

**AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules for
FUNDED PRIVATE SCHOOLS
FOR THE YEAR ENDED AUGUST 31, 2023**
Education Act, Section 29
Private Schools Regulation, Alberta Regulation 127/2022

ELVES SCHOOL PROGRAM (ELVES CHILD DEVELOPMENT CENTRE and ELVES ADULT AND YOUTH CENTRE)

(OPERATED BY ELVES SPECIAL NEEDS SOCIETY)

Name of Private School and Legal Name of Organization Operating the Private School

10825 142 ST NW EDMONTON, AB T5N 3Y7

Mailing Address

Telephone: (780) 454-5310 Fax: (780) 454 5889

Telephone and Fax Numbers

These Financial Statements and Supporting Schedules are Audited by:

**YAREMCHUK & ANNICCHIARICO LLP #202,
8657-51 AVENUE, EDMONTON, AB T6E 6A8**

Name and Address of the Audit Firm

Yaremchuk & Annicchiarico LLP

Auditor's Signature

PRIVATE SCHOOL MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING.

The financial statements and supporting schedules of **ELVES SCHOOL PROGRAM**
(OPERATED BY ELVES SPECIAL NEEDS SOCIETY)
(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, 2023 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 / PRESIDENT

Heather Fonteyne (President/Board Chair)

Name

Signature

HEAD OF SCHOOL / PRINCIPAL

Barb Tymchak-Olafson

Name

Signature

TREASURER OR SECRETARY - TREASURER

Peter Jansen

Name

Signature

November 28, 2023

Board-approved Release Date

ALBERTA EDUCATION, Financial Reporting and Accountability,
8th Floor Commerce Place, 10155-102 Street, Edmonton, Alberta T5J 4L5
E-mail: edc.fra-private@gov.ab.ca Telephone: (780) 422-0312

Alberta Government

Private School Authority Code: 9263
School Code: 2166 AND 0655

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INDEPENDENT AUDITOR'S REPORT

To the Members of **Elves Special Needs Society**:

Opinion

We have audited the financial statements of **Elves Special Needs Society** (the Entity), which consist of the statement of financial position at August 31, 2023 and statements of changes in net assets, operations and of 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 Entity as at August 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations and Ministerial requirements for Alberta funded private schools.

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 Entity 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 information, which describes the basis of presentation. The financial information is prepared to assist the Society in complying with the financial reporting provisions of the Education Act. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for the Society and the Government of Alberta and should not be distributed to or used by parties other than the Society or the Government of Alberta. Our opinion is not modified in respect of this matter.

Other Matter

The Society has prepared a separate set of financial statements, which excludes certain schedules required by the Government of Alberta, for the year ended August 31, 2023 in accordance with Canadian accounting standards for not-for-profit organizations on which we issued a separate auditor's report to the members of the Society dated November 14, 2023.

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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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. 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 Entity'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 audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Edmonton, Alberta
November 28, 2023

Yaremchuk & Annicchiarico LLP
Chartered Professional Accountants

Private School Authority Code: 9263
School Code: 2166 AND 0855

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

		AFS 2023	AFS 2022 (NOTE *) x
ASSETS			
Current assets			
Cash and cash equivalents	Note	\$4,405,654	\$4,500,387
Accounts receivable (net after allowances)			
Province of Alberta	Note	\$723,200	\$580,106
Federal Government and/or First Nations	Note	\$25,701	\$22,756
Other accounts receivable	Note	\$171,330	\$62,412
Prepaid expenses	Note	\$222,766	\$130,616
Other current assets	Note	\$0	\$0
Total current assets		\$5,548,651	\$5,296,277
School generated assets	Note	\$0	\$0
Trust assets	Note	\$0	\$0
Other assets	Note	\$0	\$0
Capital assets			
Land at cost		\$295,000	\$295,000
Buildings at cost	\$9,541,469		
Less: accumulated amortization	\$2,614,031	\$6,927,438	\$7,163,284
Leasehold improvements at cost	\$165,161		
Less: accumulated amortization	\$141,007	\$24,154	\$29,112
Equipment at cost	\$1,956,961		
Less: accumulated amortization	\$1,665,569	\$291,392	\$285,249
Vehicles at cost	\$428,596		
Less: accumulated amortization	\$283,526	\$145,070	\$165,340
Total capital assets	Note	\$7,683,054	\$7,937,985
TOTAL ASSETS	\$13,231,705	\$13,231,705	\$13,234,262
LIABILITIES			
Current liabilities			
Bank indebtedness	Note	\$0	\$0
Accounts payable and accrued liabilities			
Province of Alberta	Note	\$0	\$0
Federal Government and/or First Nations	Note	\$0	\$0
Other payables and accrued liabilities	Note	\$1,225,400	\$1,278,350
Capital payables	Note	\$0	\$0
Deferred contributions	Note	\$728,813	\$603,658
Deferred capital allocations	Note	\$759,535	\$699,040
Current portion of long term debt		\$0	\$0
Total current liabilities		\$2,713,748	\$2,581,048
School generated liabilities	Note	\$0	\$0
Trust liabilities	Note	\$0	\$0
Other liabilities	Note	\$613,000	\$651,958
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	\$4,030,650	\$4,171,032
Total long term liabilities		\$4,643,650	\$4,822,990
TOTAL LIABILITIES		\$7,357,398	\$7,404,038
NET ASSETS			
Unrestricted net assets		\$31,903	\$23,271
Operating reserves		\$540,000	\$390,000
Total accumulated surplus (deficit) from operations		\$571,903	\$413,271
Investment in capital assets		\$3,652,404	\$3,766,953
Capital reserves		\$1,650,000	\$1,650,000
Total capital funds		\$5,302,404	\$5,416,953
Total net assets		\$5,874,307	\$5,830,224
TOTAL LIABILITIES AND NET ASSETS	\$13,231,705	\$13,231,705	\$13,234,262

Note: * Audited Financial Statements (AFS) as submitted to Alberta Education pursuant to Section 29 of the Education Act;
Private Schools Regulation, Alberta Regulation 127/2022 or as restated.
Input "(Restated)" in 2022 column heading where not taken from the finalized 2021/2022 Audited Financial Statements.

Private School Authority Code: 9263
School Code: 2166 AND 0655

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

	AFS 2023	Budget 2023 (NOTE *) x	AFS 2022 (NOTE *) Restated
REVENUES			
Alberta Education (excluding Home Education)	\$6,853,232	\$6,649,265	\$6,678,288
Alberta Education - Home Education	\$0	\$0	\$0
Total Alberta Education Revenues	\$6,853,232	\$6,649,265	\$6,678,288
Other Government of Alberta	\$4,010,981	\$3,533,763	\$3,656,359
Federal Government and/or First Nations	\$25,701	\$0	\$24,116
Other Alberta school authorities	\$588,758	\$529,208	\$525,286
Instructional fees/Tuition fees	\$0	\$0	\$0
Non-instructional fees (O&M, Transportation, Admin, etc.)	\$0	\$0	\$0
Other sales and services	\$0	\$0	\$0
Interest on investments	\$95,335	\$0	\$0
Gifts and donations	\$0	\$0	\$3,230
Amortization of capital allocations	\$178,318	\$163,957	\$173,948
Other	\$0	\$80,000	\$0
Total Revenues	\$11,752,325	\$10,956,193	\$11,061,227
EXPENSES			
Home Education	\$0	\$0	\$0
Instruction - ECS	\$3,756,284	\$5,114,080	\$3,819,205
Instruction - Grades 1 to 12	\$693,658	\$1,288,967	\$1,289,288
Operations and maintenance	\$459,397	\$321,096	\$273,558
Transportation	\$2,117,073	\$40,000	\$1,598,648
Board and System Administration	\$604,805	\$608,748	\$344,230
External services	\$4,077,025	\$3,579,312	\$3,729,490
Total Expenses	\$11,708,242	\$10,952,203	\$11,054,419
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	\$44,083	\$3,990	\$6,808
	\$44,083		

Note: * Input "(Restated)" in Budget 2023 and/or AFS 2022 column headings where comparatives are not taken from the respective finalized 2022/2023 Budget Report and/or finalized 2021/2022 Audited Financial Statements.

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

		AFS 2023	AFS 2022 (NOTE *)
			x
CASH FLOWS FROM:			
A. OPERATING ACTIVITIES			
Surplus (deficit) of revenues over expenses for the year		\$44,083	\$6,808
Add (Deduct) items not requiring cash:			
Amortization of capital allocations revenue		(\$178,318)	(\$173,948)
Total amortization expense		\$324,847	\$320,617
Add losses or deduct gains on disposal of capital assets		\$0	\$5,120
Changes in accrued accounts:			
Accounts receivable		(\$254,957)	(\$310,751)
Prepays and other current assets		(\$92,150)	(\$2,735)
Payables and accrued liabilities		(\$52,950)	\$47,645
Deferred contributions		\$125,155	(\$56,074)
Other (specify): Other liabilities		(\$38,958)	(\$71,042)
Total sources (uses) of cash from operations		(\$123,248)	(\$234,360)
B. INVESTING ACTIVITIES			
Purchases of capital assets:			
Land		\$0	\$0
Buildings		(\$17,655)	(\$73,596)
Leasehold improvements		\$0	\$0
Equipment		(\$63,798)	(\$30,281)
Vehicles		\$0	(\$96,874)
Net proceeds from disposal of capital assets		\$11,537	\$500
Other (specify):		\$0	\$0
Total sources (uses) of cash from investing activities		(\$69,916)	(\$200,251)
C. FINANCING ACTIVITIES			
Capital contributions received		\$98,431	\$112,179
Issuance of long term debt		\$0	\$0
Repayment of long term debt		\$0	\$0
Other (specify):		\$0	\$0
Total sources (uses) from financing activities		\$98,431	\$112,179
Net sources (uses) of cash equivalents* * during year		(\$94,733)	(\$322,432)
Cash equivalents at the beginning of year		\$4,500,387	\$4,822,819
Cash equivalents at the end of year	\$4,405,654	\$4,405,654	\$4,500,387

NOTE: * Input "(Restated)" in 2022 column heading where not taken from the finalized 2021/2022 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, 2023
(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, 2022	\$5,830,224	\$3,766,953	\$23,271	\$2,040,000	\$390,000	\$0	\$1,650,000	\$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	\$0	\$0	\$0	\$0	\$0
Adjusted balance, August 31, 2022	\$5,830,224	\$3,766,953	\$23,271	\$2,040,000	\$390,000	\$0	\$1,650,000	\$0
Surplus(deficit) of revenues over expenses (from page 3)	\$44,083		\$44,083					
Capital asset acquisitions (less financed and/or less capital contributions received)		\$43,517	(\$43,517)	\$0	\$0	\$0	\$0	\$0
Donations of non-amortizable assets	\$0	\$0						
Amortization of capital assets (expense) *		(\$324,847)	\$324,847					
Amortization of capital allocations (revenue) **		\$178,318	(\$178,318)					
Disposal of capital assets		(\$11,537)	\$11,537	\$0			\$0	\$0
Debt principal payments ***		\$0	\$0					
Net transfers to/from operating reserves	\$0	\$0	(\$150,000)	\$150,000	\$150,000	\$0		
Net transfers to/from capital reserves	\$0	\$0	\$0	\$0			\$0	\$0
Other transfers (specify):	\$0	\$0	\$0					
Balance at August 31, 2023	\$5,874,307	\$3,652,404	\$31,903	\$2,190,000	\$640,000	\$0	\$1,650,000	\$0
	\$5,874,307	\$3,652,404	\$31,903	\$2,190,000				

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, 2023

Private School Authority Code: **9263**
School Code: **2166 AND 0655**

REVENUES	TOTAL	Instruction			Operations and Maintenance of Schools	Transportation	Board and System Administration	External Services
		Home Education and Shared Responsibility	Early Childhood Services (ECS)	Instruction (Grades 1 to 12)				
Alberta Education allocations								
(1) ECS Base Instruction	\$741,097		\$741,097					
(2) Grades 1 to 12 Base Instruction (including Distance Education Primary and Non-Primary, Summer School)	\$398,121			\$398,121				
(3) Home Education and Shared Responsibility	\$0	\$0						
(4) Program Supports and Services	\$4,238,106		\$3,372,870	\$865,236				
(5) Operations and Maintenance Grant	\$98,017		\$0	\$0	\$98,017			
(6) Transportation Grant	\$497,406					\$497,406		
(7) System Administration	\$329,139		\$0	\$0	\$0	\$0	\$329,139	
(8) Other - Alberta Education	\$551,348	\$0	\$102,304	\$0	\$57,915	\$391,127		
TOTAL ALBERTA EDUCATION ALLOCATIONS	\$6,853,232	\$0	\$4,216,271	\$1,263,357	\$155,932	\$888,533	\$329,139	
(9) Other Government of Alberta	\$4,010,981	\$0	\$0	\$0	\$0	\$0	\$0	\$4,010,981
(10) Federal Government and/or First Nations	\$25,701	\$0	\$6,814	\$0	\$0	\$0	\$0	\$18,887
(11) Other Alberta school authorities	\$588,758	\$0	\$0	\$74,449	\$178,643	\$80,000	\$275,666	\$0
(12) Instructional fees / tuition fees	\$0	\$0	\$0	\$0				\$0
(13) Non-instructional fees (O&M, Transport, Admin, etc.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14) Other sales and services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Interest on investments	\$95,335	\$0	\$0	\$0	\$0	\$95,335	\$0	\$0
(16) Gifts and donations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$178,318	\$0	\$0	\$0	\$124,822	\$0	\$0	\$53,496
(18) Other (specify):	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$11,752,325	\$0	\$4,223,085	\$1,337,806	\$459,397	\$1,043,868	\$604,805	\$4,083,364
EXPENSES								
(19) Certificated salaries	\$1,367,028	\$0	\$1,012,919	\$207,119			\$104,295	\$42,695
(20) Certificated benefits	\$146,651	\$0	\$110,181	\$22,355			\$9,729	\$4,406
(21) Non-certificated salaries and wages	\$5,812,430	\$0	\$2,188,776	\$368,480	\$0	\$4,509	\$198,472	\$3,034,213
(22) Non-certificated benefits	\$688,240	\$0	\$257,153	\$45,379	\$0	\$685	\$19,191	\$345,832
SUB-TOTAL	\$7,994,349	\$0	\$3,569,009	\$661,313	\$0	\$5,194	\$331,887	\$3,427,146
(23) Services, contracts & supplies - other than Consulting fees / Management fees, and leases	\$3,331,131	\$0	\$187,275	\$32,345	\$174,089	\$2,111,879	\$273,118	\$552,425
(24) Consulting / Management Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(25) Leases - Building	\$57,915	\$0	\$0	\$0	\$57,915	\$0	\$0	\$0
(26) Leases - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital and debt services								
(27) Amortization of capital assets from restricted funds	\$178,318	\$0	\$0	\$0	\$124,822	\$0	\$0	\$53,496
(28) Amortization of capital assets from unrestricted funds	\$146,529	\$0	\$0	\$0	\$102,571	\$0	\$0	\$43,958
(29) Interest on capital debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(31) Losses (gains) on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other (specify):	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENSES	\$11,708,242	\$0	\$3,756,284	\$693,658	\$459,397	\$2,117,073	\$604,805	\$4,077,025
Surplus(deficit) of revenues over expenses	\$44,083	\$0	\$466,801	\$644,148	\$0	(\$1,073,205)	\$0	\$6,339
	\$44,083							

Private School Authority Code: 9263
School Code: 2166 AND 0655

SCHEDULE 2
ANALYSIS OF EARLY CHILDHOOD SERVICES (ECS) PROGRAM UNIT EXPENSES
for the Year Ended August 31, 2023

	ECS Program Unit (excluding Moderate Language Delay Grant)	ECS Moderate Language Delay Grant code 48 only
Instruction		
Certificated salaries	\$296,272	\$0
Certificated benefits	\$24,000	\$0
Non-certificated salaries and wages	\$2,188,776	\$4,000
Non-certificated benefits	\$257,153	\$0
Specialized services and supports	\$116,174	\$0
Supplies and materials	\$23,694	\$0
Parent and staff in-service	\$0	\$0
Other (specify)		\$0
Specialized equipment & furniture (child specific). Please specify:		\$0
Total	\$2,906,069	\$4,000

Schedule 4
Related Party Transactions
for the Year Ended August 31, 2023
(in dollars)

DETAILS OF TRANSACTION	DETAILS AND NATURE OF RELATIONSHIP	2023	2022
Revenues			
Rental		\$0	\$0
Sale of Capital Assets		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Total Revenues		\$0	\$0
Expenses			
Salary and Benefits (Position)		\$0	\$0
Salary and Benefits (Position)		\$0	\$0
Salary and Benefits (Position)		\$0	\$0
Rental		\$0	\$0
System Support		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Other (specify)		\$0	\$0
Total Expenses		\$0	\$0
Receivable from/ Payable to			
		\$0	\$0
		\$0	\$0
		\$0	\$0
Other Contractual Obligations/ Contingencies			
		\$0	\$0
		\$0	\$0

Note:

- Describe the nature of different fees and charges and segregate if significant.
- Group with other if not significant.
- Describe the nature of transactions included in Other.
- If applicable, include loans, payables, and receivables.

Private School Authority Code: **9263**
School Code: **2166 AND 0655**

Schedule 5
Analysis of Home Education Funding Balances
for the Year Ended August 31, 2023
(in dollars)

DETAILS OF TRANSACTION	Full Time Equivalent (FTE) Enrolled	2022/2023	2021/2022
Home Education Funding Received from Alberta Education	0	\$0	\$0
Eligible 50% parent portion		\$0	\$0
Alberta Education Home Education Funding*:			
Paid to parents		\$0	\$0
Unclaimed by parents (deferred)		\$0	\$0
Declined by parents (deferred)		\$0	\$0
Parents transferred parental portion to school (per signed Parent Declaration** form)		\$0	\$0
Accounts Payable to Alberta Education			
Prior year deferred Unclaimed and Declined balances		\$0	
Less: reimbursements to parents for 2021/2022 expenses		\$0	
Less: 2021/2022 parent portion transferred to school		\$0	
Total Accounts Payable to Alberta Education		\$0	

Note:

* An accredited funded private school must offer to the parents of a home education student 50 per cent of the home education funding for the purchase of instructional materials. Parents have up to two years to access the parental portion of home education funding. Alberta Education will recover the unclaimed/declined portion, the year following the previous two year period.

** Declaration forms must be made available upon request by Alberta Education.

Parents who were eligible to receive 50% funding in 2021/22 had until the end of 2022/23 to claim expenses and/or transfer to school per signed Parent Declaration form. Any unclaimed/declined amounts remaining are payable to Alberta Education.

ELVES SPECIAL NEEDS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2023

1. PURPOSE OF THE SOCIETY:

The Society provides educational, rehabilitation and recreational services and facilities to children and adults with developmental disabilities as well as support to their families.

The Society delivers education programs under the authority of the *Education Act*, *Private Schools Regulation*, *Home Education Regulation*, *Ministerial Grants Regulation* and *Funding Manual for School Authorities*.

The Society is incorporated under the Societies Act of the Province of Alberta and is exempt from income taxes.

2. ACCOUNTING POLICIES:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and Ministerial requirements for Alberta funded private schools. Significant policies are as follows:

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. Unrestricted contributions are recognized as revenue when received or receivable.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Instruction and support allocations from the Government of Alberta are recognized as revenue in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Donations of services:

The work of the Society is dependent on the voluntary service of many individuals. Since these services are not normally purchased by the Society and because of the uncertainty in determining their fair value, donated services are not recognized in these financial statements.

ELVES SPECIAL NEEDS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2023

2. ACCOUNTING POLICIES (continued):

Donations of materials:

The Society receives donations of goods, such as supplies, from individuals and organizations. Since these items are not normally purchased by the Society and because of the uncertainty in determining their fair value, donated goods are not recognized in these financial statements.

Property and equipment:

Property and equipment are stated at cost. Amortization is provided using the straight-line method at the following annual rates:

Building.....	2.5%
Computer equipment.....	33 1/3%
Furniture and equipment	20%
Leasehold improvements	10%
Playground equipment.....	5%
Vehicles.....	10%

Financial instruments:

The Society initially measures its financial assets and liabilities at fair value.

The Society subsequently measures all its financial assets and financial liabilities at amortized cost.

The Society's financial instruments measured at amortized cost consist of cash, accounts receivable, accounts payable and accrued liabilities and employee compensation obligations.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount recognized in net income.

Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and short-term investments that can be converted readily to cash.

ELVES SPECIAL NEEDS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2023

2. ACCOUNTING POLICIES (continued):

Use of estimates:

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets 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. These estimates are reviewed annually and adjustments are made to income as appropriate in the year they become known.

3. PROPERTY AND EQUIPMENT:

The major categories of property and equipment and related accumulated amortization are as follows:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2023</u>	<u>2022</u>
Land	\$ 295,000	\$ -	\$ 295,000	\$ 295,000
Building	9,541,469	2,614,031	6,927,438	7,163,284
Computer equipment.....	501,278	440,868	60,410	3,894
Furniture and equipment	1,205,233	1,121,032	84,201	122,288
Leasehold improvements	165,161	141,007	24,154	29,112
Playground equipment	250,450	103,669	146,781	159,067
Vehicles.....	428,596	283,526	145,070	165,340
	<u>\$12,387,187</u>	<u>\$4,704,133</u>	<u>\$7,683,054</u>	<u>\$7,937,985</u>

4. DEFERRED REVENUE:

Deferred revenue represents casino proceeds or other amounts received for which the specific expenditures have not been incurred. The amounts will be recognized as revenue when the specific expenditures are incurred.

Details of deferred revenue are as follows:

	<u>2023</u>	<u>2022</u>
Adult program.....	\$141,004	\$135,159
Respite program.....	122,652	104,373
School program.....	184,909	179,347
Summer program	174,245	145,494
Casino	93,408	25,626
Other	<u>12,595</u>	<u>13,659</u>
	<u>\$728,813</u>	<u>\$603,658</u>

ELVES SPECIAL NEEDS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2023

5. DEFERRED CAPITAL ALLOCATIONS:

Deferred capital allocations represent externally restricted capital contributions provided for specific capital purpose that have been received or are receivable by the school authority, but the related expenditure has not yet been made at year end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at the time that the balance is transferred to the unamortized capital allocations account.

6. UNAMORTIZED CAPITAL ALLOCATIONS:

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations now spent, and decreased as it is brought into revenue (amortization of capital allocations).

7. INTERNALLY RESTRICTED FUNDS:

The Board of Directors has internally restricted \$1,650,000 of unrestricted net assets for future facility maintenance and capital expenditures, major maintenance and upgrading of existing facilities and \$540,000 for future operations. These internally restricted funds are not available for unrestricted purposes without the approval of the Board of Directors. The funds are held in cash or investments that can be readily converted into cash. In the current year the funds are held in guaranteed investment certificates. In the prior year the funds were held as cash.

8. LEASE COMMITMENT:

The Society is committed to the rental of business premises under a lease agreement which expires March 2028. The annual rent payable under the agreement is \$132,376.

9. ECONOMIC DEPENDENCE:

The Society's primary source of revenue is from the Government of Alberta. The Society's ability to continue viable operations is dependent on continuing to receive this funding.

10. CHARITABLE FUNDRAISING INITIATIVE:

During the year, the Society raised total contributions of \$72,997 (2022 - \$52,087) from fundraising events. These funds, net of direct expenses of \$35,084 (2022 - \$34,379) have been added to the building campaign deferred capital allocations that will be used to fund the construction or acquisition of a new building.

ELVES SPECIAL NEEDS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2023

11. FINANCIAL INSTRUMENTS:

The Society is exposed to risk on certain financial instruments as follows:

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to interest rate risk on guaranteed investment certificates. The fixed-rate instruments subject the Society to a fair value risk.

Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, employee compensation obligations and accrued sick pay entitlements.

12. BUDGET AMOUNTS:

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

13. REMUNERATION AND MONETARY INCENTIVES:

In Schedule 3, a principal and member of the executive management team are each listed as a 0.7 FTE. This is the portion of these employees' FTE and related salary which is allocated to the Elves School Program. The Society does not have a Chief Financial Officer or any other management or Executive positions.

14. COMPARATIVE FIGURES:

The comparative figures have been reclassified where necessary to conform to actual 2023 presentation.