

Private School Authority Code: 9 319  
School Code: 3290

**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

Devon Christian School

Devon Christian School Society

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

205 Miquelon Avenue West, Devon AB, T0G 0L8

Mailing Address

Phone: 780-987-4157 Fax: 780-987-3323

Telephone and Fax Numbers

These Financial Statements and Supporting Schedules are Audited by:

VKO LLP Chartered Professional Accountants 206,  
2951 Ellwood Drive SW, Edmonton, AB T6X0B1

VKO LLP

Name and Address of the Audit Firm

Auditor's Signature

PRIVATE SCHOOL MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING.

Devon Christian School

The financial statements and supporting schedules of

Devon Christian School 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

JESSE KORNELSEN  
Name

[Signature]  
Signature

HEAD OF SCHOOL / PRINCIPAL

Rhonda Bray  
Name

[Signature]  
Signature

TREASURER OR SECRETARY - TREASURER

Monte Paulson  
Name

[Signature]  
Signature

2023-12-07

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

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Educations of Devon Christian School Society

### *Opinion*

We have audited the Alberta Education's prescribed financial statements of Devon Christian School Society (the society), which comprise the statement of financial position as at August 31, 2023, and the statements of operations, changes in net assets, schedules 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 Alberta Education's prescribed financial statements present fairly, in all material respects, the financial position of the society as at August 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *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 ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

(continues)

Independent Auditor's Report to the Board of Educations of Devon Christian School Society (*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.

Edmonton , Alberta  
December 7, 2023

VKO LLP

VKO LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

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

		AFS 2023	AFS 2022 (NOTE *) x
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	Note	\$132,208	\$302,977
Accounts receivable (net after allowances)			
Province of Alberta	Note	\$0	\$0
Federal Government and/or First Nations	Note	\$6,254	\$44,587
Other accounts receivable	Note	\$17,803	\$23,746
Prepaid expenses	Note	\$2,385	\$1,026
Other current assets	Note 2	\$761,028	\$580,630
<b>Total current assets</b>		\$919,678	\$952,966
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	\$249,655		
Less: accumulated amortization	\$204,327	\$45,328	\$50,926
Leasehold improvements at cost	\$0		
Less: accumulated amortization	\$0	\$0	\$0
Equipment at cost	\$103,916		
Less: accumulated amortization	\$47,772	\$56,144	\$60,187
Vehicles at cost	\$223,266		
Less: accumulated amortization	\$77,535	\$145,731	\$134,210
<b>Total capital assets</b>	Note 3	\$247,203	\$245,323
<b>TOTAL ASSETS</b>	<b>\$1,166,881</b>	<b>\$1,166,881</b>	<b>\$1,198,289</b>
<b>LIABILITIES</b>			
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	(\$6,430)
Other payables and accrued liabilities	Note	\$62,832	\$24,985
Capital payables	Note	\$0	\$0
Deferred contributions	Note	\$10,075	\$9,989
Deferred capital allocations	Note	\$0	\$0
Current portion of long term debt		\$55,309	\$14,410
<b>Total current liabilities</b>		\$128,216	\$42,954
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 4	\$90,091	\$104,568
Less: Current portion of long term debt	Note 4	(\$55,309)	(\$14,410)
Unamortized capital allocations	Note 5	\$70,370	\$76,502
<b>Total long term liabilities</b>		\$105,152	\$166,660
<b>TOTAL LIABILITIES</b>		<b>\$233,368</b>	<b>\$209,614</b>
<b>NET ASSETS</b>			
Unrestricted net assets		\$45,742	\$303,793
Operating reserves		\$0	\$0
<b>Total accumulated surplus (deficit) from operations</b>		\$45,742	\$303,793
Investment in capital assets		\$126,743	\$104,253
Capital reserves		\$761,028	\$580,630
<b>Total capital funds</b>		\$887,771	\$684,883
<b>Total net assets</b>		\$933,513	\$988,676
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$1,166,881</b>	<b>\$1,166,881</b>	<b>\$1,198,290</b>

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.

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

	AFS 2023	Budget 2023 (NOTE *) x	AFS 2022 (NOTE *) x
<b>REVENUES</b>			
Alberta Education (excluding Home Education)	\$511,157	\$506,326	\$508,261
Alberta Education - Home Education	\$0	\$0	\$0
<b>Total Alberta Education Revenues</b>	\$511,157	\$506,326	\$508,261
Other Government of Alberta	\$36,035	\$0	\$4,989
Federal Government and/or First Nations	\$0	\$0	\$46,021
Other Alberta school authorities	\$0	\$0	\$0
Instructional fees/Tuition fees	\$25,751	\$48,280	\$26,887
Non-instructional fees (O&M, Transportation, Admin, etc.)	\$28,200	\$31,290	\$19,185
Other sales and services	\$33,475	\$40,000	
Interest on investments	\$38,004	\$14,845	(\$22,697)
Gifts and donations	\$99,132	\$55,000	\$112,755
Amortization of capital allocations	\$6,133	\$6,133	\$6,133
Other	\$0	\$15,900	\$22,714
<b>Total Revenues</b>	\$777,886	\$717,774	\$724,248
<b>EXPENSES</b>			
Home Education	\$0	\$0	\$0
Instruction - ECS	\$121,151	\$88,857	\$101,450
Instruction - Grades 1 to 12	\$408,099	\$457,808	\$401,120
Operations and maintenance	\$105,760	\$52,586	\$94,566
Transportation	\$80,172	\$40,329	\$62,093
Board and System Administration	\$117,867	\$78,089	\$97,720
External services	\$0	\$0	\$0
<b>Total Expenses</b>	\$833,049	\$717,669	\$756,949
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<b>(\$55,163)</b>	<b>\$105</b>	<b>(\$32,701)</b>
	(\$55,163)		

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	
<b>CASH FLOWS FROM:</b>			
<b>A. OPERATING ACTIVITIES</b>			
Surplus (deficit) of revenues over expenses for the year	(\$55,163)	(\$32,701)	
Add (Deduct) items not requiring cash:			
Amortization of capital allocations revenue	(\$6,133)	(\$6,133)	
Total amortization expense	\$30,356	\$22,968	
Add losses or deduct gains on disposal of capital assets	\$0	\$0	
Changes in accrued accounts:			
Accounts receivable	\$44,276	\$85,036	
Prepays and other current assets	(\$181,757)	\$24,552	
Payables and accrued liabilities	\$44,277	(\$6,172)	
Deferred contributions	\$86	\$1,587	
Other (specify):	\$0	\$0	
<b>Total sources (uses) of cash from operations</b>	<b>(\$124,058)</b>	<b>\$89,137</b>	
<b>B. INVESTING ACTIVITIES</b>			
Purchases of capital assets:			
Land	\$0	\$0	
Buildings	\$0	\$0	
Leasehold improvements	\$0	\$0	
Equipment	\$0	\$0	
Vehicles	(\$32,234)	(\$115,519)	
Net proceeds from disposal of capital assets	\$0	\$0	
Other (specify):	\$0	\$0	
<b>Total sources (uses) of cash from investing activities</b>	<b>(\$32,234)</b>	<b>(\$115,519)</b>	
<b>C. FINANCING ACTIVITIES</b>			
Capital contributions received	\$0	\$0	
Issuance of long term debt	\$0	\$82,548	
Repayment of long term debt	(\$14,477)	(\$17,980)	
Other (specify):	\$0	\$0	
<b>Total sources (uses) from financing activities</b>	<b>(\$14,477)</b>	<b>\$64,568</b>	
<b>Net sources (uses) of cash equivalents* * during year</b>	<b>(\$170,769)</b>	<b>\$38,186</b>	
<b>Cash equivalents at the beginning of year</b>	<b>\$302,977</b>	<b>\$264,791</b>	
<b>Cash equivalents at the end of year</b>	<b>\$132,208</b>	<b>\$302,977</b>	<b>\$302,977</b>

**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 <small>(Columns 2+3+4)</small>	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS <small>(+, -)</small>	TOTAL RESTRICTED NET ASSETS <small>(Columns 5 to 8)</small>	RESTRICTED NET ASSETS			
					OPERATING RESERVES		CAPITAL RESERVES	
					Grades K to 12	External Services	Grades K to 12	External Services
<b>Balance at August 31, 2022</b>	\$988,676	\$104,253	\$303,793	\$580,630	\$0	\$0	\$580,630	\$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
<b>Adjusted balance, August 31, 2022</b>	\$988,676	\$104,253	\$303,793	\$580,630	\$0	\$0	\$580,630	\$0
Surplus(deficit) of revenues over expenses (from page 3)	(\$55,163)		(\$55,163)					
Capital asset acquisitions (less financed and/or less capital contributions received)		\$32,236	(\$32,236)	\$0	\$0	\$0	\$0	\$0
Donations of non-amortizable assets	\$0	\$0						
Amortization of capital assets (expense) *		(\$30,356)	\$30,356					
Amortization of capital allocations (revenue) **		\$6,133	(\$6,133)					
Disposal of capital assets		\$0	\$0	\$0			\$0	\$0
Debt principal payments ***		\$14,477	(\$14,477)					
Net transfers to/from operating reserves	\$0	\$0	\$0	\$0	\$0	\$0		
Net transfers to/from capital reserves	(\$0)	\$0	(\$180,398)	\$180,398			\$180,398	\$0
Other transfers (specify):	\$0	\$0	\$0					
<b>Balance at August 31, 2023</b>	<b>\$933,513</b>	<b>\$126,743</b>	<b>\$45,742</b>	<b>\$761,028</b>	<b>\$0</b>	<b>\$0</b>	<b>\$761,028</b>	<b>\$0</b>

\$933,513      \$933,513      \$126,743      \$45,742      \$761,028

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

	<b>ECS Program Unit (excluding Moderate Language Delay Grant)</b>	<b>ECS Moderate Language Delay Grant code 48 only</b>
<b>Instruction</b>		
Certificated salaries	\$0	\$0
Certificated benefits	\$0	\$0
Non-certificated salaries and wages	\$0	\$0
Non-certificated benefits	\$0	\$0
Specialized services and supports	\$0	\$0
Supplies and materials	\$0	\$0
<b>Parent and staff in-service</b>	\$0	\$0
<b>Other (specify)</b>	\$0	\$0
<b>Specialized equipment &amp; furniture (child specific). Please specify:</b>	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>

**Schedule 3  
Remuneration and Monetary Incentives  
for the Year Ended August 31, 2023**

Position	Name	Full Time Equivalent (FTE)	Remuneration	Benefits and Allowances	Other Accrued Unpaid Benefits	Other Expenses
Board Chair:	Jesse Kornelsen	1.00	\$0	\$0	\$0	\$0
Secretary-Treasurer:		0.00	\$0	\$0	\$0	\$0
Secretary:	Stephanie Vander Veen	1.00	\$0	\$0	\$0	\$0
Treasurer:	Monte Paulson	1.00	\$0	\$0	\$0	\$0
<b>Board of Directors:</b>						
	1 Regina Hansen	1.00	\$0	\$0	\$0	\$0
	2 Tammy Klapstein	1.00	\$0	\$0	\$0	\$0
	3 _____	0.00	\$0	\$0	\$0	\$0
	4 _____	0.00	\$0	\$0	\$0	\$0
	5 _____	0.00	\$0	\$0	\$0	\$0
	6 _____	0.00	\$0	\$0	\$0	\$0
	7 _____	0.00	\$0	\$0	\$0	\$0
	8 _____	0.00	\$0	\$0	\$0	\$0
	9 _____	0.00	\$0	\$0	\$0	\$0
	10 _____	0.00	\$0	\$0	\$0	\$0
	11 _____	0.00	\$0	\$0	\$0	\$0
	12 _____	0.00	\$0	\$0	\$0	\$0
	13 _____	0.00	\$0	\$0	\$0	\$0
<b>Board of Directors - Total</b>		<b>2.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Head of School		0.00	\$0	\$0	\$0	\$0
Principals:	1 Rhonda Bray	1.00	\$87,331	\$11,888	\$0	\$0
	2 _____	0.00	\$0	\$0	\$0	\$0
	3 _____	0.00	\$0	\$0	\$0	\$0
	4 _____	0.00	\$0	\$0	\$0	\$0
	5 _____	0.00	\$0	\$0	\$0	\$0
	6 _____	0.00	\$0	\$0	\$0	\$0
	7 _____	0.00	\$0	\$0	\$0	\$0
	8 _____	0.00	\$0	\$0	\$0	\$0
	9 _____	0.00	\$0	\$0	\$0	\$0
<b>Principals - Total</b>		<b>1.00</b>	<b>\$87,331</b>	<b>\$11,888</b>	<b>\$0</b>	<b>\$0</b>
Chief Financial Officer:		0.00	\$0	\$0	\$0	\$0
Management/Executives:1.		0.00	\$0	\$0	\$0	\$0
	2 _____	0.00	\$0	\$0	\$0	\$0
	3 _____	0.00	\$0	\$0	\$0	\$0
	4 _____	0.00	\$0	\$0	\$0	\$0
	5 _____	0.00	\$0	\$0	\$0	\$0
	6 _____	0.00	\$0	\$0	\$0	\$0
<b>Management/Executives - Total</b>		<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Certificated staff (excluding Home Education)</b>			\$383,912	\$53,429	\$0	\$0
<b>Total Non-Certificated staff (excluding Home Education)</b>			\$142,016	\$17,003	\$0	\$0
<b>Total Certificated contract staff (excluding Home Education)</b>			\$0	\$0	\$0	\$0
<b>Total Non-Certificated contract staff (excluding Home Education)</b>			\$0	\$0	\$0	\$0
<b>Total Certificated staff (Home Education)</b>			\$0	\$0	\$0	\$0
<b>Total Non-Certificated staff (Home Education)</b>			\$0	\$0	\$0	\$0
<b>Total Certificated Contract staff (Home Education)</b>			\$0	\$0	\$0	\$0
<b>Total Non-Certificated Contract staff (Home Education)</b>			\$0	\$0	\$0	\$0
<b>Contracted Services for Senior Management and Director's Position Only:</b>						
Position	Name	FTE 2023	Contract Amount 2023	Allowances 2023	Bonuses 2023	Other Expenses 2023
Consulting / Management fees:	1 _____	0.00	\$0	\$0	\$0	\$0
	2 _____	0.00	\$0	\$0	\$0	\$0
	3 _____	0.00	\$0	\$0	\$0	\$0
	4 _____	0.00	\$0	\$0	\$0	\$0
<b>Consulting / Management fees - Total</b>		<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

DETAILS OF TRANSACTION	DETAILS AND NATURE OF RELATIONSHIP	2023	2022
<b>Revenues</b>			
Rental		\$0	\$0
Sale of Capital Assets		\$0	\$0
Other (Donations)	Board Members	\$35,432	\$24,872
Other (School Fees)	Board Members	\$6,554	\$5,990
<b>Total Revenues</b>		<b>\$41,986</b>	<b>\$30,862</b>
<b>Expenses</b>			
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
<b>Total Expenses</b>		<b>\$0</b>	<b>\$0</b>
<b>Receivable from/ Payable to</b>			
Board Members	Board Members: Stephanie Vander Veen (Secretary)	\$0	(\$450)
Board Members	Board Members: Jesse Kornelsen (Chair)	\$0	(\$871)
		\$0	\$0
<b>Other Contractual Obligations/ Contingencies</b>			
		\$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.

**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
<b>Home Education Funding Received from Alberta Education</b>	0	\$0	\$0
<b>Eligible 50% parent portion</b>		\$0	\$0
<b>Alberta Education Home Education Funding*:</b>			
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
<b>Accounts Payable to Alberta Education</b>			
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	
<b>Total Accounts Payable to Alberta Education</b>		<b>\$0</b>	

**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.

# DEVON CHRISTIAN SCHOOL SOCIETY

## Notes to Financial Statements

Year Ended August 31, 2023

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### PURPOSE OF THE SOCIETY

Devon Christian School Society (the "society") is a not-for-profit organization incorporated provincially under the Society Act of Alberta on July 9, 1991. As a registered charity the society is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The society receives allocations for instruction purposes under the Private Schools Regulation (Alberta Regulation 39/89).

The society operates to provide and manage a private Christian-based educational environment.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

#### Fund accounting

Revenues and expenses for education, fundraising and administrative activities are reported in the society's General Fund.

The Investment in Capital Asset Fund reports the assets, liabilities, revenues and expenses related to capital assets.

Revenues and expenses for fundraising activities specified for the acquisition of new school facilities are reported in the society's Capital Reserve Fund.

#### Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	4%
Equipment	5 - 10%
Vehicles	10%

Contributed capital assets are recorded at fair market value at the time of the donations based on the actual purchase price. Contributions are deferred and recognized on the same basis as the related capital assets are amortized.

Capital assets with costs in excess of \$5,000 are capitalized.

*(continues)*

# DEVON CHRISTIAN SCHOOL SOCIETY

## Notes to Financial Statements

Year Ended August 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

#### Revenue recognition

Devon Christian School 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 if the amount to be received can be reasonably estimated and collection is reasonably assured.

The society receives funding for operations every year from Alberta Education in the form of grants based on an approved budget and the number of actual students enrolled in the school. The grants are recognized in the school year to which they relate.

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.

Contributions received for the acquisition of capital assets are deferred and recognized on the same basis as the related capital assets are amortized.

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

Other revenues are recognized in the period it is earned and collection is reasonably assured.

#### Contributed goods

Contributed goods are recorded in revenues and offset in expenditures at their fair market value at the time of the donation.

The society operates within buildings located on land owned by the Devon Alliance Church on a rent-free basis. The value of the contributed land use is not reflected in revenues or expenditures as it is not practical to estimate its fair value. The society pays the Church \$18,000 annually to cover operational costs.

#### Contributed services

The fair value of contributed or volunteer services cannot be reasonably determined and are therefore not reflected in these financial statements.

#### Employee future benefits

Contributions to a defined contribution pension plan are expensed when due.

#### Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Significant items subject to such estimates and assumptions include the estimated useful lives of capital assets; allowance for doubtful accounts; and accrued liabilities.

#### Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

# DEVON CHRISTIAN SCHOOL SOCIETY

## Notes to Financial Statements

Year Ended August 31, 2023

### 2. MARKETABLE SECURITIES

	<u>2023</u>	<u>2022</u>
Fixed income	\$ 682,717	\$ 499,492
Equity	<u>78,311</u>	<u>81,138</u>
	<u>\$ 761,028</u>	<u>\$ 580,630</u>

### 3. CAPITAL ASSETS

	Cost	Accumulated amortization	<u>2023 Net book value</u>	2022 Net book value
Buildings	\$ 249,655	\$ 204,327	\$ 45,328	\$ 50,926
Equipment	103,916	47,772	<u>56,144</u>	60,187
Vehicles	223,266	77,535	<u>145,731</u>	134,210
	<u>\$ 576,837</u>	<u>\$ 329,634</u>	<u>\$ 247,203</u>	<u>\$ 245,323</u>

### 4. LONG TERM DEBT

	<u>2023</u>	<u>2022</u>
Servus Credit Union Canada Emergency Business Account (CEBA) loan authorized to \$60,000, bearing interest at 5% per annum; not bearing interest until December 31, 2023. Repaying the loan on or before December 31, 2023 will result in loan forgiveness of 33% of the highest amount drawn; up to a maximum of \$20,000. The forgivable portion of the loan has been included in income.	\$ 40,000	\$ 40,000
Daimler Truck Financial loan bearing interest at 5.6% per annum, repayable in monthly blended payments of \$1,477. The loan matures on September 30, 2026 and is secured by vehicles with a carrying value of \$98,192 (2022 - \$109,744).	<u>50,091</u>	64,568
	<u>90,091</u>	104,568
Amounts payable within one year	<u>(55,309)</u>	<u>(14,410)</u>
	<u>\$ 34,782</u>	<u>\$ 90,158</u>

Principal repayment terms are approximately:

2024	\$ 55,309
2025	16,188
2026	17,119
2027	<u>1,475</u>
	<u>\$ 90,091</u>



# DEVON CHRISTIAN SCHOOL SOCIETY

## Notes to Financial Statements

Year Ended August 31, 2023

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### 5. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations relate to the unamortized portion of donations for a portable building, school bus and playground.

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 76,502	\$ 82,634
Add: contributed capital assets	-	-
Less: amortization of capital allocations	<u>(6,132)</u>	<u>(6,132)</u>
Balance, end of year	<u>\$ 70,370</u>	<u>\$ 76,502</u>

### 6. ECONOMIC DEPENDENCE

The society is economically dependant upon Alberta Education. During the year, the society received 66% (2022 - 70%) of its funding from Alberta Education. The society's ability to continue viable operations is dependent upon maintaining its status as a private school and continuing to receive funding from Alberta Education. As at the date of these financial statements, the society believes that it is in compliance with the guidelines.

### 7. PENSION PLAN

The society offers a defined contribution pension plan to its employees. During the year, contributions of \$20,523 (2022 - \$23,200) were expensed in the statement of operations.

### 8. RELATED PARTY TRANSACTIONS

During the year, members of the Board of Directors donated \$35,432 (2022 - \$24,872) and paid school fees of \$6,554 (2022 - \$5,990) to the society.

### 9. BUDGET

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.

### 10. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

# DEVON CHRISTIAN SCHOOL SOCIETY

## Notes to Financial Statements

Year Ended August 31, 2023

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### 11. FINANCIAL INSTRUMENTS

The society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the society's risk exposure and concentration as of August 31, 2023.

#### **(a) Credit risk**

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. The society's financial assets that are exposed to credit risk consist primarily of cash, marketable securities and accounts receivable. The society's cash and marketable securities are maintained with a large federally regulated financial institution. The society, in its normal course of operations, is exposed to credit risk from its customers. The amounts due are from a variety of customers. The society is not subject to significant concentration of credit risk with respect to its customers.

#### **(b) 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 receipt of funds from the Government of Alberta and other related sources, long term debt and accounts payable.

#### **(c) Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the society manages exposure through its normal operating and financing activities. The society is exposed to interest rate risk primarily through its long term debt and interest bearing assets including cash and marketable securities.

Unless otherwise noted, it is management's opinion that the society is not exposed to significant other price risks arising from these financial instruments.