

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

2255 The Palliser School Division

Legal Name of School Jurisdiction

101 3305 18 Avenue N Lethbridge AB T1H 5S1

Mailing Address

403-328-4111 dexter.durfey@pallisersd.ab.ca

Contact Numbers and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of 2255 The Palliser School Division presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

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

Board of Trustees Responsibility

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

External Auditors

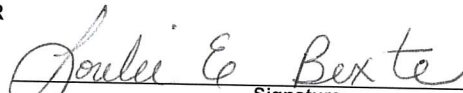
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

Declaration of Management and Board Chair

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


BOARD CHAIR

Mrs. Lorelei Bexte
Name


Signature

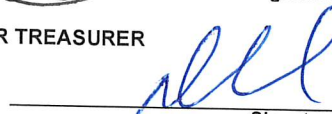
SUPERINTENDENT

Mr. Dave Driscoll
Name


Signature

SECRETARY-TREASURER OR TREASURER

Mr. Dexter Durfey
Name


Signature

November 29, 2022
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: EDC.FRA@gov.ab.ca
PHONE: Ash Bhasin: (780) 415-8940; Jianan Wang: (780) 427-3855 FAX: (780) 422-6996



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 related 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the School 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.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Practitioner's Reasonable Assurance Report

To the Board of Trustees of Palliser Regional Division No. 26

We have undertaken a reasonable assurance engagement of the accompanying FTE, ECS Base Instruction Hours and Child/Student Count as reported in the specific rows "School buildings" and "Non school buildings" in Schedule 4 and the column "FTE" in Schedule 7 ("subject matter information") of Palliser Regional Division No. 26 (the "School Division") for the year ended August 31, 2022.

Management's Responsibility

Management is responsible for the preparation and presentation of the subject matter information in accordance with the criteria established 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.



Opinion

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

Specific Purpose of Subject Matter Information

The subject matter information has been prepared in accordance with the applicable criteria.

As a result, the subject matter information may not be suitable for another purpose.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants

Lethbridge, Canada

November 29, 2022

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

	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents (Schedule 5; Note 4)	\$ 8,594,252	\$ 7,763,373
Accounts receivable (net after allowances) (Note 5)	\$ 4,412,784	\$ 1,847,079
Portfolio investments		
Operating (Schedule 5; Note 6)	\$ 132,183	\$ 147,974
Endowments (Schedules 1&5; Note 6&20)	\$ 88,069	\$ 87,416
Inventories for resale	\$ -	\$ -
Other financial assets (Note 7)	\$ -	\$ -
Total financial assets	\$ 13,227,288	\$ 9,845,842
LIABILITIES		
Bank indebtedness (Note 10)	\$ -	\$ -
Accounts payable and accrued liabilities (Note 11)	\$ 7,643,320	\$ 4,081,550
Unspent deferred contributions (Schedule 2)	\$ 2,963,751	\$ 2,649,110
Employee future benefits liabilities (Note 12)	\$ 187,300	\$ 219,800
Environmental liabilities (Note 13)	\$ -	\$ -
Other liabilities (Note 14)	\$ -	\$ -
Debt		
Unsupported: Debentures (Note 15)	\$ -	\$ -
Mortgages and capital loans (Note 15)	\$ -	\$ -
Capital leases (Note 16)	\$ 2,018,998	\$ 2,650,742
Total liabilities	\$ 12,813,369	\$ 9,601,202
Net financial assets	\$ 413,919	\$ 244,640
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 6)	\$ 67,701,767	\$ 59,401,033
Inventory of supplies	\$ 13,179	\$ 2,103
Prepaid expenses (Note 17)	\$ 776,915	\$ 1,062,089
Other non-financial assets (Note 18)	\$ -	\$ -
Total non-financial assets	\$ 68,491,861	\$ 60,465,225
Net assets before spent deferred capital contributions	\$ 68,905,780	\$ 60,709,865
Spent deferred capital contributions (Schedule 2)	\$ 58,738,843	\$ 50,242,581
Net assets	\$ 10,166,937	\$ 10,467,284
Net assets (Note 19)		
Accumulated surplus (deficit) (Schedule 1)	\$ 10,166,937	\$ 10,467,284
Accumulated remeasurement gains (losses)	\$ -	\$ -
	\$ 10,166,937	\$ 10,467,284
Contractual rights (Note 8)		
Contingent assets (Note 9)		
Contractual obligations (Note 21)		
Contingent liabilities (Note 22)		

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

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

	Budget 2022	Actual 2022	Actual 2021
REVENUES			
Government of Alberta	\$ 95,720,855	\$ 96,947,315	\$ 95,813,869
Federal Government and other government grants	\$ 300,041	\$ 465,977	\$ 388,956
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 791,975	\$ 2,102,404	\$ 411,534
Sales of services and products	\$ 676,050	\$ 1,591,136	\$ 739,912
Investment income	\$ 60,000	\$ 106,683	\$ 67,368
Donations and other contributions	\$ 661,500	\$ 388,036	\$ 251,846
Other revenue (Note 23)	\$ 2,668,368	\$ 1,957,113	\$ 1,794,633
Total revenues	\$ 100,878,789	\$ 103,558,664	\$ 99,468,118
EXPENSES			
Instruction - ECS	\$ 827,260	\$ 681,245	\$ 808,297
Instruction - Grades 1 to 12	\$ 80,522,023	\$ 82,811,216	\$ 79,544,048
Operations and maintenance (Schedule 4)	\$ 12,006,523	\$ 12,569,407	\$ 11,558,828
Transportation	\$ 4,131,670	\$ 4,045,341	\$ 3,753,619
System administration	\$ 3,039,176	\$ 3,200,376	\$ 2,873,717
External services	\$ 1,864,216	\$ 552,079	\$ 537,449
Total expenses	\$ 102,390,868	\$ 103,859,664	\$ 99,075,958
Annual operating surplus (deficit)	\$ (1,512,079)	\$ (301,000)	\$ 392,160
Endowment contributions and reinvested income	\$ -	\$ 653	\$ (517)
Annual surplus (deficit)	\$ (1,512,079)	\$ (300,347)	\$ 391,643
Accumulated surplus (deficit) at beginning of year	\$ 10,467,284	\$ 10,467,284	\$ 10,075,641
Accumulated surplus (deficit) at end of year	\$ 8,955,205	\$ 10,166,937	\$ 10,467,284

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

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

	2022	2021
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ (300,347)	\$ 391,643
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 4,240,453	\$ 3,931,122
Net (gain)/loss on disposal of tangible capital assets	\$ (9,071)	\$ (12,258)
Transfer of tangible capital assets (from)/to other entities	\$ (472,548)	\$ (1,331,817)
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Spent deferred capital recognized as revenue	\$ (2,946,357)	\$ (2,725,588)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Increase/(Decrease) in employee future benefit liabilities	\$ (32,500)	\$ (37,500)
Donations in kind	\$ -	\$ -
	\$ -	\$ -
	\$ 479,630	\$ 215,602
(Increase)/Decrease in accounts receivable	\$ (2,565,705)	\$ (529,442)
(Increase)/Decrease in inventories for resale	\$ -	\$ -
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ (11,076)	\$ 852
(Increase)/Decrease in prepaid expenses	\$ 285,174	\$ (370,347)
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ 3,561,770	\$ 157,496
Increase/(Decrease) in unspent deferred contributions	\$ 314,641	\$ (329,891)
Increase/(Decrease) in environmental liabilities	\$ -	\$ -
Other - Rounding	\$ -	\$ -
Total cash flows from operating transactions	\$ 2,064,434	\$ (855,730)
B. CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	\$ (12,068,639)	\$ (6,152,620)
Net proceeds from disposal of unsupported capital assets	\$ 9,071	\$ 48,566
Revenue recognition Land Asset - Non cash transaction	\$ -	\$ -
Total cash flows from capital transactions	\$ (12,059,568)	\$ (6,104,054)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ 15,138	\$ (4,609)
Proceeds on sale of portfolio investments	\$ -	\$ -
Other (Describe)	\$ -	\$ -
Other - Endowment change in value	\$ -	\$ -
Total cash flows from investing transactions	\$ 15,138	\$ (4,609)
D. FINANCING TRANSACTIONS		
Debt issuances	\$ -	\$ -
Debt repayments	\$ -	\$ -
Increase (decrease) in spent deferred capital contributions	\$ 11,442,619	\$ 5,181,975
Capital lease issuances	\$ -	\$ 2,334,583
Capital lease payments	\$ (631,744)	\$ (779,936)
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ 10,810,875	\$ 6,736,622
Increase (decrease) in cash and cash equivalents	\$ 830,879	\$ (227,771)
Cash and cash equivalents, at beginning of year	\$ 7,763,373	\$ 7,991,144
Cash and cash equivalents, at end of year	\$ 8,594,252	\$ 7,763,373

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

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended August 31, 2022 (in dollars)

	Budget 2022	2022	2021
Annual surplus (deficit)	\$ (1,512,079)	\$ (300,347)	\$ 391,643
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ (465,000)	\$ (12,068,639)	\$ (6,152,620)
Amortization of tangible capital assets	\$ 3,494,890	\$ 4,240,453	\$ 3,931,122
Net (gain)/loss on disposal of tangible capital assets	\$ -	\$ (9,071)	\$ (12,258)
Net proceeds from disposal of unsupported capital assets	\$ -	\$ 9,071	\$ 48,566
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ (400,000)	\$ (472,548)	\$ (1,331,817)
Other changes Reclass of unsupported Land	\$ -	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ 2,629,890	\$ (8,300,734)	\$ (3,517,007)
Acquisition of inventory of supplies	\$ -	\$ (11,076)	\$ 852
Consumption of inventory of supplies	\$ -	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ -	\$ 285,174	\$ (370,347)
(Increase)/Decrease in other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -	\$ -
Change in spent deferred capital contributions (Schedule 2)	\$ 400,000	\$ 8,496,262	\$ 2,456,387
Other changes	\$ -	\$ -	\$ -
Increase (decrease) in net financial assets	\$ 1,517,811	\$ 169,279	\$ (1,038,472)
Net financial assets at beginning of year	\$ -	\$ 244,640	\$ 1,283,112
Net financial assets at end of year	\$ 1,517,811	\$ 413,919	\$ 244,640

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

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

	2022	2021
Annual surplus (deficit)	\$ (300,347)	\$ 391,643
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (12,068,639)	\$ (6,152,620)
Amortization of tangible capital assets	\$ 4,240,453	\$ 3,931,122
Net (gain)/loss on disposal of tangible capital assets	\$ (9,071)	\$ (12,258)
Net proceeds from disposal of unsupported capital assets	\$ 9,071	\$ 48,566
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ (472,548)	\$ (1,331,817)
Other changes Reclass of unsupported Land	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ (8,300,734)	\$ (3,517,007)
Acquisition of inventory of supplies	\$ (11,076)	\$ 852
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ 285,174	\$ (370,347)
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Change in spent deferred capital contributions (Schedule 2)	\$ 8,496,262	\$ 2,456,387
Other changes	\$ -	\$ -
Increase (decrease) in net financial assets	\$ 169,279	\$ (1,038,472)
Net financial assets at beginning of year	\$ 244,640	\$ 1,283,112
Net financial assets at end of year	\$ 413,919	\$ 244,640

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

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

	2022	2021
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
	\$ -	\$ -
Other	\$ -	\$ -
Other Adjustment (Describe)	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
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

School Jurisdiction Code:

2255

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

	NET ASSETS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED SURPLUS (DEFICIT)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2021	\$ 10,467,284	\$ -	\$ 10,467,284	\$ 6,818,797	\$ 87,416	\$ (0)	\$ 2,699,136	\$ 861,935
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2021	\$ 10,467,284	\$ -	\$ 10,467,284	\$ 6,818,797	\$ 87,416	\$ (0)	\$ 2,699,136	\$ 861,935
Operating surplus (deficit)	\$ (301,000)		\$ (301,000)			\$ (301,000)		
Board funded tangible capital asset additions								
Disposal of unsupported tangible capital assets or board funded portion of supported assets	\$ -		\$ -	\$ 1,098,568		\$ -	\$ (243,604)	\$ (854,964)
Write-down of unsupported tangible capital assets or board funded portion of supported assets	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Reinvested endowment income	\$ 653		\$ 653		\$ 653	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (4,240,453)		\$ 4,240,453		
Capital revenue recognized	\$ -			\$ 2,946,357		\$ (2,946,357)		
Debt principal repayments (unsupported)	\$ -			\$ 476,201		\$ (476,201)		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (431,328)	\$ 431,328	
Net transfers from operating reserves	\$ -					\$ 1,007,760	\$ (1,007,760)	
Net transfers to capital reserves	\$ -					\$ (1,569,528)		\$ 1,569,528
Net transfers from capital reserves	\$ -					\$ 476,201		\$ (476,201)
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2022	\$ 10,166,937	\$ -	\$ 10,166,937	\$ 7,099,470	\$ 88,069	\$ (0)	\$ 1,879,100	\$ 1,100,298

SCHEDULE 1

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

School Jurisdiction Code:

2255

	INTERNALLY RESTRICTED RESERVES BY PROGRAM										
	School & Instruction Related		Operations & Maintenance		System Administration		Transportation		External Services		
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	
Balance at August 31, 2021	\$ 2,408,793	\$ 47,562	\$ 22,088	\$ 240,792	\$ 100,000	\$ (95,440)	\$ 168,255	\$ 669,021	\$ -	\$ -	
Prior period adjustments:											
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Adjusted Balance, August 31, 2021	\$ 2,408,793	\$ 47,562	\$ 22,088	\$ 240,792	\$ 100,000	\$ (95,440)	\$ 168,255	\$ 669,021	\$ -	\$ -	
Operating surplus (deficit)											
Board funded tangible capital asset additions	\$ (243,604)	\$ -	\$ -	\$ -	\$ -	\$ (192,842)	\$ -	\$ (662,122)	\$ -	\$ -	
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	\$ 431,328		\$ -		\$ -		\$ -		\$ -		
Net transfers from operating reserves	\$ -		\$ (1,007,760)		\$ -		\$ -		\$ -		
Net transfers to capital reserves		\$ 579,626		\$ 128,699		\$ 188,756		\$ 672,447		\$ -	
Net transfers from capital reserves		\$ (265,201)		\$ -		\$ (211,000)		\$ -		\$ -	
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Balance at August 31, 2022	\$ 2,596,517	\$ 361,987	\$ (985,672)	\$ 369,491	\$ 100,000	\$ (310,526)	\$ 168,255	\$ 679,346	\$ -	\$ -	

SCHEDULE 2

	Other Sources				Total
	Gov't of Canada	Donations and grants from others	Other	Total other sources	
Deferred Operating Contributions (DOC)					
Balance at August 31, 2021	\$ -	\$ -	\$ 1,248,880	\$ 1,248,880	\$ 2,177,622
Prior period adjustments - please explain:	-	-	-	\$ -	\$ -
Adjusted ending balance August 31, 2021	\$ -	\$ -	\$ 1,248,880	\$ 1,248,880	\$ 2,177,622
Received during the year (excluding investment income)	\$ -	\$ -	\$ 3,750,615	\$ 3,750,615	\$ 5,150,472
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ (3,937,034)	\$ (3,937,034)	\$ (4,631,611)
Investment earnings - Received during the year	\$ -	\$ -	\$ (14,534)	\$ (14,534)	\$ (14,534)
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred directly (to) SDCC	\$ -	\$ -	\$ -	\$ -	\$ (280,891)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -
DOC closing balance at August 31, 2022	\$ -	\$ -	\$ 1,047,927	\$ 1,047,927	\$ 2,401,058
Unspent Deferred Capital Contributions (UDCC)					
Balance at August 31, 2021	\$ -	\$ -	\$ -	\$ -	\$ 471,488
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted ending balance August 31, 2021	\$ -	\$ -	\$ -	\$ -	\$ 471,488
Received during the year (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ 8,654,164
UDCC Receivable	\$ -	\$ -	\$ -	\$ -	\$ 2,126,221
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) DOC	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) SDCC	\$ -	\$ -	\$ -	\$ -	\$ (10,689,180)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -
UDCC closing balance at August 31, 2022	\$ -	\$ -	\$ -	\$ -	\$ 562,693
Total Unspent Deferred Contributions at August 31, 2022	\$ -	\$ -	\$ 1,047,927	\$ 1,047,927	\$ 2,963,751
Spent Deferred Capital Contributions (SDCC)					
Balance at August 31, 2021	\$ -	\$ 44,656	\$ -	\$ 44,656	\$ 50,242,581
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted ending balance August 31, 2021	\$ -	\$ 44,656	\$ -	\$ 44,656	\$ 50,242,581
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects	\$ -	\$ -	\$ -	\$ -	\$ 472,548
Transferred from DOC	\$ -	\$ -	\$ -	\$ -	\$ 280,891
Transferred from UDCC	\$ -	\$ -	\$ -	\$ -	\$ 10,689,180
Amounts recognized as revenue (Amortization of SDCC)	\$ -	\$ (4,827)	\$ -	\$ (4,827)	\$ (2,946,357)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -
SDCC closing balance at August 31, 2022	\$ -	\$ 39,829	\$ -	\$ -	\$ 58,738,843

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

	Alberta Education					Other GoA Ministries				
	IMR	CMR	Safe Return to Class/Safe Indoor Air	Others	Total Education	Alberta Infrastructure	Children's Services	Health	Other GoA Ministries	Total Other GoA Ministries
Deferred Operating Contributions (DOC)										
Balance at August 31, 2021	\$ 849,990	\$ -	\$ -	\$ 78,752	\$ 928,742	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments - please explain:	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted ending balance August 31, 2021	\$ 849,990	\$ -	\$ -	\$ 78,752	\$ 928,742	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year (excluding investment income)	\$ 622,702	\$ -	\$ 165,421	\$ 611,734	\$ 1,399,857	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer (to) grant/donation revenue (excluding investment income)	\$ (464,527)	\$ -	\$ -	\$ (230,050)	\$ (694,577)	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred directly (to) SDCC	\$ (280,891)	\$ -	\$ -	\$ -	\$ (280,891)	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DOC closing balance at August 31, 2022	\$ 727,274	\$ -	\$ 165,421	\$ 460,436	\$ 1,353,131	\$ -	\$ -	\$ -	\$ -	\$ -
Unspent Deferred Capital Contributions (UDCC)										
Balance at August 31, 2021	\$ -	\$ 311,225	\$ -	\$ -	\$ 311,225	\$ 160,263	\$ -	\$ -	\$ -	\$ 160,263
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted ending balance August 31, 2021	\$ -	\$ 311,225	\$ -	\$ -	\$ 311,225	\$ 160,263	\$ -	\$ -	\$ -	\$ 160,263
Received during the year (excluding investment income)	\$ -	\$ 558,550	\$ -	\$ -	\$ 558,550	\$ 8,095,614	\$ -	\$ -	\$ -	\$ 8,095,614
UDCC Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,126,221	\$ -	\$ -	\$ -	\$ 2,126,221
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) DOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) SDCC	\$ -	\$ (326,804)	\$ -	\$ -	\$ (326,804)	\$ (10,362,376)	\$ -	\$ -	\$ -	\$ (10,362,376)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UDCC closing balance at August 31, 2022	\$ -	\$ 542,971	\$ -	\$ -	\$ 542,971	\$ 19,722	\$ -	\$ -	\$ -	\$ 19,722
Total Unspent Deferred Contributions at August 31, 2022	\$ 727,274	\$ 542,971	\$ 165,421	\$ 460,436	\$ 1,896,102	\$ 19,722	\$ -	\$ -	\$ -	\$ 19,722
Spent Deferred Capital Contributions (SDCC)										
Balance at August 31, 2021	\$ 3,006,057	\$ 2,132,016	\$ -	\$ 198,875	\$ 5,336,948	\$ 44,860,977	\$ -	\$ -	\$ -	\$ 44,860,977
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted ending balance August 31, 2021	\$ 3,006,057	\$ 2,132,016	\$ -	\$ 198,875	\$ 5,336,948	\$ 44,860,977	\$ -	\$ -	\$ -	\$ 44,860,977
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 472,548	\$ -	\$ -	\$ -	\$ 472,548
Transferred from DOC	\$ 280,891	\$ -	\$ -	\$ -	\$ 280,891	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from UDCC	\$ -	\$ 326,804	\$ -	\$ -	\$ 326,804	\$ 10,362,376	\$ -	\$ -	\$ -	\$ 10,362,376
Amounts recognized as revenue (Amortization of SDCC)	\$ (310,953)	\$ (459,136)	\$ -	\$ (21,500)	\$ (791,589)	\$ (2,149,941)	\$ -	\$ -	\$ -	\$ (2,149,941)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SDCC closing balance at August 31, 2022	\$ 2,975,995	\$ 1,999,684	\$ -	\$ 177,375	\$ 5,153,054	\$ 53,545,960	\$ -	\$ -	\$ -	\$ 53,545,960

SCHEDULE 3

School Jurisdiction Code: 2255

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

	2022											2021	
REVENUES													
	Instruction		Operations and Maintenance		Transportation	System Administration	External Services	TOTAL		TOTAL			
	ECS	Grades 1 - 12											
(1) Alberta Education	\$ 582,514	\$ 77,679,190	\$ 8,190,433	\$ 4,051,790	\$ 3,066,271	\$ -	\$ 93,570,198	\$ 93,275,165					
(2) Alberta Infrastructure	\$ -	\$ -	\$ 2,176,269	\$ -	\$ -	\$ -	\$ 2,176,269	\$ 2,300,558					
(3) Other - Government of Alberta	\$ -	\$ 129,996	\$ 940,849	\$ -	\$ -	\$ -	\$ 1,070,845	\$ 162,128					
(4) Federal Government and First Nations	\$ -	\$ 465,977	\$ -	\$ -	\$ -	\$ -	\$ 465,977	\$ 388,956					
(5) Other Alberta school authorities	\$ -	\$ 62,007	\$ -	\$ 67,996	\$ -	\$ -	\$ 130,003	\$ 76,018					
(6) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
(7) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
(8) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
(9) Fees	\$ -	\$ 2,102,404	\$ -	\$ -	\$ -	\$ -	\$ 2,102,404	\$ 411,534					
(10) Sales of services and products	\$ 120,786	\$ 1,216,041	\$ 6,145	\$ 238,039	\$ 125	\$ 10,000	\$ 1,591,136	\$ 739,912					
(11) Investment income	\$ -	\$ 103,562	\$ -	\$ -	\$ -	\$ 3,121	\$ 106,683	\$ 67,368					
(12) Gifts and donations	\$ -	\$ 97,086	\$ -	\$ 2,500	\$ -	\$ -	\$ 99,586	\$ 138,189					
(13) Rental of facilities	\$ -	\$ 38,260	\$ 18,593	\$ -	\$ 150,430	\$ 250	\$ 207,533	\$ 185,703					
(14) Fundraising	\$ -	\$ 288,450	\$ -	\$ -	\$ -	\$ -	\$ 288,450	\$ 113,657					
(15) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ 9,071	\$ -	\$ -	\$ 9,071	\$ 12,258					
(16) Other	\$ -	\$ 1,110,508	\$ 79,358	\$ -	\$ 8,814	\$ 541,829	\$ 1,740,509	\$ 1,596,672					
(17) TOTAL REVENUES	\$ 703,300	\$ 83,293,481	\$ 11,411,647	\$ 4,369,396	\$ 3,228,761	\$ 552,079	\$ 103,558,664	\$ 99,468,118					
EXPENSES													
(18) Certificated salaries	\$ 126,012	\$ 49,589,682			\$ 581,411	\$ -	\$ 50,297,105	\$ 48,091,647					
(19) Certificated benefits	\$ 18,627	\$ 11,746,610			\$ 95,839	\$ -	\$ 11,861,076	\$ 10,969,587					
(20) Non-certificated salaries and wages	\$ 397,421	\$ 10,370,775	\$ 2,038,024	\$ 1,856,669	\$ 1,016,162	\$ 401,807	\$ 16,080,858	\$ 15,900,328					
(21) Non-certificated benefits	\$ 105,963	\$ 2,731,047	\$ 528,100	\$ 208,414	\$ 260,006	\$ 125,418	\$ 3,958,948	\$ 4,213,471					
(22) SUB - TOTAL	\$ 648,023	\$ 74,438,114	\$ 2,566,124	\$ 2,065,083	\$ 1,953,418	\$ 527,225	\$ 82,197,987	\$ 79,175,033					
(23) Services, contracts and supplies	\$ 33,222	\$ 7,858,747	\$ 6,928,155	\$ 1,487,940	\$ 1,085,080	\$ 24,854	\$ 17,417,998	\$ 15,967,159					
(24) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 2,946,357	\$ -	\$ -	\$ -	\$ 2,946,357	\$ 2,725,588					
(25) Amortization of unsupported tangible capital assets	\$ -	\$ 512,725	\$ 128,698	\$ 492,301	\$ 160,372	\$ -	\$ 1,294,096	\$ 1,205,534					
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
(27) Other interest and finance charges	\$ -	\$ 1,630	\$ 73	\$ 17	\$ 1,506	\$ -	\$ 3,226	\$ 2,644					
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
(30) TOTAL EXPENSES	\$ 681,245	\$ 82,811,216	\$ 12,569,407	\$ 4,045,341	\$ 3,200,376	\$ 552,079	\$ 103,859,664	\$ 99,075,958					
(31) OPERATING SURPLUS (DEFICIT)	\$ 22,055	\$ 482,265	\$ (1,157,760)	\$ 324,055	\$ 28,385	\$ -	\$ (301,000)	\$ 392,160					

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

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR/CMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2022 TOTAL Operations and Maintenance	2021 TOTAL Operations and Maintenance
Non-certificated salaries and wages	\$ 1,252,077	\$ 543,636	\$ -	\$ -	\$ 242,311			\$ 2,038,024	\$ 2,136,450
Non-certificated benefits	\$ 342,769	\$ 165,299	\$ -	\$ -	\$ 20,033			\$ 528,101	\$ 527,273
SUB-TOTAL REMUNERATION	\$ 1,594,846	\$ 708,935	\$ -	\$ -	\$ 262,344			\$ 2,566,125	\$ 2,663,723
Supplies and services	\$ 1,711,756	\$ 2,861,753	\$ -	\$ 464,527	\$ 121,779			\$ 5,159,815	\$ 4,427,313
Electricity			\$ 440,215					\$ 440,215	\$ 457,404
Natural gas/heating fuel			\$ 291,306					\$ 291,306	\$ 222,734
Sewer and water			\$ 136,662					\$ 136,662	\$ 118,259
Telecommunications			\$ 6,488					\$ 6,488	\$ 5,894
Insurance					\$ 812,688			\$ 812,688	\$ 742,713
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 2,946,357	\$ 2,946,357	\$ 2,725,588
Unsupported						\$ 128,771	\$ 128,771	\$ 128,771	\$ 113,956
TOTAL AMORTIZATION						\$ 128,771	\$ 2,946,357	\$ 3,075,128	\$ 2,839,544
Interest on capital debt								\$ -	\$ -
Unsupported								\$ 80,980	\$ 80,940
Lease payments for facilities				\$ 80,980				\$ -	\$ 304
Other interest charges								\$ -	\$ -
Losses on disposal of capital assets								\$ -	\$ -
TOTAL EXPENSES	\$ 3,306,602	\$ 3,570,688	\$ 874,671	\$ 545,507	\$ 1,196,811	\$ 128,771	\$ 2,946,357	\$ 12,569,407	\$ 11,558,828

SQUARE METRES

School buildings								62,393.0	\$ 62,393
Non school buildings								6,169.0	\$ 6,169

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

Maintenance: All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed Infrastructure Maintenance Renewal (IMR), CMR & Modular Unit relocations, as they are reported on separately.

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed IMR, CMR & Modular Unit Relocation & Lease Payments: All operational expenses associated with non-capitalized IMR and CMR projects, modular unit (portable) relocation, and payments on leased facilities.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project administration, administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

Unsupported Amortization & Other Expenses: All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

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

Cash & Cash Equivalents

	2022			2021
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 8,594,252	\$ 8,594,252	\$ 7,763,373
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents		\$ 8,594,252	\$ 8,594,252	\$ 7,763,373

See Note 3 for additional detail.

Portfolio Investments

	Average Effective (Market) Yield	2022			2021
		Cost	Fair Value	Balance	Balance
Interest-bearing securities					
Deposits and short-term securities	0.00%	\$ -	\$ -	\$ -	\$ -
Bonds and mortgages	-1.09%	117,590	-	117,590	126,429
	-1.09%	117,590	-	117,590	126,429
Equities					
Canadian equities	-1.09%	\$ 5,512	\$ -	\$ 5,512	\$ 5,490
Global developed equities	0.00%	-	-	-	-
Emerging markets equities	0.00%	-	-	-	-
Private equities	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
	-1.09%	5,512	-	5,512	5,490
Other					
SERP Investment Account - Cash & Cash Equivalents	0.00%	\$ 9,081	\$ -	\$ 9,081	\$ 16,055
Endowments - Cash & Cash Equivalents	0.00%	88,069	-	88,069	87,416
Cash and Cash Equivalents	0.00%	-	-	-	-
0	0.00%	-	-	-	-
	0.00%	97,150	-	97,150	103,471
Total portfolio investments	-0.61%	\$ 220,252	\$ -	\$ 220,252	\$ 235,390

See Note 6 for additional detail.

Portfolio investments**Operating**

Cost

Unrealized gains and losses

Endowments

Cost

Unrealized gains and losses

Deferred revenue

Total portfolio investments

	2022	2021
Operating		
Cost	\$ 132,183	\$ 147,974
Unrealized gains and losses	-	-
	132,183	147,974
Endowments		
Cost	\$ -	\$ -
Unrealized gains and losses	-	-
Deferred revenue	88,069	87,416
	88,069	87,416
Total portfolio investments	\$ 220,252	\$ 235,390

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

	2022	2021
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: 2255

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

Tangible Capital Assets	2022						2021
	Land	Work In Progress*	Buildings** 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total
Estimated useful life							
Historical cost	\$ 159,800	\$ 1,303,500	\$ 93,199,336	\$ 4,849,666	\$ 7,729,762	\$ 1,550,794	\$ 108,792,858
Beginning of year	-	-	-	-	-	-	-
Prior period adjustments	-	11,049,712	585,749	-	905,726	-	7,484,437
Additions	-	(285,590)	285,590	-	-	-	-
Transfers in (out)	-	-	-	-	(430,571)	-	(358,111)
Less disposals including write-offs	-	-	-	-	-	-	-
Historical cost, August 31, 2022	\$ 159,800	\$ 12,067,622	\$ 94,070,675	\$ 4,849,666	\$ 8,204,917	\$ 1,550,794	\$ 120,903,474
Accumulated amortization							
Beginning of year	\$ -	\$ -	\$ 39,470,467	\$ 3,288,377	\$ 5,717,794	\$ 915,187	\$ 49,391,825
Prior period adjustments	-	-	-	-	-	-	-
Amortization	-	-	2,942,169	583,326	490,500	224,458	4,240,453
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	(430,571)	-	(430,571)
Accumulated amortization, August 31, 2022	\$ -	\$ -	\$ 42,412,636	\$ 3,871,703	\$ 5,777,723	\$ 1,139,645	\$ 53,201,707
Net Book Value at August 31, 2022	\$ 159,800	\$ 12,067,622	\$ 51,658,039	\$ 977,963	\$ 2,427,194	\$ 411,149	\$ 67,701,767
Net Book Value at August 31, 2021	\$ 159,800	\$ 1,303,500	\$ 53,728,869	\$ 1,561,289	\$ 2,011,968	\$ 635,607	\$ 59,401,033

	2022	2021
Total cost of assets under capital lease	\$ 3,962,089	\$ 3,962,089
Total amortization of assets under capital lease	\$ 797,872	\$ 717,214

Assets under capital lease includes Admin buildings with a total cost of \$1,688,000 (2021 - \$1,688,000) and accumulated amortization of \$369,250 (2021 - \$158,250)
Assets under capital lease includes equipment with a total cost of \$2,274,089 (2021 - \$2,274,089) and accumulated amortization of \$1,477,005 (2021 - \$890,133)

*Work in Progress includes \$11,543,625 in one new school project, expected to be open on September 1, 2024; modular project in the amount of \$441,235 and one planning project at \$60,817.
Also a CMR lighting project with a WIP balance of \$21,946

SCHEDULE 7

School Jurisdiction Code: 2255

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

Board Members:		FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Strauss, Robert - Outgoing Chair		0.16	\$0	\$11	\$0			\$0	\$0
Bexte, Lorelei - Incoming Chair		1.00	\$29,380	\$6,861	\$0			\$0	\$9,097
Cassie, Kristine - Outgoing		0.16	\$2,046	\$124	\$0			\$0	\$66
Laturnus, Debbie - Returning		1.00	\$16,330	\$5,988	\$0			\$0	\$140
Montina, Anthony - Incoming		0.84	\$15,610	\$5,047	\$0			\$0	\$4,221
Oliver, Michael - Incoming		0.84	\$16,953	\$5,131	\$0			\$0	\$4,462
Rutledge, Sharon - Returning		1.00	\$15,560	\$149	\$0			\$0	\$1,097
Schmidt, Louise - Incoming		0.84	\$12,600	\$116	\$0			\$0	\$2,905
		-	\$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
Subtotal		5.84	\$108,479	\$23,427	\$0			\$0	\$21,988
Name, Superintendent 1		1.00	\$215,723	\$43,554	\$0	\$0	\$0	\$0	\$14,021
Name, Superintendent 2		-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name, Superintendent 3		-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name, Treasurer 1		1.00	\$186,274	\$33,797	\$0	\$0	\$0	\$0	\$14,291
Name, Treasurer 2		-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name, Treasurer 3		-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name, Other		-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated			\$50,061,382	\$11,817,522	\$0	\$0	\$0	\$0	
School based		508.03							
Non-School based		6.00							
Non-certificated			\$15,786,105	\$3,901,724	\$0	\$0	\$0	\$0	
Instructional		309.78							
Operations & Maintenance		35.23							
Transportation		33.26							
Other		20.57							
TOTALS		920.71	\$66,377,963	\$15,820,024	\$0	\$0	\$0	\$0	\$50,300

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

1. AUTHORITY AND PURPOSE

The Palliser School Division (the "School Division") delivers education programs under the authority of the Education Act, Statutes of Alberta, 2012, Chapter E-0.3.

The School Division receives instruction and support allocations under Education Grants Regulation (AR 120/2008). The regulation allows for 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, in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Basis for Financial Reporting

Valuation of Financial Assets and Liabilities

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

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

Financial Assets

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

Financial assets are the School Division's financial claims on external organizations and individuals at the year end.

Cash and Cash Equivalents

Cash and cash equivalents include cash and investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments have a maturity of three months or less at acquisition and are held for meeting short-term cash commitments rather than for investing.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

a) Basis for Financial Reporting (continued)

Accounts Receivable

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

Portfolio Investments

The School Division has investments in GIC's, term deposits, bonds, equity instruments and mutual funds that have no maturity date or a maturity date of greater than three months. GIC's, term deposits and investments not quoted in an active market are reported at cost or amortized cost.

Scholarship Endowment Funds are included in Financial Assets in the Statement of Financial Position. Contributions and income pertaining to scholarship endowment funds are recognized on the Statement of Operations and must be held in perpetuity in accordance with the agreement with the donor.

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

Accounts Payable and Other Accrued Liabilities

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

Deferred Contributions

Deferred contributions include contributions received for operations which have stipulations that meet the definition of a liability per Public Sector Accounting Standard (PSAS) PS 3200. These contributions are recognized by the 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 revenue also includes contributions for capital expenditures, unexpended and expended. Unexpended Deferred Capital Contributions (UDCC) represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per PS 3200 when expended.

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

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

a) Basis for Financial Reporting (continued)

Employee Future Benefits

The School Division participates in the Local Authorities Pension Plan. This is a multi-employer defined benefit plan that provides pensions for the School Division's participating employees, based on years of service and earnings. Defined contribution plan accounting is applied to a multi-employer defined benefit plan for which the School Division has insufficient information to apply defined benefit plan accounting. Pension costs included in these financial statements include the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the pension plan. The School Division's portion of this pension plans' deficit or surplus is not recorded by the School Division.

The School Division participates in the Alberta Teachers' Retirement Fund. This is a multi-employer defined benefit plan that provides pensions for the School Division's participating employees, based on years of service and earnings. Defined contribution plan accounting is applied for this multi-employer defined benefit plan. Pension costs included in these financial statements include the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the pension plan. The School Division's portion of this pension plans' deficit or surplus is not recorded by the School Division.

For the Alberta Teachers' Retirement fund pension, costs include the Provincial contributions made on behalf of the School Division for current service employees during the year.

The School Division provides a defined benefit Senior Executive Retirement Plan to certain senior employees. Costs of these benefits are actuarially determined using the projected benefit method prorated on service; an interest rate based on the School Division's cost of borrowing and management's best estimate of expected costs and benefit coverage period. Net actuarial recoveries and deficiencies of the benefit obligation are amortized over the expected average remaining service life of the employees. Current service costs in the actuarial present value of the benefits earned in the fiscal period and applicable adjustments to prior year due to changes in the underlying assumptions. The Plan is unfunded.

Environmental Liabilities

Liability for Contaminated Sites:

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

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

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

a) Basis for Financial Reporting (continued)

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School Division is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made

Other environmental liabilities:

Other environmental liabilities are recognized when all of the following criteria are met:

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

Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured at fair value, and the resulting costs are capitalized into the carrying amount of the related asset. The capitalized asset retirement cost is amortized on the same basis as the related asset.

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 Government of Alberta. The School Division is working on the methodology to estimate the fair value of the asset retirement obligation based on the settlement date or the range of potential settlement dates to apply an expected present value technique.

Non-Financial Assets

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

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

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

a) Basis for Financial Reporting (continued)

Tangible Capital Assets (PS 3150)

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 Expended Deferred Capital Contributions (EDCC).
- Buildings that are demolished or destroyed are written-off.
- Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the Board are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, 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. A schedule of repayments and amount of interest on the leases is provided in Note 14.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Equipment	3 - 10 years
Vehicles	5 - 10 years
New Buildings	25 - 35 years
Modernizations	5 - 25 years

Inventories of Supplies

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

Prepaid Expenses

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

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

a) Basis for Financial Reporting (continued)

Operating and Capital Reserves

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

Revenue Recognition

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

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

Government transfers

Transfers from all governments are referred to as government transfers.

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

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

Donations and non-Government contributions

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

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

a) Basis for Financial Reporting (continued)

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

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

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

Grants and donations for land

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

Investment income

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

Expenses

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

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

a) **Basis for Financial Reporting (continued)**

Allocation of Costs

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

Program Reporting

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

- **ECS Instruction:** The provision of ECS education instructional services that fall under the basic public education mandate.
- **1 to 12 Instruction:** The provision of instructional services for Grade 1 to Grade 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 board operated, including transportation facility expenses.
- **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 are to 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.

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 24.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

a) Basis for Financial Reporting (continued)

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.

Measurement Uncertainty/use of estimates

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits. Employee future benefits have been recognized as \$187,300 in these financial statements and could be subject to measurement uncertainty. This amount has been presented fairly under *Section 3250 of the Public Sector Accounting Board (PSAB 3250)* by Morneau Shepell.

3. FUTURE ACCOUNTING CHANGES

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

- **PS 3280 Asset Retirement Obligations (effective for the year beginning September 1, 2022)**
For the Alberta Education year beginning April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- **PS 3400 Revenue (effective for the year beginning September 1, 2023)**
This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and non-exchange transactions.

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

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at Aug 31, 2022 includes \$8,594,252 (2021 - \$7,763,373)

Cash and cash equivalents include school generated funds on hand at August 31, 2022 of \$908,804 (2021 - \$1,055,128).

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

5. ACCOUNTS RECEIVABLE

	2022			2021
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 17,110		\$ 17,110	\$ 1,683
Alberta Education - Sub Rebillable	601		601	-
Alberta Infrastructure - KAHS Project	3,184,126		3,184,126	1,167,674
Alberta Infrastructure - CHS Project	60,817		60,817	-
Alberta Infrastructure - HTSV MDLR	48,953		48,953	-
Other Alberta school jurisdictions	-		-	37,218
Post-secondary institutions	3,761		3,761	672
Federal government	301,660		301,660	184,314
Other	795,756		795,756	455,517
Total	\$4,412,784	\$ -	\$4,412,784	\$1,847,079

6. PORTFOLIO INVESTMENTS

The composition, fair value and annual market yield on portfolio investments are as follows:

	2022	2021
SERP Account with Manulife Investments	\$ 132,183	\$ 147,974
Endowments	88,069	87,416
Total	\$ 220,252	\$ 235,390

The average effective yields since inception of the fixed income mutual funds were -1.09% (2021 – 1.9%). These investments have no set date of maturity.

7. OTHER FINANCIAL ASSETS

The School Division at this time holds no other financial assets.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

8. CONTRACTUAL RIGHTS

Contractual rights are rights of the School Division to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

The Board and System Administration has entered into contracts with tenants for the rental of designated facilities located at 3305 – 18th Ave North Lethbridge Alberta. Educational service agreements with another Alberta school division has been signed for the 2022/2023 school year. Additionally, AB Infrastructure has approved a grant agreement for the replacement and reconfiguration of Kate Andrews School in Coaldale, it's anticipated open date is September 2023. The contractual rights for the terms of these contracts are as follows:

	2022	2021
Facility Rental Income	\$ 111,540	\$ 60,460
Provincial Construction Grant Agreements	28,575,458	35,739,253
Transportation Agreements	47,193	44,748
Educational Ageements	60,000	172,063
Total	\$ 28,794,191	\$ 36,016,524

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows, based on existing valid contracts only:

	Facility Rental Income	Provincial Construction Grant Agreements	Transportation Agreements	Educational Agreements
2022-2023	57,540	20,575,458	\$ 47,193	60,000
2023-2024	27,000	8,000,000	-	-
2024-2025	27,000	-	-	-
Thereafter	-	-	-	-
Total	\$ 111,540	\$ 28,575,458	\$ 47,193	\$ 60,000

9. CONTINGENT ASSETS

No Contingent Assets currently exist within the School Division.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

10. BANK INDEBTEDNESS

The School Division has negotiated a line of credit with Royal Bank of Canada (RBC) in the amount of \$600,000 that bears interest at the bank's prime rate plus 0.30%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the School Division. There was no balance outstanding on the line of credit at August 31, 2022 (2021 – nil). Prime rate at August 31, 2022 was 4.70% (2021 – 2.45%).

In compliance with the Education Act's Borrowing Regulation 4(1),4(2), the Board of Trustees approved securing short-term lending to finance the Palliser Center Upgrade, Phase 1, in 2019-2020. Upon completion it was decided the best available rate could be received if a capital lease was secured as opposed to a loan agreement. This lease funding was received by the School Division on February 4, 2021. Please see Note 16 – Capital Leases for further details.

11. ACCOUNTS PAYABLE

	2022	2021
Alberta Education - WMA	\$ 1,467,650	\$ 1,600,779
Alberta Education - RCSD's	-	-
Other Alberta school jurisdictions	651	788
Accrued vacation pay liability	281,647	291,246
Contractual central PD funds payable	611,465	688,635
Payroll remittances payable (receivable)	1,975,935	(3,347)
Other salaries & benefit costs	90,682	69,080
Other trade payables and accrued liabilities	2,723,175	957,793
Unearned Revenue	-	-
School Generated Funds, including fees	6,610	20,518
Other fee revenue not collected at school level	478,012	435,138
Unearned rental revenue	2,295	2,295
Other unearned revenue over \$5,000*	198	626
Other unearned revenue from arms-length parties	5,000	18,000
Total	\$ 7,643,320	\$ 4,081,550

12. BENEFIT PLANS

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

Current and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the 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, 2022, the amount contributed by the Government was \$5,164,178 (2021 \$4,976,611).

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

12. BENEFIT PLANS (CONTINUED)

The School Division participates in a multi-employer pension plan, the Local Authorities Pension Plan (LAPP). The expense for this pension plan is equivalent to the annual contributions of \$685,451 for the year ended August 31, 2022 (2021 \$731,284). At December 31, 2021, the LAPP reported a surplus of \$11.92 Billion (2020, a surplus of \$4.96 Billion).

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 5% of pensionable earnings to a maximum of \$171,000 in 2022 (2021 \$162,278) in annual earnings. The annual expenditure for this pension plan is equivalent to the annual contributions of \$8,405 per qualified individual for the year ended August 31, 2022 (2021 - \$7,986)

The non-registered supplemental executive retirement plan (SERP) is administered by the School Division and provides an annual retirement benefits average of 1.4% of total employee earnings. The cost of SERP is by the jurisdiction and is actuarially determined using the projected accrued benefit cost method with proration of service costs.

The School Division does not have sufficient plan information on the LAPP/SIPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the LAPP/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.

The accrued benefit obligation is the obligation related to the Senior Executive Retirement Plan. The obligation has been determined through an actuarial report from Morneau Shepell dated September 20, 2022 using a measurement date of August 31, 2022.

Reconciliation of the funded status of the Benefit Plan to the amounts recorded in the financial statements:

	2022	2021
Unregistered supplemental executive retirement plan (SERP)	\$ 187,300	\$ 219,800
Total	\$ 187,300	\$ 219,800

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

13. ENVIRONMENTAL LIABILITIES

Contaminated sites are a result of contamination being introduced into the air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard. The School Division has performed remediation analysis at all school sites and contamination does not exceed environmental standards. Asbestos abatement will be required upon adjustments to existing assets however no immediate remediation is required.

14. OTHER LIABILITIES

Asset retirement obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. The School Division has a legal obligation to remove hazardous material located under the sale of the central office building upon its disposal. A liability, however, has not been recognized because the fair value cannot be reasonably estimated at this time.

15. DEBT

As at August 31, 2022 no supported debentures, unsupported debentures or mortgages are held or outstanding by the School Division.

16. CAPITAL LEASES

Capital leases #2-4 and #6-8 are internally funded by the school jurisdiction with #8 being funded by System Administration for a capital renovation lease. Lease #5 is supported by CMR spent deferred capital contributions and are composed of the following:

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

16. CAPITAL LEASES (CONTINUED)

	2022	2021
Obligations under capital lease #2 Technology Equipment - Due 2025 with net book value \$41,319 pledged as collateral at 13.79% interest	39,730	58,800
Obligations under capital lease #3 Technology Equipment - Due 2023 with net book value \$4,858 pledged as collateral at 2.22% interest	-	58,302
Obligations under capital lease #4 Technology Equipment - Due 2025 with net book value \$146,280 pledged as collateral at 7.99% interest	117,024	175,536
Obligations under capital lease #5 Technology Equipment - Due 2023 with net book value \$155,544 pledged as collateral at 0% interest	155,544	311,087
Obligations under capital lease #6 Technology Equipment - Due 2025 with net book value \$204,551 pledged as collateral at 9.95% interest	204,551	272,735
Obligations under capital lease #7 Copier Equipment - Due 2026 with net book value \$244,532 pledged as collateral at 0% interest	183,399	244,532
Obligations under capital lease #8 Admin Renovation - Due 2028 with net book value \$1,318,750 pledged as collateral at 3.65% interest	1,318,750	1,529,750
Total	<u>\$2,018,998</u>	<u>\$2,650,742</u>

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

16. CAPITAL LEASES (CONTINUED)

Payments on capital leases are due as follows:

	Total
2022-2023	619,415
2023-2024	463,871
2024-2025	380,789
2025-2026	242,883
2026-2027	242,883
2027 to maturity	306,261
Total Payments	2,256,102
Less amount representing interest	(237,104)
Total	\$ 2,018,998

17. PREPAID EXPENSES

	2022	2021
Prepaid insurance	\$ 179,499	\$ 77,312
Prepaid Consumables & Services	597,416	984,777
Other	-	-
Total	\$ 776,915	\$ 1,062,089

18. OTHER NON-FINANCIAL ASSETS

No other non-financial assets currently exist within The School Division.

19. NET ASSETS

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

	2022	2021
Unrestricted surplus	\$ -	\$ -
Operating reserves	1,879,100	2,699,136
Accumulated surplus (deficit) from operations	1,879,100	2,699,136
Investment in tangible capital assets	7,099,470	6,818,797
Capital reserves	1,100,298	861,935
Endowments ⁽¹⁾	88,069	87,416
Accumulated remeasurement gains (losses)	-	-
Accumulated surplus (deficit)	\$ 10,166,937	\$ 10,467,284

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

19. NET ASSETS (CONTINUED)

(1) Terms of the endowments stipulate that the principal balance be maintained permanently. With limited investment interest and a commitment to maintain existing scholarships, endowment balances increased by \$653 in 2022 (2021 - \$-517). These amounts continue to be externally restricted for scholarships and are included in endowment balance.

20. ENDOWMENTS

Endowments represent principal and accumulated interest amounts contributed for student scholarships. The conditions of the endowment agreements are such that principal amounts must be held in perpetuity in accordance with stipulations placed by the contributor. To meet the current year reporting model Endowments are listed in portfolio assets. 100% of Endowments are being held in interest bearing Trust accounts with RBC.

21. CONTRACTUAL OBLIGATIONS

	2022	2021
Building projects	\$ 28,575,458	\$ 35,739,253
Building leases	139,400	188,200
Service providers	1,044,886	1,106,312
Hardware Leasing	532,739	1,290,609
Renovation Lease	1,520,674	1,763,556
Total	\$ 31,813,157	\$ 40,087,930

- (1) Building projects: The School Division is committed to a capital expenditure amended amount of \$40,505,114 for the replacement and reconfiguration of Kate Andrews High School. It is anticipated that it will be 100% supported by Alberta Infrastructure.
- (2) Building leases: The School Division is committed to lease office space to house the Vulcan Outreach Program to June 2024, for which annual rental of \$23,700 will be recoverable in monthly installments. An additional lease for office space housed at the campus of the National Sports School had been entered into through to July 2026. This property incurs an annual lease cost of \$23,000.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

21. CONTRACTUAL OBLIGATIONS (CONTINUED)

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

	Building Projects	Building Leases	Service Providers	Hardware Leasing	Renovation Lease
2022-2023	20,575,458	\$ 46,700	424,617	317,200	\$ 242,883
2023-2024	8,000,000	\$ 46,700	306,882	145,766	\$ 242,883
2024-2025	-	23,000	234,860	69,773	\$ 242,883
2025-2026	-	23,000	78,527	-	\$ 242,883
2026-2027	-	-	-	-	242,883
Thereafter	-	-	-	-	306,260
Total	\$ 28,575,458	\$ 139,400	\$ 1,044,886	\$ 532,739	\$ 1,520,674

The School Division has also signed effective January 1, 2019, an electrical agreement with Direct Energy for the provision of electrical commodity services for the School Division buildings at a fixed rate per MWH consumed with an end date of December 31, 2023.

22. CONTINGENT LIABILITIES

The School Division is a member of Alberta Risk Management Insurance Consortium (ARMIC). 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 September 30, 2022 is \$313,094.

The School Division has been named in 5 (2021 - 1) claims, 5 (2021 - 1) of which the outcome is not determinable. Of these indeterminable claims 5 (2021 - 1) have specified amounts totaling \$729,803 (2021 - \$421,342). No accruals have been made at this time.

23. OTHER REVENUE

Other revenue consists of the following:

	2022	2021
Rental of facilities	\$ 207,533	\$ 185,702
Gains on disposal of capital assets	9,071	12,258
Society Salary Rebillables	1,067,544	960,764
External Salary Rebillables	541,828	483,936
Insurance Proceeds	131,137	151,972
Total	\$ 1,957,113	\$ 1,794,633

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

24. TRUSTS UNDER ADMINISTRATION

The School Division administers trust funds on behalf of the beneficiaries specified in the agreement or statute. The amounts are held on behalf of others with no power of appropriation and, therefore, are not reported in these financial statements, with the exception of scholarship trusts which are held as a trust liability and are recognized as scholarship revenue and expense upon qualified payouts.

At August 31, 2022 trust funds under administration were as follows:

	2022	2021
Deferred salary leave plan	\$ 70,089	\$ 47,084
Scholarship trusts	122,106	124,820
SWCSS (Banker Board)	664,281	409,523
AAPS-I (Banker Board)	7,840	4,579
Total	\$ 864,316	\$ 586,005

25. SCHOOL GENERATED FUNDS

	2022	2021
School Generated Funds, Beginning of Year	\$ 1,055,128	\$ 818,928
Gross Receipts:		
Fees	2,724,064	552,145
Fundraising	290,792	98,056
Gifts and donations	220,260	146,553
Grants to schools	-	-
Other sales and services	427,634	190,155
Total gross receipts	3,662,750	986,909
Total Related Expenses and Uses of Funds	722,232	538,078
Total Direct Costs Including Cost of Goods Sold to Raise Funds	3,086,842	212,631
School Generated Funds, End of Year	<u>\$ 908,804</u>	<u>\$ 1,055,128</u>
Balance included in Deferred Contributions	\$ 908,804	\$ 1,055,128

26. RELATED PARTY TRANSACTIONS

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

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

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

26. RELATED PARTY TRANSACTIONS (CONTINUED)

	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	\$ 17,711	\$ 1,467,650		
Prepaid expenses / Deferred operating revenue				
Unexpended deferred capital contributions		1,896,102		
Expended deferred capital revenue		5,153,054	791,589	
Grant revenue & expenses			89,790,099	
ATRF payments made on behalf of district			5,164,178	
Other revenues & expenses			601	
Other Alberta school jurisdictions		651	130,003	3,666
Transfer of schools to / from other school jurisdictions				
Alberta Treasury Board and Finance (Principal)				
Alberta Treasury Board and Finance (Accrued interest)				
Alberta Health				
Alberta Health Services			38,518	
Enterprise and Advanced Education				
Post-secondary institutions	3,761		71,821	76,911
Alberta Infrastructure				
Alberta Infrastructure	3,293,896			
Unexpended deferred capital contributions		19,722		
Spent deferred capital contributions		53,545,960	2,149,941	
Human Services				
Culture & Tourism				
Other GOA ministry - Children's Services				
Government Business Enterprises - ATB Financial	472,070			
Other GOA ministries				
Other:				
Alberta Capital Financing Authority				
Other Related Parties (Specify)				
Other Related Parties (Specify)				
Other Related Parties				
TOTAL 2021/2022	\$3,787,438	\$ 62,083,139	\$ 98,136,750	\$ 80,577
TOTAL 2020/2021	\$1,673,465	\$ 53,199,722	\$ 97,712,415	\$ 138,440

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2022

27. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

28. BUDGET AMOUNTS

The budget was prepared by the School Division and approved by the Board of Trustees on May 25, 2021.

29. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2021/2022 presentation requirements.

SCHEDULE 8

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

	Actual Fees Collected 2020/2021	Budgeted Fee Revenue 2021/2022	(A) Actual Fees Collected 2021/2022	(B) Unspent September 1, 2021*	(C) Funds Raised to Defray Fees 2021/2022	(D) Expenditures 2021/2022	(A) + (B) + (C) - (D) Unspent Balance at August 31, 2022*
Transportation Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Basic Instruction Fees							
Basic instruction supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$199,016	\$215,000	\$207,641	\$0	\$0	\$799,553	\$0
Alternative program fees	\$0	\$0	\$1,348,366	\$0	\$0	\$1,423,362	\$0
Fees for optional courses	\$113,803	\$174,975	\$161,827	\$0	\$0	\$257,142	\$0
Activity fees	\$20,349	\$50,000	\$20,995	\$19,705	\$0	\$54,678	\$0
Early childhood services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other fees to enhance education	\$3,110	\$2,000	\$5,180	\$8,656	\$0	\$5,180	\$8,656
Non-Curricular fees							
Extracurricular fees	\$13,986	\$300,000	\$281,389	\$0	\$0	\$399,763	\$0
Non-curricular travel	\$24,389	\$0	\$31,371	\$0	\$0	\$41,947	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$36,881	\$50,000	\$45,635	\$24,895	\$0	\$28,172	\$42,358
Other Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$411,534	\$791,975	\$2,102,404	\$53,256	\$0	\$3,009,797	\$51,014

*Unspent balances cannot be less than \$0

Please disclose amounts paid by parents of students that are recorded as "Sales of services and products", "Fundraising", or "Other revenue" (rather than fee revenue):		Actual 2022	Actual 2021
Cafeteria sales, hot lunch, milk programs		\$114,161	\$34,999
Special events, graduation, tickets		\$67,914	\$19,231
International and out of province student revenue		\$666,847	\$271,659
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)		\$234,937	\$217,701
Adult education revenue		\$0	\$0
Preschool		\$120,786	\$83,729
Child care & before and after school care		\$0	\$0
Lost item replacement fee		\$8,529	\$7,293
Other (Describe)		\$0	\$0
Other (Describe)		\$0	\$0
Other (Describe)		\$0	\$0
TOTAL		\$1,213,174	\$634,612

SCHEDULE 9

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

	Allocated to System Administration 2022			
EXPENSES	Salaries & Benefits	Supplies & Services	Other	TOTAL
Office of the superintendent	\$ 318,079	\$ 19,885	\$ -	\$ 337,964
Educational administration (excluding superintendent)	438,325	54,754	-	493,079
Business administration	551,685	235,665	-	787,350
Board governance (Board of Trustees)	131,906	128,553	-	260,459
Information technology	-	269,992	-	269,992
Human resources	259,698	23,456	-	283,154
Central purchasing, communications, marketing	-	32,429	-	32,429
Payroll	253,725	11,728	-	265,453
Administration - insurance			83,146	83,146
Administration - amortization			160,372	160,372
Administration - other (admin building, interest)			226,978	226,978
Other (describe)	-	-	-	-
Other (describe)	-	-	-	-
Other (describe)	-	-	-	-
TOTAL EXPENSES	\$ 1,953,418	\$ 776,462	\$ 470,496	\$ 3,200,376
Less: Amortization of unsupported tangible capital assets				(\$160,372)
TOTAL FUNDED SYSTEM ADMINISTRATION EXPENSES				3,040,004

REVENUES	2022
System Administration grant from Alberta Education	3,066,271
System Administration other funding/revenue from Alberta Education (ATRF, secondment revenue, etc)	
System Administration funding from others	162,490
TOTAL SYSTEM ADMINISTRATION REVENUES	3,228,761
Transfers (to)/from System Administration reserves	(28,385)
Transfers to other programs	-
SUBTOTAL	3,200,376
2021 - 22 System Administration expense (over) under spent	\$160,372