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**COMMUNITY  
DEVELOPMENT**

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FOR THE FISCAL YEAR ENDED

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counseling on an emergency basis); residential treatment services to assist severely dependent clients in their recovery from addictions; and research, information and monitoring services that provide accurate and current information on issues, trends and research in the addictions.

#### **Seniors Advisory Council for Alberta**

The Seniors Advisory Council for Alberta brings the views of seniors to the attention of government. The council makes recommendations to the government on the coordination of policies and programs relating to seniors. The council also responds to government reports and specific requests for advice.

#### **Human Rights, Citizenship and Multiculturalism Education Fund Advisory Committee**

The Human Rights, Citizenship and Multiculturalism Education Fund provides financial support for educational initiatives in all aspects of human rights, citizenship and multiculturalism.

#### **Alberta Human Rights and Citizenship Commission**

The Alberta Human Rights and Citizenship Commission protects Albertans from acts of discrimination and fosters equality so all Albertans can have the opportunity to participate fully in the social, economic and cultural life of the province.

#### **Alberta Foundation for the Arts**

The Alberta Foundation for the Arts assists the development of culture and the arts, which are fundamental to Alberta's quality of life. The foundation provides financial assistance to artists and arts organizations, encourages public access to the arts, and assists in creating opportunities for children and youth to participate in the arts.

#### **Alberta Sport, Recreation, Parks and Wildlife Foundation**

The Alberta Sport, Recreation, Parks and Wildlife Foundation supports the development of recreation, sport, parks and wildlife activities in the province. The foundation provides financial assistance to provincial recreation and sport organizations, sponsors major games, and supports the development of active lifestyles.

#### **Alberta Historical Resources Foundation**

The Alberta Historical Resources Foundation sponsors community-based heritage initiatives across the province and manages the provincial Main Street program. Projects funded by the foundation typically range from restoration of historical buildings and heritage districts, to the development of interpretative markers, publications and educational projects.

recorded in the arts, recreation and libraries sectors. Further analysis of the data might assist in determining to what degree the various segments of the population participate as volunteers and how programs can be adapted to best serve them.

Volunteer efforts in Alberta are supported by the ministry. In partnership with the Muttart Foundation, 61 volunteer trainers with the Board Development Program provided leadership training to 532 board members in organizations across Alberta. The Wild Rose Foundation, in particular, approved \$4.5 million in funding to 200 community-service organizations in which volunteers contributed 1.7 million hours of their time and raised \$26 million. The annual Vitalize conference in June 1996 was attended by 1,800 delegates from 1,000 different community organizations.

**MEASURE: Attendance/visits to recreational/cultural activities and events**

The benefits of the arts, recreation and libraries to individuals and society in general are well-documented. The ministry, in partnership with its clients, provides opportunities for Albertans to have access to these activities. Attendance at and visits to cultural and recreational events measures the success of the ministry and its partners in developing opportunities for Albertans to participate in arts, culture, recreation, sports and libraries activities.

This measure was intended to determine the extent to which Albertans attend arts, recreation and library events. Data were collected on a voluntary basis from organizations and individuals receiving financial assistance from the ministry. In 1995-96, attendance data collected through the grant application process in the arts, culture, sports and recreation sectors indicated events in these areas attracted approximately 68 million attendees. Data available for 1996-97 showed attendance at arts events at about 13 million based on statistics provided by Alberta Foundation for the Arts grant recipients.

Collection of this information, however, has proven to be difficult for activities where attendance is not normally counted, such as sport and recreation activities. As a result, this measure was replaced by three new measures in the 1997-98 to 1999-2000 business plan: the percentage of the population participating in sport, recreation and physical activity; the percentage of private sector funding provided to arts and cultural groups; and the level of economic activity in the arts and cultural industries. Participation data will continue to be collected where possible and used as a measure for the ministry.

## FINANCIAL INFORMATION

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### Management's Responsibility for Financial Reporting

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**R**esponsibility for the integrity and objectivity of the consolidated financial statements of the Ministry of Community Development rests with the Minister of Community Development. The consolidated financial statements are prepared by the Senior Financial Officer under the general direction of the Deputy Minister. The consolidated financial statements are prepared in accordance with the government's stated accounting policies and, of necessity, include some amounts that are based on estimates and judgments. The consolidated financial statements and the financial statements of each entity for which the Minister is responsible, are included in this Annual Report pursuant to the Government Accountability Act. Financial information contained elsewhere in this Annual Report is consistent with that in the financial statements.

To fulfill its accounting and reporting responsibilities, the Ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks, and which are designed to provide reasonable assurance that transactions are properly authorized by the Legislative Assembly, are executed in accordance with prescribed regulations, are properly recorded so as to maintain accountability of public money, and, safeguard the assets and properties of the Province of Alberta under ministry administration.

Under the Financial Administration Act, deputy heads are responsible for the collection of revenue payable to the Crown, and for making and controlling disbursements with respect to their departments. They are also responsible for prescribing the accounting systems to be used in their departments. Additional information is obtained, as required, from provincial agencies, commercial enterprises, and Crown-controlled organizations to meet accounting and reporting requirements.

The Ministry of Community Development includes:

- Department of Community Development
- Community Development Revolving Fund
- Historic Resources Fund
- Human Rights, Citizenship and Multiculturalism Education Fund
- Alberta Alcohol and Drug Abuse Commission
- Alberta Foundation for the Arts
- The Alberta Historical Resources Foundation
- Alberta Sport, Recreation, Parks and Wildlife Foundation
- Glenbow-Alberta Institute (Operations consolidated until March 31, 1996 and assets and liabilities transferred on April 1, 1996)
- The Government House Foundation
- The Wild Rose Foundation

FINANCIAL INFORMATION

In preparing the financial statements for the Ministry, I have relied, as necessary, on the executive of individual organizations within the Ministry.

The Auditor General of Alberta provides an independent opinion on the financial statements included in this Annual Report.

Annually, the Annual Report is tabled in the Legislature. [Starting in 1998, it will be referred to the Standing Committee on Public Accounts of the Legislative Assembly. The Standing Community on Public Accounts reports to the Legislative Assembly on the results of its examination together with any recommendations it may have with respect to the Annual Report.]



Julian J. Nowicki  
Deputy Minister



G. Rai Batra  
Senior Financial Officer

Date: September 18, 1997



Note 10 Capital Assets

	Estimated Useful Life	1997			1996
		Cost	Accumulated Amortization (thousands of dollars)	Net Book Value	Net Book Value
Artworks	N/A	\$ 5,846	\$ -	\$ 5,846	\$ 5,535
Land	N/A	1,538	-	1,538	1,049
Computer hardware and software	up to 5 years	3,007	1,644	1,363	378
Historic buildings	N/A	16,022	-	16,022	15,998
Equipment	up to 10 years	4,052	3,240	812	1,335
Other	up to 5 years	500	491	9	188
		<u>\$ 30,965</u>	<u>\$ 5,375</u>	<u>\$ 25,590</u>	<u>\$ 24,483</u>

Note 11 Collections

Collections consist of historical and scientific artifacts and works of art of provincial, national and international significance located in museums and at historical sites of the Province. The Ministry has not recorded the value of the collections listed under (a) to (h) below in the consolidated financial statements, due to the practical difficulties of reflecting them at a meaningful value. There have been no significant expenditures by the Department on collection items and the only significant disposals are those listed under (k) below. The collections are insured for over \$300 million. A description of the major collections is as follows:

- (a) The Provincial Museum of Alberta curates 12 human and natural history programs, with a total collection of more than two million objects representing the diverse disciplines of archaeology, paleontology, natural history, and ethnography.
- (b) The Royal Tyrrell Museum of Paleontology collection consists of approximately 100,000 accessions representing multiple related paleontology specimens.
- (c) Remington-Alberta Carriage Centre (the "Centre") houses a total of 283 vehicles, of which 12 are on loan to the Centre, plus approximately 250 associated small artifacts. 211 carriages and 8 reproductions are on display while 5 carriages plus one horse-drawn trolley are actively used in outdoor public programming. Also, 58 vehicles are in storage.

Note 11 Collections (continued)

- (d) Reynolds-Alberta Museum exhibits approximately 150 major agricultural, industrial and transportation artifacts, and provides preservation, maintenance and restoration services for an additional collection of approximately 1,400 major and 2,000 smaller artifacts. Included in these numbers are 23 vintage aircraft on permanent loan to the museum.
- (e) The Province owns 43 developed, free standing historic buildings/structures; 23 undeveloped historic buildings/structures; and two sites (Bitumont and Turner Valley) each containing multiple undeveloped historic buildings and structures.
- (f) A collection of some 45,000 artifacts is managed by staff at the Ukrainian Cultural Heritage Village (the Village). Of this number, 25,000 objects are on display, in use or in storage at the Village, and 20,000 are on display or in use at a number of smaller historic sites in the province.
- (g) The Provincial Archives of Alberta holds approximately 64,500 boxes of government records; 10,000 boxes of private papers; 45,000 maps; 22,000 architectural drawings; 315,000 photographs; 5,700 hours of recorded audio tapes; 9,400 hours of film and video materials; and 5,200 items in the reference library.
- (h) The Glenbow-Alberta Institute manages under contract to the Province 216,000 artifacts, approximately 11,500 boxes of private archival papers, 4,000 hours of archival audio-visual materials, and 4,750,000 historic photographs.
- (i) The Government House Foundation owns artworks and collections, consisting of paintings, drawings, prints, sculptures, furnishings, books and silverware that pertain to the history of Government House, for use and display in Government House.
- (j) The Alberta Foundation for the Arts collects, preserves and displays works of art by Alberta artists.
- (k) The Alberta Historical Resources Foundation holds paintings, sketches, photographs and books of historical interest to the Province. The following are the major disposals of historical assets during the year:
  - (i) The James Marshall Collection of drawings - donated to the Medicine Hat Museum and Art Gallery, and
  - (ii) Lethbridge Fire Hall #1 - sold to a local developer for \$1, with an agreement that the developer will restore and maintain the historical integrity of the building.

ALBERTA FOUNDATION FOR THE ARTS

FINANCIAL STATEMENTS

MARCH 31, 1997

Auditor's Report

Balance Sheet

Statement of Revenues, Expenses and Fund Balance

Statement of Equity in Artworks

Statement of Changes in Financial Position

Notes to the Financial Statements



## AUDITOR'S REPORT

To the Members of the Alberta Foundation for the Arts

I have audited the balance sheet of the Alberta Foundation for the Arts as at March 31, 1997 and the statements of revenues, expenses and fund balance, equity in artworks, and changes in financial position for the year then ended. These financial statements are the responsibility of management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 1997 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

*Peter Valentini* FCA  
Auditor General

Edmonton, Alberta  
May 9, 1997

ALBERTA FOUNDATION FOR THE ARTS  
BALANCE SHEET  
AS AT MARCH 31, 1997

<u>ASSETS</u>	<u>1997</u>	<u>1996</u>
Current assets:		
Cash and short-term investments (Note 4)	\$ 1,338,922	\$ 1,960,751
Accrued interest	158,771	164,823
Accounts receivable and prepaid expenses	11,790	50,150
Loans and advances	250,000	1,224,506
	<u>1,759,483</u>	<u>3,400,230</u>
Long-term investments (Note 5)	2,866,746	2,866,746
Capital assets (Note 6)	68,273	66,093
Artworks:		
Purchased	4,095,874	3,866,164
Donated	976,126	925,126
	<u>5,072,000</u>	<u>4,791,290</u>
	<u>\$ 9,766,502</u>	<u>\$ 11,124,359</u>
	<u>LIABILITIES AND EQUITY</u>	
Current liabilities:		
Grants payable	\$ 510,472	\$ 628,264
Accounts payable	66,256	58,183
	<u>576,728</u>	<u>686,447</u>
Long-term grant payable (Note 7)	1,000,000	1,500,000
Equity:		
Equity in artworks	5,072,000	4,791,290
General reserve (Note 8)	2,866,746	2,866,746
Fund balance	251,028	1,279,876
	<u>8,189,774</u>	<u>8,937,912</u>
	<u>\$ 9,766,502</u>	<u>\$ 11,124,359</u>
Commitments (Note 9)		

The accompanying notes are part of these financial statements.

ALBERTA FOUNDATION FOR THE ARTS

STATEMENT OF REVENUES, EXPENSES AND FUND BALANCE

FOR THE YEAR ENDED MARCH 31, 1997

	1997		1996
	Budget (Note 10)	Actual	Actual
<u>REVENUES</u>			
Contribution from the Lottery Fund, a related party	\$ 16,104,000	\$ 16,104,000	\$ 16,104,000
Interest	390,000	460,404	611,025
Gain on de-accession of artworks	-	-	8,700
Miscellaneous	1,000	428	818
	<u>16,495,000</u>	<u>16,564,832</u>	<u>16,724,543</u>
<u>EXPENSES</u>			
Grant programs:			
Operating assistance (Note 11)	12,516,608	12,818,810	13,006,370
Project support (Note 12)	2,509,500	2,329,286	2,472,115
Special (Note 13)	-	1,200,000	-
Other	34,500	25,500	80,000
	<u>15,060,608</u>	<u>16,373,596</u>	<u>15,558,485</u>
Art programs:			
Provincial traveling exhibition	250,000	260,000	271,335
Summer schools	233,000	241,400	239,744
Other	76,500	89,489	51,143
	<u>559,500</u>	<u>590,889</u>	<u>562,222</u>
Program costs	<u>15,620,108</u>	<u>16,964,485</u>	<u>16,120,707</u>
Administration (Notes 3 and 14)	<u>528,906</u>	<u>399,485</u>	<u>465,027</u>
	<u>16,149,014</u>	<u>17,363,970</u>	<u>16,585,734</u>
Excess (deficiency) of revenues over expenses for the year	345,986	(799,138)	138,809
Transfers from (to) equity in artworks:			
Artwork purchases	(268,000)	(231,710)	(264,680)
De-accessions - artworks damaged	-	2,000	3,600
Change in fund balance during the year	<u>\$ 77,986</u>	<u>(1,028,848)</u>	<u>(122,271)</u>
Fund balance at beginning of year		<u>1,279,876</u>	<u>1,402,147</u>
Fund balance at end of year		<u>\$ 251,028</u>	<u>\$ 1,279,876</u>

ALBERTA FOUNDATION FOR THE ARTS

STATEMENT OF EQUITY IN ARTWORKS

MARCH 31, 1997

	1997		1996
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Note 10)		
Equity in artworks at beginning of year		\$ 4,791,290	\$ 4,462,760
Additions:			
Artworks purchased	<u>\$ 268,000</u>	231,710	264,680
Artworks donated		<u>51,000</u>	<u>67,450</u>
		5,074,000	4,794,890
De-accessions -			
Artworks damaged		<u>2,000</u>	<u>3,600</u>
Equity in artworks at end of year		<u>\$ 5,072,000</u>	<u>\$ 4,791,290</u>

ALBERTA FOUNDATION FOR THE ARTS  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEAR ENDED MARCH 31, 1997

	1997		1996
	Budget (Note 10)	Actual	Actual
<b>Operating activities:</b>			
Excess (deficiency) of revenues over expenses for the year	\$ 345,986	\$ (799,138)	\$ 138,809
Add (deduct) non-cash items:			
Amortization of capital assets	28,000	21,337	23,272
Loss (gain) on de-accession of artworks	-	2,000	(8,700)
Amortization of discount on investments	(343)	(360)	(257)
	373,643	(776,161)	153,124
Decrease (increase) in non-cash working capital	1,239,329	909,199	(685,522)
Cash provided by (used in) operating activities	1,612,972	133,038	(532,398)
<b>Investing activities:</b>			
Proceeds from disposals of investments	921,687	921,687	150,017
Increase in cash appropriated for non-current use	(878,165)	(878,128)	(108,929)
Acquisitions of artworks	(268,000)	(282,710)	(332,130)
Purchases of investments	(43,199)	(43,199)	(40,831)
Acquisitions of capital assets	(5,000)	(24,574)	(32,161)
Proceeds on disposal of capital assets	-	1,057	-
Settlements for lost and accidentally destroyed artworks	-	-	12,300
Cash used in investing activities	(272,677)	(305,867)	(351,734)
<b>Financing activities:</b>			
Decrease in long-term grant payable	(500,000)	(500,000)	(500,000)
Donations of artworks	-	51,000	67,450
Cash used in financing activities	(500,000)	(449,000)	(432,550)
Increase (decrease) in cash and short-term investments	840,295	(621,829)	(1,316,682)
Cash and short-term investments at beginning of year	1,960,751	1,960,751	3,277,433
Cash and short-term investments at end of year	\$ 2,801,046	\$ 1,338,922	\$ 1,960,751

ALBERTA FOUNDATION FOR THE ARTS

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 1997

Note 1 Authority and Purpose

The Alberta Foundation for the Arts (the "Foundation") operates under the authority of the Alberta Foundation for the Arts Act, Chapter A-21.5, Statutes of Alberta 1991.

The purposes of the Foundation are:

- to support and contribute to the development of and to promote the arts in Alberta;
- to provide persons and organizations with the opportunity to participate in the arts in Alberta;
- to foster and promote the enjoyment of works of art by Alberta artists;
- to collect, preserve and display works of art by Alberta artists; and
- to encourage artists resident in Alberta in their work.

The Foundation is a crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Significant Accounting Policies and Reporting Practices

(a) Revenue Recognition

Operating grants are recognized as revenue in the period receivable.

Donated artworks are recorded as direct increases in net assets at appraised values at the date of acquisition.

Unrestricted donations are recognized as revenue when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value when it can reasonably be determined.

(b) Investments

Investments are recorded at cost or amortized cost, where applicable. Amortization of premium or discount is calculated on a straight-line basis from acquisition date to maturity date. Where there has been a loss in the value of an investment that is other than a temporary decline, the investment is written down to recognize the loss.



Note 2 Significant Accounting Policies and Reporting Practices (continued)

(c) Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided over the estimated useful lives of the capital assets on a straight-line basis using the following annual rates:

Office furniture, equipment and furnishings	15%
Computer equipment	25%

(d) Artworks

Purchased artworks are recorded at cost. Artworks are not amortized. Proceeds from the disposition of artworks can only be used to acquire other items to be added to the collection or for the direct care of existing artworks.

(e) Expenses

Grants are recorded as expenses when authorized by the Foundation's Members and when eligibility conditions for the grants have been satisfied.

Note 3 Administration Costs

Certain salary costs, accommodation and other overhead costs, estimated by management to be approximately \$625,000, incurred in the administration of the Foundation have not been included in the Foundation's expenses. These costs are incurred and recorded by the General Revenue Fund of the Province of Alberta, Departments of Community Development and Public Works, Supply and Services.

Note 4 Cash and Short-Term Investments

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (the "Fund") of the Province of Alberta. The fund is being managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. The Foundation earns interest on its daily cash balance at the average rate of earnings of the Fund, which varies depending on prevailing market interest rates.

Note 4 Cash and Short-Term Investments (continued)

Short-term investments consists of Government of Canada bonds and deposits with financial institutions and life insurance companies that mature within one year.

The year end balance consists of:

	<u>1997</u>	<u>1996</u>
Cash	\$ 1,583,981	\$ 2,099,351
Short-term investments	921,687	150,018
	<u>2,505,668</u>	<u>2,249,369</u>
Less appropriated for non-current use	<u>1,166,746</u>	<u>288,618</u>
	<u><u>\$ 1,338,922</u></u>	<u><u>\$ 1,960,751</u></u>

Note 5 Long-Term Investments

Long-term investments consist of the following:

	<u>1997</u>			<u>1996</u>	
	<u>Maturing in One to Four Years</u>			<u>Total</u>	
	Effective Interest Rate	Cost	Market	Cost	Market
Deposits with financial institutions and life insurance companies <sup>(a)</sup>	10.27%	\$ 1,700,000	\$ 1,700,000	\$ 2,278,831	\$ 2,278,831
Government of Canada bonds		-	-	299,297	325,050
		<u>1,700,000</u>	<u>\$ 1,700,000</u>	2,578,128	<u>\$ 2,603,881</u>
Cash and short-term investments appropriated for non-current use		<u>1,166,746</u>		<u>288,618</u>	
		<u><u>\$ 2,866,746</u></u>		<u><u>\$ 2,866,746</u></u>	

<sup>(a)</sup> The deposits with financial institutions and life insurance companies can be realized prior to maturity dates only with the payment of penalties.

Note 6 Capital Assets

Capital assets consist of the following:

	1997		1996	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 127,984	\$ 92,085	\$ 35,899	\$ 34,190
Office furniture, equipment and furnishings	83,086	50,712	32,374	31,903
	<u>\$ 211,070</u>	<u>\$ 142,797</u>	<u>\$ 68,273</u>	<u>\$ 66,093</u>

Note 7 Long-Term Grant Payable

On March 10, 1995, the Foundation signed an agreement to give \$2,500,000 over a period of three to five years to the Alberta Performing Arts Stabilization Fund ("Stabilization Fund"), a corporation that will provide grants and technical and management assistance to performing arts organizations in Alberta. At the year end, the Foundation had paid the Stabilization Fund \$1,000,000. The amount payable in 1997-98 of \$500,000 has been recorded as a current liability and included in grants payable.

Note 8 General Reserve

The general reserve has been established by appropriation from fund balance. The reserve is not available to the Foundation for use in its operations unless written approval is received from the Minister of Community Development.

Interest earned on the reserve amount is reported as operating revenue.

Note 9      Commitments

At March 31, 1997, the Foundation had commitments in the amount of \$692,558 for grants approved but not expended, pending fulfillment of eligibility conditions.

The Foundation is also committed to supporting the Information Network for Libraries initiative of The Alberta Library with \$1,200,000 in each of 1998-99 and 1999-2000. The Alberta Library has been incorporated by the major libraries in the Province of Alberta to help implement an electronic library network among the public libraries in Alberta.

Note 10     Budget

The budget for the Foundation, shown in the 1996-97 Government Estimates, has been reconciled, below, to the budget approved by management on July 14, 1995, and is presented on the statement of revenues, expenses and fund balance. The statement of revenues, expenses and fund balance and the notes to the financial statements also contain other detailed budget amounts that were approved by management. Budget amounts on the statement of changes in financial position were approved by the Members of the Foundation on October 18, 1996 and are in agreement with the 1996-97 Government Estimates.

Note 10 Budget (continued)

	Management Budget of July 14, 1995	Adjustments	Budget per the 1996-97 Government Estimates
<b>Revenues:</b>			
Contributions from the Lottery Fund	\$ 16,104,000	\$ -	\$ 16,104,000
Interest	425,000	(35,000)	390,000
Miscellaneous	1,000	-	1,000
<b>Total revenues</b>	<b>16,530,000</b>	<b>(35,000)</b>	<b>16,495,000</b>
<b>Expenses:</b>			
Programs	15,655,108	(35,000) <sup>(a)</sup>	15,620,108
Administration	500,906	-	500,906
Amortization	23,000	5,000	28,000
<b>Total expenses</b>	<b>16,179,014</b>	<b>(30,000)</b>	<b>16,149,014</b>
<b>Excess of revenues over expenses</b>	<b>\$ 350,986</b>	<b>\$ (5,000)</b>	<b>\$ 345,986</b>
Acquisition of artworks	\$ 268,000		
Acquisition of capital assets	5,000		
<b>Acquisition of artworks and capital assets</b>	<b>\$ 273,000</b>		<b>\$ 273,000</b>

(a) The reduction in the 1996-97 Government Estimates for program expenses has been applied by management to reduce the project support grants for performing arts.

Note 11 Operating Assistance Grants

Operating assistance grants are primarily paid to organizations to assist them in meeting a portion of their operating expenses. The Foundation's grants enable organizations to carry out their mandates and to attract other funding. Grants have been paid to organizations in the following major groupings:

	1997		1996
	Budget (Note 10)	Actual	Actual
Professional performing arts organizations	\$ 5,468,808	\$ 5,577,784	\$ 5,524,000
Art galleries	1,400,000	1,432,367	1,445,999
Provincial organizations	1,160,000	1,073,300	1,143,587
Major facilities	1,000,000	1,000,000	1,319,400
Festivals	776,000	965,911	787,808
Amateur operating assistance	800,000	863,046	912,556
Community series	720,000	733,384	641,975
Film and video	575,000	579,000	585,125
Publishing	446,800	445,068	436,053
Cultural components <sup>(a)</sup>	125,000	103,950	162,500
Literary organizations	45,000	45,000	47,367
	<u>\$ 12,516,608</u>	<u>\$ 12,818,810</u>	<u>\$ 13,006,370</u>

<sup>(a)</sup> The Foundation provided these grants to the Alberta Sport, Recreation, Parks and Wildlife Foundation, a related party. The grants were for staging cultural components at Alberta Games and at Alberta Future Leaders Program events.



Note 12 Project Support Grants

Project support grants are paid to individuals and organizations to meet a portion of the expenses required to complete specific projects. Grants have been paid in the following major groupings:

	1997		1996
	Budget (Note 10)	Actual	Actual
Performing arts	\$ 615,000	\$ 474,031	\$ 610,859
Visual arts	389,000	397,766	365,054
Educational touring	200,000	234,802	236,658
Writers	257,000	226,062	252,030
Artists in schools residency	155,000	191,045	170,591
Commissioning public art	157,500	186,541	133,455
Film and video projects	127,000	139,437	121,695
Art study	136,000	135,980	138,880
Literary	168,000	124,332	133,987
In-Province touring	100,000	85,837	87,250
Alberta Heritage			
Scholarship Fund	50,000	50,000	50,000
Multidisciplinary	-	38,080	60,000
Development	-	30,000	-
Public art purchase	55,000	8,350	17,992
Libraries	100,000	7,023	93,664
	<u>\$ 2,509,500</u>	<u>\$ 2,329,286</u>	<u>\$ 2,472,115</u>

Note 13 Special Grant

As part of a commitment to support the Information Network for Libraries initiative, the Foundation made a grant payment of \$1,200,000 to The Alberta Library.

Note 14 Administration Expenses

Administration expenses can be borne by the Foundation or by the General Revenue Fund, Departments of Community Development and Public Works, Supply and Services (see Note 3). Administration expenses borne by the Foundation consist of:

	1997		1996
	Budget (Note 10)	Actual	Actual
Salaries, honoraria and benefits (Note 15):			
Staff salaries, benefits and allowances	\$ 223,400	\$ 127,538	\$ 170,792
Adjudicators' fees	45,000	39,275	38,132
Honoraria to Foundation Members	10,000	10,219	8,504
	<u>278,400</u>	<u>177,032</u>	<u>217,428</u>
Office and other	81,506	54,205	62,921
Technical and professional fees	38,000	52,291	47,941
Foundation Members' travel and subsistence	60,000	36,086	29,129
Adjudicators' travel and subsistence	30,000	22,395	22,052
Severance payments	-	21,747	54,075
Amortization of capital assets	28,000	21,337	23,272
Staff travel, subsistence and development	13,000	12,392	8,209
Loss on de-accession of artwork	-	2,000	-
	<u>\$ 528,906</u>	<u>\$ 399,485</u>	<u>\$ 465,027</u>

Note 15 Salaries, Honoraria and Benefits

Salaries and benefits paid to employees and honoraria paid to Foundation Members and adjudicators are as follows:

	1997			1996		
	Number of Individuals	Salaries and Honoraria <sup>(a)</sup>	Benefits and Allowances <sup>(b)</sup>	Total	Number of Individuals	Total
Foundation <sup>(c)</sup> :						
Chairman	1	\$ 4,749	\$ -	\$ 4,749	1	\$ 5,766
Other Members	8	5,470	-	5,470	9	2,738
Honoraria to Foundation Members	9	10,219	-	10,219	10	8,504
Adjudicators' fees <sup>(d)</sup> (average 1997 \$485, 1996 \$454)	81	39,275	-	39,275	84	38,132
	<u>Full-time Equivalents</u>				<u>Full-time Equivalents</u>	
Executive Director <sup>(e)</sup>	1.00	-	-	-	1.00	-
Administrator	1.00	47,458	12,276	59,734	1.00	49,927
Other salaried staff (average 1997 \$35,203, 1996 \$35,668)	2.00	60,004	10,402	70,406	3.30	117,703
Non-salaried staff		-	-	-		2,749
		107,462	22,678	130,140		170,379
Increase (decrease) in accrued vacation pay		(2,602)	-	(2,602)		413
Staff salaries, benefits and allowances		104,860	22,678	127,538		170,792
		<u>\$ 154,354</u>	<u>\$ 22,678</u>	<u>\$ 177,032</u>		<u>\$ 217,428</u>

- (a) Salaries and honoraria include regular pay, overtime, and any other direct cash remuneration.
- (b) Benefits and allowances include the Foundation's contributions for unemployment insurance, Canada Pension Plan, health care premiums, disability insurance, workers compensation, vacation payments, and contributions to individual employee controlled registered retirement savings plans.
- (c) Members appointed to the Foundation are paid for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, travel time to attend out-of-town meetings and for attending to other Foundation duties.
- (d) Adjudicators are paid an honorarium on a per diem basis. No adjudicator received more than \$1,500 in the year.
- (e) The Executive Director of the Foundation is paid by the General Revenue Fund, Department of Community Development (see Note 3). Information on his salary and benefits, required under Treasury Board Directive 01/94, as amended, is included with information on the salaries and benefits of staff of the Department of Community Development in Volume 2 of the 1996-97 Public Accounts of the Province of Alberta.

Note 16 Comparative Figures

Certain 1996 figures have been re-classified to conform to 1997 presentation.

Note 17 Approval of Financial Statements

These financial statements have been approved by management and by the Chairman of the Foundation.