

**Mother Earth's Children's Charter
School Society**

Financial Statements

August 31, 2015

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Mother Earth's Children's Charter School Society

Legal Name of School Jurisdiction

RR 5 Stony Plain, AB T7Z 1X4

Mailing Address

Phone 780-702-7531 Fax 780-848-2395

Telephone & Fax Numbers, and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Mother Earth's Children's Charter School Society presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

Board of Trustees Responsibility

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

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

Declaration of Management and Board Chair

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

BOARD CHAIR

Brenda Nelson

Name



Signature

SUPERINTENDENT

Ed Wittchen

Name



Signature

SECRETARY-TREASURER OR TREASURER

Anita LeMoignan

Name



Signature

November 9, 2015

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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Independent Auditors' Report

To the Trustees of Mother Earth's Children's Charter School Society:

We have audited the accompanying financial statements of Mother Earth's Children's Charter School Society, which comprise the statement of financial position as at August 31, 2015 and the statements of operations, cash flows, change in net financial assets (net debt), remeasurement gains and losses, and the schedules of changes in accumulated surplus, capital revenue, program operations, and plant operations and maintenance expenses for the year then ended, and 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 auditing standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 the auditors' 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, the auditor considers 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 Mother Earth's Children's Charter School Society as at August 31, 2015 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Leduc, Alberta
November 9, 2015

MNP LLP
Chartered Professional Accountants

STATEMENT OF FINANCIAL POSITION
As at August 31, 2015 (in dollars)

		2015	2014
FINANCIAL ASSETS			
Cash and cash equivalents	(Note 3)	\$ 165,691	\$ 202,552
Accounts receivable (net after allowances)	(Note 4)	\$ 14,658	\$ 17,955
Portfolio investments	(Note 5)	\$ 251,430	\$ 51,430
Other financial assets		\$ -	
Total financial assets		\$ 431,779	\$ 271,937
LIABILITIES			
Bank indebtedness			
Accounts payable and accrued liabilities	(Note 6)	\$ 55,278	\$ 94,659
Deferred revenue	(Note 7)	\$ 200,000	\$ 8,243
Employee future benefit liabilities		\$ -	\$ -
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Supported: Debentures and other supported debt		\$ -	\$ -
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 255,278	\$ 102,902
Net financial assets (debt)		\$ 176,501	\$ 169,035
NON-FINANCIAL ASSETS			
Tangible capital assets	(Note 8)		
Land		\$ -	\$ -
Construction in progress		\$ -	\$ -
Buildings		\$ -	
Less: Accumulated amortization		\$ -	\$ -
Equipment		\$ 126,907	
Less: Accumulated amortization		\$ (112,516)	\$ 14,391
Vehicles		\$ 327,135	
Less: Accumulated amortization		\$ (154,825)	\$ 172,310
Computer Equipment		\$ 138,145	
Less: Accumulated amortization		\$ (133,577)	\$ 4,568
Total tangible capital assets		\$ 191,269	\$ 241,241
Prepaid expenses		\$ 6,742	\$ 5,914
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 198,011	\$ 247,155
Accumulated surplus		\$ 374,512	\$ 416,190
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 374,512	\$ 416,190
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 374,512	\$ 416,190
Contractual obligations	(Note 9)		
Contingent liabilities			

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2015 (in dollars)

	Budget 2015	Actual 2015	Actual 2014
REVENUES			
Alberta Education	\$ 805,142	\$ 884,627	\$ 800,423
Other - Government of Alberta	\$ -	\$ -	\$ -
Federal Government and First Nations	\$ 875,083	\$ 941,029	\$ 841,244
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees	\$ 15,000	\$ -	\$ -
Other sales and services	\$ -	\$ 27,016	\$ 48,397
Investment income	\$ 1,800	\$ 3,350	\$ 4,434
Gifts and donations	\$ 86,500	\$ 116,115	\$ 113,821
Rental of facilities	\$ 3,000	\$ 4,055	\$ 5,034
Fundraising	\$ -	\$ -	\$ -
Gains on disposal of capital assets	\$ -	\$ -	\$ -
Other revenue	\$ 59,244	\$ -	\$ -
Total revenues	\$ 1,845,769	\$ 1,976,192	\$ 1,813,353
EXPENSES			
Instruction - ECS	\$ -	\$ 79,959	\$ -
Instruction - Grades 1 - 12	\$ 1,193,204	\$ 1,035,116	\$ 1,149,259
Plant operations and maintenance	\$ 545,431	\$ 505,091	\$ 471,437
Transportation	\$ 220,148	\$ 216,327	\$ 203,877
Board & system administration	\$ 181,117	\$ 181,377	\$ 184,026
External services	\$ -	\$ -	\$ -
Total expenses	\$ 2,139,900	\$ 2,017,870	\$ 2,008,599
Operating surplus (deficit)	\$ (294,131)	\$ (41,678)	\$ (195,246)

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2015 (in dollars)

	2015	2014
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ (41,678)	\$ (195,246)
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 55,682	\$ 60,024
Gains on disposal of tangible capital assets	\$ -	\$ -
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ -	\$ -
Deferred capital revenue write-off	\$ -	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 3,297	\$ 14,257
Prepays	\$ (828)	\$ 14,781
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ (39,381)	\$ 46,436
Deferred revenue (excluding EDCR)	\$ 191,757	\$ 6,243
Employee future benefit liabilities	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from operating transactions	\$ 168,849	\$ (53,505)
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ -	\$ -
Equipment	\$ -	\$ -
Vehicles	\$ -	\$ -
Computer equipment	\$ (5,710)	\$ -
Net proceeds from disposal of unsupported capital assets	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from capital transactions	\$ (5,710)	\$ -
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (200,000)	
Dispositions of portfolio investments		\$ 100,000
Remeasurement gains (losses) reclassified to the statement of operations	\$ -	\$ -
Change in endowments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ (200,000)	\$ 100,000
D. FINANCING TRANSACTIONS		
Issue of debt		\$ -
Repayment of debt	\$ -	\$ -
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other factors affecting capital leases (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ -	\$ -
Increase (decrease) in cash and cash equivalents	\$ (36,861)	\$ 46,495
Cash and cash equivalents, at beginning of year	\$ 202,552	\$ 156,057
Cash and cash equivalents, at end of year	\$ 165,691	\$ 202,552

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

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)
For the Year Ended August 31, 2015 (in dollars)

	2015	2014
Operating surplus (deficit)	\$ (41,678)	\$ (195,246)
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (5,710)	\$ -
Amortization of tangible capital assets	\$ 55,682	\$ 60,024
Net carrying value of tangible capital assets disposed of	\$ -	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ 49,972	\$ 60,024
Changes in:		
Prepaid expenses	\$ (828)	\$ 14,781
Other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Endowments	\$ -	\$ -
Increase (decrease) in net financial assets (net debt)	\$ 7,466	\$ (120,441)
Net financial assets (net debt) at beginning of year	\$ 169,035	\$ 289,476
Net financial assets (net debt) at end of year	\$ 176,501	\$ 169,035

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended August 31, 2015 (in dollars)

	2015	2014
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments		\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
Accumulated remeasurement gains (losses) at end of year	\$ -	\$ -

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

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2015 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2014	\$ 416,190	\$ -	\$ 416,190	\$ 241,241	\$ -	\$ 174,949	\$ -	\$ -
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2014	\$ 416,190	\$ -	\$ 416,190	\$ 241,241	\$ -	\$ 174,949	\$ -	\$ -
Operating surplus (deficit)	\$ (41,678)		\$ (41,678)			\$ (41,678)		
Board funded tangible capital asset additions				\$ 5,710		\$ (5,710)	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Investment income & realized capital gains on endowments	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (55,682)		\$ 55,682		
Capital revenue recognized	\$ -			\$ -		\$ -		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ -	\$ -	
Net transfers from operating reserves	\$ -					\$ -	\$ -	
Net transfers to capital reserves	\$ -					\$ -		\$ -
Net transfers from capital reserves	\$ -					\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2015	\$ 374,512	\$ -	\$ 374,512	\$ 191,269	\$ -	\$ 183,243	\$ -	\$ -

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2015 (in dollars)**

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year										
Endowment expenses & disbursements										
Endowment contributions										
Investment income & realized capital gains on endowments										
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ -		\$ -		\$ -		\$ -		\$ -	
Net transfers from operating reserves	\$ -		\$ -		\$ -		\$ -		\$ -	
Net transfers to capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2015 (in dollars)

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2014	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2014	\$ -	\$ -	\$ -	\$ -	\$ -
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ -				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Other sources <i>(Describe)</i> :	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ -				
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
Other unexpended capital revenue: <i>(Describe)</i>				\$ -	
Net proceeds on disposal of supported tangible capital assets			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets (Explain):					\$ -
Alberta Schools Alternative Program (ASAP), Building Alberta School Construction Program, (BASCP) and other Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ -	\$ -	\$ -	\$ -	\$ -
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments (Explain):	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ -
Other adjustments (Explain):					\$ -
Capital revenue recognized - Alberta Education					\$ -
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2015	\$ -	\$ -	\$ -	\$ -	\$ -
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2015 (A) + (B) + (C) + (D)					\$ -

Unexpended Deferred Capital Revenue

(A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only.

(B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.

(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved capital assets per 10(2)(a) of Disposition of Property Reg. 181/2010.

(D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

**SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2015 (in dollars)**

REVENUES	2015							2014
	Instruction		Plant Operations and	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12	Maintenance					
(1) Alberta Education	\$ 11,285	\$ 395,248	\$ 280,547	\$ 16,392	\$ 181,155	\$ -	\$ 884,627	\$ 800,423
(2) Other - Government of Alberta		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(3) Federal Government and First Nations	\$ 41,170	\$ 833,038	\$ 66,821	\$ -	\$ -	\$ -	\$ 941,029	\$ 841,244
(4) Other Alberta school authorities		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(5) Out of province authorities		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Other sales and services		\$ 11,039	\$ 13,756	\$ -	\$ 2,221	\$ -	\$ 27,016	\$ 48,397
(10) Investment income		\$ -	\$ -	\$ -	\$ 3,350	\$ -	\$ 3,350	\$ 4,434
(11) Gifts and donations		\$ 12,415	\$ 68,700	\$ 35,000	\$ -	\$ -	\$ 116,115	\$ 113,821
(12) Rental of facilities		\$ -	\$ 4,055	\$ -	\$ -	\$ -	\$ 4,055	\$ 5,034
(13) Fundraising		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(14) Gains on disposal of tangible capital assets		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(15) Other revenue		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(16) TOTAL REVENUES	\$ 52,455	\$ 1,251,740	\$ 433,879	\$ 51,392	\$ 186,726	\$ -	\$ 1,976,192	\$ 1,813,353
EXPENSES								
(17) Certificated salaries	\$ 71,597	\$ 513,492				\$ -	\$ 585,089	\$ 563,731
(18) Certificated benefits	\$ 7,787	\$ 138,000				\$ -	\$ 145,787	\$ 120,804
(19) Non-certificated salaries and wages		\$ 256,414	\$ 95,981	\$ 83,697	\$ 66,291	\$ -	\$ 502,383	\$ 537,986
(20) Non-certificated benefits		\$ -	\$ 12,589	\$ 15,179	\$ 7,804	\$ -	\$ 35,572	\$ 54,952
(21) SUB - TOTAL	\$ 79,384	\$ 907,906	\$ 108,570	\$ 98,876	\$ 74,095	\$ -	\$ 1,268,831	\$ 1,277,473
(22) Services, contracts and supplies	\$ 575	\$ 122,514	\$ 378,248	\$ 84,738	\$ 106,878	\$ -	\$ 692,953	\$ 670,724
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(24) Amortization of unsupported tangible capital assets	\$ -	\$ 4,696	\$ 18,273	\$ 32,713	\$ -	\$ -	\$ 55,682	\$ 60,024
(25) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Other interest and finance charges	\$ -	\$ -	\$ -	\$ -	\$ 404	\$ -	\$ 404	\$ 378
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 79,959	\$ 1,035,116	\$ 505,091	\$ 216,327	\$ 181,377	\$ -	\$ 2,017,870	\$ 2,008,599
(31) OPERATING SURPLUS (DEFICIT)	\$ (27,504)	\$ 216,624	\$ (71,212)	\$ (164,935)	\$ 5,349	\$ -	\$ (41,678)	\$ (195,246)

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2015 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	2015 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 43,662	\$ 23,139	\$ -	\$ -	\$ 29,180		\$ 95,981		\$ 95,981
Uncertificated benefits	\$ 3,154	\$ 5,217	\$ -	\$ -	\$ 4,218		\$ 12,589		\$ 12,589
Sub-total Remuneration	\$ 46,816	\$ 28,356	\$ -	\$ -	\$ 33,398		\$ 108,570		\$ 108,570
Supplies and services	\$ 8,542	\$ 43,372	\$ -	\$ -	\$ 36,612		\$ 88,526		\$ 88,526
Electricity			\$ 31,390				\$ 31,390		\$ 31,390
Natural gas/heating fuel			\$ 19,360				\$ 19,360		\$ 19,360
Sewer and water			\$ 447				\$ 447		\$ 447
Telecommunications			\$ 3,980				\$ 3,980		\$ 3,980
Insurance					\$ 26,302		\$ 26,302		\$ 26,302
ASAP maintenance & renewal payments								\$ -	\$ -
Amortization of tangible capital assets									
Supported								\$ -	\$ -
Unsupported						\$ 18,273	\$ 18,273		\$ 18,273
Total Amortization						\$ 18,273	\$ 18,273	\$ -	\$ 18,273
Interest on capital debt									
Supported								\$ -	\$ -
Unsupported						\$ -	\$ -		\$ -
Lease payments for facilities				\$ 208,243			\$ 208,243		\$ 208,243
Other interest charges						\$ -	\$ -		\$ -
Losses on disposal of capital assets						\$ -	\$ -		\$ -
TOTAL EXPENSES	\$ 55,358	\$ 71,728	\$ 55,177	\$ 208,243	\$ 96,312	\$ 18,273	\$ 505,091	\$ -	\$ 505,091

SQUARE METRES									
School buildings									4,417.0
Non school buildings									0.0

Note:

Custodial: All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

Maintenance: All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed IMR & Modular Unit Relocation & Lease Pmts: All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

UNAUDITED SCHEDULE OF FEE REVENUE
for the Year Ending August 31, 2015 (in dollars)

	Actual 2014/2015	Actual 2013/2014
FEES		
Transportation fees	\$0	\$0
Basic instruction supplies (text books, including lost or replacement fees, course materials)	\$0	\$0
Technology user fees	\$0	\$0
Alternative program fees	\$0	\$0
Fees for optional courses (band, art, etc.)	\$0	\$0
Fees for students from other boards	\$0	\$0
Tuition fees (international & out of province)	\$0	\$0
Kindergarten & preschool	\$0	\$0
Extracurricular fees (sports teams and clubs)	\$0	\$0
Field trips (related to curriculum)	\$0	\$0
Lunch supervision fees	\$0	\$0
Locker rental; locks; student ID; uniforms; library, student union, and fitness fees	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
TOTAL FEES	\$0	\$0

**PLEASE DO NOT USE "SCHOOL GENERATED FUNDS" AS A CATEGORY*

Please disclose amounts paid by parents of students that are recorded as "Other sales and services" or "Other revenue" (rather than fee revenue):	Actual 2014/2015	Actual 2013/2014
Cafeteria sales, hot lunch, milk programs	\$0	\$0
Special events, graduation, tickets	\$0	\$0
Student travel (international, recognition trips, non-curricular)	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$0	\$0
Adult education revenue	\$0	\$0
Child care & before and after school care	\$0	\$0
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
TOTAL	\$0	\$0

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2015 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	130				
REVENUES					
Alberta Education allocated funding	\$ 30,042	\$ -	\$ -	\$ 1,459	\$ -
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 30,042	\$ -	\$ -	\$ 1,459	\$ -
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 24,821	\$ -	\$ -	\$ 1,205	
Instructional non-certificated salaries & benefits	\$ 8,708	\$ -	\$ -	\$ 423	
SUB TOTAL	\$ 33,529	\$ -	\$ -	\$ 1,628	
Supplies, contracts and services	\$ 26,891	\$ -	\$ -	\$ 1,306	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ 3,687	\$ -	\$ -	\$ 179	
Administration (administrative salaries & services)	\$ 2,516	\$ -	\$ -	\$ 122	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 66,623	\$ -	\$ -	\$ 3,235	
NET FUNDING SURPLUS (SHORTFALL)	\$ (36,581)	\$ -	\$ -	\$ (1,776)	

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES
for the Year Ended August 31, 2015 (in dollars)

EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
1 Office of the superintendent		\$ 74,983	\$ -	\$ 74,983	\$ -	\$ -	\$ -	\$ 74,983
2 Educational administration (excluding superintendent)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Business administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 Board governance (Board of Trustees)		\$ 1,295	\$ -	\$ 1,295	\$ -	\$ -	\$ -	\$ 1,295
5 Information technology	\$ -	\$ 408	\$ -	\$ 408	\$ -	\$ -	\$ -	\$ 408
6 Human resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Central purchasing, communications, marketing	\$ -	\$ 24,192	\$ -	\$ 24,192	\$ -	\$ -	\$ -	\$ 24,192
8 Payroll	\$ 74,095	\$ 6,000	\$ -	\$ 80,095	\$ -	\$ -	\$ -	\$ 80,095
9 Administration - insurance			\$ -	\$ -			\$ -	\$ -
10 Administration - amortization			\$ -	\$ -			\$ -	\$ -
11 Administration - other (admin building, interest)			\$ 404	\$ 404			\$ -	\$ 404
12 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 74,095	\$ 106,878	\$ 404	\$ 181,377	\$ -	\$ -	\$ -	\$ 181,377

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

1. Authority and purpose

Mother Earth's Children's Charter School Society (the "Society") delivers educational programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3. It is not taxable under Section 149(1) of the Income Tax Act.

The Society receives funding for instruction and support under Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The Society is limited on certain funding allocations and administration expenses.

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board ("PSAS") of CPA Canada. 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:

Revenue recognition

Revenue is recorded on an accrual basis. Instruction and support allocations are recognized 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.

Eligibility criteria are criteria that the Society has to meet in order to receive certain contributions. Stipulations describe what the Society must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with stipulations are recognized as revenue in the period the stipulations are met, except when and to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with Section PS 3200. Such liabilities are recorded as deferred revenue.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program. Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary. Supplies and services are allocated based on actual program identification.

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

2. Significant accounting policies (*continued*)

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

Portfolio investments

The Society has investments in GIC's that have maturity dates greater than 3 months. GIC's not quoted in an active market are reported at cost or amortized cost.

Detailed information regarding portfolio investments is disclosed in Note 5.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Tangible capital assets

Tangible capital assets are initially recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization. Tangible capital assets are amortized on a straight-line basis over their estimated useful life as follows:

Equipment	10 to 20 years
Vehicles	10 years
Computer equipment	5 years

Only capital assets with a cost in excess of \$5,000 are capitalized. No amortization is recorded in the year of acquisition.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

**MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015**

2. Significant accounting policies (*continued*)

Program reporting

The Society's operations have been segmented as follows:

- **Early Childhood Services:** The provision of Early Childhood Services education that fall under the basic public education mandate.
- **Grade 1 - 12 Instruction:** The provision of grades 1 – 12 instructional services that fall under the basic public education mandate.
- **Plant Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities as well as the operations of the Hot Lunch program.
- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facilities.
- **Board and System Administration:** The provision of board governance and system-based/central office administration.
- **External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenue and expenses are reported by program, source, and object on the Schedule of Program Operations.

Pensions

Pension costs included in these financial statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the *Teachers Pension Plan Act*, the Society does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the Society is included in both revenue and expenses. For the school year ended August 31, 2015, the amount contributed to the Teachers' Retirement Fund by the Province was \$73,700 (2014 - \$68,791).

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

2. Significant accounting policies (*continued*)

Financial instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Society recognizes a financial instrument when it becomes a party to a financial instrument contract.

The Society's financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank indebtedness and accounts payable and accrued liabilities. Unless otherwise indicated, it is management's opinion that the Society is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

Portfolio investments in equity instruments quoted in active markets and derivatives are recorded at fair value. All other financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items in the cost or amortized cost upon initial recognition. The gain or loss arising from derecognition of a financial instrument is recognized in the statement of operations. Impairment losses such as write-downs or write-offs are reported in the statement of operations.

Cash and cash equivalents

Cash and cash equivalents include cash and investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

Accounts receivable

Accounts receivable are shown net of allowance for doubtful accounts.

Deferred revenue

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per PS 3200. These contributions are recognized by the Society once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions as a liability.

Contributed services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

2. Significant accounting policies (continued)

Contributed supplies

Supplies to support the hot lunch program are donated to the Society. These supplies consist of perishable food products nearing expiry, with no market value. Because of the difficulty in determining the value of the contributions due to the fact that there is no market for these products, contributed supplies are not recognized in the financial statements.

Measurement uncertainty

The precise determination of many assets and liabilities 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 judgement. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits.

3. Cash and cash equivalents and bank indebtedness

	2015			2014
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	0.05 - 0.50%	\$204,301	\$204,301	\$211,366
Bank indebtedness		(38,610)	(38,610)	(8,814)
Total cash and bank indebtedness		<u>\$165,691</u>	<u>\$165,691</u>	<u>\$202,552</u>

The Society has negotiated an overdraft facility in the amount of \$50,000 with Servus Credit Union with an overdraft interest rate of prime. At August 31, 2015, there were no drawings on this overdraft facility (2014 - \$nil). Bank indebtedness consists of outstanding cheques issued in excess of the operating bank balance.

4. Accounts receivable

	<u>2015</u>	<u>2014</u>
Federal Government	\$ 5,918	\$ 6,847
Other	275	1,300
Foundations	8,451	10,408
Payroll advances	<u>-</u>	<u>600</u>
	14,644	19,155
Less: allowance for doubtful accounts	<u>-</u>	<u>(1,200)</u>
	<u>\$ 14,644</u>	<u>\$ 17,955</u>

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

5. Portfolio investments

	2015			2014		
	Average Effective (Market) Yield	Cost	Fair Value	Average Effective (Market) Yield	Cost	Fair Value
Long term deposit	0.65%	\$51,430	\$51,430	0.90%	\$51,430	\$51,430
Long term deposit	1.50%	\$200,000	\$200,000			
Total portfolio investments	1.33%	\$251,430	\$251,430	0.90%	\$51,430	\$51,430

The following is the maturity structure for fixed income securities based on the principal amount:

	2015	2014
3 months to 5 years	100%	100%
6 to 10 years	-	-
11 to 20 years	-	-
Over 20 years	-	-
	100%	100%

It is management's opinion that there has been no impairment during the year.

6. Accounts payable and accrued liabilities

	<u>2015</u>	<u>2014</u>
Trade payables and accrued liabilities	\$ 16,669	\$ 18,927
Foundations	15,750	50,750
Federal Government	<u>22,845</u>	<u>24,982</u>
	<u>\$ 55,264</u>	<u>\$ 94,659</u>

**MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015**

7. Deferred revenue

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2014	ADD: 2014/2015 Restricted Funds Received/ Receivable	DEDUCT: 2013/2014 Restricted Funds Expended (Paid/Payable)	ADD (DEDUCT): 2013/2014 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2015
Alberta Education Restricted Operational Funding:					
Lease	\$8,243	-	\$8,243	-	-
Other Deferred Revenue:					
Restricted donations	-	\$200,000	-	-	\$200,000
Total Deferred Revenue	\$8,243	\$200,000	\$8,243	-	\$200,000

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

8. Tangible capital assets

	August 31, 2015			
	Vehicles	Equipment	Computer Equipment	Total
Historical cost				
Beginning of year	\$327,135	\$126,907	\$132,435	\$586,477
Additions	-	-	\$5,710	\$5,710
Transfers in (out)	-	-	-	-
Less disposals including write-offs	-	-	-	-
	\$327,135	\$126,907	\$138,145	\$592,187
Accumulated amortization				
Beginning of year	\$122,113	\$90,688	\$132,435	\$345,236
Amortization expense	\$32,712	\$21,828	\$1,142	\$55,682
Transfers in (out)	-	-	-	-
Less disposals including write-offs	-	-	-	-
	\$154,825	\$112,516	\$133,577	\$400,918
Net book value at end of year	\$172,310	\$14,391	\$4,568	\$191,269

**MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015**

8. Tangible capital assets (continued)

	August 31, 2014			
	Vehicles	Equipment	Computer Equipment	Total
Historical cost				
Beginning of year	\$327,135	\$126,907	\$132,435	\$586,477
Additions	-	-	-	-
Transfers in (out)	-	-	-	-
Less disposals including write-offs	-	-	-	-
	\$327,135	\$126,907	\$132,435	\$586,477
Accumulated amortization				
Beginning of year	\$89,400	\$68,861	\$126,951	\$285,212
Amortization expense	\$32,713	\$21,827	\$5,484	\$60,024
Transfers in (out)	-	-	-	-
Less disposals including write-offs	-	-	-	-
	\$122,113	\$90,688	\$132,435	\$345,236
Net book value at end of year	\$205,022	\$36,219	-	\$241,241

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

9. Contractual obligations

The Society is committed to a lease agreement with a related party, the Friends of MECCS Education Foundation, which expires January 31, 2022. As per the lease agreement, the Society shall pay \$350,000 per annum as rent in respect of each year of the term. Each year this amount is subject to change based on Friends of MECCS Education Foundation board approval.

10. Economic dependence

The Society's primary sources of revenue are received from the Province of Alberta and the Government of Canada. The Society's ability to continue viable operations is dependent on this funding.

11. Related party transactions

All entities consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

All related party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Friends of MECCS Education Foundation (the "Foundation") is a related party as its board of directors includes management and board members from the Society. These two entities have not been consolidated as it was determined that there is no common control. The Society and the Foundation pay expenses on behalf of one another, which are then fully reimbursed at cost. The Society also pays the Foundation rent for the use of the school and related property. These transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration agreed to by the parties.

	Balances		Transactions	
	Financial Assets (at cost)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta				
Education	-	-	\$884,627	-
Other Gov't of Alberta departments	-	-	-	-
Other				
Post-secondary institutions	-	-	-	-
Friends of MECCS Education Foundation	\$8,451	\$15,750	-	\$208,243
TOTAL 2014-2015	\$8,451	\$15,750	\$884,627	\$208,243
TOTAL 2013-2014	\$10,408	\$58,993	\$800,423	\$191,757

**MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015**

12. School generated funds

	2015	2014
Deferred school generated revenue, beginning of year	\$ -	\$ -
Gross receipts:		
Other sales and services	13,756	18,718
Current year activities – total direct costs including cost of goods sold to raise funds	13,756	18,718
Deferred school generated revenue, end of year	\$ -	\$ -

13. Budget amounts

The budget was prepared by the Society and approved by the Board of Trustees on May 12, 2014.

14. Remuneration and monetary incentives

The Society had paid or accrued expenses for the year ended August 31, 2015 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair - Brenda Nelson	1.0	\$0	\$0	\$0	\$0	\$0	\$334
Dale Friedel	1.0	\$0	\$0	\$0	\$0	\$0	\$175
Emil Durocher	1.0	\$0	\$0	\$0	\$0	\$0	\$31
Terry Regamey	1.0	\$0	\$0	\$0	\$0	\$0	\$216
Garrett Strawberry	1.0	\$0	\$0	\$0	\$0	\$0	\$456
	0.0	\$0	\$0	\$0	\$0	\$0	\$83
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	5.0	\$0	\$0	\$0	\$0	\$0	\$1,295
Certificated teachers	7.0	\$585,089	\$145,787	\$0	\$0	\$0	\$0
Non-certificated - other	23.0	\$502,383	\$35,572	\$0	\$0	\$0	\$0
TOTALS		\$1,087,472	\$181,359	\$0	\$0	\$0	\$1,295

The Superintendent, Ed Wittchen is paid based on contract and not wages. He received \$74,983 (2014 - \$72,920) as per his contract.

Benefits include government portion of the current service contribution to the Alberta Teachers' Pension Fund on behalf of the Society.

MOTHER EARTH'S CHILDREN'S CHARTER SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2015

15. Going concern

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of operations. Should the Society be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The continuation of the Society is dependent upon the continuing availability of Federal and Provincial funding, the additional funding of third parties, and upon adherence to budgeted expenses. These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Society were unable to continue its operations.

16. Comparative figures

Certain comparative figures have been reclassified to conform to current year presentation.

17. Additional information

The following information is required to comply with the disclosure requirements of the *Charitable Fund-raising Act* and Regulation:

- Gross contributions received were \$317,649.
 - Gross contributions were disposed of through various expenditures which have been detailed on the schedule of program operations and were in excess of 10% of the gross contributions received.
 - There were no expenses incurred for the purposes of soliciting contributions.
 - No amounts were paid as remuneration to employees whose principal duties involve fundraising.
-