

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2023**  
[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

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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

Lorelei E Bexte  
Signature

**SUPERINTENDENT**

Mr. Dave Driscoll  
Name

[Signature]  
Signature

**SECRETARY-TREASURER OR TREASURER**

Mr. Dexter Durfey  
Name

DocuSigned by:  
[Signature]  
005C96644A5478  
Signature

November 28, 2023  
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
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School Jurisdiction Code: 2255

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## INDEPENDENT AUDITOR'S REPORT

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

### ***Opinion***

We have audited the financial statements of Palliser Regional Division No. 26 (the School Division), which are presented in the format prescribed by Alberta Education and comprise:

- the statement of financial position as at August 31, 2023
- the statement of operations for the year then ended
- re-measurement gains and losses for the year then ended;
- statement of change in net financial assets (debt) and cash flows for the year then ended;
- schedules 1,2,3,5, and 6, schedule 4 excluding the rows under "Square Metres", Schedule 7 excluding the columns "FTE"
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2023, and its results of operations, its re-measurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the School Division in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



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

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

In preparing the financial statements, management is responsible for assessing the School Division's ability to continue as a going concern, disclosing as applicable, matters 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.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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, 2023.

#### *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, 2023 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.

Chartered Professional Accountants

Lethbridge, Canada

November 28, 2023

**STATEMENT OF FINANCIAL POSITION**  
As at August 31, 2023 (in dollars)

	2023	2022
		RESTATED (Note 3)
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Schedule 5; Note 5)	\$ 9,828,949	\$ 8,594,252
Accounts receivable (net after allowances) (Note 6)	\$ 5,740,196	\$ 4,412,784
Portfolio investments		
Operating (Schedule 5; Note 7)	\$ 135,991	\$ 132,183
Endowments (Schedules 1 & 5; Note 21)	\$ 91,369	\$ 88,069
Inventories for resale	\$ -	\$ -
Other financial assets (Note 8)	\$ -	\$ -
<b>Total financial assets</b>	<b>\$ 15,796,505</b>	<b>\$ 13,227,288</b>
<b>LIABILITIES</b>		
Bank indebtedness (Note 11)	\$ -	\$ -
Accounts payable and accrued liabilities (Note 12)	\$ 5,062,726	\$ 7,643,320
Unspent deferred contributions (Schedule 2)	\$ 5,030,091	\$ 2,963,751
Employee future benefits liabilities (Note 13)	\$ 166,300	\$ 187,300
Asset retirement obligations and environmental liabilities (Note 14)	\$ 1,413,176	\$ 1,321,960
Other liabilities (Note 15)	\$ -	\$ -
Debt		
Unsupported: Debentures (Note 16)	\$ -	\$ -
Mortgages and capital loans (Note 16)	\$ -	\$ -
Capital leases (Note 17)	\$ 1,852,688	\$ 2,018,998
<b>Total liabilities</b>	<b>\$ 13,524,981</b>	<b>\$ 14,135,329</b>
<b>Net financial assets (debt)</b>	<b>\$ 2,271,524</b>	<b>\$ (908,041)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 6)	\$ 81,810,542	\$ 67,762,342
Inventory of supplies	\$ 61,366	\$ 13,179
Prepaid expenses (Note 18)	\$ 882,805	\$ 776,915
Other non-financial assets (Note 19)	\$ -	\$ -
<b>Total non-financial assets</b>	<b>\$ 82,754,713</b>	<b>\$ 68,552,436</b>
<b>Net assets before spent deferred capital contributions</b>	<b>\$ 85,026,237</b>	<b>\$ 67,644,395</b>
Spent deferred capital contributions (Schedule 2)	\$ 72,158,764	\$ 58,738,843
<b>Net assets</b>	<b>\$ 12,867,473</b>	<b>\$ 8,905,552</b>
<b>Net assets</b> (Note 20)		
Accumulated surplus (deficit) (Schedule 1)	\$ 12,867,473	\$ 8,905,552
Accumulated remeasurement gains (losses)	\$ -	\$ -
	<b>\$ 12,867,473</b>	<b>\$ 8,905,552</b>
<b>Contractual rights</b> (Note 9)		
<b>Contingent assets</b> (Note 10)		
<b>Contractual obligations</b> (Note 22)		
<b>Contingent liabilities</b> (Note 23)		

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

**STATEMENT OF OPERATIONS**  
For the Year Ended August 31, 2023 (in dollars)

	Budget 2023	Actual 2023	Actual 2022 RESTATED (Note 3)
<b>REVENUES</b>			
Government of Alberta	\$ 98,848,692	\$ 101,383,584	\$ 96,947,315
Federal Government and other government grants	\$ 325,041	\$ 656,366	\$ 465,977
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 9)	\$ 2,012,526	\$ 3,629,567	\$ 2,102,404
Sales of services and products	\$ 860,150	\$ 2,076,838	\$ 1,591,136
Investment income	\$ 60,000	\$ 485,038	\$ 106,683
Donations and other contributions	\$ 400,000	\$ 505,964	\$ 388,036
Other revenue (Note 24)	\$ 3,134,922	\$ 2,084,708	\$ 1,957,113
<b>Total revenues</b>	\$ 105,641,331	\$ 110,822,065	\$ 103,558,664
<b>EXPENSES</b>			
Instruction - ECS	\$ 2,656,596	\$ 2,533,001	\$ 681,245
Instruction - Grades 1 to 12	\$ 82,079,534	\$ 84,178,262	\$ 82,811,216
Operations and maintenance (Schedule 4)	\$ 12,243,935	\$ 11,751,527	\$ 12,658,298
Transportation	\$ 4,176,178	\$ 4,340,144	\$ 4,045,341
System administration	\$ 3,136,759	\$ 3,361,329	\$ 3,200,376
External services	\$ 2,083,683	\$ 699,181	\$ 552,079
<b>Total expenses</b>	\$ 106,376,685	\$ 106,863,444	\$ 103,948,555
<b>Annual operating surplus (deficit)</b>	\$ (735,354)	\$ 3,958,621	\$ (389,891)
Endowment contributions and reinvested income	\$ -	\$ 3,300	\$ 653
<b>Annual surplus (deficit)</b>	\$ (735,354)	\$ 3,961,921	\$ (389,238)
<b>Accumulated surplus (deficit) at beginning of year</b>	\$ 8,905,552	\$ 8,905,552	\$ 9,294,790
<b>Accumulated surplus (deficit) at end of year</b>	\$ 8,170,198	\$ 12,867,473	\$ 8,905,552

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



STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2023 (in dollars)

2023  
2022  
RESTATED (Note 3)

CASH FLOWS FROM:

A. OPERATING TRANSACTIONS

Annual surplus (deficit)	\$ 3,961,921	\$ (389,238)
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 4,120,642	\$ 4,244,016
Net (gain)/loss on disposal of tangible capital assets	\$ (9,300)	\$ (9,071)
Transfer of tangible capital assets (from)/to other entities	\$ (109,629)	\$ (472,548)
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Spent deferred capital recognized as revenue	\$ (2,940,526)	\$ (2,946,357)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Increase/(Decrease) in employee future benefit liabilities	\$ (21,000)	\$ (32,500)
Donations in kind	\$ -	\$ -
	\$ -	\$ -
	\$ 5,002,108	\$ 394,302
(Increase)/Decrease in accounts receivable	\$ (1,327,412)	\$ (2,565,705)
(Increase)/Decrease in inventories for resale	\$ -	\$ -
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ (48,187)	\$ (11,076)
(Increase)/Decrease in prepaid expenses	\$ (105,890)	\$ 285,174
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ (2,580,593)	\$ 3,561,770
Increase/(Decrease) in unspent deferred contributions	\$ 2,066,340	\$ 314,641
Increase/(Decrease) in asset retirement obligations and environmental liabilities	\$ 91,216	\$ 85,328
Other - Rounding	\$ -	\$ -
<b>Total cash flows from operating transactions</b>	<b>\$ 3,097,582</b>	<b>\$ 2,064,434</b>

B. CAPITAL TRANSACTIONS

Acquisition of tangible capital assets	\$ (18,059,214)	\$ (12,068,639)
Net proceeds from disposal of unsupported capital assets	\$ 9,300	\$ 9,071
Revenue recognition Land Asset - Non cash transaction	\$ -	\$ -
<b>Total cash flows from capital transactions</b>	<b>\$ (18,049,914)</b>	<b>\$ (12,059,568)</b>

C. INVESTING TRANSACTIONS

Purchases of portfolio investments	\$ (7,108)	\$ 15,138
Proceeds on sale of portfolio investments	\$ -	\$ -
Other (Describe)	\$ -	\$ -
Other - Endowment change in value	\$ -	\$ -
<b>Total cash flows from investing transactions</b>	<b>\$ (7,108)</b>	<b>\$ 15,138</b>

D. FINANCING TRANSACTIONS

Debt issuances		\$ -
Debt repayments	\$ -	\$ -
Increase (decrease) in spent deferred capital contributions	\$ 16,360,447	\$ 11,442,619
Capital lease issuances	\$ -	\$ -
Capital lease payments	\$ (166,310)	\$ (631,744)
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
<b>Total cash flows from financing transactions</b>	<b>\$ 16,194,137</b>	<b>\$ 10,810,875</b>

Increase (decrease) in cash and cash equivalents	\$ 1,234,697	\$ 830,879
Cash and cash equivalents, at beginning of year	\$ 8,594,252	\$ 7,763,373
Cash and cash equivalents, at end of year	\$ 9,828,949	\$ 8,594,252

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, 2023 (in dollars)

	<b>Budget 2023</b>	<b>2023</b>	<b>2022 RESTATED (Note 3)</b>
Annual surplus (deficit)	\$ (735,354)	\$ 3,961,921	\$ (389,238)
<b>Effect of changes in tangible capital assets</b>			
Acquisition of tangible capital assets	\$ (345,000)	\$ (18,059,213)	\$ (12,068,639)
Amortization of tangible capital assets	\$ 3,975,760	\$ 4,120,642	\$ 4,244,016
Net (gain)/loss on disposal of tangible capital assets	\$ -	\$ (9,300)	\$ (9,071)
Net proceeds from disposal of unsupported capital assets	\$ -	\$ 9,300	\$ 9,071
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ (109,629)	\$ (472,548)
Other changes	\$ -	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	\$ 3,630,760	\$ (14,048,200)	\$ (8,297,171)
Acquisition of inventory of supplies	\$ -	\$ (48,187)	\$ (11,076)
Consumption of inventory of supplies	\$ -	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ -	\$ (105,890)	\$ 285,174
(Increase)/Decrease in other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -	\$ -
Change in spent deferred capital contributions (Schedule 2)		\$ 13,419,921	\$ 8,496,262
Other changes	\$ -	\$ -	\$ -
<b>Increase (decrease) in net financial assets (net debt)</b>	\$ 2,895,406	\$ 3,179,565	\$ 83,951
<b>Net financial assets (net debt) at beginning of year</b>	\$ -	\$ (908,041)	\$ (991,992)
<b>Net financial assets (net debt) at end of year</b>	\$ 2,895,406	\$ 2,271,524	\$ (908,041)

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, 2023 (in dollars)**

	2023	2022
		RESTATED (Note 3)
Annual surplus (deficit)	\$ 3,961,921	\$ (389,238)
<b>Effect of changes in tangible capital assets</b>		
Acquisition of tangible capital assets	\$ (18,059,213)	\$ (12,068,639)
Amortization of tangible capital assets	\$ 4,120,642	\$ 4,244,016
Net (gain)/loss on disposal of tangible capital assets	\$ (9,300)	\$ (9,071)
Net proceeds from disposal of unsupported capital assets	\$ 9,300	\$ 9,071
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ (109,629)	\$ (472,548)
Other changes	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	\$ (14,048,200)	\$ (8,297,171)
Acquisition of inventory of supplies	\$ (48,187)	\$ (11,076)
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (105,890)	\$ 285,174
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Change in spent deferred capital contributions (Schedule 2)	\$ 13,419,921	\$ 8,496,262
Other changes	\$ -	\$ -
<b>Increase (decrease) in net financial assets (net debt)</b>	\$ 3,179,565	\$ 83,951
<b>Net financial assets (net debt) at beginning of year</b>	\$ (908,041)	\$ (991,992)
<b>Net financial assets (net debt) at end of year</b>	\$ 2,271,524	\$ (908,041)

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

**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
 For the Year Ended August 31, 2023 (in dollars)

	2023	2022
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
0	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
0	\$ -	\$ -
Other	\$ -	\$ -
Other Adjustment (Describe)	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
<b>Accumulated remeasurement gains (losses) at beginning of year</b>	\$ -	\$ -
<b>Accumulated remeasurement gains (losses) at end of year</b>	\$ -	\$ -

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

**SCHEDULE 1**

**SCHEDULE OF NET ASSETS**  
For the Year Ended August 31, 2023 (in dollars)

	NET ASSETS	ACCUMULATED REASSESSMENT 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, 2022	\$ 10,166,937	\$ -	\$ 10,166,937	\$ 7,099,470	\$ 88,069	\$ (0)	\$ 1,879,100	\$ 1,100,298
Prior period adjustments:								
ARO Capital Asset Addition	\$ 169,793	\$ -	\$ 169,793	\$ 169,793	\$ -	\$ 169,793	\$ -	\$ (169,793)
ARO Prior Amortization & Accretion	\$ (1,431,178)	\$ -	\$ (1,431,178)	\$ (109,218)	\$ -	\$ (1,321,960)	\$ -	\$ -
<b>Adjusted Balance, August 31, 2022</b>	\$ 8,905,552	\$ -	\$ 8,905,552	\$ 7,160,045	\$ 88,069	\$ (1,152,167)	\$ 1,879,100	\$ 930,505
Operating surplus (deficit)	\$ 3,958,621	\$ -	\$ 3,958,621	\$ -	\$ -	\$ 3,958,621	\$ -	\$ -
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ 1,808,393	\$ -	\$ -	\$ (508,916)	\$ (1,299,477)
Board funded ARO tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported or board funded portion of supported tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,300)	\$ -	\$ 9,300
Disposal of unsupported ARO tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write-down of unsupported or board funded portion of supported tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endowment expenses & disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endowment contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reinvested endowment income	\$ 3,300	\$ -	\$ 3,300	\$ -	\$ 3,300	\$ -	\$ -	\$ -
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -	\$ -	\$ -	\$ (4,117,079)	\$ -	\$ 4,117,079	\$ -	\$ -
Amortization of ARO tangible capital assets	\$ -	\$ -	\$ -	\$ (3,563)	\$ -	\$ 3,563	\$ -	\$ -
Amortization of supported ARO tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board funded ARO liabilities - recognition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board funded ARO liabilities - remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital revenue recognized	\$ -	\$ -	\$ 2,940,526	\$ -	\$ -	\$ (2,940,526)	\$ -	\$ -
Debt principal repayments (unsupported)	\$ -	\$ -	\$ 519,682	\$ -	\$ -	\$ (519,682)	\$ -	\$ -
Additional capital debt or capital leases	\$ -	\$ -	\$ (508,916)	\$ -	\$ -	\$ 508,916	\$ -	\$ -
Net transfers to operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,992,599)	\$ 2,992,599	\$ -
Net transfers from operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,171	\$ (178,171)	\$ -
Net transfers to capital reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,823,924)	\$ -	\$ 2,823,924
Net transfers from capital reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,671,849	\$ -	\$ (1,671,849)
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2023</b>	\$ 12,867,473	\$ -	\$ 12,867,473	\$ 7,799,088	\$ 91,369	\$ 1	\$ 4,164,612	\$ 792,403

**SCHEDULE 1**

**SCHEDULE OF NET ASSETS**  
For the Year Ended August 31, 2023 (in dollars)

	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
<b>Balance at August 31, 2022</b>	\$ 2,596,517	\$ 361,987	\$ (985,672)	\$ 369,491	\$ 100,000	\$ (310,526)	\$ 168,255	\$ 679,346	\$ -	\$ -
<b>Prior period adjustments:</b>										
ARO Capital Asset Addition	\$ -	\$ -	\$ -	\$ (169,793)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ARO Prior Amortization & Accretion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2022</b>	\$ 2,596,517	\$ 361,987	\$ (985,672)	\$ 199,698	\$ 100,000	\$ (310,526)	\$ 168,255	\$ 679,346	\$ -	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ (508,916)	\$ -	\$ -	\$ (168,465)	\$ -	\$ (56,180)	\$ -	\$ (1,074,832)	\$ -	\$ -
Board funded ARO tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported or board funded portion of supported tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,300	\$ -	\$ -
Disposal of unsupported ARO tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write-down of unsupported or board funded portion of supported tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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										
Amortization of ARO tangible capital assets										
Amortization of supported ARO tangible capital assets										
Board funded ARO liabilities - recognition										
Board funded ARO liabilities - remediation										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ 2,991,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 759	\$ -
Net transfers from operating reserves	\$ (165,112)	\$ -	\$ -	\$ -	\$ (13,059)	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to capital reserves	\$ -	\$ 1,606,882	\$ -	\$ 136,554	\$ -	\$ 154,201	\$ -	\$ 926,287	\$ -	\$ -
Net transfers from capital reserves	\$ -	\$ (1,293,062)	\$ -	\$ (167,787)	\$ -	\$ (211,000)	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2023</b>	\$ 4,914,329	\$ 675,807	\$ (985,672)	\$ -	\$ 86,941	\$ (423,505)	\$ 168,255	\$ 540,101	\$ 759	\$ -

SCHEDULE 2

SCHEDULE OF DEFERRED CONTRIBUTIONS  
(EXTERNALLY RESTRICTED CONTRIBUTIONS ONLY)  
For the Year Ended August 31, 2023 (in dollars)

	IMR	CMR	Alberta Education Safe Return to Class/Safe Indoor Air		Others	Total Education	Alberta Infrastructure	Children's Services	Other GoA Ministries		Total Other GoA Ministries
			Alberta Education Safe Return to Class/Safe Indoor Air	Health					Other GOA Ministries		
<b>Deferred Operating Contributions (DOC)</b>											
Balance at August 31, 2022	\$ 727,274	\$ -	\$ 165,421	\$ -	\$ 460,436	\$ 1,353,131	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2022</b>	<b>\$ 727,274</b>	<b>\$ -</b>	<b>\$ 165,421</b>	<b>\$ -</b>	<b>\$ 460,436</b>	<b>\$ 1,353,131</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Received during the year (excluding investment income)	\$ 612,388	\$ -	\$ -	\$ 1,633,753	\$ -	\$ 2,246,141	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer (to) grant/donation revenue (excluding investment income)	\$ (636,520)	\$ -	\$ (129,876)	\$ (1,131,376)	\$ -	\$ (1,897,772)	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred directly (to) SDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>DOC closing balance at August 31, 2023</b>	<b>\$ 703,142</b>	<b>\$ -</b>	<b>\$ 35,545</b>	<b>\$ 962,813</b>	<b>\$ -</b>	<b>\$ 1,701,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Unspent Deferred Capital Contributions (UDCC)</b>											
Balance at August 31, 2022	\$ -	\$ 542,971	\$ -	\$ -	\$ -	\$ 542,971	\$ 19,722	\$ -	\$ -	\$ -	\$ 19,722
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2022</b>	<b>\$ -</b>	<b>\$ 542,971</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 542,971</b>	<b>\$ 19,722</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,722</b>
Received during the year (excluding investment income)	\$ -	\$ 385,040	\$ -	\$ -	\$ -	\$ 385,040	\$ 18,380,009	\$ -	\$ -	\$ -	\$ 18,380,009
UDCC Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (981,512)	\$ -	\$ -	\$ -	\$ (981,512)
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	\$ -	\$ (72,914)	\$ -	\$ -	\$ -	\$ (72,914)	\$ (16,133,181)	\$ -	\$ -	\$ -	\$ (16,133,181)
Transferred (to) from others - please explain:	\$ -	\$ 855,097	\$ -	\$ -	\$ -	\$ 855,097	\$ 1,285,038	\$ -	\$ -	\$ -	\$ 1,285,038
<b>UDCC closing balance at August 31, 2023</b>	<b>\$ 703,142</b>	<b>\$ 855,097</b>	<b>\$ 35,545</b>	<b>\$ 962,813</b>	<b>\$ -</b>	<b>\$ 2,556,597</b>	<b>\$ 1,285,038</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,285,038</b>
<b>Spent Deferred Capital Contributions (SDCC)</b>											
Balance at August 31, 2022	\$ 2,975,995	\$ 1,995,684	\$ -	\$ -	\$ 177,375	\$ 5,153,054	\$ 53,545,960	\$ -	\$ -	\$ -	\$ 53,545,960
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2022</b>	<b>\$ 2,975,995</b>	<b>\$ 1,995,684</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 177,375</b>	<b>\$ 5,153,054</b>	<b>\$ 53,545,960</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 53,545,960</b>
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,629	\$ -	\$ -	\$ -	\$ 109,629
Transferred from DOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from UDCC	\$ -	\$ 72,914	\$ -	\$ -	\$ -	\$ 72,914	\$ 16,133,181	\$ -	\$ -	\$ -	\$ 16,133,181
Amounts recognized as revenue (Amortization of SDCC)	\$ (320,125)	\$ (489,894)	\$ -	\$ -	\$ (21,500)	\$ (831,519)	\$ (2,104,179)	\$ -	\$ -	\$ -	\$ (2,104,179)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>SDCC closing balance at August 31, 2023</b>	<b>\$ 2,655,870</b>	<b>\$ 1,582,704</b>	<b>\$ -</b>	<b>\$ 155,875</b>	<b>\$ -</b>	<b>\$ 4,394,449</b>	<b>\$ 67,664,591</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 67,664,591</b>

	Gov't of Canada	Other Sources Donations and grants from others	Total other sources	Total
<b>Deferred Operating Contributions (DOC)</b>				
Balance at August 31, 2022	\$ -	\$ 1,047,927	\$ 1,047,927	\$ 2,401,058
Prior period adjustments - please explain:				
<b>Adjusted ending balance August 31, 2022</b>	\$ -	\$ 1,047,927	\$ 1,047,927	\$ 2,401,058
Received during the year (excluding investment income)	\$ -	\$ 46,010	\$ 5,439,167	\$ 5,485,177
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ (5,309,215)	\$ (7,206,987)
Investment earnings - Received during the year	\$ -	\$ -	\$ 9,290	\$ 9,290
Investment earnings - Transferred to investment income	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ -
Transferred directly (to) SDCC	\$ -	\$ (44,723)	\$ -	\$ (44,723)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -
<b>DOC closing balance at August 31, 2023</b>	\$ -	\$ 1,287	\$ 1,187,169	\$ 1,188,456
<b>Unspent Deferred Capital Contributions (UDCC)</b>				
Balance at August 31, 2022	\$ -	\$ -	\$ -	\$ 562,693
Prior period adjustments - please explain:				
<b>Adjusted ending balance August 31, 2022</b>	\$ -	\$ -	\$ -	\$ 562,693
Received during the year (excluding investment income)	\$ -	\$ -	\$ -	\$ 18,765,049
UDCC Receivable	\$ -	\$ -	\$ -	\$ (981,512)
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	\$ -	\$ -	\$ -	\$ (16,206,095)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -
<b>UDCC closing balance at August 31, 2023</b>	\$ -	\$ -	\$ -	\$ 2,140,135
<b>Total Unspent Deferred Contributions at August 31, 2023</b>				
	\$ -	\$ 1,287	\$ 1,187,169	\$ 1,188,456
<b>Spent Deferred Capital Contributions (SDCC)</b>				
Balance at August 31, 2022	\$ -	\$ 39,829	\$ -	\$ 58,738,843
Prior period adjustments - please explain:				
<b>Adjusted ending balance August 31, 2022</b>	\$ -	\$ 39,829	\$ -	\$ 58,738,843
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects	\$ -	\$ 44,723	\$ -	\$ 109,629
Transferred from DOC	\$ -	\$ -	\$ 44,723	\$ 44,723
Transferred from UDCC	\$ -	\$ -	\$ -	\$ 16,206,095
Amounts recognized as revenue (Amortization of SDCC)	\$ -	\$ (4,828)	\$ -	\$ (2,940,526)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -
<b>SDCC closing balance at August 31, 2023</b>	\$ -	\$ 79,724	\$ -	\$ 72,158,764



SCHEDULE OF PROGRAM OPERATIONS  
For the Year Ended August 31, 2023 (in dollars)  
2023

2022  
RESTATED

	Instruction		Operations and			System		External Services	TOTAL
	ECS	Grades 1 - 12	Maintenance	Transportation	Administration	TOTAL			
(1) Alberta Education	\$ 3,024,301	\$ 79,794,731	\$ 8,682,438	\$ 4,334,512	\$ 3,189,359	\$ -	\$ 99,025,341	\$ 93,570,198	
(2) Alberta Infrastructure	\$ -	\$ -	\$ 2,130,505	\$ -	\$ -	\$ -	\$ 2,130,505	\$ 2,176,269	
(3) Other - Government of Alberta	\$ -	\$ 95,365	\$ 8,400	\$ -	\$ -	\$ -	\$ 103,765	\$ 1,070,845	
(4) Federal Government and First Nations	\$ -	\$ 656,366	\$ -	\$ -	\$ -	\$ -	\$ 656,366	\$ 465,977	
(5) Other Alberta school authorities	\$ -	\$ 484	\$ -	\$ 123,489	\$ -	\$ -	\$ 123,973	\$ 130,003	
(6) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(7) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(8) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(9) Fees	\$ -	\$ 3,629,567	\$ -	\$ -	\$ -	\$ -	\$ 3,629,567	\$ 2,102,404	
(10) Sales of services and products	\$ 104,821	\$ 1,679,923	\$ 36,320	\$ 245,674	\$ 100	\$ 10,000	\$ 2,076,838	\$ 1,591,136	
(11) Investment income	\$ -	\$ 472,467	\$ -	\$ -	\$ 12,571	\$ -	\$ 485,038	\$ 106,683	
(12) Gifts and donations	\$ -	\$ 122,371	\$ -	\$ -	\$ -	\$ -	\$ 122,371	\$ 99,586	
(13) Rental of facilities	\$ -	\$ 2,857	\$ 22,325	\$ -	\$ 146,241	\$ 4,134	\$ 175,557	\$ 207,533	
(14) Fundraising	\$ -	\$ 383,593	\$ -	\$ -	\$ -	\$ -	\$ 383,593	\$ 288,450	
(15) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ 9,300	\$ -	\$ -	\$ 9,300	\$ 9,071	
(16) Other	\$ -	\$ 1,017,756	\$ 125,794	\$ 67,120	\$ -	\$ 689,181	\$ 1,899,851	\$ 1,740,509	
(17) <b>TOTAL REVENUES</b>	\$ 3,129,122	\$ 87,855,480	\$ 11,005,782	\$ 4,780,095	\$ 3,348,271	\$ 703,315	\$ 110,822,065	\$ 103,558,664	
<b>EXPENSES</b>									
(18) Certificated salaries	\$ 1,592,023	\$ 48,980,699	\$ -	\$ -	\$ 591,388	\$ -	\$ 51,164,110	\$ 50,297,105	
(19) Certificated benefits	\$ 259,742	\$ 11,739,927	\$ -	\$ -	\$ 71,753	\$ -	\$ 12,071,422	\$ 11,861,076	
(20) Non-certificated salaries and wages	\$ 505,745	\$ 10,690,432	\$ 1,919,754	\$ 1,905,496	\$ 1,116,735	\$ 426,659	\$ 16,564,821	\$ 16,080,858	
(21) Non-certificated benefits	\$ 124,073	\$ 2,891,871	\$ 538,699	\$ 221,291	\$ 285,209	\$ 135,147	\$ 4,196,290	\$ 3,958,948	
(22) SUB - TOTAL	\$ 2,481,583	\$ 74,302,929	\$ 2,458,453	\$ 2,126,787	\$ 2,065,085	\$ 561,806	\$ 83,996,643	\$ 82,197,957	
(23) Services, contracts and supplies	\$ 51,418	\$ 9,470,141	\$ 6,124,652	\$ 1,726,990	\$ 1,140,644	\$ 137,375	\$ 18,651,220	\$ 17,417,998	
(24) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 2,940,526	\$ -	\$ -	\$ -	\$ 2,940,526	\$ 2,946,357	
(25) Amortization of unsupported tangible capital assets	\$ -	\$ 403,025	\$ 132,991	\$ 486,336	\$ 154,201	\$ -	\$ 1,176,553	\$ 1,294,096	
(26) Amortization of supported ARO tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(27) Amortization of unsupported ARO tangible capital assets	\$ -	\$ -	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563	\$ 3,563	
(28) Accretion expenses	\$ -	\$ -	\$ 91,215	\$ -	\$ -	\$ -	\$ 91,215	\$ 85,328	
(29) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(30) Other interest and finance charges	\$ -	\$ 2,167	\$ 127	\$ 31	\$ 1,399	\$ -	\$ 3,724	\$ 3,226	
(31) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(32) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(33) <b>TOTAL EXPENSES</b>	\$ 2,533,001	\$ 84,178,262	\$ 11,751,527	\$ 4,340,144	\$ 3,361,329	\$ 699,181	\$ 106,863,444	\$ 103,948,555	
(34) <b>OPERATING SURPLUS (DEFICIT)</b>	\$ 596,121	\$ 3,677,218	\$ (745,745)	\$ 439,951	\$ (13,058)	\$ 4,134	\$ 3,958,621	\$ (389,891)	

SCHEDULE OF OPERATIONS AND MAINTENANCE  
For the Year Ended August 31, 2023 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR/CMR, Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2023		2022 TOTAL Operations and Maintenance RESTATED (Note 3)
								Operations and Maintenance	TOTAL Operations and Maintenance	
Non-certificated salaries and wages	\$ 1,236,127	\$ 437,082	\$ -	\$ -	\$ 246,545	\$ -	\$ -	\$ 1,919,754	\$ -	\$ 2,038,024
Non-certificated benefits	\$ 342,713	\$ 131,717	\$ -	\$ -	\$ 64,269	\$ -	\$ -	\$ 538,699	\$ -	\$ 528,101
<b>SUB-TOTAL REMUNERATION</b>	<b>\$ 1,578,840</b>	<b>\$ 568,799</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 310,814</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,458,453</b>	<b>\$ -</b>	<b>\$ 2,566,125</b>
Supplies and services	\$ 1,750,442	\$ 2,054,353	\$ -	\$ 636,521	\$ 116,761	\$ -	\$ -	\$ 4,556,077	\$ -	\$ 5,159,815
Electricity			\$ 454,381					\$ 454,381	\$ -	\$ 440,215
Natural gas/heating fuel			\$ 308,888					\$ 308,888	\$ -	\$ 291,306
Sewer and water			\$ 184,484					\$ 184,484	\$ -	\$ 136,662
Telecommunications			\$ 10,965					\$ 10,965	\$ -	\$ 6,488
Insurance					\$ 546,879			\$ 546,879	\$ -	\$ 812,688
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets							\$ -	\$ -	\$ -	\$ -
Supported							\$ 2,940,526	\$ 2,940,526	\$ 2,940,526	\$ 2,946,357
Unsupported						\$ 136,554	\$ 136,554	\$ 136,554	\$ 136,554	\$ 132,334
<b>TOTAL AMORTIZATION</b>						<b>\$ 136,554</b>	<b>\$ 136,554</b>	<b>\$ 136,554</b>	<b>\$ 136,554</b>	<b>\$ 132,334</b>
Accretion expense							\$ 91,215	\$ 91,215	\$ 91,215	\$ 85,328
Interest on capital debt - Unsupported							\$ -	\$ -	\$ -	\$ -
Lease payments for facilities				\$ 80,978			\$ 80,978	\$ 80,978	\$ 80,978	\$ 80,980
Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127	\$ 127	\$ 127	\$ -
Losses on disposal of capital assets							\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENSES</b>	<b>\$ 3,329,282</b>	<b>\$ 2,623,152</b>	<b>\$ 938,718</b>	<b>\$ 717,499</b>	<b>\$ 974,454</b>	<b>\$ 227,896</b>	<b>\$ 2,940,526</b>	<b>\$ 11,751,527</b>	<b>\$ 12,656,296</b>	

SQUARE METRES

School buildings	62,393.0
Non school buildings	6,169.0

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, 2023 (in dollars)

Cash & Cash Equivalents	Average Effective (Market) Yield	2023		2022	
		Cost	Amortized Cost	Cost	Amortized Cost
Cash	0.00%	\$ 9,828,949	\$ 9,828,949	\$ 8,594,252	
Cash equivalents					
Government of Canada, direct and	0.00%	-	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	-
Other, including GIC's	0.00%	-	-	-	-
<b>Total cash and cash equivalents</b>		<b>\$ 9,828,949</b>	<b>\$ 9,828,949</b>	<b>\$ 8,594,252</b>	

See Note 5 for additional detail.

Portfolio Investments	Average Effective (Market) Yield	2023										2022	
		Investments Measured at Fair Value							Total	Book Value	Fair Value	Total	
		Investments Measured at Cost/Amortized Cost	Cost	Fair Value (Level 1)	Fair Value (Level 2)	Fair Value (Level 3)	Subtotal of Fair Value						
<b>Interest-bearing securities</b>													
Deposits and short-term securities	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bonds and mortgages	2.80%	131,177	131,177	-	-	-	-	131,177	117,590	-	-	117,590	
	0.00%	131,177	131,177	-	-	-	-	131,177	117,590	-	-	117,590	
<b>Equities</b>													
Canadian equities - public	2.80%	59	59	-	-	-	-	59	-	454	454		
Canadian equities - private	0.00%	-	-	-	-	-	-	-	-	5,058	5,058		
Global developed equities	2.80%	4,184	4,184	-	-	-	-	4,184	-	-	-		
Emerging markets equities	0.00%	-	-	-	-	-	-	-	-	-	-		
Private equities	0.00%	-	-	-	-	-	-	-	-	-	-		
Hedge funds	0.00%	-	-	-	-	-	-	-	-	-	-		
	0.00%	4,243	4,243	-	-	-	-	4,243	-	5,512	5,512		
<b>Inflation sensitive</b>													
Real estate	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Infrastructure	0.00%	-	-	-	-	-	-	-	-	-	-		
Renewable resources	0.00%	-	-	-	-	-	-	-	-	-	-		
Other investments	0.00%	91,940	91,940	-	-	-	-	91,940	97,150	-	97,150		
	0.00%	91,940	91,940	-	-	-	-	91,940	97,150	-	97,150		
<b>Strategic, tactical, and currency investments</b>													
	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>Total portfolio investments</b>		<b>\$ 227,360</b>	<b>\$ 227,360</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 227,360</b>	<b>\$ 214,740</b>	<b>\$ 5,512</b>	<b>\$ 220,252</b>		

See Note 7 for additional detail.

Portfolio investments	2023			
	Level 1	Level 2	Level 3	Total
Pooled investment funds	\$ -	\$ -	\$ -	\$ -

Portfolio Investments Measured at Fair Value	2023				2022
	Level 1	Level 2	Level 3	Total	Total
Portfolio investments in equity instruments that are quoted in an active market	\$ -	\$ -	\$ -	\$ -	\$ 5,512
Portfolio investments designated to their fair value category	-	-	-	-	-
	\$ -	\$ -	\$ -	\$ -	\$ 5,512

Reconciliation of Portfolio Investments Classified as Level 3	2023	2022
	Opening balance	\$ -
Purchases	-	-
Sales (excluding realized gains/losses)	-	-
Realized Gains/(Losses)	-	-
Unrealized Gains/(Losses)	-	-
Transfer-in - please explain:	-	-
Transfer-out - please explain:	-	-
Ending balance	\$ -	\$ -

Operating	2023	2022
	Cost	\$ 135,991
Unrealized gains and losses	-	-
	<u>135,991</u>	<u>132,183</u>
<b>Endowments</b>		
Cost	\$ -	\$ -
Unrealized gains and losses	-	-
Deferred revenue	91,369	88,069
	<u>91,369</u>	<u>88,069</u>
<b>Total portfolio investments</b>	<b>\$ 227,360</b>	<b>\$ 220,252</b>

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

	2023	2022
	Under 1 year	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%
	<u>100.0%</u>	<u>100.0%</u>

**SCHEDULE 6**

School Jurisdiction Code: **2255**

**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**For the Year Ended August 31, 2023 (in dollars)**

	2023				2022		
	Land	Work In Progress*	Buildings** 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total
<b>Historical cost</b>							<b>RESTATED</b>
Beginning of year	\$ 159,800	\$ 12,067,622	\$ 94,070,675	\$ 4,849,666	\$ 8,204,917	\$ 1,550,794	\$ 108,903,474
Prior period adjustments	-	-	169,793	-	-	-	169,793
Additions	-	16,343,713	72,915	50,054	1,193,244	508,917	18,168,843
Transfers in (out)	-	(590,485)	590,485	-	-	-	-
Less disposals including write-offs	-	-	-	-	(167,963)	-	(167,963)
Historical cost, August 31, 2023	\$ 159,800	\$ 27,820,850	\$ 94,903,868	\$ 4,899,720	\$ 9,230,198	\$ 2,059,711	\$ 139,074,147
<b>Accumulated amortization</b>							
Beginning of year	\$ -	\$ -	\$ 42,412,636	\$ 3,871,703	\$ 5,777,723	\$ 1,139,645	\$ 53,201,707
Prior period adjustments	-	-	109,218	-	-	-	109,218
Amortization	-	-	3,004,984	350,848	506,273	258,538	4,120,643
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	(167,963)	-	(167,963)
Accumulated amortization, August 31, 2023	\$ -	\$ -	\$ 45,526,838	\$ 4,222,551	\$ 6,116,033	\$ 1,398,183	\$ 57,263,605
<b>Net Book Value at August 31, 2023</b>	\$ 159,800	\$ 27,820,850	\$ 49,377,030	\$ 677,169	\$ 3,114,165	\$ 661,528	\$ 81,810,542
<b>Net Book Value at August 31, 2022</b>	\$ 159,800	\$ 12,067,622	\$ 51,718,614	\$ 977,963	\$ 2,427,194	\$ 411,149	\$ 67,762,342

	2023	2022
Total cost of assets under capital lease	\$ 4,471,006	\$ 3,962,089
Total amortization of assets under capital lease	\$ 671,602	\$ 797,872

Assets under capital lease includes Admin buildings with a total cost of \$1,688,000 (2022 - \$1,688,000) and accumulated amortization of \$580,250 (2022 - \$369,250)  
 Assets under capital lease includes Equipment with a total cost of \$2,783,006 (2022 - \$2,274,089) and accumulated amortization of \$1,937,608 (2022 - \$1,477,005)

\*Work in Progress includes \$44,723 in computer hardware as well as 1 new schools with accumulated costs of \$27,710,230, expected to be open on September 1, 2024. An additional \$65,897 in work-in-progress represents planning funds for an additional school site.

**SCHEDULE 7**

School Jurisdiction Code: 2255

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES  
For the Year Ended August 31, 2023 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIPs / Other Paid	Other Accrued Unpaid Benefits	Expenses
Bexie, Lorelei - Chair	1.00	\$27,360	\$7,393	\$0	\$0	\$0	\$0	\$9,653
Montina, Anthony - Vice Chair	1.00	\$19,620	\$7,432	\$0	\$0	\$0	\$0	\$4,771
Latumus, Debbie	1.00	\$13,430	\$6,035	\$0	\$0	\$0	\$0	\$1,234
Oliver, Michael	1.00	\$16,660	\$5,962	\$0	\$0	\$0	\$0	\$5,814
Rutledge, Sharon	1.00	\$16,490	\$175	\$0	\$0	\$0	\$0	\$1,463
Schmidt, Louise	1.00	\$16,000	\$170	\$0	\$0	\$0	\$0	\$2,944
	-	\$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	\$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	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>6.00</b>	<b>\$111,760</b>	<b>\$27,167</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,879</b>
Name, Superintendent 1	1.00	\$227,644	\$47,857	\$0	\$0	\$0	\$0	\$21,178
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	\$192,103	\$33,797	\$0	\$0	\$0	\$0	\$11,836
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		\$50,936,466	\$12,023,565	\$0	\$0	\$0	\$0	\$0
School based	517.97							
Non-School based	8.00							
Non-certificated		\$16,260,968	\$4,135,326	\$0	\$0	\$0	\$0	\$0
Instructional	305.91							
Operations & Maintenance	36.98							
Transportation	32.92							
Other	19.88							
<b>TOTALS</b>	<b>929.66</b>	<b>\$67,728,931</b>	<b>\$16,267,712</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$58,893</b>

SCHEDULE OF ASSET RETIREMENT OBLIGATIONS  
For the Year Ended August 31, 2023 (in dollars)

Continuity of ARO (Liability) Balance		2023						2022					
(in dollars)	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total	(in dollars)	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
Opening Balance, Aug 31, 2022	\$ -	\$ -	\$ 1,321,960	\$ -	\$ -	\$ 1,321,960	Opening Balance, Aug 31, 2021	\$ -	\$ 1,235,632	\$ -	\$ -	\$ -	\$ 1,235,632
Liability incurred from Sept. 1, 2022 to Aug. 31, 2023	-	-	-	-	-	-	Liability incurred from Sept. 1, 2021 to Aug. 31, 2022	-	-	-	-	-	-
Liability settled/extinguished from Sept. 1, 2022 to Aug. 31, 2023 - Alberta	-	-	-	-	-	-	Liability settled/extinguished from Sept. 1, 2021 to Aug. 31, 2022 - Alberta	-	-	-	-	-	-
Liability settled/extinguished from Sept. 1, 2022 to Aug. 31, 2023 - Other	-	-	-	-	-	-	Liability settled/extinguished from Sept. 1, 2021 to Aug. 31, 2022 - Other	-	-	-	-	-	-
Accretion expense (only if Present Value technique is used)	-	91,216	-	-	-	91,216	Accretion expense (only if Present Value technique is used)	-	85,328	-	-	-	85,328
Add/(Less): Revision in estimate Sept. 1, 2022 to Aug. 31, 2023	-	-	-	-	-	-	Add/(Less): Revision in estimate Sept. 1, 2021 to Aug. 31, 2022	-	-	-	-	-	-
Reduction of liability resulting from disposals of assets Sept. 1, 2022 to Aug. 31, 2023	-	-	-	-	-	-	Reduction of liability resulting from disposals of assets Sept. 1, 2021 to Aug. 31, 2022	-	-	-	-	-	-
<b>Balance, Aug. 31, 2023</b>	\$ -	\$ 1,413,176	\$ -	\$ -	\$ -	\$ 1,413,176	<b>Balance, Aug. 31, 2022</b>	\$ -	\$ 1,321,960	\$ -	\$ -	\$ -	\$ 1,321,960

Continuity of TCA (Capitalized ARO) Balance		2023						2022					
(in dollars)	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total	(in dollars)	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
ARO Tangible Capital Assets - Cost	\$ -	\$ 169,793	\$ -	\$ -	\$ -	\$ 169,793	ARO Tangible Capital Assets - Cost	\$ -	\$ 169,793	\$ -	\$ -	\$ -	\$ 169,793
Opening balance, August 31, 2022	-	-	-	-	-	-	Opening balance, August 31, 2021	-	-	-	-	-	-
Additions resulting from liability incurred	-	-	-	-	-	-	Additions resulting from liability incurred	-	-	-	-	-	-
Revision in estimate	-	-	-	-	-	-	Revision in estimate	-	-	-	-	-	-
Reduction resulting from disposal of assets	-	-	-	-	-	-	Reduction resulting from disposal of assets	-	-	-	-	-	-
Cost, August 31, 2023	\$ -	\$ 169,793	\$ -	\$ -	\$ -	\$ 169,793	Cost, August 31, 2022	\$ -	\$ 169,793	\$ -	\$ -	\$ -	\$ 169,793
ARO TCA - Accumulated Amortization	\$ -	\$ 109,218	\$ -	\$ -	\$ -	\$ 109,218	ARO TCA - Accumulated Amortization	\$ -	\$ 105,655	\$ -	\$ -	\$ -	\$ 105,655
Opening balance, August 31, 2022	-	-	-	-	-	-	Opening balance, August 31, 2021	-	-	-	-	-	-
Amortization expense	-	3,563	-	-	-	3,563	Amortization expense	-	3,563	-	-	-	3,563
Revision in estimate	-	-	-	-	-	-	Revision in estimate	-	-	-	-	-	-
Less: disposals	-	-	-	-	-	-	Less: disposals	-	-	-	-	-	-
Accumulated amortization, August 31, 2023	\$ -	\$ 112,781	\$ -	\$ -	\$ -	\$ 112,781	Accumulated amortization, August 31, 2022	\$ -	\$ 109,218	\$ -	\$ -	\$ -	\$ 109,218
<b>Net Book Value at August 31, 2023</b>	\$ -	\$ 57,012	\$ -	\$ -	\$ -	\$ 57,012	<b>Net Book Value at August 31, 2022</b>	\$ -	\$ 60,575	\$ -	\$ -	\$ -	\$ 60,575

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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### 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 funding for instruction and support under Ministerial Grants Regulation (AR215/2022). 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
Asset Retirement Obligation	Present Value

##### 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, 2023

---

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.



# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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

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.

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.

Asset Retirement Obligations

Asset retirement obligations are legal obligations associated with the retirement of a tangible capital asset (TCA). Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to;

- Decommission or dismantling a TCA that was acquired, constructed or developed;
- Remediation of contamination of a TCA created by its normal use;
- Post-retirement activities such as monitoring; and
- Constructing other TCA to perform post-retirement activities.

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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

A liability of an asset retirement obligation is recognized when, as at the financial reporting date:

- a) There is a legal obligation to incur retirement costs in relation to a TCA;
- b) The past transaction of event giving rise to the liability has occurred;
- c) It is expected that future economic benefits will be given up; and
- d) A reasonable estimate of the amount can be made.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized TCA in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over the estimated useful life of the underlying TCA. Asset retirement costs related to unrecognized TCA and those not in productive use are expensed.

### 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:

- 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.

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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

#### 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.

#### Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost, including amounts directly related to the acquisition, design, construction, development, or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Construction-in-progress is recorded as a transfer to the applicable asset class at substantial completion.
- Buildings include site and leasehold improvements as well as assets under capital lease.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the School Division to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. For supported assets, the write-downs are accounted for as reductions to 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.

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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

- 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.

### **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).

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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

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.

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, 2023

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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, 2023

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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 \$166,300 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.

There is measurement uncertainty related to asset retirement obligations as it involves estimates in determining settlement amount, discount rates and timing of settlement. Changes to any of these estimates and assumptions may result in change to the obligation.

### 3. CHANGE IN ACCOUNTING POLICY

Effective September 1, 2022, the School Division adopted the new account standard PS 3280 Asset Retirement Obligations and applied the standard using the modified retroactive approach with restatement of prior year comparative information.

On the effective date of the PS 3280 standard, the School Division recognized the following to conform to the new standard;

- Asset retirement obligations, adjusted for accumulated accretion to the effective date;
- Asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets in productive use;
- Accumulated amortization on the capitalized cost; and
- Adjustment to the opening balance of the accumulated surplus/deficit.

Amounts are measured using information, assumptions and discount rates where applicable that are current on the effective date of the standard. The amount recognized as an asset retirement cost is measured as of the date the asset retirement obligation was incurred. Accumulated accretion and amortization are measured for the period from the date the liability would have been recognized had the provisions of this standard been in effect to the date as of which this standard is first applied.

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 3. CHANGE IN ACCOUNTING POLICY (CONTINUED)

Impact on the prior year's financial statements as a result of the change in accounting policy is as follows:

	As previously reported	ARO Adjustment recognized	As restated
<b>2022 AFS CHANGES</b>			
<b>Statement of Operations</b>			
Revenue	103,558,664	-	103,558,664
Expense	103,859,664	(88,891)	103,948,555
Annual surplus (deficit)	(301,000)	88,891	(389,891)
Accumulated surplus (deficit) at beginning of year	10,467,284	1,172,494	9,294,790
Accumulated surplus (deficit) at end of year	10,166,937	1,261,385	8,905,552
<b>Statement of Financial Position</b>			
Financial asset	13,227,288	-	13,227,288
Liability	12,813,369	(1,321,960)	14,135,329
Net financial assets (Net debt)	413,919	1,321,960	(908,041)
Non-financial asset	68,491,861	(60,575)	68,552,436
Net assets (Net liabilities)	10,166,937	1,261,385	8,905,552
<b>Statement of Change in Net Financial Assets (Net Debt)</b>			
Annual surplus (deficit)	(300,347)	88,891	(389,238)
Other Changes-E.g. Amortization, Acquisition, Disposal of TCA	4,240,453	(3,563)	4,244,016
Net financial assets (net debt) at beginning of year	244,640	1,236,632	(991,992)
Net financial assets (net debt) at end of year	413,919	1,321,960	(908,041)
<b>Statement of Cash Flow</b>			
Annual surplus (deficit)	(300,347)	88,891	(389,238)
Amortization of tangible capital assets	4,240,453	(3,563)	4,244,016
Increase in asset retirement obligations	-	(85,328)	85,328

### 4. FUTURE CHANGES IN ACCOUNTING STANDARDS

During the fiscal year 2023-24, the School Division will adopt the following new accounting standards approved by the Public Sector Accounting Board:

- PS 3400 Revenue - 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.
- PS 3160 Public Private Partnerships - This accounting standard provides guidance on how to account for public private partnerships between public and private sector entities, where the public sector entity procures infrastructure using a private sector partner.

The School Division has not yet adopted these two accounting standards. Management is currently assessing the impact of these standards on the financial statements.



# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at August 31, 2023 includes \$9,828,949 (2022 - \$8,594,252)

Cash and cash equivalents include school generated funds on hand at August 31, 2023 of \$1,018,581 (2022 - \$908,804).

### 6. ACCOUNTS RECEIVABLE

	2023			2022
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ -	\$ -	\$ -	\$ 17,110
Alberta Education - Sub Rebillable	5,699	-	5,699	601
Alberta Infrastructure - KAHS Project	2,151,845	-	2,151,845	3,184,126
Alberta Infrastructure - CHS Project	45,977	-	45,977	60,817
Alberta Infrastructure - HTSV MDLR	114,562	-	114,562	48,953
Other Alberta school jurisdictions	3,101	-	3,101	-
Post-secondary institutions	-	-	-	3,761
Federal government	209,739	-	209,739	301,660
Other	3,209,273	-	3,209,273	795,756
<b>Total</b>	<b>\$5,740,196</b>	<b>\$ -</b>	<b>\$5,740,196</b>	<b>\$4,412,784</b>

### 7. PORTFOLIO INVESTMENTS

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

	2023	2022
SERP Account with Manulife Investments	\$ 135,991	\$ 132,183
Endowments	91,369	88,069
<b>Total</b>	<b>\$ 227,360</b>	<b>\$ 220,252</b>

LEVEL 1	2023	2022
Fair value:		
Funds held in Canadian currency	\$ 93,259	98948
Funds held in US currency	91,998	86262
Funds held in other foreign currency	42,103	35042
<b>Total value of Investments</b>	<b>\$ 227,360</b>	<b>\$ 220,252</b>

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 7. PORTFOLIO INVESTMENTS (CONTINUED)

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.

Level 3 - Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

The average effective yields and the terms to maturity are as follows:

- Funds held in Canadian currency yielding effective interest of 2.80% (2022 – -1.09%). These funds represent SERP retirement funds and have no set date of maturity. Endowment funds held in cash also have no set date of maturity.

The Division has policies and procedures in place governing asset mix, diversification exposure limits, credit quality and performance measurement. The investment portfolio is comprised of endowment assets not available for operations. Endowment assets require that the principal be maintained indefinitely. The primary objective of this portfolio is a rate of return that in real terms, exceeds the endowment spending allocation, at an acceptable risk level

### 8. OTHER FINANCIAL ASSETS

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

### 9. 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 – 18<sup>th</sup> Ave North Lethbridge Alberta. Educational service agreements with SWCSS and other government agencies have been signed for the 2023/2024 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 2024. The contractual rights for the terms of these contracts are as follows:

	2023	2022
Facility Rental Income	\$ 421,002	\$ 111,540
Provincial Construction Grant Agreements	10,632,250	28,575,458
Transportation Agreements	-	47,193
Educational Agreements	712,021	60,000
<b>Total</b>	<b>\$ 11,765,273</b>	<b>\$ 28,794,191</b>

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 9. CONTRACTUAL RIGHTS (CONTINUED)

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
2023-2024	144,774	10,632,250		684,385
2024-2025	122,558			27,636
2025-2026	89,470			
Thereafter	64,200	-	-	-
<b>Total</b>	<b>\$ 421,002</b>	<b>\$ 10,632,250</b>	<b>\$ -</b>	<b>\$ 712,021</b>

### 10. CONTINGENT ASSETS

No Contingent Assets currently exist within the School Division.

### 11. 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, 2023 (2022 – nil). Prime rate at August 31, 2023 was 7.2% (2022 – 4.7%).

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 17 – Capital Leases for further details.

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 12. ACCOUNTS PAYABLE

	2023	2022
Alberta Education - WMA	\$ 526,314	\$ 1,467,650
Alberta Education - RCSD's		-
Other Alberta school jurisdictions	4,663	651
Accrued vacation pay liability	236,479	281,647
Contractual central PD funds payable	560,110	611,465
Payroll remittances payable (receivable)	57,269	1,975,935
Other salaries & benefit costs	226,682	90,682
Other trade payables and accrued liabilities	1,513,250	2,723,175
Unearned Revenue		-
School Generated Funds, including fees	1,447,192	6,610
Other fee revenue not collected at school level	481,653	478,012
Unearned rental revenue	4,214	2,295
Other unearned revenue over \$5,000*	17	198
Other unearned revenue from arms-length parties	4,883	5,000
<b>Total</b>	<b>\$ 5,062,726</b>	<b>\$ 7,643,320</b>

### 13. 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, 2023, the amount contributed by the Government was \$4,856,892 (2022 \$5,164,178).

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 \$721,150 for the year ended August 31, 2023 (2022 \$685,451). At December 31, 2022, the LAPP reported a surplus of \$12.67 Billion (2021, a surplus of \$11.92 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 2% of pensionable earnings multiplied by pensionable service, limited by the Income Tax Act. 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, 2023 (2022 - \$8,405)

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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### 13. BENEFIT PLANS (CONTINUED)

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 26, 2023 using a measurement date of August 31, 2023.

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

	2023	2022
Unregistered supplemental executive retirement plan (SERP)	\$ 166,300	\$ 187,300
<b>Total</b>	<b>\$ 166,300</b>	<b>\$ 187,300</b>

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 14. ASSET RETIREMENT OBLIGATIONS AND ENVIRONMENTAL LIABILITIES

	2023	2022
		<b>Restated - See Note 3</b>
Asset Retirement Obligations (i)	\$ 1,413,176	\$ 1,321,960
Environmental Liabilities		
Contaminated site liabilities (ii)	-	-
Other environmental liabilities (iii)	-	-
	\$ -	\$ -
	\$ 1,413,176	\$ 1,321,960

(i) Asset Retirement Obligations	2023	2022
		<b>Restated - See Note 3</b>
Asset Retirement Obligations, beginning of year	\$ 1,321,960	\$ 1,236,632
Liability incurred	-	-
Liability settled	-	-
Accretion expense	91,216	85,328
Revision in estimates	-	-
Asset Retirement Obligations, end of year	\$ 1,413,176	\$ 1,321,960

Tangible capital assets with associated retirement obligations include buildings owned and operated by the School Division. The School Division has asset retirement obligations to remove hazardous asbestos containing materials from various buildings under its control. Regulations require the School Division to handle and dispose of the asbestos in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although timing of the asbestos removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the School Division to remove the asbestos when asset retirement activities occur.

Asset retirement obligations are initially measured as of the date the legal obligation was incurred, based on management's best estimate of the amount required to retire tangible capital assets and assumptions used. The estimate of the liability is based on third party quotes procured by the School Division.

The extent of the liability is limited to costs directly attributable to the removal of hazardous asbestos fiber containing materials from various buildings under the School Division's control in accordance with the legislation establishing the liability. The entity estimated the nature and extend of hazardous materials in its buildings based on the estimates provided by third party to remove and dispose of the hazardous materials.

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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### 14. ASSET RETIREMENT OBLIGATIONS AND ENVIRONMENTAL LIABILITIES (CONTINUED)

In using a present value technique to measure a liability, the liability is adjusted for the passage of time and is recognized as accretion expense in the Statement of Operations.

Included in the ARO estimate is \$169,793 measured using a present value technique. At August 31, 2023, the undiscounted amount of estimated future cash flows required to settle this obligation is \$1,413,176 (2022 - \$1,321,960) and is discounted using a discount rate of 6.9%

Asset retirement obligations are expected to be settled over the next 10 to 20 years.

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.

### 15. 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.

### 16. DEBT

As at August 31, 2023 no supported debentures, unsupported debentures or mortgages are held or outstanding by the School Division.

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 17. CAPITAL LEASES

Capital leases are internally funded by the school jurisdiction with the RBC Capital Lease #938591161 being funded by System Administration for a capital renovation lease.

	2023	2022
Obligations under capital lease CS#13 Technology Equipment - Due 2025 with net book value \$22,248 pledged as collateral at 13.79% interest	20,660	39,730
Obligations under capital lease CS#16 Technology Equipment - Due 2025 with net book value \$87,768 pledged as collateral at 7.99% interest	58,512	117,024
Obligations under capital lease DLL#701394 Technology Equipment - Due 2023 with net book value \$0 pledged as collateral at 0% interest	-	155,544
Obligations under capital lease CS#17 Technology Equipment - Due 2025 with net book value \$136,367 pledged as collateral at 9.95% interest	136,367	204,551
Obligations under capital lease DLL#001-0270968 Copier Equipment - Due 2026 with net book value \$183,399 pledged as collateral at 0% interest	122,266	183,399
Obligations under capital lease RBC#938591161 Admin Renovation - Due 2028 with net book value \$1,107,750 pledged as collateral at 3.65% interest	1,107,750	1,318,750
Obligations under capital lease CS#18 Technology Equipment - Due 2027 with net book value \$415,615 pledged as collateral at 12.66% interest	407,133	-
<b>Total</b>	<b>\$ 1,852,688</b>	<b>\$ 2,018,998</b>



# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 17. CAPITAL LEASES (CONTINUED)

Payments on capital leases are due as follows:

	Total
2023-2024	580,414
2024-2025	497,332
2025-2026	359,426
2026-2027	359,425
2027-2028	242,880
2028 to maturity	63,381
Total Payments	2,102,858
Less amount representing interest	(250,170)
<b>Total</b>	<b>\$ 1,852,688</b>

### 18. PREPAID EXPENSES

	2023	2022
Prepaid insurance	\$ 160,267	\$ 179,499
Prepaid Consumables & Services	722,538	597,416
Other	-	-
<b>Total</b>	<b>\$ 882,805</b>	<b>\$ 776,915</b>

### 19. OTHER NON-FINANCIAL ASSETS

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

### 20. 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:

	2023	2022
		RESTATED
Unrestricted surplus	\$ 1	\$ (1,152,167)
Operating reserves	4,184,612	1,879,100
Accumulated surplus (deficit) from operations	4,184,613	726,933
Investment in tangible capital assets	7,799,088	7,160,045
Capital reserves	792,403	930,505
Endowments <sup>(1)</sup>	91,369	88,069
Accumulated remeasurement gains (losses)	-	-
Accumulated surplus (deficit)	<b>\$ 12,867,473</b>	<b>\$ 8,905,552</b>

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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### 20. 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 \$3,300 in 2023 (2022 - \$653). These amounts continue to be externally restricted for scholarships and are included in endowment balance.

### 21. 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.

### 22. CONTRACTUAL OBLIGATIONS

	2023	2022
Building projects	\$ 10,632,250	\$ 28,575,458
Building leases	550,945	139,400
Service providers	866,814	1,044,886
Hardware Leasing	841,791	532,739
Renovation Lease	1,107,750	1,520,674
<b>Total</b>	<b>\$ 13,999,550</b>	<b>\$ 31,813,157</b>

- (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 and will be open for September 2024 school year.
- (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 2028. This property incurs an annual lease cost of \$45,449 and leasehold improvements of up to \$300,000 in 2023-2024.

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 22. 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
2023-2024	10,632,250	\$ 369,149	709,076	308,682	\$ 211,000
2024-2025		\$ 45,449	121,253	268,410	\$ 211,000
2025-2026		45,449	36,485	162,916	\$ 211,000
2026-2027		45,449		101,783	\$ 211,000
2027-2028		45,449			211,000
Thereafter					52,750
<b>Total</b>	<b>\$ 10,632,250</b>	<b>\$ 550,945</b>	<b>\$ 866,814</b>	<b>\$ 841,791</b>	<b>\$ 1,107,750</b>

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.

### 23. 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 August 31, 2023 is \$456,985.

The School Division has been named in 4 (2022 - 5) claims, 4 (2022 - 5) of which the outcome is not determinable. Of these indeterminable claims 4 (2022 - 5) have specified amounts totaling \$315,288 (2022 - \$729,803). No accruals have been made at this time.

### 24. OTHER REVENUE

Other revenue consists of the following:

	2023	2022
Rental of facilities	\$ 175,557	\$ 207,533
Gains on disposal of capital assets	9,300	9,071
Society Salary Rebillables	997,321	1,067,544
External Salary Rebillables	689,181	541,828
Insurance Proceeds	141,758	131,137
Other - Internal transportation revenue	67,120	
Other - Scholarship revenue	4,471	
<b>Total</b>	<b>\$ 2,084,708</b>	<b>\$ 1,957,113</b>

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

### 25. 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, 2023 trust funds under administration were as follows:

	2023	2022
Deferred salary leave plan	\$ 100,284	\$ 70,089
Scholarship trusts	123,808	122,106
SWCSS (Banker Board)	660,839	664,281
AAPS-I (Banker Board)	10,203	7,840
Southern Alberta Collegiate Institute	21,821	
<b>Total</b>	<b>\$ 916,955</b>	<b>\$ 864,316</b>

### 26. SCHOOL GENERATED FUNDS

	2023	2022
School Generated Funds, Beginning of Year	\$ 908,804	\$ 1,055,128
Gross Receipts:		
Fees	3,994,074	2,724,064
Fundraising	395,836	290,792
Gifts and donations	243,838	220,260
Grants to schools		-
Other sales and services	626,225	427,634
Total gross receipts	5,259,973	3,662,750
Total Related Expenses and Uses of Funds	964,091	722,232
Total Direct Costs Including Cost of Goods Sold to Raise Funds	4,186,105	3,086,842
School Generated Funds, End of Year	\$ 1,018,581	\$ 908,804
Balance included in Deferred Contributions	\$ 1,018,581	\$ 908,804

### 27. 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, 2023

### 27. RELATED PARTY TRANSACTIONS (CONTINUED)

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
<b>Government of Alberta (GOA):</b>				
<b>Alberta Education</b>				
Accounts receivable / Accounts payable	\$ 5,699	\$ 526,314		
Prepaid expenses / Deferred operating revenue				
Unexpended deferred capital contributions		2,556,597		
Expended deferred capital revenue		4,394,449	831,519	
Grant revenue & expenses			94,168,449	
ATRF payments made on behalf of district			4,856,892	
Other revenues & expenses			5,699	
<b>Other Alberta school jurisdictions</b>	3,101	4,663	44,913	62,285
<b>Transfer of schools to / from other school jurisdictions</b>				
<b>Alberta Treasury Board and Finance (Principal)</b>				
<b>Alberta Treasury Board and Finance (Accrued interest)</b>				
<b>Alberta Health</b>				
<b>Alberta Health Services</b>			35,019	
<b>Enterprise and Advanced Education</b>				
<b>Post-secondary institutions</b>			125,389	121,293
<b>Alberta Infrastructure</b>				
Alberta Infrastructure	2,312,384			
Unexpended deferred capital contributions		1,285,038		
Spent deferred capital contributions		67,684,591	2,104,179	
<b>Human Services</b>				
<b>Culture &amp; Tourism</b>				
Other GOA ministry - Children's Services				
Government Business Enterprises - ATB Financial	567,233			
Other GOA ministries				
<b>Other:</b>				
Alberta Capital Financing Authority				
Other Related Parties (Specify)				
Other Related Parties (Specify)				
Other Related Parties				
<b>TOTAL 2022/2023</b>	<b>\$ 2,888,417</b>	<b>\$ 76,451,652</b>	<b>\$ 102,172,059</b>	<b>\$ 183,578</b>
<b>TOTAL 2021/2022</b>	<b>\$ 3,787,438</b>	<b>\$ 62,083,139</b>	<b>\$ 98,136,750</b>	<b>\$ 80,577</b>

# THE PALLISER SCHOOL DIVISION

## Notes to Financial Statements

Year ended August 31, 2023

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### 28. 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.

### 29. BUDGET AMOUNTS

The budget was prepared by the School Division and approved by the Board of Trustees on May 24, 2022.

### 30. COMPARATIVE FIGURES

The prior period accounts relating to asset retirement obligations and disclosed in Note 3 were the only adjustments to the audited financial statements approved by the Board of Palliser School Division for August 31, 2022.

UNAUDITED SCHEDULE OF FEES  
For the Year Ended August 31, 2023 (in dollars)

	Actual Fees Collected 2021/2022	Budgeted Fee Revenue 2022/2023	(A) Actual Fees Collected 2022/2023	(B) Unspent September 1, 2022*	(C) Funds Raised to Defray Fees 2022/2023	(D) Expenditures 2022/2023	(A) + (B) + (C) - (D) Unspent Balance at August 31, 2023*
<b>Transportation Fees</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Basic Instruction Fees</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Basic instruction supplies							
<b>Fees to Enhance Basic Instruction</b>							
Technology user fees	\$207,641	\$215,000	\$239,094	\$0	\$0	\$1,279,367	\$0
Alternative program fees	\$1,348,366	\$1,287,811	\$2,721,850	\$0	\$0	\$2,721,850	\$0
Fees for optional courses	\$161,827	\$120,715	\$143,444	\$0	\$0	\$287,160	\$0
Activity fees	\$20,995	\$72,000	\$56,191	\$0	\$0	\$82,416	\$0
Early childhood services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other fees to enhance education	\$5,180	\$2,000	\$4,551	\$8,656	\$0	\$4,551	\$8,656
<b>Non-Curricular fees</b>							
Extracurricular fees	\$281,389	\$250,000	\$355,103	\$0	\$0	\$460,276	\$0
Non-curricular travel	\$31,371	\$0	\$76,431	\$0	\$0	\$99,865	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$45,635	\$65,000	\$32,903	\$42,358	\$0	\$20,370	\$54,891
Other fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL FEES</b>	<b>\$2,102,404</b>	<b>\$2,012,526</b>	<b>\$3,629,567</b>	<b>\$51,014</b>	<b>\$0</b>	<b>\$4,955,855</b>	<b>\$63,547</b>

\*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 2023	Actual 2022
Cafeteria sales, hot lunch, milk programs	\$150,600	\$114,161
Special events, graduation, tickets	\$90,701	\$67,914
International and out of province student revenue	\$1,003,509	\$666,847
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$299,163	\$234,937
Adult education revenue	\$0	\$0
Preschool	\$104,620	\$120,786
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$5,034	\$8,529
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
<b>TOTAL</b>	<b>\$1,653,627</b>	<b>\$1,213,174</b>

Please provide a description, if needed.

**SCHEDULE 10**

**UNAUDITED SCHEDULE OF SYSTEM ADMINISTRATION**  
**For the Year Ended August 31, 2023 (in dollars)**  
**Allocated to System Administration**  
**2023**

<b>EXPENSES</b>	<b>Salaries &amp; Benefits</b>	<b>Supplies &amp; Services</b>	<b>Other</b>	<b>TOTAL</b>
Office of the superintendent	\$ 356,136	\$ 24,500	\$ -	\$ 380,636
Educational administration (excluding superintendent)	406,797	47,989	-	454,786
Business administration	651,182	214,453	-	865,635
Board governance (Board of Trustees)	138,927	106,747	-	245,674
Information technology		411,519	-	411,519
Human resources	316,424	13,289	-	329,713
Central purchasing, communications, marketing		18,539	-	18,539
Payroll	195,618	6,645	-	202,263
Administration - insurance			69,991	69,991
Administration - amortization			154,201	154,201
Administration - other (admin building, interest)			228,372	228,372
Other (describe)	-	-	-	-
Other (describe)	-	-	-	-
Other (describe)	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>\$ 2,065,084</b>	<b>\$ 843,681</b>	<b>\$ 452,564</b>	<b>\$ 3,361,329</b>
Less: Amortization of unsupported tangible capital assets				(\$154,201)
<b>TOTAL FUNDED SYSTEM ADMINISTRATION EXPENSES</b>				<b>3,207,128</b>

<b>REVENUES</b>	<b>2023</b>
System Administration grant from Alberta Education	3,066,271
System Administration other funding/revenue from Alberta Education (ATRF, secondment revenue, etc)	123,088
System Administration funding from others	158,912
<b>TOTAL SYSTEM ADMINISTRATION REVENUES</b>	<b>3,348,271</b>
Transfers (to)/from System Administration reserves	13,058
Transfers to other programs	-
<b>SUBTOTAL</b>	<b>3,361,329</b>
2022 - 23 System Administration expense (over) under spent	\$154,201