

## FINANCIAL INFORMATION



MINISTRY OF SENIORS

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Consolidated Financial Statements

March 31, 2004

MINISTRY OF SENIORS  
Consolidated Financial Statements

March 31, 2004

Auditor's Report

Consolidated Statement of Operations

Consolidated Statement of Financial Position

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements

Schedule 1 Revenues

Schedule 2 Expenses - Directly Incurred Detailed by Object

Schedule 3 Budget

Schedule 4 Related Party Transactions

Schedule 5 Allocated Costs



To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Seniors as at March 31, 2004 and the consolidated statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian 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 the current and two previous fiscal years, management organizations have made capital additions to seniors lodges owned by the Ministry. In 6 of 11 cases, the Ministry has recorded the additions as its assets and capitalized \$8.9 million. In the other five cases, the additions, amounting to \$13.3 million, have not been recorded as capital assets by the Ministry. Management has asserted that the accounting treatment for the capital additions is in accordance with its business intention. However, it has been unable to supply documentary evidence to support its assertions.

Described below is an exception from Canadian generally accepted accounting principles:

#### **Excluded Assets**

As disclosed in Note 14, the Ministry has not recorded reserve funds retained by management organizations. This omission has resulted in an understatement of assets and net assets as at March 31, 2004 of \$21.7 million and an understatement of revenues for the year ended March 31, 2004 of \$2 million.

MINISTRY OF SENIORS  
Auditor's Report



In my opinion, except for the effects of excluded assets described in the preceding paragraph and except for the effect of adjustments, if any, which I might have determined necessary had I been able to satisfy myself with respect to the ownership of the additions to seniors lodges owned by the Ministry as described above, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original Signed by  
Fred J. Dunn

FCA  
Auditor General

Edmonton, Alberta  
May 21, 2004

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

# MINISTRY OF SENIORS Consolidated Statement of Operations

Year ended March 31, 2004  
(thousands of dollars)

|  | 2004                   |              | 2003               |
|--|------------------------|--------------|--------------------|
|  | Budget<br>(Schedule 3) | Actual       | Actual<br>(Note 3) |
| Revenues (Schedule 1)  |                        |              |                    |
| Transfers from the Government of Canada  | \$ 85,379              | \$ 87,905    | \$ 73,503          |
| Investment income  | 849                    | 1,511        | 1,501              |
| Other revenue  | 4,957                  | 3,688        | 17,901             |
|  | 91,185                 | 93,104       | 92,905             |
| Expenses - Directly Incurred (Note 2c and Schedules 2 and 5)                                   |                        |              |                    |
| Provide financial support and information services to seniors                                  | 196,100                | 229,200      | 192,379            |
| Support the management and enable the provision of family, special purpose and seniors housing | 137,216                | 152,965      | 121,975            |
| Provide planning and policy development for housing, seniors and Alberta's aging population    | 2,344                  | 2,269        | 1,912              |
| Ministry support services  | 3,927                  | 3,825        | 3,038              |
| Grants in kind   | 14,333                 | 14,312       | 21,552             |
| Debt servicing costs   | 43,109                 | 43,523       | 45,117             |
|  | 397,029                | 446,094      | 385,973            |
| Valuation adjustments  |                        |              |                    |
| Provision for (recovery of):   |                        |              |                    |
| Doubtful accounts  | 100                    | 418          | 36                 |
| Vacation pay   | 85                     | 114          | 157                |
| Guarantees, indemnities, and mortgages   | 85                     | (80)         | (149)              |
| Tangible capital assets  | -                      | (1,477)      | 129                |
|  | 270                    | (1,025)      | 173                |
|  | 397,299                | 445,069      | 386,146            |
| Gain on disposal of tangible capital assets  | (10,749)               | (11,183)     | (7,457)            |
| Net operating results  | \$ (295,365)           | \$ (340,782) | \$ (285,784)       |

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

MINISTRY OF SENIORS  
**Consolidated Statement of Financial Position**

As at March 31, 2004  
(thousands of dollars)

|   | <u>2004</u>       | <u>2003</u><br>(Note 3) |
|---|-------------------|-------------------------|
| <b>Assets</b>   |                   |                         |
| Cash (Note 4)   | \$ 40,791         | \$ 35,770               |
| Accounts receivable (Note 5)                                | 26,503            | 16,430                  |
| Loans and advances (Note 6)                                 | 21,576            | 20,479                  |
| Deferred financing charges                                  | 1,629             | 1,911                   |
| Tangible capital assets (Note 7)                            | <u>780,122</u>    | <u>809,729</u>          |
|   | <u>\$ 870,621</u> | <u>\$ 884,319</u>       |
| <b>Liabilities</b>  |                   |                         |
| Accounts payable and accrued liabilities                    | 59,055            | 37,550                  |
| Allowance for losses on guarantees and indemnities (Note 8) | 580               | 644                     |
| Advance from Alberta Finance (Note 9)                       | 34,900            | 35,160                  |
| Long-term debt (Note 10)                                    | <u>472,451</u>    | <u>494,459</u>          |
|   | <u>566,986</u>    | <u>567,813</u>          |
| <b>Net Assets</b>   |                   |                         |
| Net assets at beginning of year (Note 3)                    | 316,506           | 321,413                 |
| Net operating results                                       | (340,782)         | (285,784)               |
| Net transfer from General Revenues                          | <u>327,911</u>    | <u>280,877</u>          |
|   | <u>303,635</u>    | <u>316,506</u>          |
|   | <u>\$ 870,621</u> | <u>\$ 884,319</u>       |

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



MINISTRY OF SENIORS  
Consolidated Statement of Cash Flows

Year ended March 31, 2004  
(thousands of dollars)

|  | 2004         | 2003         |
|--|--------------|--------------|
|  |              | (Note 3)     |
| Operating transactions   |              |              |
| Net operating results  | \$ (340,782) | \$ (285,784) |
| Non-cash items included in net operating results                                     |              |              |
| Amortization   | 23,849       | 24,110       |
| Grants in kind   | 14,312       | 21,552       |
| Amortization of deferred financing charges   | 282          | 173          |
| Gain on disposal of tangible capital assets  | (11,183)     | (7,457)      |
| Valuation adjustments and other provisions   | (1,025)      | 173          |
|  | (314,547)    | (247,233)    |
| Increase in accounts receivable before provisions                                    | (10,491)     | (5,564)      |
| Increase in accounts payable and accrued liabilities<br>before valuation adjustments | 21,391       | 9,909        |
|  | (303,647)    | (242,888)    |
| Investing transactions   |              |              |
| Repayments of loans and advances   | 3,869        | 4,818        |
| Additions to loans and advances  | (4,950)      | -            |
| Disposal of tangible capital assets  | 5,066        | 73           |
| Acquisition of tangible capital assets   | (189)        | (209)        |
| Contributions in kind  | (865)        | (6,124)      |
| Transfers of tangible capital assets   | 94           | -            |
|  | 3,025        | (1,442)      |
| Financing transactions   |              |              |
| Net transfer from General Revenues   | 327,911      | 280,877      |
| Repayment of advance from Alberta Finance  | (260)        | (475)        |
| Repayment of long-term debt  | (22,008)     | (20,239)     |
|  | 305,643      | 260,163      |
| Increase in cash   | 5,021        | 15,833       |
| Cash, beginning of year  | 35,770       | 19,937       |
| Cash, end of year  | \$ 40,791    | \$ 35,770    |

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

## Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

### NOTE 1 AUTHORITY AND PURPOSE

The Minister of Seniors (Minister) has, by the *Government Organization Act* and its regulations, been designated responsible for various Acts. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Seniors (Ministry).

The purpose of the Ministry is to provide services, programs and information that contribute to the well-being and independence of seniors, Albertans in need of housing supports, and other clients of the ministry.

This is done by:

- Delivering programs and services for seniors and the aging population, and administering the Office of the Public Guardian.
- Supporting the provision of housing for seniors, families, and persons with special needs including providing shelter services for homeless Albertans.
- Providing planning and policy development for housing, seniors and Alberta's aging population.

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These consolidated financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries.

#### (a) Reporting Entity

The reporting entity is the Ministry of Seniors. The Government Accountability Act defines a Ministry as including the Department and any Provincial agency and Crown-controlled organization for which the Minister is responsible.

MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(a) Reporting Entity (continued)**

These consolidated financial statements include the accounts of the following organizations:

| <u>Organization</u>                | <u>Authority</u>                   |
|------------------------------------|------------------------------------|
| Department of Seniors              | <i>Government Organization Act</i> |
| Alberta Social Housing Corporation | <i>Alberta Housing Act</i>         |

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

**(b) Basis of Consolidation**

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

**(c) Basis of Financial Reporting**

Revenues

All revenues are reported on the accrual method of accounting with the exception of interest on Rural and Native mortgages that are classified as non-accrual. Rural and Native mortgages are classified as non-accrual when payments are sixty days in arrears. Interest on non-accrual loans is recorded on a cash basis.

Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

## Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

#### (c) Basis of Financial Reporting (continued)

##### Expenses

##### *Directly incurred*

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- debt servicing cost on long term debt.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, and guarantees and indemnities.

##### *Incurred by others*

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 5.

##### Assets

Financial assets of the Ministry are limited to cash and financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Loans and advances include mortgages that are reported at cost less provisions for losses, and agreements receivable. Cost of mortgages includes amounts advanced, accrued interest, and other charges, less repayments and subsidies.

MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(c) Basis of Financial Reporting (continued)**

Assets (continued)

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100. The threshold for all other tangible capital assets is \$15 in the Department of Seniors and \$5 in the Alberta Social Housing Corporation. All land and work in progress are capitalized at cost and not amortized. Donated tangible capital assets are recorded at their fair value at the time of contribution.

When tangible capital assets are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these tangible capital assets less any nominal proceeds are recorded as grants in kind.

Deferred charges on debt financing are amortized over the life of the debt on a straight-line basis.

Liabilities

Liabilities include all financial claims payable/provided for by the Ministry at the fiscal year end.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Ministry and its liabilities.

## Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

### **NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)**

#### **(c) Basis of Financial Reporting (continued)**

##### Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities and advance from Alberta Finance are estimated to approximate their carrying values because of the short term nature of these instruments. Fair values of loans and advances are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timelines or cost to estimate the fair value with sufficient reliability.

##### Measurement Uncertainty

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount. The allowance for losses on land (Note 7), recorded as \$213 is subject to measurement uncertainty. Allowance for losses on guarantees and indemnities (Note 8), recorded as \$580 in these financial statements, is also subject to measurement uncertainty.

### **NOTE 3 GOVERNMENT RESTRUCTURING**

As a result of government restructuring announced on March 27, 2003 (OC123/2003), there were the following changes in the responsibilities of the Ministry.

- Office of the Public Guardian was transferred from the Ministry of Human Resources and Employment.
- Shelters for the Homeless Adults program was transferred from the Ministry of Human Resources and Employment.

MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 3 GOVERNMENT RESTRUCTURING (CONTINUED)**

Comparatives for 2003 have been restated as if the Ministry had always been assigned its current responsibilities.

|  |                     |
|--|---------------------|
| Net assets as previously reported at March 31, 2002      | \$ 321,847          |
| Transfer from Ministry of Human Resources and Employment | <u>(434)</u>        |
| Net assets as at April 1, 2002                           | <u>\$ 321,413</u>   |
| Net operating results as reported March 31, 2003         | \$ (265,774)        |
| Transfer from Ministry of Human Resources and Employment | <u>(20,010)</u>     |
| Net restated operating results as of March 31, 2003      | \$ <u>(285,784)</u> |

**NOTE 4 CASH**

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is being managed by Alberta Finance 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 three years. Interest is earned on the Ministry's daily cash balance at the average rate of CCITF's earnings, which varies depending on prevailing market interest rates. Due to the short-term nature of these deposits the carrying value approximates fair value.

MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 5 ACCOUNTS RECEIVABLE**

|   | 2004             |                                 |                      | 2003                 |
|---|------------------|---------------------------------|----------------------|----------------------|
|   | Gross Amount     | Allowance for Doubtful Accounts | Net Realizable Value | Net Realizable Value |
| Management organizations                | \$ 2,180         | \$ -                            | \$ 2,180             | \$ 7,140             |
| Sales Receivable                        | 10               | -                               | 10                   | 10                   |
| Canada Mortgage and Housing Corporation | 23,487           | -                               | 23,487               | 8,319                |
| Refunds from suppliers                  | -                | -                               | -                    | 15                   |
| Accounts receivable                     | 987              | (161)                           | 826                  | 946                  |
|   | <u>\$ 26,664</u> | <u>\$ (161)</u>                 | <u>\$ 26,503</u>     | <u>\$ 16,430</u>     |

Accounts receivable are unsecured and non-interest bearing.

**NOTE 6 LOANS AND ADVANCES**

|                                  | 2004             |                      |                      | 2003                 |
|----------------------------------|------------------|----------------------|----------------------|----------------------|
|                                  | Gross Amount     | Allowance for Losses | Net Realizable Value | Net Realizable Value |
| Program mortgages <sup>(a)</sup> | \$ 16,534        | \$ (8)               | \$ 16,526            | \$ 20,291            |
| Agreements receivable            | 4,950            | -                    | 4,950                | -                    |
| Other receivables <sup>(b)</sup> | 100              | -                    | 100                  | 188                  |
|                                  | <u>\$ 21,584</u> | <u>\$ (8)</u>        | <u>\$ 21,576</u>     | <u>\$ 20,479</u>     |

<sup>(a)</sup> These mortgages are provided under the Rural and Native Housing program with payments based on an amortization period of 25 years and five-year interest renewal terms.

<sup>(b)</sup> Financial agreements with First Nations and individuals under the Rural Emergency Housing Program.



MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 7 TANGIBLE CAPITAL ASSETS**

|                                   | Estimated<br>Useful Life<br>Years | 2004                |                             |                         | 2003                 |                      |
|-----------------------------------|-----------------------------------|---------------------|-----------------------------|-------------------------|----------------------|----------------------|
|                                   |                                   | Cost                | Accumulated<br>Amortization | Allowance<br>for Losses | Net<br>Book<br>Value | Net<br>Book<br>Value |
| Land                              | N/A                               | \$ 13,469           | \$ -                        | \$ (213)                | \$ 13,256            | \$ 12,151            |
| Housing properties                | 10 to 50                          | 1,229,256           | (463,054)                   | -                       | 766,202              | 796,563              |
| Computer hardware<br>and software | 5                                 | 3,095               | (2,481)                     | -                       | 614                  | 958                  |
| Equipment                         | 10                                | 57                  | (7)                         | -                       | 50                   | 57                   |
|                                   |                                   | <u>\$ 1,245,877</u> | <u>\$ (465,542)</u>         | <u>\$ (213)</u>         | <u>\$ 780,122</u>    | <u>\$ 809,729</u>    |

## Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 8 GUARANTEES AND INDEMNITIES**

The Ministry has outstanding guarantees that were issued by the Alberta Social Housing Corporation on the sale of certain of its mortgages whereby the Corporation will reimburse mortgagees for any losses that may occur on default by mortgagors. Any claims for losses by the mortgagees will be reduced by the amounts realized from the sale of the underlying properties.

Guaranteed amounts, the last of which was guaranteed on March 30, 1994, are as follows:

|   | <u>2004</u>      | <u>2003</u>      |
|---|------------------|------------------|
| Mortgages on single family properties,<br>guaranteed to 2015          | \$ 36            | \$ 39            |
| Mortgages on multi-unit rental properties<br>and land, guaranteed to: |                  |                  |
| 2004  | -                | 1,971            |
| 2007  | 6,905            | 7,023            |
| 2008  | -                | 662              |
| 2009  | 235              | 284              |
| 2011  | 30,813           | 35,579           |
| 2018  | 896              | 935              |
|   | <u>38,849</u>    | <u>46,454</u>    |
|   | <u>\$ 38,885</u> | <u>\$ 46,493</u> |

Under the former mobile home loan insurance program, the Ministry through the Alberta Social Housing Corporation has agreed to indemnify losses on mobile home loans issued by financial institutions. The outstanding loans as at March 31, 2004 amount to \$2,741 (2003 - \$3,776). This program was terminated effective October 1, 1993. However the Ministry through the Alberta Social Housing Corporation has an ongoing commitment on insurance policies remaining in force.

An allowance for losses has been made on these guarantees and indemnities in the amount of \$580 (2003 - \$644)

**NOTE 9 ADVANCE FROM ALBERTA FINANCE**

The advance is interest free and is repayable on demand.

MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 10 LONG-TERM DEBT**

The Ministry's long-term debt and exposure to interest rate risk is summarized in the following table:

|  | 2004       | 2003       |
|--|------------|------------|
| Debentures payable:                                    |            |            |
| Canada Mortgage and Housing Corporation <sup>(a)</sup> | \$ 80,697  | \$ 81,651  |
| Alberta Heritage Savings Trust Fund <sup>(b)</sup>     | 94,656     | 100,038    |
| Note payable to Alberta Finance <sup>(c)</sup>         | 297,098    | 312,770    |
|  | \$ 472,451 | \$ 494,459 |

<sup>(a)</sup> maturing 2023 to 2030 with a weighted average effective rate of 9.62%.

<sup>(b)</sup> maturing June 2011 to January 2012 with a weighted average effective rate of 17.41%.

<sup>(c)</sup> maturing September 16, 2016 with an effective rate of 5.93%.

The Province of Alberta guarantees the repayment of principal and interest on all borrowings.

The debentures, including interest thereon, are repayable in equal annual or semi-annual instalments, and the note payable is repayable in equal semi-annual instalments.

Approximate aggregate repayments of principal due in each of the next five years are:

|            |    |         |
|------------|----|---------|
| 2004-2005  | \$ | 23,975  |
| 2005-2006  |    | 26,170  |
| 2006-2007  |    | 28,626  |
| 2007-2008  |    | 31,381  |
| 2008-2009  |    | 34,479  |
| thereafter |    | 327,820 |
|            | \$ | 472,451 |

MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 10 LONG-TERM DEBT (CONTINUED)**

Long-term debt has a fair value of \$118,920 for Canada Mortgage and Housing Corporation debentures, \$150,124 for Alberta Heritage Savings Trust Fund debentures and \$326,600 for Note payable to Alberta Finance. Fair values for debt are based on the Province of Alberta's current borrowing rates, which are available to the Ministry for debt with similar terms and maturities.

**NOTE 11 COMMITMENTS**

As at March 31, 2004 the Ministry has the following commitments:

|                                  | <u>2004</u>       | <u>2003</u>       |
|----------------------------------|-------------------|-------------------|
| Agreements <sup>(a)</sup>        | \$ 264,147        | \$ 257,628        |
| Lease Commitments <sup>(b)</sup> | 46,862            | 48,193            |
|                                  | <u>\$ 311,009</u> | <u>\$ 305,821</u> |

(a) The Ministry has long term agreements with not-for-profit organizations and providers of rent supplement units.

(b) The Ministry leases land under various operating leases to provide social housing. The Ministry also leases vehicles under operating leases. The aggregate amounts payable for the unexpired terms of these leases are as follows:

|             | <u>2004</u>      | <u>2003</u>      |
|-------------|------------------|------------------|
| 2003 - 2004 | -                | 1,409            |
| 2004 - 2005 | 1,416            | 1,386            |
| 2005 - 2006 | 1,395            | 1,364            |
| 2006 - 2007 | 1,367            | 1,352            |
| 2007 - 2008 | 1,348            | 1,347            |
| 2008 - 2009 | 1,348            | 1,347            |
| Thereafter  | 39,988           | 39,988           |
|             | <u>\$ 46,862</u> | <u>\$ 48,193</u> |

MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 12 TRUST FUNDS UNDER ADMINISTRATION**

The Ministry administers trust funds on behalf of the clients of Gunn Centre. Because the Province has no equity in the funds, they are not included in the Ministry's financial statements. As at March 31, 2004, the trust funds under administration totalled \$11 (2003 - \$11). A separate bank account is maintained for these funds.

**NOTE 13 CONTINGENCIES**

As at March 31, 2004, the Ministry is a defendant in ten legal claims (2003 - ten legal claims). The claims have a specified amount totalling \$2,747 (2003 - \$3,609). In seven of ten legal claims, the Ministry has been jointly named with other entities. Two claims amounting to \$1,350 (2003 - two claims amounting to \$1,975) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

**NOTE 14 HOUSING PROPERTIES**

The Ministry supports the provision of seniors, family and special purpose housing through various management organizations. The Ministry provides grants to organizations that have expenses in excess of revenues, and recovers amounts from organizations that have revenues in excess of expenses. These management organizations are permitted to retain funds in a reserve account in accordance with Ministry guidelines. Amounts in the reserve account can be used to address emergency and building issues, or as instructed by the Ministry. The reserve funds totaling \$21,709 are not recorded in the Ministry's financial statements. Management organizations do not record expenses for interest on long-term debt and amortization of buildings. These costs are incurred and recorded by Alberta Social Housing Corporation.

MINISTRY OF SENIORS

Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 14 HOUSING PROPERTIES (CONTINUED)**

Information on revenues and expenses of management organizations is disclosed so as to provide the reader with an understanding of the scope of the housing services being provided by the management organizations.

|                              | <u>2004</u>        | <u>2003</u>       |
|------------------------------|--------------------|-------------------|
| Revenues                     | \$ 102,217         | \$ 103,629        |
| Expenses                     | <u>110,525</u>     | <u>101,457</u>    |
| Net operating results        | (8,308)            | 2,172             |
| Amounts retained in the year | <u>(1,985)</u>     | <u>(4,551)</u>    |
| Net results                  | <u>\$ (10,293)</u> | <u>\$ (2,379)</u> |

The above results are recorded on the statement of operations for the year as follows:

|  | <u>2004</u>        | <u>2003</u>       |
|--|--------------------|-------------------|
| Recoveries from management organizations       | \$ 220             | \$ 5,718          |
| Refunds of expenses - management organizations | -                  | 339               |
| Grants to management organizations             | <u>(10,513)</u>    | <u>(8,436)</u>    |
| Net results                                    | <u>\$ (10,293)</u> | <u>\$ (2,379)</u> |

**NOTE 15 PROGRAM RECOVERIES**

Cost-sharing agreements provide for a contribution by Canada Mortgage and Housing Corporation towards the capital costs, subsidies on rental properties, mortgages and for certain administration and net operating results on approved social housing program projects.

MINISTRY OF SENIORS  
Notes to the Consolidated Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 16 DEFINED BENEFIT PLANS**

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$1,136 for the year ended March 31, 2004 (2003 - \$894).

At December 31, 2003, the Management Employees Pension Plan reported a deficiency of \$290,014 (2002 - \$301,968) and the Public Service Pension Plan reported an actuarial deficiency of \$596,213 (2002 - \$175,528). At December 31, 2003, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$9,312 (2002 - \$6,472).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2004, the Bargaining Unit Plan reported an actuarial deficiency of \$9,766 (2003 - \$14,434) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$1,298 (2003 - actuarial deficiency of \$3,053). The expense for these two plans is limited to employer's annual contributions for the year.

**NOTE 17 COMPARATIVE FIGURES**

Certain 2003 figures have been reclassified to conform to 2004 presentation.

**NOTE 18 APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister of Seniors.

MINISTRY OF SENIORS  
Revenues

Year ended March 31, 2004  
(thousands of dollars)

SCHEDULE 1

|   | 2004             |                  | 2003                      |
|---|------------------|------------------|---------------------------|
|   | <u>Budget</u>    | <u>Actual</u>    | <u>Actual</u><br>(Note 3) |
| Transfers from the Government of Canada                 |                  |                  |                           |
| Recoveries from Canada Mortgage and Housing Corporation | \$ 85,329        | \$ 87,763        | \$ 73,436                 |
| Recoveries from Indian and Northern Development         | <u>50</u>        | <u>142</u>       | <u>67</u>                 |
|   | <u>85,379</u>    | <u>87,905</u>    | <u>73,503</u>             |
| Investment income                                       |                  |                  |                           |
| Interest  | <u>849</u>       | <u>1,511</u>     | <u>1,501</u>              |
| Other revenue   |                  |                  |                           |
| Recoveries from management organizations                | 4,370            | 220              | 5,718                     |
| Program recoveries                                      | -                | -                | 35                        |
| Contributions in kind                                   | -                | 865              | 6,124                     |
| Refunds of expenses                                     | 135              | 1,452            | 1,455                     |
| Miscellaneous   | 347              | 509              | 3,767                     |
| Rental properties                                       | <u>105</u>       | <u>642</u>       | <u>802</u>                |
|   | <u>4,957</u>     | <u>3,688</u>     | <u>17,901</u>             |
|   | <u>\$ 91,185</u> | <u>\$ 93,104</u> | <u>\$ 92,905</u>          |



MINISTRY OF SENIORS

## Expenses – Directly Incurred Detailed by Object

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 2**

|  | 2004          |               | 2003                      |
|--|---------------|---------------|---------------------------|
|  | <u>Budget</u> | <u>Actual</u> | <u>Actual</u><br>(Note 3) |
| Expenses   |               |               |                           |
| Salaries, wages and employee benefits  | \$ 20,180     | \$ 19,676     | \$ 17,936                 |
| Supplies and services  | 23,084        | 23,654        | 23,481                    |
| Supplies and services from support service arrangements with related parties | -             | -             | 274                       |
| Grants   | 286,446       | 335,323       | 275,816                   |
| Debt servicing costs   | 43,109        | 43,523        | 45,117                    |
| Other  | 64            | 69            | 68                        |
| Amortization of tangible capital assets                                      | 24,146        | 23,849        | 24,110                    |
| Total expenses before recoveries   | 397,029       | 446,094       | 386,802                   |
| Less: Recovery from support service arrangements with related parties        | -             | -             | (829)                     |
|  | \$ 397,029    | \$ 446,094    | \$ 385,973                |
| Valuation adjustments  |               |               |                           |
| Provision for (recovery of) losses on:                                       |               |               |                           |
| Doubtful accounts  | \$ 100        | \$ 418        | \$ 36                     |
| Vacation pay   | 85            | 114           | 157                       |
| Guarantees, indemnities, and mortgages                                       | 85            | (80)          | (149)                     |
| Tangible capital assets  | -             | (1,477)       | 129                       |
|  | \$ 270        | \$ (1,025)    | \$ 173                    |

MINISTRY OF SENIORS  
Budget

Year ended March 31, 2004  
(thousands of dollars)

SCHEDULE 3

|  | 2003-04             |   |                      |
|--|---------------------|---|----------------------|
|  | Estimates           | Authorized<br>Supple-<br>mentary <sup>(a)</sup> | Authorized<br>Budget |
| <b>Revenues</b>  |                     |   |                      |
| Transfers from the Government of Canada  | \$ 85,379           | \$ -  | \$ 85,379            |
| Investment income  | 849                 | -   | 849                  |
| Other revenue  | 4,957               | -   | 4,957                |
|  | <u>91,185</u>       | <u>-</u>  | <u>91,185</u>        |
| <b>Expenses</b>  |                     |   |                      |
| Provide financial support and information services<br>to seniors                               | 196,100             | 33,550  | 229,650              |
| Support provision and management of family,<br>special purpose, and seniors housing            | 137,216             | 14,320  | 151,536              |
| Provide planning and policy development for housing,<br>seniors and Alberta's aging population | 2,344               | -   | 2,344                |
| Ministry support services  | 3,927               | -   | 3,927                |
| Grants in kind   | 14,333              | -   | 14,333               |
| Debt servicing costs   | 43,109              | -   | 43,109               |
|  | <u>397,029</u>      | <u>47,870</u>                                   | <u>444,899</u>       |
| <b>Valuation adjustments</b>   |                     |   |                      |
| Provision for (recovery of ) losses on:  |                     |   |                      |
| Doubtful accounts  | 100                 | -   | 100                  |
| Vacation pay   | 85                  | -   | 85                   |
| Guarantees, indemnities, and mortgages   | 85                  | -   | 85                   |
| Tangible capital assets  | -                   | -   | -                    |
|  | <u>270</u>          | <u>-</u>  | <u>270</u>           |
|  | <u>397,299</u>      | <u>47,870</u>                                   | <u>445,169</u>       |
| Gain on disposal of tangible capital assets  | (10,749)            | -   | (10,749)             |
| Net operating results  | <u>\$ (295,365)</u> | <u>\$ (47,870)</u>                              | <u>\$ (343,235)</u>  |
| Equipment purchases  | <u>\$ (60)</u>      | <u>\$ -</u>                                     | <u>\$ (60)</u>       |
| Capital investment   | <u>\$ -</u>         | <u>\$ -</u>                                     | <u>\$ -</u>          |

<sup>(a)</sup> Supplementary estimates were approved on December 4, 2003 for \$36,970 and on March 11, 2004 for \$10,900.

# MINISTRY OF SENIORS Related Party Transactions

Year ended March 31, 2004  
(thousands of dollars)

## SCHEDULE 4

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry receives services under contracts managed by the Ministry of Government Services (ACSC). Any commitments under these contracts are reported by ACSC. The Ministry had the following transactions with related parties recorded in the financial statements at the amount of consideration agreed upon between the related parties:

|  | Other Entities |                  |
|--|----------------|------------------|
|  | 2004           | 2003<br>(Note 3) |
| Expenses - Directly Incurred   |                |                  |
| Other services   | \$ 2,933       | \$ 2,736         |
| Debt servicing costs   | 35,603         | 37,200           |
|  | \$ 38,536      | \$ 39,936        |
| Tangible Capital Assets Transferred                                    | \$ (94)        | \$ -             |
| Deferred financing charges: Alberta Finance                            | \$ 1,629       | \$ 1,911         |
| Accounts payable to Alberta Finance <sup>(a)</sup>                     | \$ 332,722     | \$ 348,692       |
| Accounts payable to Alberta Heritage Savings Trust Fund <sup>(a)</sup> | 102,059        | 107,809          |
|  | \$ 434,781     | \$ 456,501       |

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed on Schedule 5.

|                               | Other Entities |          |
|-------------------------------|----------------|----------|
|                               | 2004           | 2003     |
| Expenses - Incurred by others |                |          |
| Accommodation <sup>(b)</sup>  | \$ 3,029       | \$ 1,473 |
| Legal services                | 234            | 274      |
| Other services                | 166            | 125      |
|                               | \$ 3,429       | \$ 1,872 |

<sup>(a)</sup> Debt and accrued interest on debt.

<sup>(b)</sup> Current year include \$1,729 for accommodation costs for programs transferred from HRE.

MINISTRY OF SENIORS  
Allocated Costs

Year ended March 31, 2004  
(thousands of dollars)

| Program  | 2004                    |                                     |                               |                     |                |                |                    |               |                   |                       |                   | 2003           |                |
|--|-------------------------|-------------------------------------|-------------------------------|---------------------|----------------|----------------|--------------------|---------------|-------------------|-----------------------|-------------------|----------------|----------------|
|  | Expenses <sup>(1)</sup> | Debt Servicing Costs <sup>(1)</sup> | Grants in Kind <sup>(1)</sup> | Accommodation Costs | Legal Services | Other Services | Losses/ Recoveries | Vacation Pay  | Doubtful Accounts | Valuation Adjustments |                   | Total Expenses | Total Expenses |
|  |                         |                                     |                               |                     |                |                |                    |               |                   | Pay                   | Adjustments       |                |                |
| Provide financial support and information services to seniors                                  | \$ 229,200              | \$ -                                | \$ -                          | \$ 1,271            | \$ 98          | \$ 166         | \$ -               | \$ 77         | \$ 421            | \$ -                  | \$ -              | \$ 231,233     | \$ 193,526     |
| Support the management and enable the provision of family, special purpose and seniors housing | 152,965                 | 43,523                              | 14,312                        | 1,723               | 133            | -              | (1,557)            | 5             | (3)               | 211,101               | 189,461           |                |                |
| Provide planning and policy development for housing, seniors, and Alberta's aging population   | 2,269                   | -                                   | -                             | 13                  | 1              | -              | -                  | 47            | -                 | 2,330                 | 1,919             |                |                |
| Ministry support services  | 3,825                   | -                                   | -                             | 22                  | 2              | -              | (15)               | -             | -                 | 3,834                 | 3,112             |                |                |
|  | <u>\$ 388,259</u>       | <u>\$ 43,523</u>                    | <u>\$ 14,312</u>              | <u>\$ 3,029</u>     | <u>\$ 234</u>  | <u>\$ 166</u>  | <u>\$ (1,557)</u>  | <u>\$ 114</u> | <u>\$ 418</u>     | <u>\$ 448,498</u>     | <u>\$ 388,018</u> |                |                |

(1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

DEPARTMENT OF SENIORS

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Financial Statements

March 31, 2004

DEPARTMENT OF SENIORS  
**Financial Statements**

March 31, 2004

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 Revenues

Schedule 2 Expenses - Directly Incurred Detailed by Object

Schedule 3 Budget

Schedule 4 Comparison of Expenses - Directly Incurred, Equipment Purchases and Capital Investments, and Statutory Expenses by Element to Authorized Budget

Schedule 5 Salary and Benefits Disclosure

Schedule 6 Related Party Transactions

Schedule 7 Allocated Costs



To the Minister of Seniors

I have audited the statement of financial position of the Department of Seniors as at March 31, 2004 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian 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.

Described below is an exception from Canadian generally accepted accounting principles:

**Excluded assets**

As disclosed in Note 10, the Department has not recorded reserve funds retained by management organizations. This omission has resulted in an understatement of assets and net assets as at March 31, 2004 of \$21.7 million and an understatement of revenues for the year ended March 31, 2004 of \$2 million.

In my opinion, except for the effects of excluded assets described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles

Original Signed by  
Fred J. Dunn

FCA  
Auditor General

Edmonton, Alberta  
May 21, 2004

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

DEPARTMENT OF SENIORS  
Statement of Operations

Year ended March 31, 2004  
(thousands of dollars)

|   | 2004                   |                     | 2003                |
|---|------------------------|---------------------|---------------------|
|   | Budget<br>(Schedule 3) | Actual              | Actual<br>(Note 3)  |
| Revenues (Schedule 1)                                 |                        |                     |                     |
| Transfers from the Government of Canada               | \$ 30,350              | \$ 30,922           | \$ 18,861           |
| Other revenue   | 4,610                  | 1,784               | 7,337               |
|   | <u>34,960</u>          | <u>32,706</u>       | <u>26,198</u>       |
| Expenses - Directly Incurred (Note 2b and Schedule 7) |                        |                     |                     |
| Voted (Schedules 2 and 4)                             |                        |                     |                     |
| Seniors services                                      | 196,886                | 229,983             | 193,111             |
| Housing services                                      | 133,192                | 147,477             | 115,961             |
| Ministry support services                             | 4,428                  | 4,299               | 3,228               |
|   | <u>334,506</u>         | <u>381,759</u>      | <u>312,300</u>      |
| Statutory (Schedules 2 and 4)                         |                        |                     |                     |
| Valuation adjustments                                 |                        |                     |                     |
| Provision for doubtful accounts                       | 100                    | 421                 | 29                  |
| Provision for vacation pay                            | 85                     | 114                 | 157                 |
|   | <u>185</u>             | <u>535</u>          | <u>186</u>          |
|   | <u>334,691</u>         | <u>382,294</u>      | <u>312,486</u>      |
| Loss on disposal of tangible capital assets           | -                      | -                   | 42                  |
| Net operating results                                 | <u>\$ (299,731)</u>    | <u>\$ (349,588)</u> | <u>\$ (286,330)</u> |

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



DEPARTMENT OF SENIORS  
Statement of Financial Position

As at March 31, 2004  
(thousands of dollars)

|   | 2004      | 2003<br>(Note 3) |
|---|-----------|------------------|
| <b>Assets</b>                               |           |                  |
| Cash  | \$ 10,244 | \$ 8,247         |
| Accounts receivable (Note 4)                | 24,560    | 17,282           |
| Due from Alberta Social Housing Corporation | 310       | 9,165            |
| Tangible capital assets (Note 5)            | 664       | 1,015            |
|   | \$ 35,778 | \$ 35,709        |
| <br><b>Liabilities</b>                      |           |                  |
| Accounts payable and accrued liabilities    | 48,083    | 26,337           |
| <br><b>Net assets</b>                       |           |                  |
| Net assets at beginning of year (Note 3)    | 9,372     | 14,825           |
| Net operating results                       | (349,588) | (286,330)        |
| Net transfer from General Revenues          | 327,911   | 280,877          |
| Net assets at end of year                   | (12,305)  | 9,372            |
|   | \$ 35,778 | \$ 35,709        |

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

DEPARTMENT OF SENIORS  
Statement of Cash Flows

Year ended March 31, 2004  
(thousands of dollars)

|  | <u>2004</u>      | <u>2003</u><br>(Note 3) |
|--|------------------|-------------------------|
| Operating transactions   |                  |                         |
| Net operating results  | \$ (349,588)     | \$ (286,330)            |
| Non-cash items included in net operating results                                     |                  |                         |
| Amortization   | 297              | 436                     |
| Valuation adjustments  | 535              | 186                     |
| Loss on disposal of tangible capital assets  | -                | 42                      |
|  | <u>(348,756)</u> | <u>(285,666)</u>        |
| Increase in accounts receivable before valuation adjustments                         | (7,699)          | (6,221)                 |
| Decrease in due from Alberta Social Housing Corporation                              | 8,855            | 7,000                   |
| Increase in accounts payable and accrued liabilities<br>before valuation adjustments | <u>21,632</u>    | <u>12,402</u>           |
| Cash applied to operating transactions   | <u>(325,968)</u> | <u>(272,485)</u>        |
| Capital transactions   |                  |                         |
| Acquisition of tangible capital assets   | (40)             | (153)                   |
| Transfer of tangible capital assets  | <u>94</u>        | <u>-</u>                |
| Cash applied to capital transactions   | <u>54</u>        | <u>(153)</u>            |
| Financing transactions   |                  |                         |
| Net transfer from General Revenues   | <u>327,911</u>   | <u>280,877</u>          |
| Increase in cash   | 1,997            | 8,239                   |
| Cash, beginning of year  | <u>8,247</u>     | <u>8</u>                |
| Cash, end of year  | <u>\$ 10,244</u> | <u>\$ 8,247</u>         |

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

DEPARTMENT OF SENIORS  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 1 AUTHORITY AND PURPOSE**

The Department of Seniors operates under the authority of the *Government Organization Act*, Chapter G-10 Revised Statutes of Alberta 2000.

The purpose of the Department is to provide services, programs and information that contribute to the well-being and independence of seniors, Albertans in need of housing supports, and other clients of the ministry.

This is done by:

- Delivering programs and services for seniors and the aging population, and administering the Office of the Public Guardian.
- Supporting the provision of housing for seniors, families, and persons with special needs including providing shelter services for homeless Albertans.
- Providing planning and policy development for housing, seniors and Alberta's aging population.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

**(a) Reporting Entity**

The reporting entity is the Department of Seniors, which is part of the Ministry of Seniors and for which the Minister of Seniors is accountable. The other entity reporting to the Minister is the Alberta Social Housing Corporation. The Corporation's activities are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

DEPARTMENT OF SENIORS  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(a) Reporting Entity (continued)**

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

**(b) Basis of Financial Reporting**

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Expenses

*Directly incurred*

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

DEPARTMENT OF SENIORS  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(b) Basis of Financial Reporting (continued)**

Expenses (continued)

*Incurred by others*

Services contributed by other entities in support of the Department's operations are disclosed in Schedule 7.

Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100 and the threshold for all other tangible capital assets is \$15. All land is capitalized.

Donated capital assets are recorded at their fair value at the time of contribution.

When tangible capital assets are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these capital assets less any nominal proceeds are recorded as grants in kind.

Liabilities

Liabilities represent all financial claims payable by the Department at the fiscal year end.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Department and its liabilities.

DEPARTMENT OF SENIORS  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(b) Basis of Financial Reporting (continued)**

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

**NOTE 3 GOVERNMENT RESTRUCTURING**

As a result of government restructuring announced on March 27, 2003 (OC123/2003), there were the following changes in the responsibilities of the Department:

- Office of the Public Guardian was transferred from the Ministry of Human Resources and Employment.
- Shelters for the Homeless Adults program was transferred from the Ministry of Human Resources and Employment.

Comparatives for 2003 have been restated as if the Ministry had always been assigned its current responsibilities.

|  |                     |
|--|---------------------|
| Net assets as previously reported at March 31, 2002      | \$ 15,259           |
| Transfer from Ministry of Human Resources and Employment | <u>(434)</u>        |
| Net assets as at April 1, 2002                           | <u>\$ 14,825</u>    |
| Net operating results as reported March 31, 2003         | \$ (266,320)        |
| Transfer from Ministry of Human Resources and Employment | <u>(20,010)</u>     |
| Net restated operating results as of March 31, 2003      | <u>\$ (286,330)</u> |

DEPARTMENT OF SENIORS  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 4 ACCOUNTS RECEIVABLE**

|  | 2004             |                                       |                            | 2003                       |
|--|------------------|---------------------------------------|----------------------------|----------------------------|
|  | Gross<br>Amount  | Allowance for<br>Doubtful<br>Accounts | Net<br>Realizable<br>Value | Net<br>Realizable<br>Value |
| Management organizations                   | \$ 2,180         | \$ -                                  | \$ 2,180                   | \$ 7,140                   |
| Canada Mortgage and<br>Housing Corporation | 21,794           | -                                     | 21,794                     | 9,390                      |
| Other receivables                          | 659              | (73)                                  | 586                        | 752                        |
|  | <u>\$ 24,633</u> | <u>\$ (73)</u>                        | <u>\$ 24,560</u>           | <u>\$ 17,282</u>           |

Accounts receivable are unsecured and non-interest bearing.

**NOTE 5 TANGIBLE CAPITAL ASSETS**

|                                   | Estimated<br>Useful Life<br>(years) | 2004            |                             |                      | 2003                 |
|-----------------------------------|-------------------------------------|-----------------|-----------------------------|----------------------|----------------------|
|                                   |                                     | Cost            | Accumulated<br>Amortization | Net<br>Book<br>Value | Net<br>Book<br>Value |
| Computer hardware<br>and software | 5                                   | \$ 3,095        | \$ (2,481)                  | \$ 614               | \$ 958               |
| Equipment                         | 10                                  | 57              | (7)                         | 50                   | 57                   |
|                                   |                                     | <u>\$ 3,152</u> | <u>\$ (2,488)</u>           | <u>\$ 664</u>        | <u>\$ 1,015</u>      |

DEPARTMENT OF SENIORS  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 6 COMMITMENTS**

As at March 31, 2004 the Department has the following commitments:

|                                 | <u>2004</u>       | <u>2003</u>       |
|---------------------------------|-------------------|-------------------|
| Agreements <sup>(a)</sup>       | \$ 264,147        | \$ 257,628        |
| Long-term leases <sup>(b)</sup> | <u>139</u>        | <u>123</u>        |
|                                 | <u>\$ 264,286</u> | <u>\$ 257,751</u> |

<sup>(a)</sup> The Department has long-term agreements with non-profit organizations and providers of rent supplement units.

<sup>(b)</sup> The Department leases vehicles under operating leases that expire on various dates to 2009. The aggregate amounts payable for the unexpired terms of these leases are as follows:

|             | <u>2004</u>   | <u>2003</u>   |
|-------------|---------------|---------------|
| 2003 - 2004 | \$ -          | \$ 62         |
| 2004 - 2005 | 69            | 39            |
| 2005 - 2006 | 48            | 17            |
| 2006 - 2007 | 20            | 5             |
| 2007 - 2008 | 1             | -             |
| 2008 - 2009 | 1             | -             |
|             | <u>\$ 139</u> | <u>\$ 123</u> |

**NOTE 7 CONTINGENCIES**

At March 31, 2004 the Department is a defendant in two legal claims (2003 - two legal claims). These claims have specified amounts totaling \$257 (2003 - \$257). In both legal claims the Department has been jointly named with other entities. None of the claims are covered by the Alberta Risk Management fund.

The resulting loss, if any, from these claims cannot be determined.

**NOTE 8 TRUST FUNDS UNDER ADMINISTRATION**

The Department administers trust funds on behalf of the clients of Gunn Centre. Because the Province has no equity in the funds, they are not included in the Department's financial statements. As at March 31, 2004, the trust funds under administration totalled \$11 (2003 - \$11). A separate bank account is maintained for these funds.



DEPARTMENT OF SENIORS  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 9 DEFINED BENEFIT PLANS**

The Department participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$1,136 for the year ended March 31, 2004 (2003 - \$894).

At December 31, 2003, the Management Employees Pension Plan reported a deficiency of \$290,014 (2002 - \$301,968) and the Public Service Pension Plan reported an actuarial deficiency of \$596,213 (2002 - \$175,528). At December 31, 2003, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$9,312 (2002 - \$6,472).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2004, the Bargaining Unit Plan reported an actuarial deficiency of \$9,766 (2003 - \$14,434) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$1,298 (2003 - actuarial deficiency \$3,053). The expense for these two plans is limited to employer's annual contributions for the year.

**NOTE 10 HOUSING PROPERTIES**

The Department supports the provision of seniors, family and special purpose housing through various management organizations. The Department provides grants to organizations that have expenses in excess of revenues, and recovers amounts from organizations that have revenues in excess of expenses. These management organizations are permitted to retain funds in a reserve account in accordance with Department guidelines. Amounts in the reserve account can be used to address emergency and building issues, or as instructed by the Department. The reserve funds totaling \$21,709 are not recorded in the Department's financial statements. Management organizations do not record expenses for interest on long-term debt and amortization of buildings. These costs are incurred and recorded by Alberta Social Housing Corporation.

DEPARTMENT OF SENIORS  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 10 HOUSING PROPERTIES (CONTINUED)**

Information on revenues and expenses of management organizations is disclosed so as to provide the reader with an understanding of the scope of the housing services being provided by the management organizations.

|                              | <u>2004</u>        | <u>2003</u>       |
|------------------------------|--------------------|-------------------|
| Revenues                     | \$ 102,217         | \$ 103,629        |
| Expenses                     | <u>110,525</u>     | <u>101,457</u>    |
| Net operating results        | (8,308)            | 2,172             |
| Amounts retained in the year | <u>(1,985)</u>     | <u>(4,551)</u>    |
| Net results                  | <u>\$ (10,293)</u> | <u>\$ (2,379)</u> |

The above results are recorded on the statement of operations for the year as follows:

|  | <u>2004</u>        | <u>2003</u>       |
|--|--------------------|-------------------|
| Recoveries from management organizations       | \$ 220             | \$ 5,718          |
| Refunds of expenses - management organizations | -                  | 339               |
| Grants to management organizations             | <u>(10,513)</u>    | <u>(8,436)</u>    |
| Net results                                    | <u>\$ (10,293)</u> | <u>\$ (2,379)</u> |

**NOTE 11 COMPARATIVE FIGURES**

Certain 2003 figures have been reclassified to conform to 2004 presentation.

**NOTE 12 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

DEPARTMENT OF SENIORS  
Revenues

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 1**

|   | 2004             |                  | 2003                      |
|---|------------------|------------------|---------------------------|
|   | <u>Budget</u>    | <u>Actual</u>    | <u>Actual</u><br>(Note 3) |
| Transfers from the Government of Canada<br>Recoveries from Canada Mortgage<br>and Housing Corporation | \$ 30,300        | \$ 30,780        | \$ 18,794                 |
| Recoveries from Indian and Northern Development   | 50               | 142              | 67                        |
|   | <u>30,350</u>    | <u>30,922</u>    | <u>18,861</u>             |
| Other revenue   |                  |                  |                           |
| Recoveries from management organizations  | 4,370            | 220              | 5,718                     |
| Refunds of expenses   | 135              | 1,451            | 1,454                     |
| Rental revenue  | 105              | 113              | 130                       |
| Recoveries from programs  | -                | -                | 35                        |
|   | <u>4,610</u>     | <u>1,784</u>     | <u>7,337</u>              |
|   | <u>\$ 34,960</u> | <u>\$ 32,706</u> | <u>\$ 26,198</u>          |

DEPARTMENT OF SENIORS  
Expenses – Directly Incurred Detailed by Object

Year ended March 31, 2004  
(thousands of dollars)

|  | 2004              |                   | 2003                      |
|--|-------------------|-------------------|---------------------------|
|  | <u>Budget</u>     | <u>Actual</u>     | <u>Actual</u><br>(Note 3) |
| <b>SCHEDULE 2</b>  |                   |                   |                           |
| <b>Voted</b>   |                   |                   |                           |
| Salaries, wages and employee benefits  | \$ 20,180         | \$ 19,676         | \$ 17,936                 |
| Supplies and services  | 21,064            | 22,059            | 21,341                    |
| Supplies and services from support service arrangements with related parties | -                 | -                 | 274                       |
| Grants   | 292,870           | 339,658           | 273,074                   |
| Other  | 64                | 69                | 68                        |
| Amortization of tangible capital assets                                      | <u>328</u>        | <u>297</u>        | <u>436</u>                |
| Total voted expenses before recoveries                                       | 334,506           | 381,759           | 313,129                   |
| Less: Recovery from support service arrangements with related parties        | <u>-</u>          | <u>-</u>          | <u>(829)</u>              |
|  | <u>\$ 334,506</u> | <u>\$ 381,759</u> | <u>\$ 312,300</u>         |
| <b>Statutory</b>   |                   |                   |                           |
| Valuation adjustments:   |                   |                   |                           |
| Provision for doubtful accounts  | \$ 100            | \$ 421            | \$ 29                     |
| Provision for vacation pay   | <u>85</u>         | <u>114</u>        | <u>157</u>                |
|  | <u>\$ 185</u>     | <u>\$ 535</u>     | <u>\$ 186</u>             |

DEPARTMENT OF SENIORS  
Budget

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 3**

|   | 2003-04             |  |                      |
|---|---------------------|--|----------------------|
|   | Estimates           | Authorized<br>Supplementary <sup>(a)</sup> | Authorized<br>Budget |
| <b>Revenues</b>                             |                     |  |                      |
| Transfers from the Government of<br>Canada  | \$ 30,350           | \$ -                                       | \$ 30,350            |
| Other revenue                               | 4,610               | -  | 4,610                |
|   | <u>34,960</u>       | <u>-</u>                                   | <u>34,960</u>        |
| <b>Expenses - Directly Incurred</b>         |                     |  |                      |
| <b>Voted Expenses</b>                       |                     |  |                      |
| Seniors services                            | 196,886             | 33,550                                     | 230,436              |
| Housing services                            | 133,192             | 14,320                                     | 147,512              |
| Ministry support services                   | 4,428               | -  | 4,428                |
|   | <u>334,506</u>      | <u>47,870</u>                              | <u>382,376</u>       |
| <b>Statutory Expenses</b>                   |                     |  |                      |
| Valuation adjustments                       |                     |  |                      |
| Provision for doubtful accounts             | 100                 | -  | 100                  |
| Provision for vacation pay                  | 85                  | -  | 85                   |
|   | <u>185</u>          | <u>-</u>                                   | <u>185</u>           |
|   | <u>334,691</u>      | <u>47,870</u>                              | <u>382,561</u>       |
| Loss on disposal of tangible capital assets | -                   | -  | -                    |
| Net operating results                       | <u>\$ (299,731)</u> | <u>\$ (47,870)</u>                         | <u>\$ (347,601)</u>  |
| Equipment purchases                         | <u>\$ 60</u>        | <u>\$ -</u>                                | <u>\$ 60</u>         |
| Capital Investment                          | <u>\$ -</u>         | <u>\$ -</u>                                | <u>\$ -</u>          |

<sup>(a)</sup> Supplementary estimates were approved on December 4, 2003 for \$36,970 and on March 11, 2004 for \$10,900.

DEPARTMENT OF SENIORS  
 Comparison of Expenses - Directly Incurred, Equipment Purchases and Capital Investments and  
 Statutory Expenses by Element to Authorized Budget

Year ended March 31, 2004  
 (thousands of dollars)

|   |                                | 2003-04      |                        |                        | Unexpended |
|---|--------------------------------|--------------|------------------------|------------------------|------------|
|   |                                | Authorized   |                        | (Over -                |            |
|   |                                | Supple-      | Budget                 | Actuals <sup>(b)</sup> | Expended)  |
| Voted Operating/Equipment Purchases and Capital Investments | MINISTRY SUPPORT SERVICES      | Estimates    | mentary <sup>(a)</sup> | Budget                 | Expended)  |
|   | 1.0.1 Minister's Office        | \$ 332       | \$ -                   | \$ 332                 | \$ 15      |
|   | 1.0.2 Deputy Minister's Office | 399          | -                      | 399                    | 32         |
|   | 1.0.3 Communications           | 318          | -                      | 318                    | 39         |
|   | 1.0.4 Corporate Services       | 2,878        | -                      | 2,878                  | 16         |
|   | 1.0.5 Strategic Planning       | 501          | -                      | 501                    | 27         |
|   |                                | <b>4,428</b> | <b>-</b>               | <b>4,428</b>           | <b>129</b> |

DEPARTMENT OF SENIORS  
**Comparison of Expenses - Directly Incurred, Equipment Purchases and Capital Investments and  
 Statutory Expenses by Element to Authorized Budget**

Year ended March 31, 2004  
 (thousands of dollars)

**SCHEDULE 4**  
 (cont'd)

|   |   | 2003-04   |                |                        | Unexpended<br>(Over -<br>Expended) |
|---|---|---|----------------|------------------------|------------------------------------|
|   |   | Authorized<br>Supple-<br>mentary <sup>(a)</sup> | Budget         | Actuals <sup>(b)</sup> |                                    |
| Estimates   |   |   |                |                        | Expended)                          |
| Voted Operating/Equipment Purchases and Capital Investments |   |   |                |                        |                                    |
| <b>SENIORS SERVICES</b>                                     |   |   |                |                        |                                    |
| <b>2.1</b>  | <b>Management and Operations</b>          |   |                |                        |                                    |
| 2.1.1   | Program Support                           | 282   | 282            | 280                    | 2                                  |
| 2.1.2   | Alberta Seniors Benefit Program Delivery  |   |                |                        | -                                  |
|   | Operating expenses                        | 5,092   | 5,092          | 5,802                  | (710)                              |
|   | Equipment purchases                       | 60  | 60             | 40                     | 20                                 |
| 2.1.3   | Seniors Advisory Council                  | 262   | 262            | 261                    | 1                                  |
| 2.1.4   | Client and Information Services           | 1,795   | 1,795          | 1,750                  | 45                                 |
| 2.1.5   | Special Needs Assistance Program Delivery | 1,156   | 1,156          | 1,461                  | (305)                              |
| 2.1.6   | Planning and Research                     | 786   | 786            | 783                    | 3                                  |
| 2.1.7   | Public Guardian Services                  | 4,730   | 4,730          | 4,729                  | 1                                  |
|   | <b>Total Sub-Program</b>                  | <b>14,163</b>                                   | <b>14,163</b>  | <b>15,106</b>          | <b>(943)</b>                       |
| <b>2.2</b>  | <b>Income Support for Seniors</b>         |   |                |                        |                                    |
| 2.2.1   | Alberta Seniors Benefit                   | 155,633   | 177,433        | 177,782                | (349)                              |
| 2.2.2   | Seniors Special Project Grants            | 150   | 150            | 227                    | (77)                               |
| 2.2.3   | Special Needs Assistance Grants           | 27,000  | 38,750         | 36,908                 | 1,842                              |
|   | <b>Total Sub-Program</b>                  | <b>182,783</b>                                  | <b>216,333</b> | <b>214,917</b>         | <b>1,416</b>                       |
|   |   | <b>196,946</b>                                  | <b>230,496</b> | <b>230,023</b>         | <b>473</b>                         |

DEPARTMENT OF SENIORS

Comparison of Expenses - Directly Incurred, Equipment Purchases and Capital Investments and Statutory Expenses by Element to Authorized Budget

Year ended March 31, 2004  
(thousands of dollars)

|   |  | 2003-04                |               |                        | SCHEDULE 4<br>(cont'd)             |
|---|--|------------------------|---------------|------------------------|------------------------------------|
|   |  | Authorized             |               |                        |                                    |
|   |  | Supple-                | Budget        | Actuals <sup>(b)</sup> | Unexpended<br>(Over -<br>Expended) |
|   |  | mentary <sup>(e)</sup> |               |                        |                                    |
|   |  | Estimates              | Budget        | Actuals <sup>(b)</sup> | Unexpended<br>(Over -<br>Expended) |
| Voted Operating/Equipment Purchases and Capital Investments |  |                        |               |                        |                                    |
| <b>HOUSING SERVICES</b>                                     |  |                        |               |                        |                                    |
| <b>3.1</b>  | <b>Management and Operations</b>             |                        |               |                        |                                    |
| 3.1.1   | Program Support                              | 341                    | 341           | 297                    | 44                                 |
| 3.1.2   | Innovation and Research                      | 1,057                  | 1,057         | 1,012                  | 45                                 |
| 3.1.3   | Housing Development Program Delivery         | 18,977                 | 20,087        | 19,475                 | 612                                |
| 3.1.4   | Housing Operating Program Delivery           | 2,730                  | 2,730         | 2,435                  | 295                                |
|   | <b>Total Sub-program</b>                     | <b>23,105</b>          | <b>24,215</b> | <b>23,219</b>          | <b>996</b>                         |
| <b>3.2</b>  | <b>Seniors Housing Operating Grants</b>      |                        |               |                        |                                    |
| 3.2.1   | Lodge Assistance                             | 14,150                 | 14,150        | 14,718                 | (568)                              |
| 3.2.2   | Support to Seniors Housing Providers         | 1,057                  | 1,057         | 3,068                  | (2,011)                            |
|   | <b>Total Sub-program</b>                     | <b>15,207</b>          | <b>15,207</b> | <b>17,786</b>          | <b>(2,579)</b>                     |
| <b>3.3</b>  | <b>Social Housing Operating Grants</b>       |                        |               |                        |                                    |
| 3.3.1   | Support to Community Housing Providers       | 13,951                 | 13,951        | 14,801                 | (850)                              |
| 3.3.2   | Rent Supplement                              | 15,017                 | 15,017        | 14,029                 | 988                                |
|   | <b>Total Sub-program</b>                     | <b>28,968</b>          | <b>28,968</b> | <b>28,830</b>          | <b>138</b>                         |
| <b>3.4</b>  | <b>Housing Development Capital Grants</b>    |                        |               |                        |                                    |
| 3.4.1   | Seniors Supportive Housing Incentive Program | -                      | -             | 634                    | (634)                              |
| 3.4.2   | Home Adaptation Program                      | 1,025                  | 1,025         | 879                    | 146                                |
| 3.4.3   | Canada/Alberta Affordable Housing Agreement  | 35,500                 | 41,000        | 41,000                 | -                                  |
|   | <b>Total Sub-program</b>                     | <b>36,525</b>          | <b>42,025</b> | <b>42,513</b>          | <b>(488)</b>                       |



DEPARTMENT OF SENIORS  
**Comparison of Expenses - Directly Incurred, Equipment Purchases and Capital Investments and  
 Statutory Expenses by Element to Authorized Budget**

Year ended March 31, 2004  
 (thousands of dollars)

**SCHEDULE 4**  
 (cont'd)

2003-04

|  | Authorized             |                                   |                   | Unexpended<br>(Over -<br>Expended) |
|--|------------------------|-----------------------------------|-------------------|------------------------------------|
|  | Estimates              | Supple-<br>mentary <sup>(a)</sup> | Budget            |                                    |
|  | Actuals <sup>(b)</sup> |                                   |                   |                                    |
| <b>Voted Operating/Equipment Purchases and Capital Investments</b> |                        |                                   |                   |                                    |
| <b>3.5 Other Housing Services Grants</b>                           |                        |                                   |                   |                                    |
| 3.5.1 Special Needs Housing  | 4,730                  | -                                 | 4,730             | 4,724                              |
| 3.5.2 Homelessness Initiatives                                     | 3,000                  | -                                 | 3,000             | 3,000                              |
| 3.5.3 Other Grants   | 150                    | 7,710                             | 7,860             | 8,008                              |
| 3.5.4 Assistance to Alberta Social Housing Corporation             | 21,507                 | -                                 | 21,507            | 19,397                             |
| <b>Total Sub-program</b>   | <b>29,387</b>          | <b>7,710</b>                      | <b>37,097</b>     | <b>35,129</b>                      |
|  | <b>133,192</b>         | <b>14,320</b>                     | <b>147,512</b>    | <b>147,477</b>                     |
| <b>Total Voted Expenses</b>  | <b>\$ 334,566</b>      | <b>\$ 47,870</b>                  | <b>\$ 382,436</b> | <b>\$ 381,799</b>                  |
| <b>Operating expenses</b>  | <b>\$ 334,506</b>      | <b>\$ 47,870</b>                  | <b>\$ 382,376</b> | <b>\$ 381,759</b>                  |
| <b>Equipment purchases</b>   | <b>60</b>              | <b>-</b>                          | <b>60</b>         | <b>40</b>                          |
| <b>Total Voted Expenses</b>  | <b>334,566</b>         | <b>47,870</b>                     | <b>382,436</b>    | <b>381,799</b>                     |
| <b>Capital Investment</b>  | <b>-</b>               | <b>-</b>                          | <b>-</b>          | <b>-</b>                           |
|  | <b>\$ 334,566</b>      | <b>\$ 47,870</b>                  | <b>\$ 382,436</b> | <b>\$ 381,799</b>                  |
| <b>Statutory Expenses</b>  |                        |                                   |                   |                                    |
| Valuation Adjustments  | \$ 185                 | \$ -                              | \$ 185            | \$ 535                             |
|  | <b>\$ 185</b>          | <b>\$ -</b>                       | <b>\$ 185</b>     | <b>\$ (350)</b>                    |

<sup>(a)</sup> Supplementary estimates were approved on December 4, 2003 for \$36,970 and on March 11, 2004 for \$10,900.

<sup>(b)</sup> Includes achievement bonus of \$391.

DEPARTMENT OF SENIORS  
Salary and Benefits Disclosure

Year ended March 31, 2004  
(in dollars)

SCHEDULE 5

|   | 2004                       |                                    |  | 2003       |            |
|---|----------------------------|------------------------------------|--|------------|------------|
|   | Base Salary <sup>(1)</sup> | Other Cash Benefits <sup>(2)</sup> | Other Non-Cash Benefits <sup>(3)</sup> | Total      | Total      |
| Senior Officials:   |                            |                                    |  |            |            |
| Deputy Minister <sup>(4)</sup>                                      | \$ 152,808                 | \$ 65,510                          | \$ 7,249                               | \$ 225,567 | \$ 211,144 |
| Executives:   |                            |                                    |  |            |            |
| Assistant Deputy Minister,<br>Housing                               | 125,880                    | 18,435                             | 30,725                                 | 175,040    | 194,602    |
| Assistant Deputy Minister,<br>Seniors Services                      | 124,200                    | 22,866                             | 27,375                                 | 174,441    | 155,782    |
| Executive Director,<br>Strategic Corporate Services                 | 112,964                    | 31,375                             | 26,293                                 | 170,632    | 142,140    |
| Executive Director,<br>Strategic Planning and Policy <sup>(5)</sup> |                            |                                    |  | -          | 120,386    |

Prepared in accordance with Treasury Board Directive 03/2004.

Total salary and benefits relating to a position are disclosed.

- (1) Base salary includes regular base pay.
- (2) Other cash benefits include bonuses, vacation payments, overtime, and lump sum payments.
- (3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
- (4) Automobile provided, no dollar amount included in other non-cash benefits figures.
- (5) The position was not occupied in 2003-04.

DEPARTMENT OF SENIORS  
Related Party Transactions

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 6**

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded in the financial statements at the amount of consideration agreed upon between the related parties:

|                              | Entities in the Ministry |                  | Other Entities  |                 |
|------------------------------|--------------------------|------------------|-----------------|-----------------|
|                              | 2004                     | 2003             | 2004            | 2003            |
| Expenses - Directly Incurred |                          |                  |                 |                 |
| Grants                       | \$ 19,397                | \$ 19,540        | \$ -            | \$ -            |
| Other services               | -                        | -                | 2,398           | 2,211           |
|                              | <u>\$ 19,397</u>         | <u>\$ 19,540</u> | <u>\$ 2,398</u> | <u>\$ 2,211</u> |
| Capital assets transferred   | <u>\$ -</u>              | <u>\$ -</u>      | <u>\$ (94)</u>  | <u>\$ -</u>     |
| Accounts receivable from     | <u>\$ 310</u>            | <u>\$ 9,165</u>  | <u>\$ -</u>     | <u>\$ -</u>     |

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 7.

|                               | Entities in the Ministry |                 | Other Entities  |                 |
|-------------------------------|--------------------------|-----------------|-----------------|-----------------|
|                               | 2004                     | 2003            | 2004            | 2003            |
| Recoveries                    |                          |                 |                 |                 |
| Services provided             | <u>\$ 1,019</u>          | <u>\$ 1,344</u> | <u>\$ -</u>     | <u>\$ -</u>     |
| Expenses - Incurred by others |                          |                 |                 |                 |
| Accommodation <sup>(1)</sup>  | \$ -                     | \$ -            | \$ 2,966        | \$ 1,387        |
| Legal services                | -                        | -               | 231             | 252             |
| Other Services                | -                        | -               | 166             | 125             |
|                               | <u>\$ -</u>              | <u>\$ -</u>     | <u>\$ 3,363</u> | <u>\$ 1,764</u> |

<sup>(1)</sup> Current year includes \$1,729 for accommodation costs due to program transfers from HRE.

DEPARTMENT OF SENIORS  
Allocated Costs

Year ended March 31, 2004  
(thousands of dollars)

| Program                   | 2004                    |                   |                     |                |                |                      |                       |                   |                   |  | 2003 |                |                |
|---------------------------|-------------------------|-------------------|---------------------|----------------|----------------|----------------------|-----------------------|-------------------|-------------------|--|------|----------------|----------------|
|                           | Expenses <sup>(1)</sup> | Expenses          |                     |                |                |                      | Valuation Adjustments |                   |                   |  |      | Total Expenses | Total Expenses |
|                           |                         | Services Provided | Accommodation Costs | Legal Services | Other Services | - Incurred by others | Vacation Pay          | Doubtful Accounts |                   |  |      |                |                |
| Seniors Services          | \$ 229,983              | \$ -              | \$ 1,786            | \$ 112         | \$ 166         | \$ 101               | \$ 421                | \$ 232,569        | \$ 194,261        |  |      |                |                |
| Housing Services          | 147,477                 | (823)             | 1,146               | 109            | -              | 3                    | -                     | 147,912           | 115,639           |  |      |                |                |
| Ministry Support Services | 4,299                   | (196)             | 34                  | 10             | -              | 10                   | -                     | 4,157             | 3,006             |  |      |                |                |
|                           | <u>\$ 381,759</u>       | <u>\$ (1,019)</u> | <u>\$ 2,966</u>     | <u>\$ 231</u>  | <u>\$ 166</u>  | <u>\$ 114</u>        | <u>\$ 421</u>         | <u>\$ 384,638</u> | <u>\$ 312,906</u> |  |      |                |                |

(1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

ALBERTA SOCIAL HOUSING CORPORATION

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Financial Statements

March 31, 2004

ALBERTA SOCIAL HOUSING CORPORATION  
**Financial Statements**

March 31, 2004

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 Revenues

Schedule 2 Expenses - Directly Incurred Detailed by Object

Schedule 3 Budget

Schedule 4 Related Party Transactions

Schedule 5 Allocated Costs

ALBERTA SOCIAL HOUSING CORPORATION  
Auditor's Report



To the Minister of Seniors

I have audited the statement of financial position of the Alberta Social Housing Corporation as at March 31, 2004 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Alberta Social Housing Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian 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 the current and two previous fiscal years, management organizations have made capital additions to seniors lodges owned by the Ministry. In 6 of 11 cases, the Ministry has recorded the additions as its assets and capitalized \$8.9 million. In the other five cases, the additions, amounting to \$13.3 million, have not been recorded as capital assets by the Ministry. Management has asserted that the accounting treatment for the capital additions is in accordance with its business intention. However, it has been unable to supply documentary evidence to support its assertions.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself with respect to the ownership of additions to seniors lodges owned by the Corporation as described above, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original Signed by  
Fred J. Dunn

FCA  
Auditor General

Edmonton, Alberta  
May 21, 2004

*The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.*

## ALBERTA SOCIAL HOUSING CORPORATION

## Statement of Operations

Year ended March 31, 2004  
(thousands of dollars)

|   | <u>2004</u>     |                  | <u>2003</u>       |
|---|-----------------|------------------|-------------------|
|   | <u>Budget</u>   | <u>Actual</u>    | <u>Actual</u>     |
|   | (Schedule 3)    |                  | (Note 14)         |
| Revenues (Schedule 1)                                     |                 |                  |                   |
| Seniors programs  | \$ 34,127       | \$ 26,141        | \$ 31,004         |
| Special purpose programs                                  | 22,043          | 33,742           | 29,446            |
| Other asset administration                                | 55              | 515              | 3,776             |
| Transfers from Department of Seniors                      | 21,507          | 19,397           | 19,540            |
|   | <u>77,732</u>   | <u>79,795</u>    | <u>83,766</u>     |
| Expenses - Directly incurred (Note 2b, Schedules 2 and 5) |                 |                  |                   |
| Seniors programs  | 16,049          | 16,134           | 16,395            |
| Special purpose programs                                  | 10,174          | 9,555            | 9,704             |
| Other asset administration                                | 365             | 208              | 445               |
| Grants in kind  | 14,333          | 14,312           | 21,552            |
| Debt servicing costs                                      | 43,109          | 43,523           | 45,117            |
|   | <u>84,030</u>   | <u>83,732</u>    | <u>93,213</u>     |
| Valuation adjustments                                     |                 |                  |                   |
| Provision for (recovery of) losses on:                    |                 |                  |                   |
| Tangible capital assets                                   | -               | (1,477)          | 129               |
| Guarantees, indemnities and mortgages                     | 85              | (80)             | (149)             |
| Doubtful accounts   | -               | (3)              | 7                 |
|   | <u>85</u>       | <u>(1,560)</u>   | <u>(13)</u>       |
|   | <u>84,115</u>   | <u>82,172</u>    | <u>93,200</u>     |
| Gain on disposal of tangible capital assets               | <u>(10,749)</u> | <u>(13,664)</u>  | <u>(7,499)</u>    |
| Net operating results                                     | <u>\$ 4,366</u> | <u>\$ 11,287</u> | <u>\$ (1,935)</u> |

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



ALBERTA SOCIAL HOUSING CORPORATION  
Statement of Financial Position

As at March 31, 2004  
(thousands of dollars)

|   | 2004       | 2003<br>(Note 14) |
|---|------------|-------------------|
| <b>Assets</b>   |            |                   |
| Cash (Note 3)   | \$ 30,547  | \$ 27,523         |
| Accounts receivable (Note 4)                                | 1,943      | 219               |
| Loans and advances (Note 5)                                 | 21,576     | 20,479            |
| Deferred financing charges                                  | 1,629      | 1,911             |
| Tangible capital assets (Note 6)                            | 779,458    | 806,233           |
|   | \$ 835,153 | \$ 856,365        |
| <b>Liabilities</b>  |            |                   |
| Accounts payable and accrued liabilities                    | 909        | 1,879             |
| Accrued interest payable                                    | 10,063     | 10,405            |
| Due to Department of Seniors                                | 310        | 9,165             |
| Allowance for losses on guarantees and indemnities (Note 7) | 580        | 644               |
| Advance from Alberta Finance (Note 8)                       | 34,900     | 35,160            |
| Long-term debt (Note 9)                                     | 472,451    | 494,459           |
|   | 519,213    | 551,712           |
| <b>Equity</b>   |            |                   |
| At beginning of year  | \$ 304,653 | \$ 306,588        |
| Net operating results                                       | 11,287     | (1,935)           |
| At end of year  | 315,940    | 304,653           |
|   | \$ 835,153 | \$ 856,365        |

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

ALBERTA SOCIAL HOUSING CORPORATION  
Statement of Cash Flows

Year ended March 31, 2004  
(thousands of dollars)

|   | <u>2004</u>      | <u>2003</u><br>(Note 14) |
|---|------------------|--------------------------|
| Operating transactions  |                  |                          |
| Net operating results   | \$ 11,287        | \$ (1,935)               |
| Non-cash items included in net operating results                                  |                  |                          |
| Amortization of tangible capital assets   | 23,552           | 23,674                   |
| Amortization of deferred financing charges  | 282              | 173                      |
| Grants in kind  | 14,312           | 21,552                   |
| Valuation adjustments   | (1,560)          | (13)                     |
| Gain on disposal of tangible capital assets                                       | <u>(13,664)</u>  | <u>(7,499)</u>           |
|   | 34,209           | 35,952                   |
| Decrease (increase) in accounts receivable before valuation adjustments           | (1,721)          | 761                      |
| Decrease in accrued interest payable  | (342)            | (407)                    |
| Decrease in accounts payable and accrued liabilities before valuation adjustments | (970)            | (2,190)                  |
| Decrease in due to Department of Seniors  | (8,855)          | (7,000)                  |
|   | <u>22,321</u>    | <u>27,116</u>            |
| Cash provided by operating transactions   |                  |                          |
| Investing transactions  |                  |                          |
| Repayment of loans and advances   | 3,869            | 4,818                    |
| Additions to loans and advances   | (4,950)          | -                        |
| Disposal of tangible capital assets   | 5,066            | 73                       |
| Acquisition of tangible capital assets  | (149)            | (56)                     |
| Contributions in kind   | (865)            | (3,643)                  |
|   | <u>2,971</u>     | <u>1,192</u>             |
| Cash provided by investing transactions   |                  |                          |
| Financing transactions  |                  |                          |
| Repayment of advance from Alberta Finance   | (260)            | (475)                    |
| Repayment of long term debt   | <u>(22,008)</u>  | <u>(20,239)</u>          |
|   | <u>(22,268)</u>  | <u>(20,714)</u>          |
| Cash used by financing transactions   |                  |                          |
| Net increase in cash  | 3,024            | 7,594                    |
| Cash, beginning of year   | <u>27,523</u>    | <u>19,929</u>            |
| Cash, end of year   | <u>\$ 30,547</u> | <u>\$ 27,523</u>         |

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

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 1 AUTHORITY AND PURPOSE**

The Alberta Social Housing Corporation (the “Corporation”) operates under the authority of the *Alberta Housing Act*, Chapter A-25, Revised Statutes of Alberta 2000.

The Corporation’s primary purpose is to facilitate the provision of affordable housing options, through housing providers, to low-income families and individuals, seniors, and those with special needs. The Corporation owns and administers the Crown’s portfolio of housing assets and manages provincial debts and agreements associated with those assets. This includes administering the sale of provincially owned properties no longer efficient or effective for social housing programs.

The Corporation also oversees the provincial commitments and entitlements remaining from discontinued business activities such as mortgages and loan guarantees, and directly operates and acts as the landlord for a small portion of units classified as “rural housing”.

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

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

**(a) Reporting Entity**

The reporting entity is the Alberta Social Housing Corporation, which is part of the Ministry of Seniors and for which the Minister of Seniors is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry’s operations for which the Minister is accountable.

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(b) Basis of Financial Reporting**

Revenues

All revenues are recorded on the accrual basis of accounting with the exception of interest on Rural and Native mortgages that are classified as non-accrual. Rural and Native mortgages are classified as non-accrual when payments are sixty days in arrears. Interest on non-accrual loans is recorded on a cash basis.

*Internal Government transfers*

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

*Directly incurred*

Directly incurred expenses are those costs the Corporation has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- debt servicing costs.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to guarantees and indemnities.

*Incurred by others*

Services contributed by other entities in support of the Corporation's operations are disclosed in Schedule 5.

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(b) Basis of Financial Reporting (continued)**

Assets

*Cash and accounts receivable*

Financial assets of the Corporation are limited to cash, and financial claims such as advances to and receivables from other organizations and individuals.

*Loans and advances*

Loan and advances include mortgages that are reported at cost less provisions for losses, and agreements receivable. Cost of mortgages includes amounts advanced, accrued interest, and other charges, less repayments and subsidies.

*Deferred financing charges*

Deferred financing charges on debt financing are amortized over the life of the debt on a straight-line basis.

*Tangible capital assets*

Assets acquired by right are not included. Buildings, contents and leasehold improvements of the Corporation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing capital assets is \$5. All land and work in progress are capitalized at cost and not amortized.

Donated capital assets are recorded at their fair value at the time of contribution.

When capital assets are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES  
(CONTINUED)**

**(b) Basis of Financial Reporting (continued)**

Liabilities

Liabilities represent all financial claims payable/provided for by the Corporation at fiscal year end.

Equity

Equity represents the difference between the carrying value of assets held by the Corporation and its liabilities.

Measurement Uncertainty

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount. The allowance for losses on land (Note 6), recorded as \$213 is subject to measurement uncertainty. Allowance for losses on guarantees and indemnities (Note 7), recorded as \$580 in these financial statements, is also subject to measurement uncertainty.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accrued interest payable, accounts payable and accrued liabilities, due to Department of Seniors and advance from Alberta Finance are estimated to approximate their carrying values because of the short term nature of these instruments. Fair values of loans and advances are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timelines or cost to estimate the fair value with sufficient reliability.

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 3 CASH**

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF 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 three years. Interest is earned on the Corporation's daily cash balance at the average rate of CCITF's earnings, which varies depending on prevailing market interest rates. Due to the short-term nature of these deposits the carrying value approximates fair value.

**NOTE 4 ACCOUNTS RECEIVABLE**

|  | 2004                                  |                            | 2003                       |        |
|--|---------------------------------------|----------------------------|----------------------------|--------|
| Gross<br>Amount                            | Allowance for<br>Doubtful<br>Accounts | Net<br>Realizable<br>Value | Net<br>Realizable<br>Value |        |
| Canada Mortgage and<br>Housing Corporation | \$ 1,693                              | \$ -                       | \$ 1,693                   | \$ -   |
| Accounts receivable                        | 328                                   | (88)                       | 240                        | 209    |
| Sales receivable                           | 10                                    | -                          | 10                         | 10     |
|  | \$ 2,031                              | \$ (88)                    | \$ 1,943                   | \$ 219 |

Accounts receivable are unsecured and non-interest bearing.

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 5 LOANS AND ADVANCES**

|                                  | 2004             |                 |                      | 2003                 |                      |
|----------------------------------|------------------|-----------------|----------------------|----------------------|----------------------|
|                                  | Accrual          | Non-Accrual     | Allowance for Losses | Net Realizable Value | Net Realizable Value |
| Rural and Native <sup>(a)</sup>  | \$ 15,096        | \$ 1,438        | \$ (8)               | \$ 16,526            | \$ 20,291            |
| Agreements receivable            | 4,950            | -               | -                    | 4,950                | -                    |
| Other receivables <sup>(b)</sup> | 100              | -               | -                    | 100                  | 188                  |
|                                  | <u>\$ 20,146</u> | <u>\$ 1,438</u> | <u>\$ (8)</u>        | <u>\$ 21,576</u>     | <u>\$ 20,479</u>     |

<sup>(a)</sup> These mortgages are provided under the Rural and Native Housing program with payments based on an amortization period of 25 years and five-year interest renewal terms.

<sup>(b)</sup> Financial agreements with First Nations and individuals under the Rural Emergency Home Program.



ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 6 TANGIBLE CAPITAL ASSETS**

|  | Estimated<br>Useful Life<br>(Years) | 2004                |                             |                         | 2003              |                                |
|--|-------------------------------------|---------------------|-----------------------------|-------------------------|-------------------|--------------------------------|
|  |                                     | Cost                | Accumulated<br>Amortization | Allowance<br>for Losses | Net Book<br>Value | Net Book<br>Value<br>(Note 14) |
| Seniors Housing <sup>(a)</sup>         |                                     |                     |                             |                         |                   |                                |
| Self contained units                   | 50                                  | \$ 673,521          | \$ (256,284)                | \$ -                    | \$ 417,237        | \$ 429,257                     |
| Lodges                                 | 50                                  | 161,712             | (48,503)                    | -                       | 113,209           | 116,199                        |
| Special Purpose Housing <sup>(a)</sup> |                                     |                     |                             |                         |                   |                                |
| Community housing                      | 40 to 50                            | 362,028             | (144,936)                   | -                       | 217,092           | 229,003                        |
| Rural and native units                 | 20 to 25                            | 18,752              | (8,688)                     | -                       | 10,064            | 10,682                         |
| Special needs housing                  | 50                                  | 12,225              | (3,811)                     | -                       | 8,414             | 8,624                          |
| Rural mobile homes                     | 10                                  | 1,018               | (832)                       | -                       | 186               | 317                            |
|  |                                     | 1,229,256           | (463,054)                   | -                       | 766,202           | 794,082                        |
| Land                                   |                                     | 13,469              | -                           | (213)                   | 13,256            | 12,151                         |
| <b>Total</b>                           |                                     | <b>\$ 1,242,725</b> | <b>\$ (463,054)</b>         | <b>\$ (213)</b>         | <b>\$ 779,458</b> | <b>\$ 806,233</b>              |

<sup>(a)</sup> Rental properties, primarily managed by not-for-profit management organizations.

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 7 GUARANTEES AND INDEMNITIES**

The Corporation has outstanding guarantees that were issued on the sale of certain of its mortgages whereby the Corporation will reimburse mortgagees for any losses that may occur on default by mortgagors. Any claims for losses by the mortgagees will be reduced by the amounts realized from the sale of the underlying properties.

Guaranteed amounts, the last of which was guaranteed on March 30, 1994, are as follows:

|   | <u>2004</u>      | <u>2003</u>      |
|---|------------------|------------------|
| Mortgages, on single family properties, guaranteed to 2015          | \$ 36            | \$ 39            |
| Mortgages, on multi-unit rental properties and land, guaranteed to: |                  |                  |
| 2004  | -                | 1,971            |
| 2007  | 6,905            | 7,023            |
| 2008  | -                | 662              |
| 2009  | 235              | 284              |
| 2011  | 30,813           | 35,579           |
| 2018  | 896              | 935              |
|   | <u>38,849</u>    | <u>46,454</u>    |
|   | <u>\$ 38,885</u> | <u>\$ 46,493</u> |

Under the former mobile home loan insurance program, the Corporation has agreed to indemnify losses on mobile home loans issued by financial institutions. The outstanding loans as at March 31, 2004 amount to \$2,741 (2003 - \$3,776). This program was terminated effective October 1, 1993. However, the Corporation has an ongoing commitment on the insurance policies remaining in force.

An allowance for losses has been made on these guarantees and indemnities in the amount of \$580 (2003 - \$644).

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 8 ADVANCE FROM ALBERTA FINANCE**

The advance is interest free and is repayable on demand.

**NOTE 9 LONG-TERM DEBT**

The Corporation's long-term debt and exposure to interest rate risk is summarized as follows:

|  | 2004       | 2003       |
|--|------------|------------|
| Debentures payable:                                    |            |            |
| Canada Mortgage and Housing Corporation <sup>(a)</sup> | \$ 80,697  | \$ 81,651  |
| Alberta Heritage Savings Trust Fund <sup>(b)</sup>     | 94,656     | 100,038    |
| Note payable to Alberta Finance <sup>(c)</sup>         | 297,098    | 312,770    |
|  | \$ 472,451 | \$ 494,459 |

<sup>(a)</sup> maturing 2023 to 2030 with a weighted average effective rate of 9.62%.

<sup>(b)</sup> maturing June 2011 to January 2012 with a weighted average effective rate of 17.41%.

<sup>(c)</sup> maturing September 16, 2016 with an effective rate of 5.93%.

The Province of Alberta guarantees the repayment of principal and interest on all borrowings.

The debentures, including interest thereon, are repayable in equal annual or semi-annual instalments and the note payable is repayable in equal semi-annual instalments.

Approximate aggregate repayments of principal in each of the next five years are:

|            |    |         |
|------------|----|---------|
| 2004-2005  | \$ | 23,975  |
| 2005-2006  |    | 26,170  |
| 2006-2007  |    | 28,626  |
| 2007-2008  |    | 31,381  |
| 2008-2009  |    | 34,479  |
| thereafter |    | 327,820 |
| Total      | \$ | 472,451 |

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 9 LONG-TERM DEBT (CONTINUED)**

Long-term debt has a fair value of \$118,920 for Canada Mortgage and Housing Corporation debentures, \$150,124 for Alberta Heritage Savings and Trust Fund debentures and \$326,600 for Note payable to Alberta Finance. Fair values for debt are based on the Province of Alberta's current borrowing rates, which are available to the Corporation for debt with similar terms and maturities.

**NOTE 10 PROGRAM RECOVERIES**

Cost-sharing agreements provide for a contribution by Canada Mortgage and Housing Corporation towards the capital costs, subsidies on rental properties, mortgages that are recorded by the Corporation, and for certain administration and net operating results on approved social housing program projects that are recorded by the Department of Seniors.

**NOTE 11 SALARY AND BENEFITS**

The Corporation has no salary or benefits to disclose under Treasury Board Directive 03/2004 because:

- (a) The Corporation has no employees. Staff of the Department of Seniors administer the Corporation. Disclosure of information on their salaries and benefits is included in the financial statements of the Department of Seniors.
- (b) The Corporation did not pay honoraria to its Board members.

**NOTE 12 COMMITMENTS**

The Corporation leases land under various leases for the purpose of providing social housing. The aggregate amounts payable for the unexpired terms of these leases are:

|             | 2004             | 2003             |
|-------------|------------------|------------------|
| 2003 - 2004 | \$ -             | \$ 1,347         |
| 2004 - 2005 | 1,347            | 1,347            |
| 2005 - 2006 | 1,347            | 1,347            |
| 2006 - 2007 | 1,347            | 1,347            |
| 2007 - 2008 | 1,347            | 1,347            |
| 2008 - 2009 | 1,347            | 1,347            |
| thereafter  | 39,988           | 39,988           |
|             | <u>\$ 46,723</u> | <u>\$ 48,070</u> |

ALBERTA SOCIAL HOUSING CORPORATION  
Notes to the Financial Statements

Year ended March 31, 2004  
(thousands of dollars)

**NOTE 13 CONTINGENCIES**

At March 31, 2004 the Corporation is a defendant in eight legal claims (2003 - eight legal claims). These claims have specified amounts totaling \$2,490 (2003 - \$3,352). In five of eight legal claims the Corporation has been jointly named with other entities. Two claims amounting to \$1,350 (2003 - two claims amounting to \$1,975) are covered by the Alberta Risk Management fund.

The resulting loss, if any, from these claims cannot be determined.

**NOTE 14 PRIOR PERIOD ADJUSTMENT**

The comparative figures remove donated tangible capital assets that had been incorrectly capitalized. This correction has the effect on the comparative figures of decreasing capital assets, equity and other revenue by \$2,481.

**NOTE 15 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements have been approved by the Senior Financial Officer of the Department of Seniors and the President of Alberta Social Housing Corporation.

ALBERTA SOCIAL HOUSING CORPORATION  
**Revenues**

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 1**

|   | 2004                    |                         | 2003                       |
|---|-------------------------|-------------------------|----------------------------|
|   | <u>Budget</u>           | <u>Actual</u>           | <u>Actual</u><br>(Note 14) |
| Internal Government Transfers                                     |                         |                         |                            |
| Transfers from Department of Seniors                              | <u>\$ 21,507</u>        | <u>\$ 19,397</u>        | <u>\$ 19,540</u>           |
| Transfers from the Government of Canada                           |                         |                         |                            |
| Recoveries from Canada Mortgage and Housing Corporation (Note 10) | <u>55,029</u>           | <u>56,983</u>           | <u>54,642</u>              |
| Investment income   |                         |                         |                            |
| Bank and other  | 200                     | 1,016                   | 820                        |
| Mortgages   | <u>649</u>              | <u>495</u>              | <u>681</u>                 |
|   | <u>849</u>              | <u>1,511</u>            | <u>1,501</u>               |
| Other revenue   |                         |                         |                            |
| Miscellaneous   | 347                     | 509                     | 3,767                      |
| Contributions in kind   | -                       | 865                     | 3,643                      |
| Rental properties   | -                       | 529                     | 672                        |
| Refunds of expenses   | <u>-</u>                | <u>1</u>                | <u>1</u>                   |
|   | <u>347</u>              | <u>1,904</u>            | <u>8,083</u>               |
|   | <u><u>\$ 77,732</u></u> | <u><u>\$ 79,795</u></u> | <u><u>\$ 83,766</u></u>    |

ALBERTA SOCIAL HOUSING CORPORATION  
Expenses – Directly Incurred Detailed by Object

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 2**

|   | 2004      |            | 2003      |
|---|-----------|------------|-----------|
|   | Budget    | Actual     | Actual    |
| Expenses                                |           |            |           |
| Debt servicing costs                    | \$ 43,109 | \$ 43,523  | \$ 45,117 |
| Amortization of tangible capital assets | 23,818    | 23,552     | 23,674    |
| Grants                                  | 15,083    | 15,062     | 22,282    |
| Supplies and services                   | 2,020     | 1,595      | 2,140     |
|   | \$ 84,030 | \$ 83,732  | \$ 93,213 |
| Valuation adjustments                   |           |            |           |
| Provision for (recovery of) losses on:  |           |            |           |
| Tangible capital assets                 | \$ -      | \$ (1,477) | \$ 129    |
| Guarantees, indemnities and mortgages   | 85        | (80)       | (149)     |
| Doubtful accounts                       | -         | (3)        | 7         |
|   | \$ 85     | \$ (1,560) | \$ (13)   |

ALBERTA SOCIAL HOUSING CORPORATION  
**Budget**

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 3**

|   | 2003-04         |                          |                   |
|---|-----------------|--------------------------|-------------------|
|   | Estimates       | Treasury Board Approvals | Authorized Budget |
| <b>Revenues</b>                             |                 |                          |                   |
| Internal Government transfer                | \$ 21,507       | \$ -                     | \$ 21,507         |
| Transfers from the Government of Canada     | 55,029          | -                        | 55,029            |
| Investment income                           | 849             | -                        | 849               |
| Other revenue                               | 347             | -                        | 347               |
|   | <u>77,732</u>   | <u>-</u>                 | <u>77,732</u>     |
| <b>Expenses</b>                             |                 |                          |                   |
| Seniors programs                            | 16,049          | -                        | 16,049            |
| Special purpose programs                    | 10,174          | -                        | 10,174            |
| Other asset administration                  | 365             | -                        | 365               |
| Grants in kind                              | 14,333          | -                        | 14,333            |
| Debt servicing costs                        | 43,109          | -                        | 43,109            |
|   | <u>84,030</u>   | <u>-</u>                 | <u>84,030</u>     |
| <b>Valuation adjustments</b>                |                 |                          |                   |
| Provision for (recovery of) losses on       |                 |                          |                   |
| Tangible capital assets                     | -               | -                        | -                 |
| Guarantees, indemnities, and mortgages      | 85              | -                        | 85                |
| Doubtful accounts                           | -               | -                        | -                 |
|   | <u>85</u>       | <u>-</u>                 | <u>85</u>         |
| <b>Total expenses</b>                       | <u>84,115</u>   | <u>-</u>                 | <u>84,115</u>     |
| Gain on disposal of tangible capital assets | <u>(10,749)</u> | <u>-</u>                 | <u>(10,749)</u>   |
| <b>Net operating results</b>                | <u>\$ 4,366</u> | <u>\$ -</u>              | <u>\$ 4,366</u>   |
| Capital investment                          | <u>\$ -</u>     | <u>\$ -</u>              | <u>\$ -</u>       |



ALBERTA SOCIAL HOUSING CORPORATION  
Related Party Transactions

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 4**

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements.

The Corporation paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Corporation had the following transactions with related parties recorded in the financial statements at the amount of consideration agreed upon between the related parties:

|  | Entities in the Ministry |                 | Other Entities    |                   |
|--|--------------------------|-----------------|-------------------|-------------------|
|  | 2004                     | 2003            | 2004              | 2003              |
| <b>Revenues</b>                                    |                          |                 |                   |                   |
| Transfers from the Department of Seniors           | \$ 19,397                | \$ 19,540       | \$ -              | \$ -              |
| <b>Expenses - directly incurred</b>                |                          |                 |                   |                   |
| Other services                                     | \$ -                     | \$ -            | \$ 535            | \$ 525            |
| Debt servicing costs                               | -                        | -               | 35,603            | 37,200            |
|  | <u>\$ -</u>              | <u>\$ -</u>     | <u>\$ 36,138</u>  | <u>\$ 37,725</u>  |
| <b>Deferred financing charges</b>                  |                          |                 |                   |                   |
| Alberta Finance                                    | \$ -                     | \$ -            | \$ 1,629          | \$ 1,911          |
| <b>Accounts payable to</b>                         |                          |                 |                   |                   |
| Alberta Finance <sup>(1)</sup>                     | \$ -                     | \$ -            | \$ 332,722        | \$ 348,692        |
| Alberta Heritage Savings Trust Fund <sup>(1)</sup> | -                        | -               | 102,059           | 107,809           |
| Department of Seniors                              | 310                      | 9,165           | -                 | -                 |
|  | <u>\$ 310</u>            | <u>\$ 9,165</u> | <u>\$ 434,781</u> | <u>\$ 456,501</u> |

The Corporation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 5.

|                                      | Entities in the Ministry |                 | Other Entities |               |
|--------------------------------------|--------------------------|-----------------|----------------|---------------|
|                                      | 2004                     | 2003            | 2004           | 2003          |
| <b>Expenses - incurred by others</b> |                          |                 |                |               |
| Salaries and wages                   | \$ 752                   | \$ 985          | \$ -           | \$ -          |
| Supplies and services                | 263                      | 262             | -              | -             |
| Accommodation                        | -                        | -               | 63             | 86            |
| Legal services                       | -                        | -               | 3              | 22            |
| Other services                       | 4                        | 97              | -              | -             |
|                                      | <u>\$ 1,019</u>          | <u>\$ 1,344</u> | <u>\$ 66</u>   | <u>\$ 108</u> |

<sup>(1)</sup> Debt and accrued interest on debt.

ALBERTA SOCIAL HOUSING CORPORATION  
**Allocated Costs**

Year ended March 31, 2004  
(thousands of dollars)

**SCHEDULE 5**

| Program                         | 2004                                |                               |                  |                               |                |                      |                       |               |               |               | 2003             |                  |
|---------------------------------|-------------------------------------|-------------------------------|------------------|-------------------------------|----------------|----------------------|-----------------------|---------------|---------------|---------------|------------------|------------------|
|                                 | Expenses - Directly Incurred        |                               |                  | Expenses - Incurred by Others |                |                      | Valuation Adjustments |               |               |               | Total            | Total            |
| Program Expenses <sup>(1)</sup> | Debt Servicing Costs <sup>(1)</sup> | Grants in Kind <sup>(1)</sup> | Other Services   | Accommodation Costs           | Legal Services | Losses/ (Recoveries) | Doubtful Accounts     |               |               |               | Expenses         | Expenses         |
| Seniors programs                | \$ 16,134                           | \$ 27,088                     | \$ 684           | \$ 534                        | \$ 33          | \$ 2                 | \$ -                  | \$ -          | \$ -          | \$ -          | \$ 44,475        | \$ 52,983        |
| Special purpose programs        | 9,555                               | 16,435                        | 12,878           | 473                           | 29             | 1                    | (80)                  | (3)           | (3)           | (3)           | 39,288           | 38,264           |
| Other asset administration      | 208                                 | -                             | 750              | 12                            | 1              | -                    | (1,477)               | -             | (1,477)       | -             | (506)            | 3,405            |
|                                 | <u>\$ 25,897</u>                    | <u>\$ 43,523</u>              | <u>\$ 14,312</u> | <u>\$ 1,019</u>               | <u>\$ 63</u>   | <u>\$ 3</u>          | <u>\$ (1,557)</u>     | <u>\$ (3)</u> | <u>\$ (3)</u> | <u>\$ (3)</u> | <u>\$ 83,257</u> | <u>\$ 94,652</u> |

<sup>(1)</sup> Expenses - directly incurred as per Statement of Operations excluding valuation adjustments.

# Alphabetical Listing of Entities' Financial Statements In Ministry 2003-2004 Annual Reports

## ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

| <b>Ministry, Department, Fund or Agency</b>                      | <b>Ministry Annual Report</b>           |
|--|---|
| Agriculture Financial Services Corporation <sup>1</sup>          | Agriculture, Food and Rural Development |
| Alberta Alcohol and Drug Abuse Commission                        | Health and Wellness                     |
| Alberta Capital Finance Authority                                | Finance                                 |
| Alberta Dairy Control Board <sup>2</sup>                         | Agriculture, Food and Rural Development |
| Alberta Energy and Utilities Board                               | Energy                                  |
| Alberta Foundation for the Arts                                  | Community Development                   |
| Alberta Gaming and Liquor Commission                             | Gaming                                  |
| Alberta Government Telephones Commission                         | Finance                                 |
| Alberta Heritage Foundation for Medical Research Endowment Fund  | Revenue                                 |
| Alberta Heritage Savings Trust Fund                              | Revenue                                 |
| Alberta Heritage Scholarship Fund                                | Revenue                                 |
| Alberta Heritage Science and Engineering Research Endowment Fund | Revenue                                 |
| Alberta Historical Resources Foundation                          | Community Development                   |
| Alberta Insurance Council  | Finance                                 |
| Alberta Pensions Administration Corporation                      | Finance                                 |
| Alberta Petroleum Marketing Commission                           | Energy                                  |
| Alberta Research Council Inc.                                    | Innovation and Science                  |
| Alberta Risk Management Fund                                     | Revenue                                 |
| Alberta School Foundation Fund                                   | Learning                                |
| Alberta Science and Research Authority                           | Innovation and Science                  |
| Alberta Securities Commission                                    | Revenue                                 |
| Alberta Social Housing Corporation                               | Seniors                                 |
| Alberta Sport, Recreation, Parks and Wildlife Foundation         | Community Development                   |
| Alberta Treasury Branches  | Finance                                 |
| ATB Investment Services Inc.                                     | Finance                                 |
| Child and Family Services Authorities:                           | Children's Services                     |
| Calgary and Area Child and Family Services Authority             |   |
| Central Alberta Child and Family Services Authority              |   |
| East Central Alberta Child and Family Services Authority         |   |
| Edmonton and Area Child and Family Services Authority            |   |
| North Central Alberta Child and Family Services Authority        |   |
| Northeast Alberta Child and Family Services Authority            |   |
| Northwest Alberta Child and Family Services Authority            |   |
| Southeast Alberta Child and Family Services Authority            |   |
| Southwest Alberta Child and Family Services Authority            |   |
| Metis Settlements Child and Family Services Authority            |   |
| Credit Union Deposit Guarantee Corporation                       | Finance                                 |
| Crop Reinsurance Fund of Alberta <sup>1</sup>                    | Agriculture, Food and Rural Development |
| Department of Agriculture, Food and Rural Development            | Agriculture, Food and Rural Development |
| Department of Children's Services                                | Children's Services                     |
| Department of Community Development                              | Community Development                   |
| Department of Energy   | Energy                                  |
| Department of Finance  | Finance                                 |
| Department of Gaming   | Gaming                                  |

<sup>1</sup> The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation, effective April 1, 2003.

<sup>2</sup> Dissolved August 1, 2003.

# Alphabetical Listing of Entities' Financial Statements In Ministry 2003-2004 Annual Reports

## ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

| <b>Ministry, Department, Fund or Agency</b>                            | <b>Ministry Annual Report</b>                  |
|--|--|
| Department of Health and Wellness                                      | Health and Wellness                            |
| Department of Innovation and Science                                   | Innovation and Science                         |
| Department of Learning   | Learning                                       |
| Department of Revenue  | Revenue  |
| Department of Seniors  | Seniors  |
| Department of Solicitor General  | Solicitor General                              |
| Department of Sustainable Resource Development                         | Sustainable Resource Development               |
| Environmental Protection and Enhancement Fund                          | Sustainable Resource Development               |
| Gainers Inc.   | Finance  |
| Government House Foundation  | Community Development                          |
| Historic Resources Fund  | Community Development                          |
| Human Rights, Citizenship and Multiculturalism Education Fund          | Community Development                          |
| iCORE Inc.   | Innovation and Science                         |
| Lottery Fund   | Gaming   |
| Ministry of Aboriginal Affairs and Northern Development <sup>3</sup>   | Aboriginal Affairs and Northern<br>Development |
| Ministry of Agriculture, Food and Rural Development                    | Agriculture, Food and Rural Development        |
| Ministry of Children's Services  | Children's Services                            |
| Ministry of Community Development                                      | Community Development                          |
| Ministry of Economic Development <sup>3</sup>                          | Economic Development                           |
| Ministry of Energy   | Energy   |
| Ministry of Environment <sup>3</sup>                                   | Environment                                    |
| Ministry of Finance  | Finance  |
| Ministry of Executive Council <sup>3</sup>                             | Executive Council                              |
| Ministry of Gaming   | Gaming   |
| Ministry of Government Services <sup>3</sup>                           | Government Services                            |
| Ministry of Health and Wellness  | Health and Wellness                            |
| Ministry of Human Resources and Employment <sup>3</sup>                | Human Resources and Employment                 |
| Ministry of Infrastructure <sup>3</sup>                                | Infrastructure                                 |
| Ministry of Innovation and Science                                     | Innovation and Science                         |
| Ministry of International and Intergovernmental Relations <sup>3</sup> | International and Intergovernmental Relations  |
| Ministry of Justice <sup>3</sup>                                       | Justice  |
| Ministry of Learning   | Learning                                       |
| Ministry of Municipal Affairs <sup>3</sup>                             | Municipal Affairs                              |
| Ministry of Revenue  | Revenue  |
| Ministry of Seniors  | Seniors  |
| Ministry of Solicitor General  | Solicitor General                              |
| Ministry of Sustainable Resource Development                           | Sustainable Resource Development               |
| Ministry of Transportation <sup>3</sup>                                | Transportation                                 |
| N.A. Properties (1994) Ltd.  | Finance  |
| Natural Resources Conservation Board                                   | Sustainable Resource Development               |

<sup>3</sup> Ministry includes only the departments so separate department financial statements are not necessary.

# Alphabetical Listing of Entities' Financial Statements In Ministry 2003-2004 Annual Reports

## ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

| <b>Ministry, Department, Fund or Agency</b>               | <b>Ministry Annual Report</b> |
|---|-------------------------------|
| Persons with Developmental Disabilities Community Boards: | Community Development         |
| Calgary Region Community Board                            |                               |
| Central Region Community Board                            |                               |
| Edmonton Region Community Board                           |                               |
| Northeast Region Community Board                          |                               |
| Northwest Region Community Board                          |                               |
| Provincial Board  |                               |
| South Region Community Board                              |                               |
| Provincial Judges and Masters in Chambers Reserve Fund    | Finance                       |
| Supplementary Retirement Plan Reserve Fund                | Finance                       |
| Victims of Crime Fund                                     | Solicitor General             |
| Wild Rose Foundation                                      | Community Development         |

## ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

| <b>Fund or Agency</b>   | <b>Ministry Annual Report</b>  |
|---|--------------------------------|
| Alberta Cancer Board  | Health and Wellness            |
| Alberta Foundation for Health Research  | Innovation and Science         |
| Alberta Heritage Foundation for Medical Research                                  | Innovation and Science         |
| Alberta Heritage Foundation for Science and Engineering Research                  | Innovation and Science         |
| Alberta Mental Health Board   | Health and Wellness            |
| Alberta Teachers' Retirement Fund Board   | Learning                       |
| Improvement Districts' Trust Account  | Municipal Affairs              |
| Local Authorities Pension Plan  | Finance                        |
| Long-Term Disability Income Continuance Plan - Bargaining Unit                    | Human Resources and Employment |
| Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded | Human Resources and Employment |
| Management Employees Pension Plan   | Finance                        |
| Provincial Judges and Masters in Chambers Pension Plan                            | Finance                        |
| Public Post Secondary Institutions  | Learning                       |
| Public Service Management (Closed Membership) Pension Plan                        | Finance                        |
| Public Service Pension Plan   | Finance                        |
| Regional Health Authorities   | Health and Wellness            |
| School Boards   | Learning                       |
| Special Areas Trust Account   | Municipal Affairs              |
| Special Forces Pension Plan   | Finance                        |
| Supplementary Retirement Plan for Provincial Judges and Masters in Chambers       | Finance                        |
| Supplementary Retirement Plan for Public Service Managers                         | Finance                        |
| Workers' Compensation Board   | Human Resources and Employment |





**For more information about  
Alberta Seniors, or to obtain  
copies of this annual report  
please contact:**

Alberta Seniors, Communications  
3rd Floor, Standard Life Centre  
10405 Jasper Avenue  
Edmonton, AB T5J 4R7  
Tel: (780) 415.9950  
Fax: (780) 644.1227  
Website: [www.seniors.gov.ab.ca](http://www.seniors.gov.ab.ca)