

Hillcrest Christian School Society
Financial Statements
For the year ended August 31, 2021



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Canada

Independent Auditor's Report

To the Members of Hillcrest Christian School Society

Opinion

We have audited the financial statements of Hillcrest Christian School Society (the Society), which comprise the statement of financial position as at August 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

Emphasis of Matters

We draw attention to Note 2 to the financial statements, which explains that certain comparative information presented for the year ended August 31, 2020 has been restated. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report - continued

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 Society'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 Society'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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Red Deer, Alberta
November 22, 2021



Chartered Professional Accountants

Private School Authority Code: 9171
School Code: 1194

**AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules for
FUNDED PRIVATE SCHOOLS
FOR THE YEAR ENDED AUGUST 31, 2021**
Education Act, Section 29
Private Schools Regulation, Alberta Regulation 93/2019

Hillcrest Christian School
Hillcrest Christian School Society
Name of Private School and Legal Name of Organization Operating the Private School

10306 102 St., Grande Prairie, AB T8V 2W3
Mailing Address

780-539-9161 Fax 780-532-6932
Telephone and Fax Numbers

These Financial Statements and Supporting Schedules are Audited by:

BDO Canada LLP Suite 100, 179D Leva Avenue, Red Deer County, Alberta, T4E 1B9



Name and Address of the Audit Firm

Auditor's Signature

PRIVATE SCHOOL MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING.

The financial statements and supporting schedules of _____
(Name of Private School)

presented to Alberta Education have been prepared by the private school's management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit organizations and Ministerial requirements for Alberta funded private schools. In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the private school's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the private school's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

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

External Independent Auditors

The Board appoints external independent auditors to audit these financial statements and meets with the auditor to review their findings. The external independent auditors have full and free access to school authority's records.

Declaration of Board Chair and Treasurer, Secretary-Treasurer

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position as at August 31, 2021 and results of operations, cash flows, and changes in net assets for the year then ended in accordance with Canadian Accounting Standards for Not-For-Profit Organizations and Ministerial requirements for Alberta funded private schools.

BOARD CHAIR

Sharon Ambros Sharon
Name Signature

SUPERINTENDENT / PRINCIPAL

Dave Paetkau _____
Name Signature

SECRETARY TREASURER OR TREASURER

Calvin Smith _____
Name Signature

Board-approved Release Date _____

ALBERTA EDUCATION, Financial Reporting and Accountability,
8th Floor Commerce Place, 10155-102 Street, Edmonton, Alberta T5J 4L5
E-mail: Maria.Clawson@gov.ab.ca Telephone: (780) 427-7404



Private School Authority Code: 9171
School Code: 1194

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

| | | AFS 2021 | AFS 2020 (NOTE *) (Restated - Note 2) |
|--|------------------|------------------|---|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | Note | \$297,560 | \$150,117 |
| Accounts receivable (net after allowances) | | | |
| Province of Alberta | Note | \$0 | \$0 |
| Federal Government and/or First Nations | Note 2/3 | \$114,559 | \$96,309 |
| Other accounts receivable | Note 3 | \$3,850 | \$10,086 |
| Prepaid expenses | Note 4 | \$4,490 | \$8,139 |
| Other current assets | Note | \$0 | \$0 |
| Total current assets | | \$420,459 | \$264,651 |
| School generated assets | Note | \$0 | \$0 |
| Trust assets | Note | \$0 | \$0 |
| Other assets | Note | \$0 | \$0 |
| Capital assets | | | |
| Land at cost | | \$0 | \$0 |
| Buildings at cost | | \$0 | |
| Less: accumulated amortization | | \$0 | \$0 |
| Leasehold improvements at cost | | \$28,085 | |
| Less: accumulated amortization | | \$25,144 | \$4,345 |
| Equipment at cost | | \$5,288 | |
| Less: accumulated amortization | | \$5,288 | \$529 |
| Vehicles at cost | | \$0 | |
| Less: accumulated amortization | | \$0 | \$0 |
| Total capital assets | Note 5 | \$2,941 | \$4,874 |
| TOTAL ASSETS | \$423,400 | \$423,400 | \$269,525 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Bank indebtedness | Note 6 | \$0 | \$0 |
| Accounts payable and accrued liabilities | | | |
| Province of Alberta | Note | \$40,238 | \$0 |
| Federal Government and/or First Nations | Note | \$9,479 | \$8,660 |
| Other payables and accrued liabilities | Note | \$17,206 | \$20,648 |
| Capital payables | Note | \$0 | \$0 |
| Deferred contributions | Note 7 | \$17,863 | \$6,512 |
| Deferred capital allocations | Note | \$0 | \$0 |
| Current portion of long term debt | | \$0 | \$0 |
| Total current liabilities | | \$84,786 | \$35,820 |
| School generated liabilities | Note | \$0 | \$0 |
| Trust liabilities | Note | \$0 | \$0 |
| Other liabilities | Note | \$0 | \$0 |
| Long term debt | | | |
| Debentures & Bonds | Note | \$0 | \$0 |
| Capital loans | Note | \$0 | \$0 |
| Capital leases | Note | \$0 | \$0 |
| Mortgages | Note | \$0 | \$0 |
| Other loans | Note | \$0 | \$0 |
| Less: Current portion of long term debt | Note | \$0 | \$0 |
| Unamortized capital allocations | Note | \$0 | \$0 |
| Total long term liabilities | | \$0 | \$0 |
| TOTAL LIABILITIES | | \$84,786 | \$35,820 |
| NET ASSETS | | | |
| Unrestricted net assets | | \$335,673 | \$228,831 |
| Operating reserves | | \$0 | \$0 |
| Total accumulated surplus (deficit) from operations | | \$335,673 | \$228,831 |
| Investment in capital assets | | \$2,941 | \$4,874 |
| Capital reserves | | \$0 | \$0 |
| Total capital funds | | \$2,941 | \$4,874 |
| Total net assets | | \$338,614 | \$233,705 |
| TOTAL LIABILITIES AND NET ASSETS | \$423,400 | \$423,400 | \$269,525 |

Note: * Audited Financial Statements (AFS) as submitted to Alberta Education pursuant to Section 29 of the Education Act; Private Schools Regulation, Alberta Regulation 93/2019 or as restated.
Input "(Restated)" in 2020 column heading where not taken from the finalized 2019/2020 Audited Financial Statements.

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

| | AFS 2021 | Budget 2021 (NOTE *) | AFS 2020 (NOTE *) (Restated - Note 2) |
|--|------------------|-------------------------|---|
| REVENUES | | | |
| Alberta Education (excluding Home Education) | \$366,544 | \$407,807 | \$413,245 |
| Alberta Education - Home Education | \$22,100 | \$6,800 | \$6,683 |
| Total Alberta Education Revenues | \$388,644 | \$414,607 | \$419,928 |
| Other Government of Alberta | \$6,460 | \$0 | \$0 |
| Federal Government and/or First Nations | \$193,786 | \$0 | \$95,406 |
| Other Alberta school authorities | \$0 | \$0 | \$0 |
| Instructional fees/Tuition fees | \$129,395 | \$185,105 | \$134,083 |
| Non-instructional fees (O&M, Transportation, Admin, etc.) | \$0 | \$7,370 | \$27,984 |
| Other sales and services | \$5,629 | \$13,600 | \$6,672 |
| Interest on investments | \$0 | \$0 | \$0 |
| Gifts and donations | \$5,126 | \$15,000 | \$6,667 |
| Gross school generated funds | \$0 | \$0 | \$0 |
| Amortization of capital allocations | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | \$0 |
| Total Revenues | \$729,040 | \$635,682 | \$690,740 |
| EXPENSES | | | |
| Certificated salaries (excluding home education) | \$389,974 | \$361,008 | \$343,942 |
| Certificated benefits | \$27,175 | \$24,412 | \$24,238 |
| Non-certificated salaries and wages (excluding home education) | \$104,816 | \$89,960 | \$55,989 |
| Non-certificated benefits | \$7,398 | \$6,297 | \$3,591 |
| Services, contracts and supplies other than Consulting fees/Management fees, and leases (excluding home ed.) | \$79,628 | \$78,833 | \$57,091 |
| Consulting / Management Fees | \$0 | \$0 | \$0 |
| Leases - Building | \$0 | \$0 | \$0 |
| Leases - Other | \$0 | \$0 | \$0 |
| Severe Disabilities / DSEPS (excluding home education) | \$0 | \$0 | \$0 |
| English as a Second Language (excluding home education) | \$0 | \$0 | \$0 |
| Home Education: | | | |
| Certificated salaries | \$955 | \$0 | \$0 |
| Certificated benefits | \$68 | \$0 | \$0 |
| Non-certificated salaries & wages | \$0 | \$0 | \$0 |
| Non-certificated benefits | \$0 | \$0 | \$0 |
| Payments to parents who provided home education programs to students | \$11,703 | \$0 | \$480 |
| Contracts | \$0 | \$0 | \$0 |
| Services and supplies | \$0 | \$0 | \$0 |
| Gross school generated funds | \$0 | \$0 | \$0 |
| Capital and debt services | | | |
| Amortization of capital assets: | | | |
| From restricted funds | \$0 | \$0 | \$0 |
| From unrestricted funds | \$1,933 | \$2,462 | \$2,462 |
| Total amortization of capital assets | \$1,933 | \$2,462 | \$2,462 |
| Interest on capital debt | \$0 | \$0 | \$0 |
| Other interest charges | \$481 | \$0 | \$299 |
| Losses (gains) on disposal of capital assets | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | \$0 |
| Total Expenses | \$624,131 | \$562,972 | \$488,092 |
| SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES | \$104,909 | \$72,710 | \$202,648 |
| | \$104,909 | | |

Note: * Input *(Restated) in Budget 2021 and/or AFS 2020 column headings where comparatives are not taken from the respective finalized 2020/2021 Budget Report and/or finalized 2019/2020 Audited Financial Statements.

Private School Authority Code: 9171
 School Code: 1194

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

| | AFS 2021 | AFS 2020 (NOTE *) (Restated - Note 2) | |
|---|------------------|---|------------------|
| CASH FLOWS FROM: | | | |
| A. OPERATING ACTIVITIES | | | |
| Surplus (deficit) of revenues over expenses for the year | \$104,909 | \$202,648 | |
| Add (Deduct) items not requiring cash: | | | |
| Amortization of capital allocations revenue | \$0 | \$0 | |
| Total amortization expense | \$1,933 | \$2,462 | |
| Add losses or deduct gains on disposal of capital assets | \$0 | \$0 | |
| Changes in accrued accounts: | | | |
| Accounts receivable | (\$12,014) | (\$89,990) | |
| Prepays and other current assets | \$3,649 | (\$1,689) | |
| Payables and accrued liabilities | \$37,615 | \$5,675 | |
| Deferred contributions | \$11,351 | \$2,385 | |
| Other (specify): | | \$0 | |
| Total sources (uses) of cash from operations | \$147,443 | \$121,491 | |
| B. INVESTING ACTIVITIES | | | |
| Purchases of capital assets: | | | |
| Land | \$0 | \$0 | |
| Buildings | \$0 | \$0 | |
| Leasehold improvements | \$0 | \$0 | |
| Equipment | \$0 | \$0 | |
| Vehicles | \$0 | \$0 | |
| Net proceeds from disposal of capital assets | \$0 | \$0 | |
| Other (specify): | \$0 | \$0 | |
| Total sources (uses) of cash from investing activities | \$0 | \$0 | |
| C. FINANCING ACTIVITIES | | | |
| Capital contributions received | \$0 | \$0 | |
| Issuance of long term debt | \$0 | \$0 | |
| Repayment of long term debt | \$0 | \$0 | |
| Other (specify): | \$0 | \$0 | |
| Total sources (uses) from financing activities | \$0 | \$0 | |
| Net sources (uses) of cash equivalents* * during year | \$147,443 | \$121,491 | |
| Cash equivalents at the beginning of year | \$150,117 | \$28,626 | |
| Cash equivalents at the end of year | \$297,560 | \$150,117 | \$150,117 |

NOTE: * Input "(Restated)" in 2020 column heading where not taken from the finalized 2019/2020 Audited Financial Statements.

* * Cash equivalents consist of cash and temporary investments net of bank indebtedness.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2021
 (in dollars)

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---|--|---------------------------------|---|---|-----------------------|----------------------|-------------------|----------------------|
| | TOTAL NET ASSETS (Columns 2+3+4) | INVESTMENT IN CAPITAL ASSETS | UNRESTRICTED NET ASSETS (+, -) | TOTAL RESTRICTED NET ASSETS (Columns 5 to 8) | RESTRICTED NET ASSETS | | | |
| | | | | | OPERATING RESERVES | | CAPITAL RESERVES | |
| | | | | | Grades K to 12 | External Services | Grades K to 12 | External Services |
| Balance at August 31, 2020 | \$138,299 | \$4,874 | \$133,425 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Prior period adjustments (specify): | | | | | | | | |
| Adjustment to revenue for CEWS income related to prior period | \$95,406 | \$0 | \$95,406 | \$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 |
| Adjusted balance, August 31, 2020 | \$233,705 | \$4,874 | \$228,831 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Surplus(deficit) of revenues over expenses (from page 3) | \$104,909 | | \$104,909 | | | | | |
| Capital asset acquisitions (less financed and/or less capital contributions received) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Donations of non-amortizable assets | \$0 | \$0 | | | | | | |
| Amortization of capital assets (expense) * | | (\$1,933) | \$1,933 | | | | | |
| Amortization of capital allocations (revenue) ** | | \$0 | \$0 | | | | | |
| Disposal of capital assets | | \$0 | \$0 | \$0 | | | \$0 | \$0 |
| Debt principal payments *** | | \$0 | \$0 | | | | | |
| Net transfers to/from operating reserves | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | | |
| Net transfers to/from capital reserves | \$0 | \$0 | \$0 | \$0 | | | \$0 | \$0 |
| Other transfers (specify): | \$0 | \$0 | \$0 | | | | | |
| | | | | | | | | |
| Balance at August 31, 2021 | \$338,614 | \$2,941 | \$335,673 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | \$338,614 | \$338,614 | \$2,941 | \$335,673 | \$0 | | | |

Note:

- * Amortization of Capital Assets expense decreases the Investment in Capital Assets and increases Unrestricted Net Assets.
- ** Amortization of Capital Allocations revenue increases the investment in Capital Assets and decreases Unrestricted Net Assets.
- *** Principal payments increase Investment In Capital Assets and decreases Unrestricted Net Assets as the outstanding capital debt is paid down.

**SCHEDULE 1
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS
for the Year Ended August 31, 2021**

Private School Authority Code: _____
School Code: _____

9171
1194

| REVENUES | TOTAL | Home Education and Shared Responsibility | ECS | | Instruction (Grades 1 to 12) | Operations and Maintenance of Schools (Grades 1 to 12) | Transportation (Grades 1 to 12) | Board and System Administration (Grades 1 to 12) | External Services | |
|--|------------------|--|--------------------------|------------------|------------------------------|--|---------------------------------|--|-------------------|------------|
| | | | Pre-Kindergarten (Pre-K) | Kindergarten (K) | | | | | | |
| Alberta Education allocations | | | | | | | | | | |
| (1) Base Instruction | \$269,269 | | \$0 | \$11,522 | \$257,747 | | | | | |
| Distance Education: | | | | | | | | | | |
| (2) Grades 10 to 12 - online (> = 30 Completed Credits) | \$0 | | | | \$0 | | | | | |
| (3) Grades 10 to 12 - online (< 30 Completed Credits) | \$0 | | | | \$0 | | | | | |
| (4) Summer School | \$0 | | | | \$0 | | | | | |
| (5) Home Education and Shared Responsibility | \$22,100 | \$22,100 | | | | | | | | |
| (6) ECS Mild/Moderate Disabilities/Delays, Gifted and Talented | \$0 | | \$0 | \$0 | | | | | | |
| (7) Severe Disabilities | \$21,404 | | | | \$21,404 | | | | | |
| (8) Designated Special Education (DSEPS) | \$0 | | | | \$0 | | | | | |
| (9) ECS Program Unit (PUF) | \$0 | | \$0 | \$0 | | | | | | |
| (10) Institutional Programs | \$0 | | | | \$0 | | | | | |
| (11) English as a Second Language (ESL) | \$0 | | \$0 | \$0 | | | | | | |
| (12) First Nations, Metis, and Inuit Education | \$0 | | | | \$0 | | | | | |
| (13) Operations and Maintenance Grant | \$34,552 | | \$0 | \$0 | \$0 | \$34,552 | | | | |
| (14) System Administration | \$20,319 | | \$0 | \$0 | | | | \$20,319 | | |
| (15) Community Supports Grant | \$13,377 | | | | \$13,377 | | | | | |
| (16) Transportation Grant (ECS) | \$2,196 | | \$0 | \$2,196 | | | | | | |
| (17) SuperNet Services | \$0 | | \$0 | \$0 | \$0 | | | | | |
| (18) Other - Alberta Education (specify): | \$5,427 | \$0 | \$0 | \$0 | \$5,427 | | | | | |
| TOTAL ALBERTA EDUCATION ALLOCATIONS | \$388,644 | \$22,100 | \$0 | \$13,718 | \$297,955 | \$34,552 | | \$20,319 | | |
| (19) Other Government of Alberta | \$6,460 | \$0 | \$0 | \$0 | \$6,460 | \$0 | \$0 | \$0 | \$0 | |
| (20) Federal Government and/or First Nations | \$193,786 | \$0 | \$0 | \$4,698 | \$175,625 | \$0 | \$0 | \$13,463 | \$0 | |
| (21) Other Alberta school authorities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (22) Instructional fees / tuition fees | \$129,395 | \$0 | \$0 | \$940 | \$128,455 | | | | \$0 | |
| (23) Non-instructional fees (O&M, Transport, Admin, etc.) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (24) Other fees and services | \$5,629 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,629 | \$0 | |
| (25) Interest on investments | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (26) Gifts and donations | \$5,126 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,126 | \$0 | |
| (27) Gross school generated funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (28) Amortization of capital allocations | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (29) Other (specify): | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| TOTAL REVENUES | \$729,040 | \$729,040 | \$22,100 | \$0 | \$19,356 | \$608,495 | \$34,552 | \$0 | \$44,537 | \$0 |
| EXPENSES | | | | | | | | | | |
| (30) Certificated salaries | \$390,928 | \$955 | \$0 | \$10,920 | \$354,628 | | | \$24,425 | \$0 | |
| (31) Certificated benefits | \$27,344 | \$68 | \$0 | \$777 | \$24,745 | | | \$1,654 | \$0 | |
| (32) Non-certificated salaries and wages | \$104,816 | \$0 | \$0 | \$6,380 | \$95,775 | \$2,661 | \$0 | \$0 | \$0 | |
| (33) Non-certificated benefits | \$7,398 | \$0 | \$0 | \$437 | \$6,780 | \$181 | \$0 | \$0 | \$0 | |
| SUB-TOTAL | \$530,386 | \$1,023 | \$0 | \$18,514 | \$481,928 | \$2,842 | \$0 | \$26,079 | \$0 | |
| (34) Services, contracts & supplies - other than Consulting fees / Management fees, and leases | \$91,331 | \$11,703 | \$0 | \$2,357 | \$43,794 | \$15,500 | | \$17,977 | \$0 | |
| (35) Consulting / Management Fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (36) Leases - Building | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (37) Leases - Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (38) Severe Disabilities / DSEPS | \$0 | | | | \$0 | | | | | |
| (39) English as a Second Language (ESL) | \$0 | | \$0 | \$0 | \$0 | | | | | |
| (40) Gross school generated funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Capital and debt services | | | | | | | | | | |
| (41) Amortization of capital assets from restricted funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (42) Amortization of capital assets from unrestricted funds | \$1,933 | \$0 | \$0 | \$0 | \$0 | \$1,933 | \$0 | \$0 | \$0 | |
| (43) Interest on capital debt | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (44) Other interest charges | \$481 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$481 | \$0 | |
| (45) Losses (gains) on disposal of capital assets | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| (46) Other (specify): | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| TOTAL EXPENSES | \$624,131 | \$624,131 | \$12,726 | \$0 | \$20,871 | \$525,722 | \$20,275 | \$0 | \$44,537 | \$0 |
| Surplus(deficit) of revenues over expenses | \$104,909 | \$104,909 | \$9,374 | \$0 | (\$1,515) | \$82,773 | \$14,277 | \$0 | \$0 | \$0 |
| | \$104,909 | | \$0 | (\$1,515) | | | | | | |

Private School Authority Code: 9171
 School Code: 1194

SCHEDULE 2
ANALYSIS OF EARLY CHILDHOOD SERVICES (Pre-Kindergarten (Pre-K) and Kindergarten (K)) REVENUES AND EXPENSES
for the Year Ended August 31, 2021

| | 2021 AFS | | 2020 AFS** |
|---|-----------------------------|---------------------|------------------|
| | ECS | | ECS |
| | Pre-Kindergarten (Pre-K) | Kindergarten (K) | (Pre-K) and (K) |
| REVENUES | | | |
| Alberta Education * | | | |
| Base Instruction | \$0 | \$11,522 | \$13,360 |
| Mild/Moderate Disabilities/Delays, Gifted & Talented | \$0 | \$0 | \$0 |
| Program Unit (PU) | \$0 | \$0 | \$0 |
| English as a Second Language (ESL) | \$0 | \$0 | \$0 |
| Transportation | \$0 | \$2,196 | \$1,860 |
| Operations and Maintenance | \$0 | \$0 | \$1,590 |
| Administration | \$0 | \$0 | \$926 |
| SuperNet Services | \$0 | \$0 | \$0 |
| Other-Alberta Education | \$0 | \$0 | \$202 |
| Total Alberta Education Revenues | \$0 | \$13,718 | \$17,938 |
| Instruction fees | \$0 | \$940 | \$940 |
| Non-instructional fees | \$0 | \$0 | \$0 |
| All other revenues | \$0 | \$4,698 | \$0 |
| TOTAL REVENUES* * * | \$0 | \$19,356 | \$18,878 |
| EXPENSES | | | |
| Instruction | \$0 | \$18,569 | \$19,175 |
| Parent resources, coordination and teacher in-service | \$0 | \$0 | \$0 |
| Food services program | \$0 | \$0 | \$973 |
| Administration | \$0 | \$24 | \$0 |
| Operations & maintenance | \$0 | \$0 | \$1,591 |
| Transportation | \$0 | \$2,278 | \$1,448 |
| English as a Second Language (ESL) | \$0 | \$0 | \$0 |
| SuperNet Services | \$0 | \$0 | \$0 |
| All other expenses | \$0 | \$0 | \$0 |
| TOTAL EXPENSES* * * | \$0 | \$20,871 | \$23,187 |
| SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES | \$0 | (\$1,515) | (\$4,309) |
| | \$0 | (\$1,515) | |

* Alberta Education Revenues as per Funding Manual for School Authorities in the 2020/2021 School Year under the Early Childhood Services section.
 * * Input "(Restated)" in AFS 2020 column heading where not taken from the finalized 2019/2020 Audited Financial Statements and Supporting Schedules.
 * * * Total revenues and expenses on this schedule must agree with the Schedule 1 total revenues and expenses allocated under the ECS program.

Private School Authority Code: 9171
 School Code: 1194

SCHEDULE 3 *
ANALYSIS OF EARLY CHILDHOOD SERVICES (Pre-Kindergarten (Pre-K) and Kindergarten (K)) PROGRAM UNIT EXPENSES
for the Year Ended August 31, 2021

| | 2021 AFS | | 2020 AFS ** |
|--|-----------------------------|---------------------|-----------------|
| | ECS | | ECS |
| | Pre-Kindergarten (Pre-K) | Kindergarten (K) | (Pre-K) and (K) |
| Instruction | | | |
| Salaries & wages (non-certificated) | \$0 | \$0 | \$0 |
| Benefits (non-certificated) | \$0 | \$0 | \$0 |
| Specialized services and supports | \$0 | \$0 | \$0 |
| Supplies and materials | \$0 | \$0 | \$0 |
| Parent and staff in-service | \$0 | \$0 | \$0 |
| Transportation | \$0 | \$0 | \$0 |
| Specialized equipment & furniture (child specific). Please specify: | \$0 | \$0 | \$0 |
| | | | |
| Total | \$0 | \$0 | \$0 |

Note: * Designated Special Education ECS Programs do not need to complete this schedule. Costs for these programs will be reported in Schedule 2.

** Input "(Restated)" in AFS 2020 column heading where not taken from the finalized 2019/2020 Audited Financial Statements and Supporting Schedules.

Schedule 4

**Remuneration & Monetary Incentives, and Contracted Services For Senior Management and Directors Position
for the Year Ended August 31, 2021**

| Position | Name | Full Time Equivalent (FTE) 2021 | Remuneration 2021 | Benefits 2021 | Other Compensation 2021 | Other Expenses 2021 | Full Time Equivalent (FTE) 2020 | Remuneration 2020 | Benefits 2020 | Other Compensation 2020 | Other Expenses 2020 |
|--|--------------------------------|---------------------------------|----------------------|-----------------|-------------------------|---------------------|---------------------------------|----------------------|-----------------|-------------------------|---------------------|
| Board Chair: | Sharon Ambros | 0.07 | \$0 | \$0 | \$0 | \$0 | 0.07 | \$0 | \$0 | \$0 | \$0 |
| Secretary-Treasurer: | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Secretary: | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Treasurer: | Calvin Smith | 0.07 | \$0 | \$0 | \$0 | \$0 | 0.07 | \$0 | \$0 | \$0 | \$0 |
| Board of Directors: | 1 Elaine Isaac | 0.03 | \$0 | \$0 | \$0 | \$0 | 0.03 | \$0 | \$0 | \$0 | \$0 |
| | 2 Daniel Giesbrecht-Hildebrand | 0.03 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 3 Brittany Smith-Giesbrecht | 0.03 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 4 Terry Smith | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.03 | \$0 | \$0 | \$0 | \$0 |
| | 5 Jennifer Friesen | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.03 | \$0 | \$0 | \$0 | \$0 |
| | 6 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 7 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 8 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 9 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 10 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 11 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 12 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 13 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Board of Directors - Total | | 0.09 | \$0 | \$0 | \$0 | \$0 | 0.09 | \$0 | \$0 | \$0 | \$0 |
| Superintendent: | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Principals: | 1 Dave Paetkau | 0.56 | \$37,302 | \$2,481 | \$0 | \$0 | 0.56 | \$34,491 | \$2,283 | \$0 | \$0 |
| | 2 Curt Smith-Giesbrecht | 0.29 | \$12,503 | \$896 | \$0 | \$0 | 0.29 | \$11,641 | \$812 | \$0 | \$0 |
| | 3 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 4 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 5 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 6 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 7 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 8 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 9 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Principals - Total | | 0.85 | \$49,805 | \$3,377 | \$0 | \$0 | 0.85 | \$46,132 | \$3,095 | \$0 | \$0 |
| Chief Financial Officer: | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Management/Executives:1. | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 2 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 3 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 4 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 5 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 6 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Management/Executives - Total | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Total Certificated staff (excluding Home Education) | | 6.64 | \$340,168 | \$23,799 | \$0 | \$0 | 6.46 | \$297,810 | \$21,143 | \$0 | \$0 |
| Total Non-Certificated staff (excluding Home Education) | | 5.23 | \$104,816 | \$7,398 | \$0 | \$0 | 4.28 | \$55,989 | \$3,591 | \$0 | \$0 |
| Total Certificated contract staff (excluding Home Education) | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Total Non-Certificated contract staff (excluding Home Education) | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Total Certificated staff (Home Education) | | 0.02 | \$955 | \$68 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Total Non-Certificated staff (Home Education) | | | | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Total Certificated Contract staff (Home Education) | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Total Non-Certificated Contract staff (Home Education) | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Contracted Services for Senior Management and Director's Position Only: | | | | | | | | | | | |
| Position | Name | FTE 2021 | Contract Amount 2021 | Allowances 2021 | Bonuses 2021 | Other Expenses 2021 | FTE 2020 | Contract Amount 2020 | Allowances 2020 | Bonuses 2020 | Other Expenses 2020 |
| Consulting / Management fees: | 1 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 2 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 3 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| | 4 | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |
| Consulting / Management fees - Total | | 0.00 | \$0 | \$0 | \$0 | \$0 | 0.00 | \$0 | \$0 | \$0 | \$0 |

Private School Authority Code: 9171

School Code: 1194

SCHEDULE 5

INSTRUCTIONAL AND NON-INSTRUCTIONAL TUITION / FEES

for the Year Ended August 31, 2021

| | Child/ Student Count 2020/2021 | Tuition/Fees per child/student 2020/2021 | ECS Total Tuition/Fees 2020/2021 | Grades 1 to 12 Total Tuition/Fees 2020/2021 | Child/ Student count 2019/2020 | Tuition/Fees per child/student 2019/2020 | ECS Total Tuition/Fees 2019/2020 | Grades 1 to 12 Total Tuition/Fees 2019/2020 |
|--|---|---|---|--|---|---|---|--|
| Instructional | | | | | | | | |
| Instruction - Kindergarten (K) | 4 | \$235 | \$940 | | 4 | \$235 | \$940 | |
| Instruction (K) (additional child per family) | 0 | \$0 | \$0 | | 0 | \$0 | \$0 | |
| Instruction - Pre-Kindergarten (Pre-K) | 0 | \$0 | \$0 | | 0 | \$0 | \$0 | |
| Instruction (Pre-K) (additional child per family) | 0 | \$0 | \$0 | | 0 | \$0 | \$0 | |
| Instruction grades 1 to 6 | 6 | \$4,615 | | \$27,690 | 10 | \$3,911 | | \$39,110 |
| Instruction grades 1 to 6 (additional student per family) | 25 | \$565 | | \$14,117 | 31 | \$497 | | \$15,406 |
| Instruction grades 7 to 9 | 9 | \$4,615 | | \$41,535 | 3 | \$3,911 | | \$11,733 |
| Instruction grades 7 to 9 (additional student per family) | 6 | \$565 | | \$3,388 | 7 | \$497 | | \$3,479 |
| Instruction grades 10 to 12 | 8 | \$4,615 | | \$36,920 | 15 | \$3,911 | | \$58,665 |
| Instruction grades 10 to 12 (additional student per family) | 1 | \$565 | | \$565 | 0 | \$0 | | \$0 |
| Other Instruction Fees / Tuition (ECS and grades 1 to 12) (describe) | | | \$0 | \$4,240 | | | \$0 | \$4,750 |
| Instructional - Maximum amount | | \$4,615 | | | | \$3,911 | | |
| Instructional - Tuition/Fees - TOTAL | 59 | | \$940 | \$128,455 | 70 | | \$940 | \$133,143 |
| Non-Instructional | | | | | | | | |
| Operations and Maintenance of Schools ECS | 0 | \$0 | \$0 | | 0 | \$0 | \$0 | |
| Operations and Maintenance of Schools (grades 1 to 6) | 0 | \$0 | | \$0 | 0 | \$0 | | \$0 |
| Operations and Maintenance of Schools (grades 7 to 9) | 0 | \$0 | | \$0 | 0 | \$0 | | \$0 |
| Operations and Maintenance of Schools (grades 10 to 12) | 0 | \$0 | | \$0 | 0 | \$0 | | \$0 |
| Operations and Maintenance of Schools - Total | | | \$0 | \$0 | | | \$0 | \$0 |
| Transportation ECS | 0 | \$0 | \$0 | | 0 | \$0 | \$0 | |
| Transportation (grades 1 to 6) | 0 | \$0 | | \$0 | 0 | \$0 | | \$0 |
| Transportation (grades 7 to 9) | 0 | \$0 | | \$0 | 0 | \$0 | | \$0 |
| Transportation (grades 10 to 12) | 0 | \$0 | | \$0 | 0 | \$0 | | \$0 |
| Transportation - Total | | | \$0 | \$0 | | | \$0 | \$0 |
| Board and System Administration ECS | 0 | \$0 | \$0 | | 0 | \$0 | \$0 | |
| Board and System Administration (grades 1 to 6) | 0 | \$0 | | \$0 | 41 | \$424 | | \$17,384 |
| Board and System Administration (grades 7 to 9) | 0 | \$0 | | \$0 | 10 | \$424 | | \$4,240 |
| Board and System Administration (grades 10 to 12) | 0 | \$0 | | \$0 | 15 | \$424 | | \$6,360 |
| Board and System Administration - Total | | | \$0 | \$0 | | | \$0 | \$27,984 |
| Other Non-Instructional Fees (ECS and grades 1 to 12) (describe) | | | \$0 | \$0 | | | \$0 | \$0 |
| Non-Instructional - Maximum amount | | \$0 | | | | \$424 | | |
| Non-Instructional Fees - TOTAL | | | \$0 | \$0 | | | \$0 | \$27,984 |
| Instructional and Non-Instructional Tuition/Fees - TOTAL | 59 | | \$940 | \$128,455 | 70 | | \$940 | \$161,127 |

Description/Explanation:

**Schedule 6
 Related Party
 for the Year Ended August 31, 2021**

| Details of Transactions | Related Party to Management and/or Executives, Superintendent, Principal, Secretary/Treasurer, Chief Financial Officer: | | Related Party to Board Chair/President: | | Related Party to Board of Directors: | |
|---|---|---|---|------|--------------------------------------|------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Person's Name (Related Party to, e.g. manager (provide name), Superintendent) | | | | | | |
| Name of a Corporation/ Business (Related Party to, provide name) | Hilcrest Mennonite Church is a related party as the society and the Church sharing space and expenses. Certain expenses the Church will pay for an expense and the society will reimburse the Church. Those expenses are as follows: Property and Liability Insurance of \$1,500 each, Telephone utilities of \$1,250.16. | Hilcrest Mennonite Church is a related party as the society and the Church sharing space and expenses. Certain expenses the Church will pay for an expense and the society will reimburse the Church. Those expenses are as follows: Property and Liability Insurance of \$1,500 each, Telephone utilities of \$1,206.46. | | | | |
| Relationship of Related Party and related to who? | | | | | | |
| Transaction Description/Amount | | | | | | |
| | 2021 | 2020 | | | | |
| Role/Job/ Position of a Related Party with School Authority (provide name and position) | Board members were charged Tuition fees of \$7,960 in accordance with the Board approved fee schedule. | Board members were charged Tuition fees of \$4,548 in accordance with the Board approved fee schedule. | | | | |
| Related Party Remuneration, Benefits, Bonuses, and other expenses (provide name and amount) | The society pays Joyspring Accounting accounting fees to perform annual bookkeeping and preparation of draft financial statements a total of \$3,780. Joyspring Accounting is owned by the Board Chair. These services are provided at fair market value. | The society pays Joyspring Accounting accounting fees to perform annual bookkeeping and preparation of draft financial statements a total of \$3,780. Joyspring Accounting is owned by the Board Chair. These services are provided at fair market value. | | | | |
| Lease/Rent (to/from Related Party (provide name, type, and amount) | | | | | | |
| School donated/gifted funds to Related Party, and/or Sales of Capital Assets to Related Party (provide type, amount and purpose) | | | | | | |
| School provided a loan to a Related Party and/or a guarantee on the bank loans of the Related Party (provide amount of loan and/or amount of the guarantee, type & purpose) | | | | | | |

| Private School Authority Code: 9171 | | | | | | |
|--|-----------------|--------------------------------|---------------------------------|---|------------------------------------|---|
| School Code: 1194 | | | | | | |
| SCHEDULE 7 | | | | | | |
| ALLOCATION OF COVID-19 REVENUES and EXPENSES | | | | | | |
| for the Year Ended August 31, 2021 | | | | | | |
| REVENUES | TOTAL | Early Childhood Services | Instruction (Grades 1 to 12) | Operations and Maintenance of Schools (Grades 1 to 12) | Transportation (Grades 1 to 12) | Board and System Administration (Grades 1 to 12) |
| Alberta Education Covid allocations | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Government and/or First Nations | \$27,166 | \$0 | \$9,096 | \$18,068 | \$0 | \$0 |
| Other (specify): | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL REVENUES | \$27,166 | \$0 | \$9,096 | \$18,068 | \$0 | \$0 |
| EXPENSES | | | | | | |
| Certificated salaries | \$14,926 | \$0 | \$14,926 | | | \$0 |
| Certificated benefits | \$1,176 | \$0 | \$1,176 | | | \$0 |
| Non-certificated salaries and wages | \$2,661 | \$0 | \$0 | \$2,661 | \$0 | \$0 |
| Non-certificated benefits | \$181 | \$0 | \$0 | \$181 | \$0 | \$0 |
| Services, contracts & supplies: | | | | | | |
| Adeptation of learning spaces | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Testing, sanitation supplies | \$9,882 | \$0 | \$0 | \$9,882 | \$0 | \$0 |
| Personal protective equipment | \$1,348 | \$0 | \$0 | \$1,348 | \$0 | \$0 |
| Remote learning supports | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Transportation costs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Health and safety training for staff | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other (specify): Water & Touchless Water bottle filler | \$3,996 | \$0 | \$0 | \$3,996 | \$0 | \$0 |
| TOTAL EXPENSES | \$34,170 | \$0 | \$16,102 | \$18,068 | \$0 | \$0 |
| Surplus(deficit) of revenues over expenses | (\$7,004) | \$0 | (\$7,004) | \$0 | \$0 | \$0 |

Hillcrest Christian School Society Notes to Financial Statements

August 31, 2021

1. Significant Accounting Policies

Nature of Business Hillcrest Christian School Society (the "Society") delivers education under the authority of the School Act, Chapter S-3, Revised Statutes of Alberta 2000. The Society is exempt from income taxes under section 149(1)(f) of the Income Tax Act.

Basis of Accounting These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The following policies have been adopted by the Society.

Use of Estimates The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

Financial Instruments The Society initially measures its financial assets and liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed to by the related parties.

The Society subsequently measures its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in operations.

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in operations.

Capital Assets Capital assets are stated at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated on a straight-line basis as follows:

Equipment 5 years

Leasehold Improvements 20 years

Hillcrest Christian School Society Notes to Financial Statements

August 31, 2021

Contributed services In common with many non-profit organizations, volunteers contribute their time to assist the Society in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Revenue Recognition The Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Restricted contributions received for capital asset additions are recognized into revenue over the same period as the amortization expense.

Unrestricted contributions and revenue from operating contracts are recognized as revenue received or receivable if the amount can reasonably be estimated and collection is reasonably assured.

Fees for services related to courses and programs are recognized as revenue when courses and programs are delivered.

2. Prior Period Adjustment

The comparative figures have been retroactively restated to correct an identified error in accounts receivable. The error relates to the CEWS grant being applied for periods that fall within the 2020 year end. None of the relevant revenue was recorded in the 2020 audited financial statements so a prior period adjustment is required. The adjustment is as follows:

| | Reported 2020 | Restatement | Restated 2020 |
|---|---------------|-------------|---------------|
| Accounts receivable - Federal Government and/or First Nations | \$903 | \$95,406 | \$96,309 |
| Net assets | \$138,299 | \$95,406 | \$233,705 |
| Revenue - Federal Government and/or First Nations | \$ - | \$95,406 | \$95,406 |
| Surplus of revenue over expenses | \$ 107,242 | \$95,406 | \$202,648 |

Hillcrest Christian School Society
Notes to Financial Statements

August 31, 2021

3. Accounts receivable

| | 2021 | 2020 |
|---------------------------------------|-------------------|-------------------|
| Goods and services tax recoverable | 1,303 | 903 |
| Tuition and other accounts receivable | 185,314 | 155,344 |
| Allowance for doubtful accounts | (68,208) | (49,852) |
| | \$ 118,409 | \$ 106,395 |

4. Prepaid Expenses

Prepaid expenses include expenditures incurred and paid/payable before the year-end. They are for school supplies which will be consumed subsequent to the year-end.

5. Capital Assets

| | 2021 | | 2020 | |
|------------------------|-----------------|-----------------------------|-----------------|-----------------------------|
| | Cost | Accumulated Amortization | Cost | Accumulated Amortization |
| Equipment | \$ 5,288 | \$ 5,288 | \$ 5,288 | \$ 4,759 |
| Leasehold improvements | 28,085 | 25,144 | 28,086 | 23,741 |
| | \$ 2,941 | | \$ 4,874 | |

6. Bank Indebtedness

The Society has a \$50,000 revolving line of credit available, due on demand, that bears interest at prime plus 4.25%, effectively 6.70%. As at August 31, 2021, the Society drew \$nil (2020 - \$nil) on this line of credit.

7. Deferred Revenue

| | 2021 | 2020 |
|-------------------|------------------|-----------------|
| Prepaid tuition | \$ 7,363 | \$ 6,512 |
| Government grants | 10,500 | - |
| | \$ 17,863 | \$ 6,512 |

Prepaid tuition amounts pertain to funds received during the year for services related to courses and programs that will be delivered in the future.

Hillcrest Christian School Society
Notes to Financial Statements

August 31, 2021

8. Related Party Transactions

The following table summarizes the contributions the Society received from the board of directors for the year:

| | <u>2021</u> | <u>2020</u> |
|--|------------------|------------------|
| Revenue | | |
| Donations (included in gifts and donations in the statement of revenues and expenses) | \$ 325 | \$ 125 |
| Tuition fees (included in instructional fees/tuition fees in the statement of revenues and expenses) | 7,960 | 10,200 |
| Accounting fees (included in services, contracts and supplies in the statement of revenues and expenses) | <u>3,780</u> | <u>3,780</u> |
| | <u>\$ 12,065</u> | <u>\$ 14,105</u> |

These transactions are in the normal course of operations and are measured at the exchange amount.

Hillcrest Christian School Society
Notes to Financial Statements

August 31, 2021

9. Gifts and Donations

The gifts and donations revenue includes the following:

| | <u>2021</u> | <u>2020</u> |
|----------------------|-----------------|-----------------|
| Business donations | \$ 51 | \$ - |
| Non-parent donations | 2,700 | 2,700 |
| Parent donations | <u>2,375</u> | <u>3,967</u> |
| | <u>\$ 5,126</u> | <u>\$ 6,667</u> |

The Society leases space owned by Hillcrest Mennonite Church for nil consideration. This transaction represents a contributed service, and its fair value has not been recorded in the financial statements.

10. Funding Allocation

A portion of the funding for the Severe Disabilities of \$21,405 (2020 - \$32,930) was used to support the teachers wages for this program.

11. Economic Dependence

The Society's primary source of income is from Alberta Education. The Society's ability to continue viable operations is dependent on this funding.

In addition, the Society rents a facility at no charge from the Hillcrest Mennonite Church. The Society's ability to continue viable operations is dependent on the continued availability of this facility.

Hillcrest Christian School Society
Notes to Financial Statements

August 31, 2021

12. Financial Risks

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to liquidity risk because it enters into transactions to purchase goods and services on credit. The Society manages the liquidity risk resulting from expenditures through the preparation and monitoring of budgets, maintaining its bank indebtedness, and maintaining communications with donors.

The bank indebtedness is subject to interest rate cash flow risk, as the required cash flows to service debt will fluctuate as a result of changes in market rates.

Credit risk is a risk that the Society may incur a financial loss due to the other party failing to discharge its obligation to the Society. The Society records an allowance for doubtful accounts based on the determined credit risk and previous history of collections.

13. Budget Amounts

The budget was prepared by the school authority and approved by the Board of Directors. It is presented for information purposes only and has not been audited.

14. Comparative Figures

Certain comparative figures have been reclassified in order to conform to the current year's presentation.

Hillcrest Christian School Society
Notes to Financial Statements

August 31, 2021

15. Alberta Education, Home Education Funding Balance and Transactions:

| | <u>Full Time Equivalent (FTE) Enrolled Students</u> | <u>2020/2021</u> | <u>2019/2020</u> |
|---|---|------------------|------------------|
| Home Education funding received from Alberta Education | 14 | \$22,100 | \$6,683 |
| Alberta Education funding allocated to Home Education program | | \$12,990 | \$3,400 |
| Alberta Education funding: | | | |
| 1. Paid to parents | | \$11,703 | \$480 |
| 2. Unclaimed by parents | | \$ - | \$ - |
| 3. Declined by parents | | \$ - | \$ - |
| 4. Parents transferred parental portion of the home education funding to the school authority for education supports as per signed Parent Declaration Form. | | \$ - | \$2,920 |

16. Uncertainty due to COVID-19

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy is ongoing.

If the impacts of COVID-19 continue there could be further impact on the school and it's students, funding, staff and community relationships. At this time, the full potential impact of COVID-19 on the school is not known.
