

Private School Authority Code: 0258
School Code: 1598

**AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules for
FUNDED PRIVATE SCHOOLS
FOR THE YEAR ENDED AUGUST 31, 2016**
[School Act, Sections 28(6); Private Schools Regulation 190/2000]

School of Alberta Ballet
Alberta Ballet Company
Name of Private School and Legal Name of Organization Operating the Private School

908 12 Avenue SW, Calgary AB T2R 1K7
Mailing Address

(403) 245-4222 x544, Fax (403) 245-6573
Telephone and Fax Numbers

These Financial Statements and Supporting Schedules are Audited by:

KPMG LLP
205 5th Avenue SW Suite 3100
Calgary AB T2P 4B9
Name and Address of the Audit Firm

KPMG LLP
Auditor's Signature

PRIVATE SCHOOL MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING.

The financial statements and supporting schedules of School of Alberta Ballet
(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 Management and Board Chairman

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, 2016 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

Larry Clausen Name [Signature] Signature

SUPERINTENDENT / PRINCIPAL

Fred Reynolds Name [Signature] Signature

SECRETARY TREASURER OR TREASURER

Chandra Henry Name [Signature] Signature

November 24, 2016
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

Alberta Government

Private School Authority Code: 0258
School Code: 1598

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF REVENUES AND EXPENSES	3
STATEMENT OF CASH FLOWS	4
STATEMENT OF CHANGES IN NET ASSETS	5
<u>SCHEDULES</u>	
SCHEDULE 1 Allocation of Revenues and Expenses to Programs	6
SCHEDULE 2 Analysis of Early Childhood Services Revenues and Expenses	7
SCHEDULE 3 Analysis of Early Childhood Services Transportation Revenues and Expenses	8
SCHEDULE 4 Analysis of Early Childhood Services Program Unit Expenses	
SCHEDULE 5 Remuneration and Monetary Incentives	9
NOTES TO THE FINANCIAL STATEMENTS (Attach please)	10



KPMG LLP
205 5th Avenue SW
Suite 3100
Calgary AB
T2P 4B9
Canada
Telephone (403) 691-8000
Fax (403) 691-8008
www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Alberta Ballet Company Operating as The School of Alberta Ballet

We have audited the accompanying financial statements of the Alberta Ballet Company Operating as The School of Alberta Ballet, which comprise the statement of financial position as at August 31, 2016, the statements of revenues and expenses, cash flows and changes in net assets and for the year then ended, which are presented in the format prescribed by Alberta Education, and accompanying schedules and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Ballet Company Operating as The School of Alberta Ballet as at August 31, 2016, 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 and the presentation requirements of Alberta Education.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly curved line that serves as a flourish or underline.

Chartered Professional Accountants

November 24, 2016
Calgary, Canada

Private School Authority Code: 0258
 School Code: 1598

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

		AFS 2016	AFS 2015 (NOTE *)
ASSETS			
Current assets			
Cash and cash equivalents	Note	\$33,059	\$150
Accounts receivable (net after allowances)			
Province of Alberta	Note	\$0	\$0
Federal Government and/or First Nations	Note	\$0	\$0
Other accounts receivable	Note	\$91,354	\$16,015
Prepaid expenses	Note	\$49,991	\$15,753
Other current assets	Note 2	\$146,478	\$153,600
Total current assets		\$320,882	\$185,518
School generated assets	Note	\$0	\$0
Trust assets	Note	\$0	\$0
Other assets	Note 4	\$10,280	\$0
Capital assets			
Land at cost		\$0	\$0
Buildings at cost		\$0	\$0
Less: accumulated amortization		\$0	\$0
Leasehold improvements at cost		\$685,630	
Less: accumulated amortization		\$547,810	\$183,760
Equipment at cost		\$249,892	
Less: accumulated amortization		\$155,899	\$103,911
Vehicles at cost		\$0	
Less: accumulated amortization		\$0	\$0
Total capital assets	Note 3	\$231,813	\$287,671
TOTAL ASSETS	\$562,975	\$562,975	\$473,189
LIABILITIES			
Current liabilities			
Bank indebtedness	Note	\$0	\$0
Accounts payable and accrued liabilities			
Province of Alberta	Note 12	\$0	\$0
Federal Government and/or First Nations	Note 12	\$0	\$0
Other payables and accrued liabilities	Note	\$154,164	\$104,221
Capital payables	Note	\$0	\$0
Deferred revenue	Note 5	\$716,446	\$569,282
Deferred capital allocations	Note	\$0	\$0
Current portion of long term debt	Note 6	\$2,499	\$0
Total current liabilities		\$873,109	\$673,503
School generated liabilities	Note	\$0	\$0
Trust liabilities	Note	\$0	\$0
Other liabilities	Note	\$0	\$287,649
Long term debt			
Debentures & Bonds	Note	\$0	\$0
Capital loans	Note	\$0	\$0
Capital leases	Note 6	\$6,693	\$0
Mortgages	Note	\$0	\$0
Other loans	Note	\$0	\$0
Less: Current portion of long term debt	Note 6	(\$2,499)	\$0
Unamortized capital allocations	Note 7	\$83,631	\$105,440
Total long term liabilities		\$87,825	\$393,089
TOTAL LIABILITIES		\$960,934	\$1,066,592
NET ASSETS			
Unrestricted net assets		(\$547,826)	(\$775,633)
Operating reserves		\$0	\$0
Total accumulated surplus (deficit) from operations		(\$547,826)	(\$775,633)
Investment in capital assets		\$149,867	\$182,230
Capital reserves		\$0	\$0
Total capital funds		\$149,867	\$182,230
Total net assets		(\$397,959)	(\$593,403)
TOTAL LIABILITIES AND NET ASSETS	\$562,975	\$562,975	\$473,189

Note: * Audited Financial Statements (AFS) as submitted to Alberta Education pursuant to Section 28(6) of the School Act; Private Schools Regulation 190/2000 Section 15 or as restated. Input "(Restated)" in 2015 column heading where not taken from the finalized 2014/2015 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31
 (in dollars)

	AFS 2016	Budget 2016 (NOTE *)	AFS 2015 (NOTE *)
REVENUES			
Alberta Education (excluding Home Education)	\$348,613	\$318,457	\$269,415
Alberta Education - Home Education	\$0	\$0	\$0
Total Alberta Education Revenues	\$348,613	\$318,457	\$269,415
Other Government of Alberta	\$0	\$0	\$0
Federal Government and/or First Nations	\$0	\$0	\$0
Other Alberta school authorities	\$0	\$0	\$0
Instructional fees/Tuition fees	\$2,937,693	\$2,671,900	\$2,672,359
Non-instructional fees (O&M, Transportation, Admin, etc.)	\$848,745	\$647,500	\$838,048
Other sales and services	\$286,485	\$235,800	\$315,204
Interest on investments	\$1,762	\$0	\$777
Gifts and donations	\$324,315	\$520,000	\$335,606
Gross school generated funds	\$0	\$0	\$0
Amortization of capital allocations	\$24,217	\$32,800	\$26,365
Other Note	\$7,715	\$0	\$112
Total Revenues	\$4,779,545	\$4,426,457	\$4,457,886
EXPENSES			
Certificated salaries (excluding home education) Note	\$559,267	\$572,976	\$541,269
Certificated benefits Note	\$72,955	\$77,352	\$53,163
Non-certificated salaries and wages (excluding home education) Note	\$1,396,140	\$1,361,215	\$1,447,774
Non-certificated benefits Note	\$185,663	\$183,764	\$172,839
Services, contracts and supplies other than leases (excluding home education)	\$1,504,753	\$1,229,309	\$1,390,956
Leases - Building Note	\$551,756	\$532,300	\$554,365
Leases - Other Note	\$2,700	\$0	\$0
Severe Disabilities (excluding home education)	\$0	\$0	\$0
Early Literacy (excluding home education)	\$0	\$0	\$0
English as a Second Language (excluding home education)	\$0	\$0	\$0
Regional Collaborative Service Delivery (excluding home ed.)	\$0	\$0	\$0
Home Education:			
Certificated salaries Note	\$0	\$0	\$0
Certificated benefits Note	\$0	\$0	\$0
Non-certificated salaries & wages Note	\$0	\$0	\$0
Non-certificated benefits Note	\$0	\$0	\$0
Payments to parents who provided home education programs to students Note	\$0	\$0	\$0
Contracts (providing services to school) Note	\$0	\$0	\$0
Services and supplies Note	\$0	\$0	\$0
Regional Collaborative Service Delivery	\$0	\$0	\$0
Gross school generated funds	\$0	\$0	\$0
Capital and debt services			
Amortization of capital assets:			
From restricted funds	\$24,217	\$32,800	\$26,365
From unrestricted funds	\$69,749	\$40,300	\$44,338
Total amortization of capital assets	\$93,966	\$73,100	\$70,703
Interest on capital debt	\$0	\$0	\$0
Other interest charges	\$0	\$0	\$0
Losses (gains) on disposal of capital assets	\$0	\$0	\$0
Other Note	\$216,901	\$120,000	\$167,919
Total Expenses	\$4,584,101	\$4,150,016	\$4,398,988
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	\$195,444	\$276,441	\$58,898
	\$195,444		

Note: * Input "(Restated)" in Budget 2016 and/or AFS 2015 column headings where comparatives are not taken from the respective finalized 2015/2016 Budget Report and/or finalized 2014/2015 Audited Financial Statements
 Page 3

Private School Authority Code: 0258
School Code: 1598

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

	AFS 2016	AFS 2015 (NOTE *)	
CASH FLOWS FROM:			
A. OPERATING ACTIVITIES			
Surplus (deficit) of revenues over expenses for the year	\$195,444	\$58,898	
Add (Deduct) items not requiring cash:			
Amortization of capital allocations revenue	(\$24,217)	(\$26,365)	
Total amortization expense	\$93,966	\$70,703	
Add losses or deduct gains on disposal of capital assets	\$0	\$0	
Changes in accrued accounts:			
Accounts receivable	(\$75,339)	\$44,539	
Prepays and other current assets	(\$27,116)	\$52,768	
Payables and accrued liabilities	\$49,943	(\$29,969)	
Deferred revenue	\$147,164	\$235,328	
Other (specify):	\$0	\$0	
Total sources (uses) of cash from operations	\$359,845	\$405,902	
B. INVESTING ACTIVITIES			
Purchases of capital assets:			
Land	\$0	\$0	
Buildings	\$0	\$0	
Leasehold improvements	(\$17,512)	(\$12,928)	
Equipment	(\$20,596)	(\$53,722)	
Vehicles	\$0	\$0	
Net proceeds from disposal of capital assets	\$0	\$0	
Other (specify):	\$0	\$8,752	
Total sources (uses) of cash from investing activities	(\$38,108)	(\$57,898)	
C. FINANCING ACTIVITIES			
Capital contributions received	\$2,408	\$0	
Issuance of long term debt	\$8,379	\$0	
Repayment of long term debt	(\$1,686)	\$0	
Other (specify): repayments of amounts due to AB Ballet Company	(\$297,929)	(\$348,004)	
Total sources (uses) from financing activities	(\$288,828)	(\$348,004)	
Net sources (uses) of cash equivalents* * during year	\$32,909	\$0	
Cash equivalents at the beginning of year	\$150	\$150	
Cash equivalents at the end of year	\$33,059	\$150	\$150

NOTE: * Input "(Restated)" in 2015 column heading where not taken from the finalized 2014/2015 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, 2016
 (in dollars)

	(1) TOTAL NET ASSETS (Columns 2+3+4)	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS (+ -)	(4) TOTAL RESTRICTED NET ASSETS (Columns 5 to 8)	(5) OPERATING RESERVES			(6) RESTRICTED NET ASSETS		(7)	(8)	
								CAPITAL RESERVES				External Services
					Grades K to 12	External Services	Grades K to 12	External Services				
Balance at August 31, 2015	(\$593,403)	\$182,230	(\$775,633)	\$0	\$0	\$0	\$0	\$0	\$0			
Prior period adjustments (specify):												
	\$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, 2015	(\$593,403)	\$182,230	(\$775,633)	\$0	\$0	\$0	\$0	\$0	\$0			
Surplus(deficit) of revenues over expenses (from page 3)												
Capital asset acquisitions (less financed and/or less capital contributions received)	\$195,444		\$195,444									
Donations of non-amortizable assets		\$35,700	(\$35,700)	\$0				\$0				
Amortization of capital assets (expense) *	\$0	\$0										
Amortization of capital allocations (revenue) **		(\$93,966)	\$93,966									
Disposal of capital assets		\$24,217	(\$24,217)									
Debt principal payments ***		\$0	\$0	\$0					\$0			
Net transfers to/from operating reserves		\$1,686	(\$1,686)									
Net transfers to/from capital reserves	\$0	\$0	\$0	\$0				\$0				
Other transfers (specify):		\$0	\$0	\$0								
Balance at August 31, 2016	(\$397,959)	\$149,867	(\$547,826)	\$0	\$0	\$0	\$0	\$0	\$0			
	(\$397,959)	\$149,867	(\$547,826)	\$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, 2016

REVENUES	TOTAL	Home Education	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)	External Services
Alberta Education allocations								
(1) Instruction	\$348,613	\$0	\$0	\$348,613				
(2) Severe Disabilities	\$0			\$0				
(3) Early literacy (EL)	\$0			\$0				
(4) English as a Second Language (ESL)	\$0			\$0				
(5) Regional Collaborative Service Delivery (RCSD)	\$0			\$0				
(6) Other - Alberta Education	\$0			\$0				
TOTAL ALBERTA EDUCATION ALLOCATIONS	\$348,613	\$0	\$0	\$348,613	\$0	\$0	\$0	\$0
(7) Other Government of Alberta	\$0			\$0				\$0
(8) Federal Government and/or First Nations	\$0			\$0				\$0
(9) Other Alberta school authorities	\$0			\$0				\$0
(10) Instructional fees / tuition fees	\$2,937,693			\$1,371,323				\$1,566,370
(11) Non-instructional fees (O&M * , Transport, Admin, etc.)	\$848,745			\$15,209				\$833,536
(12) Other sales and services	\$286,485			\$0				\$286,485
(13) Interest on investments	\$1,762			\$0				\$1,762
(14) Gifts and donations	\$324,315			\$27,590				\$296,725
(15) Gross school generated funds	\$0			\$0				\$0
(16) Amortization of capital allocations	\$24,217			\$0	\$24,217			\$0
(17) Other (specify): GST rebate	\$7,715			\$705				\$7,010
TOTAL REVENUES	\$4,779,545	\$0	\$0	\$1,763,440	\$24,217	\$0	\$0	\$2,991,888
EXPENSES								
(18) Certificated salaries	\$559,267			\$473,767			\$85,500	\$0
(19) Certificated benefits	\$72,955			\$60,371			\$12,584	\$0
(20) Non-certificated salaries and wages	\$1,396,140			\$693,510		\$0	\$0	\$702,630
(21) Non-certificated benefits	\$185,663			\$92,239		\$0	\$0	\$93,424
SUB-TOTAL	\$2,214,025	\$0	\$0	\$1,319,887	\$0	\$0	\$98,084	\$796,054
(22) Services, contracts & supplies - other than leases	\$1,504,753			\$188,460	\$92,766	\$64,502	\$39,987	\$1,119,028
Leases - Building	\$551,756			\$305,919	\$0	\$0	\$0	\$245,837
Leases - Other	\$2,700			\$2,700	\$0	\$0	\$0	\$0
(23) Severe Disabilities	\$0			\$0				\$0
(24) Early literacy (EL)	\$0			\$0				\$0
(25) English as a Second Language (ESL)	\$0			\$0				\$0
(26) Regional Collaborative Service Delivery (RCSD)	\$0			\$0				\$0
(27) Gross school generated funds	\$0			\$0		\$0		\$0
Capital and debt services								
Amortization of capital assets								
From restricted funds	\$24,217	\$0	\$0	\$0	\$24,217	\$0	\$0	\$0
From unrestricted funds	\$69,749	\$0	\$0	\$658	\$61,159	\$0	\$0	\$7,932
(30) Interest on capital debt	\$0			\$0				\$0
(31) Other interest charges	\$0			\$0				\$0
(32) Losses (gains) on disposal of capital assets	\$0			\$0				\$0
(33) Other (specify): Audition & Performance Costs	\$216,901	\$0	\$0	\$36,718	\$0	\$0	\$0	\$180,183
TOTAL EXPENSES	\$4,584,101	\$0	\$0	\$1,854,342	\$178,142	\$64,502	\$138,081	\$2,349,034
Surplus(deficit) of revenues over expenses	\$195,444	\$0	\$0	(\$90,902)	(\$153,925)	(\$64,502)	(\$138,081)	\$642,854

* (O&M) Operations & Maintenance of Schools

Private School Authority Code: 0258
 School Code: 1598

**SCHEDULE 2
 ANALYSIS OF EARLY CHILDHOOD SERVICES REVENUES AND EXPENSES
 for the Year Ended August 31, 2016**

	AFS 2016	AFS 2015**
REVENUES		
Alberta Education *		
Base Instruction	\$0	\$0
Regional Collaborative Service Delivery (RCSD)	\$0	\$0
Mild/Moderate Disabilities/Delays, Gifted & Talented	\$0	\$0
Program Unit (PU)	\$0	\$0
English as a Second Language (ESL)	\$0	\$0
Transportation - special needs	\$0	\$0
Transportation - regular	\$0	\$0
Plant Operations and Maintenance	\$0	\$0
Administration	\$0	\$0
Equity of Opportunity	\$0	\$0
SuperNet Services	\$0	\$0
Other-Alberta Education	\$0	\$0
Total Alberta Education Revenues	\$0	\$0
Instruction fees	\$0	\$0
All other revenues	\$0	\$0
TOTAL REVENUES* * *	\$0	\$0
EXPENSES		
Instruction	\$0	\$0
Parent resources, coordination and teacher in-service	\$0	\$0
Food services program	\$0	\$0
Administration	\$0	\$0
Operations & maintenance	\$0	\$0
Transportation	\$0	\$0
English as a Second Language (ESL)	\$0	\$0
Regional Collaborative Service Delivery (RCSD)	\$0	\$0
All other expenses	\$0	\$0
TOTAL EXPENSES* * *	\$0	\$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	\$0	\$0

*Alberta Education Revenues as per Funding for School Authorities in the 2015/2016 School Year Manual under the Early Childhood Services section.

**Input "(Restated)" in AFS 2015 column heading where not taken from the finalized 2014/2015 Audited Financial Statements and Supporting Schedules.

***The 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: _____ 0258
 School Code: _____ 1598

**SCHEDULE 3
 ANALYSIS OF EARLY CHILDHOOD SERVICES TRANSPORTATION REVENUES AND EXPENSES
 for the Year Ended August 31, 2016**

Sub-Program Classification	Revenues	Expenses	Net
Children with Mild/Moderate Disabilities/Delays			
To-and-from school	\$0	\$0	\$0
Home visits	\$0	\$0	\$0
Field trips	\$0	\$0	\$0
Children with Severe Disabilities (Program Unit)			
To-and-from school	\$0	\$0	\$0
Home visits	\$0	\$0	\$0
Field trips and in-program transportation	\$0	\$0	\$0
Children with No Disabilities (Regular)			
To-and-from school	\$0	\$0	\$0
Field trips	\$0	\$0	\$0
Other (specify):	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0

**SCHEDULE 4 (Note *)
 ANALYSIS OF EARLY CHILDHOOD SERVICES PROGRAM UNIT EXPENSES
 for the Year Ended August 31, 2016**

	AFS 2016	AFS 2015 ***
Instruction		
Salaries & wages (non-certificated)	\$0	\$0
Benefits (non-certificated)	\$0	\$0
Specialized services and supports	\$0	\$0
Supplies and materials	\$0	\$0
Parent and staff in-service	\$0	\$0
Transportation		
Total Program Unit transportation costs (from schedule 3)	\$0	
Less transportation revenues (from schedule 3)	\$0	
Total	\$0	
Program Unit Transportation costs in excess of transportation funding **	\$0	\$0
Specialized equipment & furniture (child specific)	\$0	\$0
Total	\$0	\$0

Note: * Designated Special Education ECS Programs do not need to complete this schedule. Costs for these programs will be determined using Schedule 2.
 ** If transportation revenues exceed transportation costs (i.e. negative number as total), then 0 will be entered.
 *** Input "(Restated)" in AFS 2015 column heading where not taken from the finalized 2014/2015 Audited Financial Statements and Supporting Schedules.

Private School Authority Code: 0258
School Code: 1598

Schedule 5
Remuneration and Monetary Incentives
for the Year Ended August 31, 2016

	Full Time Equivalent (FTE) 2016	Remuneration 2016	Benefits/ Allowances 2016	Other Expenses 2016	Full Time Equivalent (FTE) 2015	Remuneration 2015	Benefits/ Allowances 2015	Other Expenses 2015
Board Chair (Larry Clausen)	0.01	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Board Chair (Dawn McDonald)	0.01	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total	0.02	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Secretary (Frank Molnar)	0.01	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Treasurer (Chandra Henry)	0.01	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Principal (Jane Roberts)	1.00	\$95,000	\$12,584	\$1,192	1.00	\$92,442	\$10,577	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	1.00	\$0	\$0	\$0	0.00	\$0	\$0	\$28
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total	2.02	\$95,000	\$12,584	\$1,192	1.00	\$92,442	\$10,577	\$28
Total Certificated staff (excluding Home Education)	6.00	\$464,267	\$60,371	\$3,143	7.00	\$446,827	\$63,216	\$3,530
Total Non-Certificated staff (excluding Home Education)	26.25	\$1,396,140	\$185,663	\$27,408	35.00	\$1,447,774	\$152,209	\$63,345
Total Certificated contract staff (excluding Home Education)	0.00	\$0	\$0	\$0	4.00	\$11,305	\$0	\$0
Total Non-Certificated contract staff (excluding Home Education)	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Certificated staff (Home Education)	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Non-Certificated staff (Home Education)	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Certificated Contract staff (Home Education)	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Non-Certificated Contract staff (Home Education)	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0

ALBERTA BALLET COMPANY OPERATING AS THE SCHOOL OF ALBERTA BALLET

Notes to the Financial Statements

Year ended August 31, 2016, with comparative information for 2015

Nature of the business:

As a dynamic member of the Canadian cultural community, The Alberta Ballet Company (the "Company") fosters and promotes appreciation, enjoyment and participation in classical ballet while nurturing the discerning tastes of its audience through performance of acclaimed contemporary masterpieces and new works by gifted choreographers. Through Alberta Ballet Company operating as The School of Alberta Ballet (the "School"), Alberta Ballet fosters and promotes the study, participation and appreciation of dance. The Company is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta and is a registered charity under the Income Tax Act.

The School of Alberta Ballet is one division of a larger entity, The Alberta Ballet Company. Historically, the School has financed its operations and investments through the use of funds obtained from other divisions of the Company. The School's continuation is dependent upon, amongst other things, attaining a satisfactory revenue level, continued generation of positive cash flows from operations and the ability to obtain continued funding and support from the other divisions of the Company. Since management has no plans to divest the School from the Company, the financial statements of the School have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit Organization ("ASNPO") applicable to a going concern which assumes that the School will realize the carrying value of its assets and satisfy its obligations as they become due in the normal course of operations.

1. Significant accounting policies:

(a) Basis of accounting:

These financial statements have been prepared in accordance with ASNPO. These financial statements reflect only the assets and liabilities of the division of Alberta Ballet Company known as The School of Alberta Ballet. They do not include and are not intended to include all other assets, liabilities and operations of Alberta Ballet Company. The precise determination of many assets is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

ALBERTA BALLET COMPANY OPERATING AS THE SCHOOL OF ALBERTA BALLET

Notes to the Financial Statements, page 2

Year ended August 31, 2016, with comparative information for 2015

1. Significant accounting policies (continued):

(b) Revenue recognition:

The School follows the deferral method of accounting for contributions. Tuition fees, non-instructional fees, other sales and services and gifts and donations contributions are recognized as revenue in the year in which the related expenses and services are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Unamortized capital allocations:

Restricted donations the School receives for capital purposes and expended are recorded as unamortized allocations when received or receivable and are taken into income each year in proportion to the annual amortization of the related assets for which the capital allocations were expended.

(d) Donations in-kind:

Donations in-kind of capital assets and contributed materials and services are recognized at the fair value at the date of contribution. Volunteers contribute significant time every year in assisting the School in a variety of areas. Because of the difficulty of determining their fair value, contributed services related to volunteer activities are not recognized in the financial statements.

(d) Cash and cash equivalents:

Cash and cash equivalents includes: cash on hand and balances with banks.

(e) Inventories:

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis.

(f) Capital assets:

Office furniture, fixtures and equipment are recorded at cost and are amortized on the declining balance method at a rate of 20% annually. Leasehold improvements are amortized on a straight line basis over the term of the lease. Computer equipment is amortized on the declining balance method at the rate of 30% annually. School costumes are amortized on a straight-line basis over 3 years. Library books are amortized on a straight-line basis over 5 years.

ALBERTA BALLET COMPANY OPERATING AS THE SCHOOL OF ALBERTA BALLET

Notes to the Financial Statements, page 3

Year ended August 31, 2016, with comparative information for 2015

1. Significant accounting policies (continued):

(g) Financial instruments:

The School's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instrument that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

For financial assets measured at amortized cost, the School regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the School determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

All of the School's financial assets and liabilities are recorded at amortized cost.

(h) Long-lived assets:

The School performs impairment testing on long-lived assets whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from use and disposal are less than the asset's carrying value. Any impairment loss is measured as the amount by which the carrying value exceeds the fair value and would be included in the statement of operations for the year.

2. Other current assets:

Other current assets consist of:

	2016	2015
Store inventory	\$ 146,478	\$ 153,600
	\$ 146,748	\$ 153,600

ALBERTA BALLET COMPANY OPERATING AS THE SCHOOL OF ALBERTA BALLET

Notes to the Financial Statements, page 4

Year ended August 31, 2016, with comparative information for 2015

3. Leasehold improvements and equipment:

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Leasehold improvements	\$ 685,630	\$ 547,810	\$ 137,820	\$ 183,760
Library books	—	—	—	75
Office	138,850	91,879	46,971	49,147
Computers	91,314	59,004	32,310	43,955
School costumes	19,728	5,016	14,712	10,734
	<u>\$ 935,522</u>	<u>\$ 703,709</u>	<u>\$ 231,813</u>	<u>\$ 287,671</u>

Amortization provided for the current year totaled \$ 93,966 (2015 - \$70,703).

4. Other assets:

Other assets relate to the amounts receivable from Alberta Ballet Company which are unsecured, non-interest bearing and have no set repayment terms. The School of Alberta Ballet does not intend to demand repayment in the next year.

5. Deferred revenue:

Deferred revenue consists of:

	2016	2015
Tuition	\$ 716,446	\$ 518,042
Residence	—	51,240
	<u>\$ 716,446</u>	<u>\$ 569,282</u>

ALBERTA BALLET COMPANY OPERATING AS THE SCHOOL OF ALBERTA BALLET

Notes to the Financial Statements, page 5

Year ended August 31, 2016, with comparative information for 2015

6. Obligation under capital lease:

The Company has financed computer equipment by entering into capital lease arrangements. The contracts mature on August 15 and December 15, 2019, bear interest at 1.1% and 1.2% per month and are collateralized by a general security agreement of the equipment. Capital lease repayments are as follows:

	2016
2017	\$ 2,499
2018	2,499
2019	2,499
2020	1,432
Total minimum lease payments	8,929
Less amount representing interest	2,236
Minimum capital lease payments	6,693
Current portion of obligations under capital leases	2,499
	\$ 4,194

Interest of \$881 (2015 - \$nil) relating to the capital lease obligation has been included in services, contracts and supplies expense. The total amount of equipment under capital lease is \$13,656 (2015 - \$nil) with accumulated amortization of \$2,937 (2015 - \$nil).

7. Unamortized capital allocations:

Unamortized capital allocations relate to restricted donations the School receives that were used for the acquisition of leasehold improvements and equipment.

Changes in the unamortized capital allocation balance are as follows:

	2016	2015
Opening balance	\$ 105,440	\$ 131,805
Plus additions in the year	2,408	-
Less amounts recognized as revenue in the year	(24,217)	(26,365)
Ending balance	\$ 83,631	\$ 105,440

ALBERTA BALLET COMPANY OPERATING AS THE SCHOOL OF ALBERTA BALLET

Notes to the Financial Statements, page 6

Year ended August 31, 2016, with comparative information for 2015

8. Commitments:

Effective June 2011, the Company entered into an 8 year lease agreement for space to house the School of Alberta Ballet (the "School"). This lease has been amended effective September 2014 to include space for the academic business unit of the School expiring July 2019. The Edmonton School moved to a new location in August 2016 with the lease expiring in August 2019.

The school is committed to the following payments:

2017	\$	652,543
2018		747,002
2019		690,276
		<u>\$ 2,089,821</u>

9. Donations in-kind:

During the current year, the School received donations in-kind of materials and services, the fair market value of which are included in the statement of revenues and expenses as donations revenues, and expenses as follows:

	2016	2015
Marketing	\$ 1,821	\$ 5,644
Development and production	2,100	443
Administration	7,102	12,724
	<u>\$ 11,023</u>	<u>\$ 18,811</u>

ALBERTA BALLET COMPANY OPERATING AS THE SCHOOL OF ALBERTA BALLET

Notes to the Financial Statements, page 7

Year ended August 31, 2016, with comparative information for 2015

10. Financial instruments:

The School's financial instruments consist of cash and cash equivalents, other accounts receivable and other payables and accrued liabilities. The School is not exposed to significant market price risk.

(a) Credit risk:

The School is exposed to credit risk, which is the risk that counterparty will fail to perform an obligation or settle a liability, resulting in a financial loss to the School. Credit risk is assessed by management as minimal for the School. The School's accounts receivable are primarily due from students and corporations and are subject to normal credit risks. The maximum credit risk exposure associated with the School's financial assets is the carrying amount.

(b) Liquidity risk:

The School is exposed to liquidity risk, which is the risk that the School will be unable to generate or obtain sufficient cash to meet its obligations as they come due. Liquidity risk is assessed by School management as minimal. Mitigation of this risk is achieved through active cash management, and the availability of funding from the Company.

11. Remuneration and monetary incentives:

The Executive Director of the Company performs the position of Superintendent for the School, with full remuneration being assumed by the Company. Board Members volunteer their time and do not receive remuneration.

12. Government remittances:

There were no government remittances payable as at and for the year ended August 31, 2016 or 2015.