	-	-	-	-	-
Less disposals including write-offs	-	-	(70,490)	-	-	-	(70,490)	-
Historical cost, August 31, 2018	\$ -	\$ 109,222	\$ 12,922,263	\$ 700,235	\$ 28,150	\$ 629,688	\$ 14,389,558	\$ 12,488,855
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 223,416	\$ 399,673	\$ 28,150	\$ 534,688	\$ 1,185,927	\$ 1,149,648
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	406,747	55,504	-	26,744	488,995	36,279
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	(2,154)	-	-	-	(2,154)	-
Accumulated amortization, August 31, 2017	\$ -	\$ -	\$ 628,009	\$ 455,177	\$ 28,150	\$ 561,432	\$ 1,672,768	\$ 1,185,927
Net Book Value at August 31, 2018	\$ -	\$ 109,222	\$ 12,294,254	\$ 245,058	\$ -	\$ 68,256	\$ 12,716,790	
Net Book Value at August 31, 2017	\$ -	\$ 11,050,926	\$ 110,569	\$ 136,017	\$ -	\$ 6,735		\$ 11,304,247

	2018	2017
Total cost of assets under capital lease	\$ -	\$ -
Total amortization of assets under capital lease	\$ -	\$ -

SCHEDULE 7

School Jurisdiction Code: 151

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES
for the Year Ended August 31, 2018 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Todd Hirsch - Co-Chair	-	\$0	\$0	\$0			\$0	\$0
Ken McNeil - Co-Chair	-	\$0	\$0	\$0			\$0	\$0
Al Walstrom - Director	-	\$0	\$0	\$0			\$0	\$0
Linda Fox-Mellway - Director	-	\$0	\$0	\$0			\$0	\$0
Paul Knapp - Director	-	\$0	\$0	\$0			\$0	\$0
Mary Anne Desmiesles - Director	-	\$0	\$0	\$0			\$0	\$0
Neil Tichkowsky - Director	-	\$0	\$0	\$0			\$0	\$0
Kathrine Taylor - Director	-	\$0	\$0	\$0			\$0	\$0
Susan Wright - Director	-	\$0	\$0	\$0			\$0	\$0
John McWilliams - Director	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
Subtotal	-	\$0	\$0	\$0			\$0	\$0
Dale Erickson, Superintendent	0.60	\$124,000	\$5,236	\$0	\$0	\$0	\$0	\$0
Cole Jordan, Secretary Treasurer	0.80	\$63,916	\$10,084	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated		\$1,730,164	\$361,944	\$5,300	\$0	\$0	\$0	
School based	23.40							
Non-School based								
Non-certificated		\$1,262,947	\$157,890	\$0	\$0	\$0	\$0	
Instructional	11.70							
Plant Operations & Maintenance	5.50							
Transportation	0.20							
Other	6.80							
TOTALS	49.00	\$3,181,027	\$535,154	\$5,300	\$0	\$0	\$0	\$0

SCHEDULE 8

UNAUDITED SCHEDULE OF FEES
for the Year Ending August 31, 2018 (in dollars)

	Actual Fees Collected 2016/2017	Budgeted Fee Revenue 2017/2018	(A) Actual Fees Collected 2017/2018	(B) Unexpended September 1, 2017*	(C) Funds Raised to Defray Fees 2017/2018	(D) Expenditures 2017/2018	(A) + (B) + (C) - (D) Unexpended Balance at August 31, 2018*
Transportation Fees	\$164,942	\$147,250	\$164,222	\$0	\$0	\$351,014	\$0
Basic Instruction Fees							
Basic instruction supplies	\$88,993	\$98,170	\$90,681	\$0	\$0	\$102,413	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$21,077	\$20,732	\$20,449	\$0	\$0	\$129,807	\$0
Alternative program fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees for optional courses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Activity fees	\$70,258	\$52,049	\$59,522	\$0	\$0	\$76,008	\$0
Early childhood services	\$14,052	\$14,310	\$14,850	\$0	\$0	\$14,850	\$0
Other fees to enhance education	\$39,813	\$32,654	\$28,115	\$0	\$0	\$45,411	\$0
Non-Curricular fees							
Extracurricular fees	\$0	\$0	\$45,599	\$0	\$0	\$48,260	\$0
Non-curricular travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$24,417	\$0	\$0	\$27,000	\$0
Non-curricular goods and services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Fees	\$0	\$6,745	\$3,310	\$0	\$0	\$6,656	\$0
TOTAL FEES	\$399,135	\$371,910	\$451,165	\$0	\$0	\$801,419	\$0

*Unexpended balances cannot be less than \$0

Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue):	Actual 2018	Actual 2017
Cafeteria sales, hot lunch, milk programs	\$0	\$0
Special events, graduation, tickets	\$26,750	\$48,677
International and out of province student revenue	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$4,045	\$0
Adult education revenue	\$0	\$0
Preschool	\$0	\$0
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	\$30,795	\$48,677

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2018 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program					
Federally Funded Students					
REVENUES					
Alberta Education allocated funding	\$ 14,137	\$ -	\$ -	\$ 27,466	\$ -
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 14,137	\$ -	\$ -	\$ 27,466	\$ -
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional non-certificated salaries & benefits	\$ -	\$ -	\$ -	\$ -	\$ 41,247
SUB TOTAL	\$ 19,992	\$ -	\$ -	\$ -	\$ 41,247
Supplies, contracts and services	\$ 19,992	\$ -	\$ -	\$ -	\$ -
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	\$ -
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 39,984	\$ -	\$ -	\$ -	\$ 41,247
NET FUNDING SURPLUS (SHORTFALL)	\$ (25,847)	\$ -	\$ -	\$ -	\$ (13,781)

SCHEDULE 10

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2018 (in dollars)								
EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
Office of the superintendent	\$ 203,236	\$ -	\$ -	\$ 203,236	\$ -	\$ -	\$ -	\$ 203,236
Educational administration (excluding superintendent)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business administration	\$ -	\$ 27,889	\$ -	\$ 27,889	\$ -	\$ -	\$ -	\$ 27,889
Board governance (Board of Trustees)	\$ -	\$ 17,173	\$ -	\$ 17,173	\$ -	\$ -	\$ -	\$ 17,173
Information technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Human resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Central purchasing, communications, marketing	\$ -	\$ 1,370	\$ -	\$ 1,370	\$ -	\$ -	\$ -	\$ 1,370
Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration - insurance			\$ 5,571	\$ 5,571			\$ -	\$ 5,571
Administration - amortization			\$ -	\$ -			\$ -	\$ -
Administration - other (admin building, interest)			\$ 6,740	\$ 6,740			\$ -	\$ 6,740
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 203,236	\$ 46,432	\$ 12,311	\$ 261,979	\$ -	\$ -	\$ -	\$ 261,979

School Jurisdiction Code: **151**

SCHEDULE 11

Average Estimated # of Students Served Per Meal: **0.00**

**UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES
for the Year Ending August 31, 2018**

*Note: Calgary Arts Academy Society did not participate in the Nutrition Program during the year

		Budget 2018	2018
REVENUES			
Alberta Education - current		\$ -	\$ -
Alberta Education - prior year		\$ -	\$ -
Other Funding		\$ -	\$ -
	TOTAL REVENUES	\$ -	\$ -
EXPENSES			
Salaries & Benefits	FTE		
Project Coordinator		\$ -	\$ -
Cook		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Food Supplies		\$ -	\$ -
Office Supplies		\$ -	\$ -
Small Kitchenwares (e.g. toaster, measuring cups/spoons, bowls, cutting boards)		\$ -	\$ -
Non-Capitalized Assets			
Microwave		\$ -	\$ -
Refrigerator		\$ -	\$ -
Stove		\$ -	\$ -
Tables		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Training (e.g. workshops, training materials)		\$ -	\$ -
Contracted Services (please describe)		\$ -	\$ -
Other Expenses			
Kitchen Aprons		\$ -	\$ -
Food Delivery		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
	TOTAL EXPENSES	\$ -	\$ -
	ANNUAL SURPLUS/DEFICIT	\$ -	\$ -

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 1

Year ended August 31, 2018, with comparative information for 2017

1. Nature of operations:

The Calgary Arts Academy Society ("the Society") delivers educational programs, operating as Calgary Arts Academy under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The Society was incorporated on May 1, 2003 under the Societies Act of Alberta. Through a charter established with the Minister of Learning, the Society operates from two locations and delivers public education of Kindergarten to Grade 9 through Arts Immersion.

The Society 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. School Jurisdictions are required to adhere to funding allocation between instruction and support blocks, and administration expenses.

The Society is incorporated as a not-for-profit organization and, as such, is exempt from income taxes under paragraph 149(1) (f) of the Income Tax Act.

2. Significant accounting policies:

The financial statements of the Society are the representations of management prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of CPA Canada.

The non-financial information included in these financial statements has been prepared by management to meet the reporting requirements of Alberta Education and as a result the non-financial information may not be suitable for another purpose.

Significant accounting policies adopted by the Society are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalent is comprised of cash deposits held with Canadian chartered banking institutions.

(b) Portfolio investments:

Portfolio investments are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value. These investments are GICs that have maturity dates of greater than 3 months and less than one year.

Impairment of portfolio investments is recognized when the loss in value of a portfolio investment is other than temporary, and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net re-measurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Accumulated Statement of Re-measurement Gains and Losses. The loss is not reversed if there is a subsequent increase in value.

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 2

Year ended August 31, 2018, with comparative information for 2017

2. Significant accounting policies (continued):

(b) Portfolio investments (continued):

Detailed information regarding portfolio investments is disclosed in Note 5.

(c) Prepaid expenses:

Certain expenditures incurred before the close of the school year are for school supplies, deposits, insurance and equipment, which will be utilized subsequent to the year end, and accordingly, are recorded as prepaid expenses.

(d) Tangible capital assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	Years
Buildings	25 - 50
Equipment	5 - 10
Vehicles	5 - 10
Computer hardware and software	3 - 5

Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets which are paid for directly by the Province of Alberta on behalf of the Society are recorded by the Society at fair market value when title has transferred. A corresponding deferred capital grant is recorded and reflected in revenue over the life of the asset.

(e) Impairment of tangible capital assets:

Tangible capital assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the asset's carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset. When quoted market prices are not available, the Society uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value.

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 3

Year ended August 31, 2018, with comparative information for 2017

2. Significant accounting policies (continued):

(f) Deferred revenues:

Deferred revenue includes contributions received for operations, which have stipulations that meet the definition of a liability per Public Sector Accounting Standard (PSAS) 3200. These contributions are recognized by the Society once it has met all the 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 revenue also includes contributions for capital expenditures, unexpended and expended.

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

Expended Deferred Capital Revenue 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 the Society to use the asset in a prescribed manner over the life of the associated asset.

(g) 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 the 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.

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

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 4

Year ended August 31, 2018, with comparative information for 2017

2. Significant accounting policies (continued):

(h) Revenue recognition (continued):

Donations of materials and services are recognized as revenue when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Society's operations and would otherwise have been purchased.

Contributions with stipulations are recognized as revenue in the period 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.

(i) Expenses:

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

Expenses which have allocations include:

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

(j) 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 Directors. Capital reserves are restricted to capital purposes and may only be used for operating purposes with the approval of the Board and the Minister of Education. Reserves are disclosed in the Schedule of Changes in Accumulated Surplus.

(k) Pension costs:

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

The Society's certificated employees are required to contribute to the Alberta Teachers' Retirement Fund (ATRF), a multi-employer defined benefits pension plan. ATRF contributions by the Province for current service are reflected as a component part of education system costs and are formally recognized in the accounts of the Society. The amount of current service contributions are recognized as "Revenue from the Government of Alberta" and as "Certificated benefits" expense.

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 5

Year ended August 31, 2018, with comparative information for 2017

2. Significant accounting policies (continued):

(l) Program reporting:

The Society's operations have been segmented as follows:

- i) ECS Instruction: The provision of Early Childhood Services education instructional services that fall under the basic public education mandate
- ii) Grade 1-12 Instruction: The operation and maintenance of all school buildings and maintenance shop facilities
- iii) Transportation: The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facility expenses
- iv) Board & System Administration – the provision of board governance and system-based/central office administration
- v) 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 certified teachers, non-certificated teaching assistants as well as proportionate share of supplies and services, school administration and instruction support, and System Instructional Support.

(m) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value, with changes in fair value recorded in net income. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the 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.

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 6

Year ended August 31, 2018, with comparative information for 2017

2. Significant accounting policies (continued):

(m) Financial instruments (continued):

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 Society 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 Society 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.

(n) 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.

3. Future accounting pronouncements:

The Public Sector Accounting Board recently announced the following accounting pronouncements:

(a) Financial instruments:

This accounting pronouncement establishes standards on how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments and derivative instruments. It is effective for fiscal years beginning on or after April 1, 2019 for governments, with early adoption encouraged.

(b) Foreign currency translation:

This accounting pronouncement establishes standards on how to account for and report transactions that are denominated in a foreign currency in government financial statements. It is effective for fiscal years beginning on or after April 1, 2019 for governments, with early adoption encouraged.

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 7

Year ended August 31, 2018, with comparative information for 2017

3. Future accounting pronouncements (continued):

(c) Related party disclosures and inter-entity transactions:

These standards define a related party and identity disclosures for related parties and related party transactions, including key management personnel and close family members. They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The Society adopted this accounting standard as of September 1, 2017. The adoption of this standard did not have a significant effect on the financial statements of the Society.

(d) Asset retirement obligations:

In August 2018, the Public Sector Accounting Board issued this accounting standard that addressing the reporting of legal obligations associated with the retirement of tangible capital assets. This new standard takes effect for annual reporting periods beginning on or after April 1, 2021 with early adoption permitted.

Management is assessing the impact of the adoption of these standards which is not known or reasonably estimable at this time.

4. Accounts receivable:

	2018	2017
Government of Canada - GST	\$ 21,590	\$ 395,424
Other	1,749	-
	<u>\$ 23,339</u>	<u>\$ 395,424</u>

5. Portfolio investments:

On September 8, 2017 the Society purchased investments, maturing on September 8, 2018 yielding interest at a rate of 1.10%.

On March 14, 2018 the Society purchased investments, maturing on September 14, 2018 yielding interest at a rate of 1.80%.

6. Accounts payable:

	2018	2017
Accounts payable	\$ 248,753	\$ 698,415
Accrued liabilities	39,213	23,806
Other	3,668	2,767
	<u>\$ 291,634</u>	<u>\$ 724,988</u>

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 7

Year ended August 31, 2018, with comparative information for 2017

3. Future accounting pronouncements (continued):

(c) Related party disclosures and inter-entity transactions:

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CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 8

Year ended August 31, 2018, with comparative information for 2017

7. Pension costs:

The current service and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Province of Alberta. Under the terms of the Teachers' Pension Plan Act, the Society does not make pension contributions for certificated employees and does not report on any unfunded liabilities. The service costs for the members are funded and contributed by the Province of Alberta in the amount of \$193,309 (2017 - \$223,725) and are included in these financial statements under Alberta Education revenue and as certificated benefits expense.

8. Deferred revenue:

Deferred revenue represents funds which were received during the year but have not yet been earned in accordance with the Society's revenue recognition policies. Funds received for operations will be recognized in income as they are expended on approved projects. Funds received for capital projects will be recognized in income over the useful life of the associated capital asset purchased.

	Deferred revenue August 31, 2017	Add 2017/2018 Restricted funds received/ receivable	Deduct 2017/2018 Funds expended (paid/payable)	Add/deduct 2016/2017 adjustment for returned funds	Deferred revenue August 31, 2018
Unexpended deferred operating revenue:					
Transportation fees 2018	\$ 65,332	\$ -	\$ (65,332)	\$ -	\$ -
Transportation fees 2019	-	76,463	-	-	76,463
Resource fees 2018	153,793	-	(153,793)	-	-
Resource fees 2019	-	167,961	-	-	167,961
Waiting enrolment fees	14,079	16,343	(14,079)	-	16,343
Lunch fees 2019	-	21,785	-	-	21,785
Other	10,685	40,920	(40,150)	-	11,455
Total unexpended deferred operating revenue	243,889	323,472	(273,254)	-	294,007
Unexpended deferred capital					
revenue - Alberta Infrastructure	180,867	-	(180,867)	-	-
Expended deferred capital revenue	10,336,483	1,530,216	(516,564)	-	11,350,135
Total unexpended deferred capital	10,517,350	1,530,216	(697,431)	-	11,350,135
Total	\$10,761,239	\$ 1,853,688	\$ (970,785)	\$ -	\$ 11,644,142

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 9

Year ended August 31, 2018, with comparative information for 2017

8. Deferred revenue (continued):

	Deferred revenue August 31, 2016	Add 2016/2017 Restricted funds received/receivable	Deduct 2016/2017 Funds expended (paid/payable)	Add/deduct 2015/2016 adjustment for returned funds	Deferred revenue August 31, 2017
Unexpended deferred operating revenue:					
Transportation fees 2017	\$ 86,846	\$ -	\$ (86,846)	\$ -	\$ -
Transportation fees 2018	-	65,332	-	-	65,332
Resource fees 2017	199,415	-	(199,415)	-	-
Resource fees 2018	-	153,793	-	-	153,793
Waiting enrolment fees	11,567	14,079	(11,567)	-	14,079
Other	-	35,234	(24,549)	-	10,685
Total unexpended deferred operating revenue	297,828	268,438	(322,377)	-	243,889
Unexpended deferred capital revenue – Alberta Infrastructure					
Expended deferred capital revenue	42,722	138,145	-	-	180,867
	1,969,776	8,381,531	(14,824)	-	10,336,483
Total unexpended deferred capital	2,012,498	8,519,676	(14,824)	-	10,517,350
Total	\$ 2,310,326	\$ 8,788,114	\$ (337,201)	\$ -	\$ 10,761,239

9. Contractual obligations:

The Society leases two schools and six portables from the Calgary Board of Education.

The leases for the Glenmeadows School and portables expired December, 2017 and the cost is \$1 per year. The lease has not been renewed.

The Knob Hill School lease payment is also \$1 per year and the lease expires June, 2023.

10. Related party transactions:

All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are considered to be related parties of the school jurisdiction. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

As at August 31, 2018, there were no related party balances included on the statement of financial position. The Society incurred the following transactions during the year in the normal course of operations. Transactions are measured at their exchange amount which is the amount of consideration agreed to by the related parties.

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 10

Year ended August 31, 2018, with comparative information for 2017

10. Related party transactions (continued):

Government of Alberta	2018	2017
Education funding	\$ 4,308,821	\$ 4,449,218
Alberta Teachers Retirement Fund (Note 7)	193,309	223,725
	<u>\$ 4,502,130</u>	<u>\$ 4,672,943</u>

11. Economic dependence:

The Society's primary source of revenue is the Government of Alberta. The Society's ability to continue viable operations is dependent upon this continued funding.

12. Stampede Youth Campus Calgary:

In 2015, the Society entered into an agreement with Alberta Education and the Calgary Stampede for the development of the new Stampede Youth Campus Calgary facility. The total cost of the building and contents are \$12,851,514. The total grant received for the facility as of August 31, 2018 is \$10,568,883 (2015-2017 - \$9,907,045). The current year contribution by Calgary Arts Academy Foundation is \$620,000 (2017 - \$580,000) with the total contribution is \$1,200,000 fulfilling their portion of the agreement.

In 2018 the Board approved \$nil (2017 - \$500,000) of internal funds from operations as spending for the facility.

All funds received for the capital grant were shown as deferred and are now being recognized as deferred revenue since the move-in date of October 15th, 2017.

13. Budget comparatives:

The Society's annual budget is first prepared in the spring prior to the start of the school year using enrolment estimates and Alberta Government budget announcements. This 2017-2018 budget was approved by the Board of Directors on June 20, 2017 and submitted to Alberta Education on June 20, 2017. In the fall of 2017, the budget was updated to reflect actual enrolment numbers and was accepted by the Board of Directors on November 21, 2017 and submitted to Alberta Education on November 22, 2017.

CALGARY ARTS ACADEMY SOCIETY

Notes to Financial Statements, page 11

Year ended August 31, 2018, with comparative information for 2017

13. Budget comparatives (continued):

As per the guidelines of Alberta Education, the spring budget is presented in the Statement of Operations for comparative purposes. The table below shows the original approved budget compared with the fall budget update and the amendments resulting from the impacts of the updated enrolment numbers on revenues and planned expenditures.

	Fall Update to the Budget 2017/2018	Spring Budget Report 2017/2018	Amendments
Revenues			
Alberta Education	\$ 4,549,560	\$ 4,531,609	\$ 17,951
Fees	401,965	371,910	30,055
Other sales and services	72,000	72,000	
Investment income	0	0	-
Gain on disposal of capital assets	0	0	0
Other revenue	460,047	19,720	440,327
Total revenues	\$ 5,483,572	\$ 4,995,239	\$ 488,333
Expenses By Program			
Instruction - ECS	\$ 231,753	\$ 227,086	\$ 4,667
Instruction - Grade 1 - 12	3,776,951	3,783,381	(6,430)
Plant operations and maintenance	913,160	460,052	453,108
Transportation	330,855	325,527	5,328
Board & system administration	251,461	255,461	(4,000)
Total expenses	\$ 5,504,180	\$ 5,051,507	\$ 452,673
Annual Surplus (Deficit)	\$ (20,608)	\$ (56,268)	\$ 35,660
Accumulated Surplus (Projected)			
Accumulated operating surplus - Aug.31, 2017	\$ 1,012,944	\$ 1,012,944	\$ -
Accumulated operating surplus - Aug.31, 2018	\$ 992,336	\$ 956,676	\$ 35,660