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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2011**Open to Public Inspection**

A For the 2011 calendar year, or tax year beginning April 1, 2011, and ending March 31, 2012																																		
B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">C Name of organization The Banff Centre</td> <td>D Employer identification number 980078729</td> </tr> <tr> <td colspan="2">Doing Business As</td> <td rowspan="3">E Telephone number 403-762-6165</td> </tr> <tr> <td colspan="2">Number and street (or P O box if mail is not delivered to street address) Room/suite</td> </tr> <tr> <td colspan="2">PO Box 1020, Station 18</td> </tr> <tr> <td colspan="2">City or town, state or country, and ZIP + 4</td> <td rowspan="2">G Gross receipts \$ 57,686,885</td> </tr> <tr> <td colspan="2">Banff, Alberta, T1L 1H5</td> </tr> <tr> <td colspan="3"> F Name and address of principal officer Lise Carter PO Box 1020, Stn 18, Banff, Alberta, T1L 1H5 </td> </tr> <tr> <td colspan="3"> H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) H(c) Group exemption number ▶ </td> </tr> <tr> <td colspan="3"> I Tax-exempt status ☒ 501(c)(3) ☐ 501(c)() (insert no) ☐ 4947(a)(1) or ☐ 527 </td> </tr> <tr> <td colspan="3"> J Website: ▶ www.banffcentre.ca </td> </tr> <tr> <td colspan="3"> K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ </td> </tr> <tr> <td colspan="2">L Year of formation 1933</td> <td>M State of legal domicile CANADA</td> </tr> </table>	C Name of organization The Banff Centre		D Employer identification number 980078729	Doing Business As		E Telephone number 403-762-6165	Number and street (or P O box if mail is not delivered to street address) Room/suite		PO Box 1020, Station 18		City or town, state or country, and ZIP + 4		G Gross receipts \$ 57,686,885	Banff, Alberta, T1L 1H5		F Name and address of principal officer Lise Carter PO Box 1020, Stn 18, Banff, Alberta, T1L 1H5			H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) H(c) Group exemption number ▶			I Tax-exempt status ☒ 501(c)(3) ☐ 501(c)() (insert no) ☐ 4947(a)(1) or ☐ 527			J Website: ▶ www.banffcentre.ca			K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶			L Year of formation 1933		M State of legal domicile CANADA
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Part I Summary			
Activities & Governance	1	Briefly describe the organization's mission or most significant activities: The Banff Centre provides public access to a broad range of educational and professional experiences with emphasis on the arts, leadership development, and the exploration of issues related to mountain culture and the environment.	
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3 16
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 16
	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5 987
	6	Total number of volunteers (estimate if necessary)	6 191
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a 0
b	Net unrelated business taxable income from Form 990-T, line 34	7b 0	
Revenue	8	Contributions and grants (Part VIII, line 1a)	Prior Year: 25,845,746 Current Year: 26,596,702
	9	Program service revenue (Part VIII, line 2g)	Prior Year: 25,373,207 Current Year: 27,049,154
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	Prior Year: 492,220 Current Year: 554,003
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	Prior Year: 2,404,578 Current Year: 3,487,026
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	Prior Year: 54,115,751 Current Year: 57,686,885
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	Prior Year: 3,343,190 Current Year: 3,456,852
	14	Benefits paid to or for members (Part IX, column (A), line 4)	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	Prior Year: 29,105,926 Current Year: 30,263,342
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,571,285	
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	Prior Year: 21,377,073 Current Year: 23,770,910
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	Prior Year: 53,826,189 Current Year: 57,491,104
19	Revenue less expenses. Subtract line 18 from line 12	Prior Year: 289,562 Current Year: 195,781	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year: 187,159,279 End of Year: 187,984,883
	21	Total liabilities (Part X, line 26)	Beginning of Current Year: 150,498,905 End of Year: 149,338,081
	22	Net assets or fund balances. Subtract line 21 from line 20	Beginning of Current Year: 36,660,374 End of Year: 38,646,802

Part II Signature Block				
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
Sign Here	Signature of officer: <u>Lise M. Carter</u> Type or print name and title: <u>Lise M. CARTER, Director of Finance</u>	Date: <u>November 1, 2012</u>		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2011)

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Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐

- 1** Briefly describe the organization's mission:
The Banff Centre provides public access to a broad range of educational and professional development experiences with emphasis on the arts, leadership development, and the exploration of issues related to mountain culture and the environment
- 2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
 If "Yes," describe these new services on Schedule O.
- 3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
 If "Yes," describe these changes on Schedule O.
- 4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 18,425,158 including grants of \$ 3,426,320) (Revenue \$ 5,642,923)

Arts ProgrammingDirect cost of training students in the full spectrum of the Arts

4b (Code:) (Expenses \$ 3,123,470 including grants of \$ 0) (Revenue \$ 2,232,501)

Leadership ProgramsDirect cost of training participants in Management programs

4c (Code:) (Expenses \$ 30,247,225 including grants of \$ 30,532) (Revenue \$ 19,054,354)

Ancillary ServicesThe provision of food, accommodation, and other program support

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **▶** 51,795,853

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 ✓	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 ✓	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	✓
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	✓
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	✓
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8 ✓	
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	✓
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10 ✓	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a ✓	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	✓
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	✓
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	✓
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e ✓	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	✓
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a	✓
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	12b ✓	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13 ✓	
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a ✓	
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV.	14b ✓	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15	✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16 ✓	
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	✓
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	✓
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	✓
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	✓
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	✓
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	✓
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a	✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	✓
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	✓
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26	✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	✓
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):	28	
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	✓
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	✓
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	✓
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	✓
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	✓
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	✓
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	✓
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	✓
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	✓
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	✓
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	✓

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 0		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c ✓		
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 0		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		✓
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a ✓		
b If "Yes," enter the name of the foreign country: ► Canada See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		✓
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		✓
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a		✓
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a ✓		
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b ✓		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		✓
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		✓
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		✓
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		✓
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response to any question in this Part VI ☒

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 1a 16 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
b Enter the number of voting members included in line 1a, above, who are independent 1b 16		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		☒
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? 3		☒
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		☒
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		☒
6 Did the organization have members or stockholders? 6		☒
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7a		☒
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7b		☒
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? 8a	☒	
b Each committee with authority to act on behalf of the governing body? 8b	☒	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O. 9		☒

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates? 10a		☒
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 10b		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11a		☒
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12a	☒	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12b	☒	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 12c	☒	
13 Did the organization have a written whistleblower policy? 13		☒
14 Did the organization have a written document retention and destruction policy? 14	☒	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official 15a	☒	
b Other officers or key employees of the organization 15b	☒	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16a		☒
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? 16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► **None**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **Lise Carter, 107 Tunnel Mountain Dr, Banff, Alberta, Canada, T1L 1H5 Tel: (403)762-6162**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Board of Governors (see attached list)	As Req'd	✓						0	0	0
(2) Mary E. Hofstetter President & CEO	Full Time	✓		✓				511,675	0	33,920
(3) Jeff Melanson President	Full Time	✓		✓				140,800	0	45,618
(4) Art Nutt Vice-President & CFO	Full Time			✓				221,153	0	75,476
(5) Sarah Iley Vice President	Full Time			✓				181,146	0	34,887
(6) Kathy Arney Chief Development Officer	Full Time					✓		151,750	0	29,357
(7) Lise Carter Director of Finance	Full Time					✓		144,648	0	24,052
(8) Kelly Robinson Director, Theatre Arts	Full Time					✓		128,730	0	20,022
(9) Joost Asselbergs General Manager, Hospitality	Full Time					✓		128,537	0	23,655
(10) Leslie Vanderzwet General Manager, Conferences	Full Time					✓		127,668	0	22,189
(11)										
(12)										
(13)										
(14)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Sub-total								1,736,107		309,176
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								1,736,107		309,176

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 15**

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		✓
4	✓	
5		✓

Section B. Independent Contractors

- 1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
Paulco Ltd., Box 8339, Canmore, Ab, Canada	Landscape Management	1,669,583
Bird Construction, Ste 106, 12143 40 St. SE, Calgary, Ab, Canada	Construction Company	1,565,567
Everest Construction Management Ltd., 3632 Burnsland Rd SE, Calgary, Ab	Project Management	676,072
Bock Roofing Ltd., Bay H, 7131 6th St SE, Calgary, Ab, Canada	Roofing Company	372,300
Toker & Associates Architecture, Ste 1180, 340 12 Ave SW, Calgary, Ab	Architects	244,801

- 2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **▶ 0**

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	20,911,260			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	5,685,442			
	g	Noncash contributions included in lines 1a-1f: \$		1,470,194			
	h	Total. Add lines 1a-1f		26,596,702			
Program Service Revenue			Business Code				
	2a	Accommodation		721000	16,782,116	16,782,116	
	b	Other Sales, Rentals & Service		900099	5,767,648	5,767,648	
	c	Tuition and Related Fees		900099	4,499,390	4,499,390	
	d						
	e						
	f	All other program service revenue .					
	g	Total. Add lines 2a-2f		27,049,154			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		554,003			554,003
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	Gross rents	(i) Real				
	b	Less: rental expenses	(ii) Personal				
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7a	Gross amount from sales of assets other than inventory	(i) Securities				
	b	Less: cost or other basis and sales expenses	(ii) Other				
	c	Gain or (loss)					
	d	Net gain or (loss)					
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events					
	9a	Gross income from gaming activities. See Part IV, line 19	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
b	Less: cost of goods sold	b					
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11a	Amortization of deferred						
b	expended capital contributions	900099	3,487,026	3,487,026			
c							
d	All other revenue						
e	Total. Add lines 11a-11d		3,487,026				
12	Total revenue. See instructions.		57,686,885	30,536,180		554,003	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	3,456,852	3,456,852		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,244,675	216,033	1,028,642	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	25,006,396	22,882,384	1,286,468	837,544
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	4,012,271	3,455,833	399,348	157,090
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal	8,355	1,938	6,417	0
c Accounting	171,739	0	171,739	0
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	4,733,180	3,785,349	785,583	162,248
12 Advertising and promotion	1,310,881	1,278,013	-250,823	283,691
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	1,751,936	1,742,652	8,589	695
17 Travel	2,012,884	1,495,550	452,262	65,072
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	4,927,301	4,927,301	0	0
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Materials, Goods & Supplies	3,779,566	3,699,654	34,028	45,884
b Facility Costs & Rentals	3,115,580	2,973,849	139,297	2,434
c Rentals & Equipment	1,304,085	1,231,715	58,602	13,768
d Financial Costs	655,403	648,730	3,814	2,859
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	57,491,104	51,795,853	4,123,966	1,571,285
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	319,259	1	593,019
	2 Savings and temporary cash investments	4,565,467	2	316,469
	3 Pledges and grants receivable, net	12,290,733	3	10,148,881
	4 Accounts receivable, net	3,203,234	4	3,983,793
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net	676,774	7	675,034
	8 Inventories for sale or use	395,417	8	411,837
	9 Prepaid expenses and deferred charges	323,202	9	576,330
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 210,334,068		
	b Less: accumulated depreciation	10b 63,588,252	10c	146,745,816
	11 Investments—publicly traded securities	21,842,305	11	24,533,704
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	187,159,279	16	187,984,883	
Liabilities	17 Accounts payable and accrued expenses	3,835,386	17	4,676,185
	18 Grants payable		18	
	19 Deferred revenue	1,462,536	19	1,338,277
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties	1,732,574	24	1,449,536
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	143,468,409	25	141,874,083
	26 Total liabilities. Add lines 17 through 25	150,498,905	26	149,338,081
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☐ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here ☒ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	-9,406,332	30	-6,961,552
	31 Paid-in or capital surplus, or land, building, or equipment fund	24,405,000	31	22,156,000
	32 Retained earnings, endowment, accumulated income, or other funds	21,661,706	32	23,452,354
	33 Total net assets or fund balances	36,660,374	33	38,646,802
34 Total liabilities and net assets/fund balances	187,159,279	34	187,984,883	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	57,686,885
2	Total expenses (must equal Part IX, column (A), line 25)	2	57,491,104
3	Revenue less expenses. Subtract line 2 from line 1	3	195,781
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	36,660,374
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1,790,647
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	38,646,802

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII ☐

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
- b** Were the organization's financial statements audited by an independent accountant?
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:
☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		✓
2b	✓	
2c	✓	
3a		✓
3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

The Banff Centre

Employer identification number

98 0078729

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☒ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III—Functionally integrated d ☐ Type III—Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).**
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Cat. No. 11285F

Schedule A (Form 990 or 990-EZ) 2011

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
b 33 1/3% support test—2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
17a 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		☐
b 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		☐
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests—2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization ☐		
b 33 1/3% support tests—2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization ☐		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐		

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

The Banff Centre

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2011

**Open to Public
Inspection**

Employer identification number

98 0078729

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (e.g., recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$

(ii) Assets included in Form 990, Part X ► \$ 1,346,000

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► \$

b Assets included in Form 990, Part X ► \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a** ☒ Public exhibition
b ☒ Scholarly research

- d** ☒ Loan or exchange programs
e ☐ Other _____

c ☒ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☒ **Yes** ☐ **No**

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ **Yes** ☐ **No**

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ **Yes** ☐ **No**

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	21,661,706	18,356,819	12,569,150	13,438,352	
b Contributions	2,553,912	2,356,557	3,864,929	2,082,932	
c Net investment earnings, gains, and losses	-86,519	1,593,495	2,513,932	-2,585,134	
d Grants or scholarships	-676,745	-646,314	-591,191	-367,000	
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	23,452,210	21,661,557	18,356,820	12,569,150	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment ☐ 1 %
b Permanent endowment ☐ 99 %
c Temporarily restricted endowment ☐ 0 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
(ii) related organizations

	Yes	No
3a(i)	☒	☐
3a(ii)	☒	☐
3b	☒	☐

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings		177,348,785	46,878,000	130,470,785
c Leasehold improvements				
d Equipment		28,296,283	16,710,252	11,586,031
e Other		4,689,000	0	4,689,000
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				146,745,816

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Deferred contributions	4,623,769
(3) Long-term deferred contributions	11,846,923
(4) Deferred expended capital contributions	123,140,391
(5) Employee future benefit obligation	2,263,000
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	

141,874,083

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	57,686,885
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	57,491,104
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	195,781
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	195,781

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	57,686,885
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	57,686,885
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	57,686,885

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	57,491,104
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	57,491,104
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	57,491,104

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part III, 4 - Items of historical and cultural value only, not for investment or resale.

Part V, 4 - Investment income earned on the Endowment Fund must be used in accordance with the purposes established by the donor or the Board of Directors.

Part XIV **Supplemental Information** *(continued)*

Area for supplemental information with horizontal dashed lines.

SCHEDULE E
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service
Name of the organization

Schools

- Complete if the organization answered "Yes" to Form 990, Part IV, line 13, or
Form 990-EZ, Part VI, line 48.
► Attach to Form 990 or Form 990-EZ.

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The Banff Centre

Employer identification number

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Part I

	YES	NO
1 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	1	✓
2 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	2	✓
3 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain. If you need more space, use Part II	3	✓
NA for Canadian educational institutions - all program participants are admitted solely based on merit		
4 Does the organization maintain the following?		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	4a	✓
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	4b	✓
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	4c	✓
d Copies of all material used by the organization or on its behalf to solicit contributions?	4d	✓
If you answered "No" to any of the above, please explain. If you need more space, use Part II.		
5 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?	5a	✓
b Admissions policies?	5b	✓
c Employment of faculty or administrative staff?	5c	✓
d Scholarships or other financial assistance?	5d	✓
e Educational policies?	5e	✓
f Use of facilities?	5f	✓
g Athletic programs?	5g	✓
h Other extracurricular activities?	5h	✓
If you answered "Yes" to any of the above, please explain. If you need more space, use Part II.		
6a Does the organization receive any financial aid or assistance from a governmental agency?	6a	✓
b Has the organization's right to such aid ever been revoked or suspended?	6b	✓
If you answered "Yes" to either line 6a or line 6b, explain on Part II.		
7 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," explain on Part II	7	✓

Part II **Supplemental Information.** Complete this part to provide the explanations required by Part I, lines 3, 4d, 5h, 6b, and 7, as applicable. Also complete this part to provide any other additional information (see instructions).

Area with horizontal dashed lines for supplemental information.

**SCHEDULE F
(Form 990)**

Statement of Activities Outside the United States

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Department of the Treasury
Internal Revenue Service

► **Complete if the organization answered "Yes" to Form 990,
Part IV, line 14b, 15, or 16.**

► **Attach to Form 990. ► See separate instructions.**

Name of the organization

The Banff Centre

Employer identification number

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Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ **Yes** ☐ **No**

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) See Part V					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total					
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990,Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000 ☐

Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ☐3 Enter total number of other organizations or entities ☐

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1) Artist Tuition Award	Canada		2,344,937				
(2) Artist Travel Award	Canada		35,970				
(3) Other Financial Assistance	Canada		34,055				
(4) Artist Stipend Award	Canada		917,763				
(5) Other Prizes & Awards	Canada		124,127				
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1** Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ☐ Yes ☒ No
- 2** Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* ☐ Yes ☒ No
- 3** Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471)* ☒ Yes ☐ No
- 4** Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* ☐ Yes ☒ No
- 5** Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865)* ☐ Yes ☒ No
- 6** Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)* ☐ Yes ☒ No

Part V **Supplemental Information**

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Part I 3- The Banff Centre is a Canadian non-profit charitable organization domiciled in Alberta, Canada. The Banff Centre does not maintain any office or employ any staff outside of Canada. Substantially all financial aid awards and grants to attend or support The Banff Centre educational program are made to participants from Canada and the United States.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization

The Banff Centre

Compensation Information
For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

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Part I Questions Regarding Compensation

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

☐ First-class or charter travel	☒ Housing allowance or residence for personal use
☐ Travel for companions	☐ Payments for business use of personal residence
☐ Tax indemnification and gross-up payments	☒ Health or social club dues or initiation fees
☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)

- b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.

- 2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

- 3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III.

☐ Compensation committee	☒ Written employment contract
☐ Independent compensation consultant	☐ Compensation survey or study
☐ Form 990 of other organizations	☒ Approval by the board or compensation committee

- 4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.

- 5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
b Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

- 6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
b Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

- 7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.

- 8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.

- 9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation				(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	(iv) Other reportable compensation				
1 Mary E. Hofstetter	(i) 208,575	25,000	278,100	0	0	33,920	545,595	0
2 Jeff Melanson	(i) 140,800	0	0	27,810	0	17,808	186,418	0
3 Art Nutt	(i) 201,153	20,000	0	33,234	0	42,242	296,629	0
4 Sarah Iley	(i) 176,146	5,000	0	0	0	34,887	216,033	0
5 Kathy Arney	(i) 151,750	0	0	0	0	29,357	181,107	0
6 Lise Carter	(i) 144,648	0	0	0	0	24,052	168,700	0
7 Joost Asselbergs	(i) 128,537	0	0	0	0	23,655	152,192	0
8								
9								
10								
11								
12								
13								
14								
15								
16								

Part III **Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Part I, Line 7 - Executive bonuses totalling \$50,000 shown in Part II, Column B(ii)

Part I, Line 4 (c)- See other reportable compensation Part II, Line 1, column B(iii).

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

The Banff Centre

Noncash Contributions

► Complete if the organizations answered "Yes" on Form
990, Part IV, lines 29 or 30.
► Attach to Form 990.

OMB No 1545-0047

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Part I **Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art	✓	37	115,970	Fair Market Value
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	✓	22	1,232,151	Fair Market Value
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (Life Style)		49	62,765	Fair Market Value
26 Other ► (Generic)		24	59,308	Fair Market Value
27 Other ► ()				
28 Other ► ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement 29 0

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1–28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		✓
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?		✓
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		✓
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization
The Banff Centre

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

**Open to Public
Inspection**

Employer identification number
98 0078729

Form 990 Part VI, 11b: The Banff Centre management and the CFO review the tax return for accuracy and completeness

Form 990 Part VI, 12c: The Banff Centre regularly and consistently monitors this by providing every new employee with the policy in their welcome package. The policy is highlighted in the orientation sessions with new employees. Afterwards, managers enforce the policy and monitor that the policy is being followed.

Form 990 Part VI, 19: Comprehensive Institutional Plans and Financial Statements are all publicly accessible via The Banff Centre website www.banffcentre.ca

Form 990 Part XI, 5: Endowment Contributions 2,553,911, Endowment Earnings 736,000, Realized change in value (505,000),

Unrealized change in value (317,519), Distribution of earnings (676,745), Total \$1,790,647

Employer identification number

[illegible]

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

OMB No. 1545-0047

2011

Related Organizations and Unrelated Partnerships

► Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
► Attach to Form 990. ► See separate instructions.

**Open to Public
Inspection**

Name of the organization

The Banff Centre

Employer identification number

98 0078729

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) The Banff Centre Foundation	Endowment management	Canada	501(c)(3)		7 The Banff Centre		✓
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50135Y

Schedule R (Form 990) 2011

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	☐	☒
b Gift, grant, or capital contribution to related organization(s)	☒	☐
c Gift, grant, or capital contribution from related organization(s)	☒	☐
d Loans or loan guarantees to or for related organization(s)	☐	☒
e Loans or loan guarantees by related organization(s)	☐	☒
f Sale of assets to related organization(s)	☐	☒
g Purchase of assets from related organization(s)	☐	☒
h Exchange of assets with related organization(s)	☐	☒
i Lease of facilities, equipment, or other assets to related organization(s)	☐	☒
j Lease of facilities, equipment, or other assets from related organization(s)	☐	☒
k Performance of services or membership or fundraising solicitations for related organization(s)	☒	☐
l Performance of services or membership or fundraising solicitations by related organization(s)	☐	☒
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	☐	☒
n Sharing of paid employees with related organization(s)	☒	☐
o Reimbursement paid to related organization(s) for expenses	☐	☒
p Reimbursement paid by related organization(s) for expenses	☐	☒
q Other transfer of cash or property to related organization(s)	☐	☒
r Other transfer of cash or property from related organization(s)	☐	☒

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)	The Banff Centre Foundation	b	1,927,902	Part VII
(2)	The Banff Centre Foundation	c	100,000	Part VII
(3)	The Banff Centre Foundation	k,n	0	Part VII
(4)	The Banff Centre Foundation	r	174,522	Part VII
(5)				
(6)				

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part VII**Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Part V 2(1)(d) - Cash equal to donor gifts

Part V 2(2)(d) - Cash equal to donor gifts

Part V 2(3)(d) - Not readily determinable

Part V 2(4)(d) - Cash equal to investment income

CONFIDENTIAL - As of March 2012

The following information was collected in accordance with Canada Customs and Revenue Agency (CCRA). This information will be used by CCRA to administer and enforce the *Income Tax Act*. All information will be kept in a personal information bank, and is protected by the *Privacy Act*. Only name, position, and arm's length status will be made public.

The Banff Centre Board of Governors				
Last Name	First Name & Initial	Date of Birth	Home Address & Tel. Number	Affirmation of Arms Length
Black	Linda	December 18, 1952	612 Silvertip Road Canmore, AB T1W 3K8 (403) 678-3696 and #501 3232 Rideau Place Calgary, AB T2S 1Z3	Affirmed
Davis	Jack	January 6, 1955	P.O. Box 1016 Bragg Creek, AB T0L 0K0	Affirmed
Forge	Joan D.	January 17, 1958	26 Oakcrest Terrace St. Albert, AB T8N 3L1 (780) 718-5710	Affirmed
Gardiner	Jill V.	December 10, 1958	5993 Walter Gage Rd. Vancouver, BC V6T 0A0 (604) 565-0846	Affirmed
Germain	Christiane	April 9, 1955	1 McGill, apt. 616 Montreal, QC H2Y 4A3 (514) 983-8296	Affirmed
Hilbert	Christopher	May 20, 1951	16 Park Drive South Rye, New York 10580	Affirmed
Kovitz	Jeff	August 31, 1948	117 Benchlands Terrace Canmore, AB T1W 1G2	Affirmed
Little Bear	Leroy	1941	333 Canyon Boulevard W Lethbridge, AB T1K 6V1 (403) 380-2843	Affirmed
MacDonnell	Ralston E.	June 10, 1955	1173 South Park St. Halifax, NS (902) 423-5234	Affirmed
Mackie	Brenda E.	September 13, 1953	717 Royal Ave SW Calgary, AB T2S 0G3 (403) 243-0068	Affirmed
McQueen	Trina M.	May 20, 1943	82 Lawrence Crescent Toronto, ON M4N 1N4	Affirmed
Melanson	Jeff	September 29, 1973	101 St. Julien Road Banff, AB T1L 1H5 (403) 760-2505	Affirmed
Peterson	Susan	May 17, 1944	400 Lansdowne Road N Ottawa, ON K1M 0X9 (613) 741-9970	Affirmed
Shlesinger	Joseph C.	October 3, 1961	48 Burton Road Toronto, ON M5P 1V2 (416) 868-4516	Affirmed
Thorsteinson	Arni C.	October 14, 1948	PH- One Wellington Cres Winnipeg, MB R3M 3Z2 (204) 284-8725	Affirmed
Walker	Robert D.	October 19, 1948	1403 - 11920 - 100 Ave. Edmonton, AB T5K 0K5 (780) 484-3586	Affirmed



The Banff Centre

Consolidated Financial Statements

March 31, 2012



Deloitte & Touche LLP
700, 850 - 2nd Street S.W.
Calgary AB T2P 0R8
Canada

Tel: 403-267-1700
Fax: 403-264-2871
www.deloitte.ca

Independent Auditor's Report

To the Board of Governors of
The Banff Centre:

We have audited the accompanying consolidated financial statements of The Banff Centre, which comprise the consolidated statement of financial position as at March 31, 2012, and the consolidated statements of operations and changes in net assets and cash flows for the year then ended, and the notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

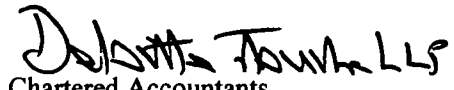
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The Banff Centre
May 30, 2012
Page 2

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Banff Centre as at March 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.


Chartered Accountants

Calgary, Alberta
May 30, 2012

THE BANFF CENTRE

Consolidated Statement of Financial Position

As at March 31, 2012

(in thousands of dollars)

	As at March 31, 2012	As at March 31, 2011
Assets		
Current assets		
Cash	\$ 594	\$ 319
Short-term investments (Note 3)	316	4,565
Accounts receivable	3,984	3,204
Pledges receivable	7,429	4,341
Inventories	412	395
Prepaid expenses	576	323
	<u>13,311</u>	<u>13,147</u>
Notes receivable and deferred charge (Note 4)	675	677
Long-term pledges receivable	2,720	7,950
Endowment and other investments (Note 3)	24,534	21,843
Capital assets and collections (Note 5)	146,746	143,543
	<u>\$ 187,986</u>	<u>\$ 187,160</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued liabilities	\$ 3,051	\$ 2,096
Accrued vacation pay	1,596	1,498
Unearned revenue and deposits (Note 6)	1,338	1,463
Deferred contributions (Note 7)	4,624	6,433
Current portion of long-term debt (Note 8)	294	288
	<u>10,903</u>	<u>11,778</u>
Long-term debt (Note 8)	1,156	1,444
Employment related liabilities (Note 9)	28	240
Employee future benefit obligation (Note 10)	2,263	2,159
Long-term deferred contributions (Note 7)	11,847	17,470
Deferred expended capital contributions (Note 11)	123,140	117,406
	<u>149,337</u>	<u>150,497</u>
Net assets		
Unrestricted (Note 12)	17,460	17,160
Unrestricted - employee future benefits (Note 12)	(2,263)	(2,159)
Endowments (Note 13)	23,452	21,662
	<u>38,649</u>	<u>36,663</u>
	<u>\$ 187,986</u>	<u>\$ 187,160</u>

The accompanying notes are an integral part of these financial statements.

Signed on behalf of The Banff Centre Board of Governors:

Chair, Board of Governors

President, The Banff Centre

THE BANFF CENTRE

Consolidated Statement of Operations and Changes in Net Assets

For the year ended March 31, 2012

(in thousands of dollars)

	Year Ended March 31, 2012	Year Ended March 31, 2011
Revenue		
Accommodations and meals	\$ 16,782	\$ 15,534
Grants (Note 14)	20,911	19,905
Other sales, rentals and services	5,768	5,822
Tuition and related fees	4,500	4,018
Donations and other contributions	5,685	5,941
Investment income	554	492
Amortization of deferred expended capital contributions (Note 11)	3,487	2,405
	<u>57,687</u>	<u>54,117</u>
Expense		
Salaries, wages and benefits (Note 15)	30,159	29,018
Change in employee future benefit obligation	104	88
Purchased services	4,913	4,972
Materials, goods and supplies	3,780	3,635
Scholarships and financial assistance	3,457	3,343
Facility operations and maintenance	3,115	2,967
Utilities	1,752	1,561
Travel, training and related costs	2,013	1,733
Rentals and equipment	1,304	1,092
Marketing and recruitment	1,311	955
Financial costs	660	723
Amortization of capital assets	4,927	3,743
Gain on disposal of capital assets	(4)	(4)
	<u>57,491</u>	<u>53,826</u>
Excess of revenue over expense	196	291
Internally designated funds for endowments	-	(102)
Internally designated funds for capital acquisitions	(110)	(105)
Excess of revenue over expense, net of transfers	86	84
Net assets, beginning of year	36,663	33,169
Endowment contributions and other transfers	2,554	2,357
Endowment earnings retained in (distributed from) the fund	(446)	525
Endowment unrealized appreciation (depreciation)	(318)	423
Internally designated funds for capital acquisitions	110	105
Net assets, end of year	\$ 38,649	\$ 36,663

The accompanying notes are an integral part of these financial statements

THE BANFF CENTRE

Consolidated Statement of Cash Flows

For the year ended March 31, 2012

(in thousands of dollars)

	Year Ended March 31, 2012	Year Ended March 31, 2011
Cash flows from (used in) operating activities		
Excess of revenue over expense	\$ 196	\$ 291
Non-cash transactions		
Amortization of deferred expended capital contributions	(3,487)	(2,405)
Amortization and gain on disposal of capital assets	4,923	3,739
Change in notes receivable and deferred charge	2	2
Change in employment related liabilities	66	64
Change in long-term employee future benefit obligation	104	88
(Appreciation) depreciation on natural gas storage investment	99	(9)
Changes in		
Non-cash working capital (Note 16)	958	(5,748)
Employment related liabilities	(278)	(278)
Deferred contributions and pledges receivable	(962)	106
Net cash from (used in) operating activities	<u>1,621</u>	<u>(4,150)</u>
Cash flows from (used in) investing activities		
Acquisition of capital assets	(9,205)	(18,160)
Endowment earnings retained in (distributed from) the fund	(446)	525
Disposition of short-term investments	4,249	10,336
Acquisition of long-term investments	(3,108)	(2,882)
Net cash used in investing activities	<u>(8,510)</u>	<u>(10,181)</u>
Cash flows from (used in) financing activities		
Capital and other deferred contributions	4,097	6,425
Pledges receivable	796	2,622
Debt principal repayments	(283)	(282)
Endowment contributions and other transfers	2,554	2,255
Net cash from financing activities	<u>7,164</u>	<u>11,020</u>
Increase (decrease) in cash	275	(3,311)
Cash, beginning of year	<u>319</u>	<u>3,630</u>
Cash, end of year	\$ <u>594</u>	\$ <u>319</u>
Supplementary Information		
Cash interest paid	<u>\$ 62</u>	<u>\$ 82</u>

The accompanying notes are an integral part of these financial statements.

THE BANFF CENTRE

Notes to the Consolidated Financial Statements

As at March 31, 2012

(tabular amounts in thousands of dollars)

Note 1 Authority and Purpose

The Banff Centre (the "Centre") is a corporation which operates under the Post-Secondary Learning Act (Alberta). The Centre is a registered charity, and under section 149 of the Income Tax Act (Canada), is exempt from income tax.

The Centre provides public access to a broad range of learning and professional development experiences with emphasis on the arts, leadership development, and the exploration of issues related to mountain culture and the environment.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

(a) General - GAAP and Use of Estimates

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (Part V), known as GAAP. The measurement of certain assets and liabilities is contingent upon future events, therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results. The Centre's management uses judgment to determine such estimates. Employee future benefit liabilities, amortization of capital assets, accrued liabilities, and the provision for bad debts are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these financial statements and, together with the following notes, should be considered an integral part of the financial statements.

(b) Consolidated Financial Statements

The financial statements are prepared on a consolidated basis and include the accounts of The Banff Centre Foundation which is a registered charity controlled by the Centre and operated exclusively to support the activities of the Centre.

(c) Financial Instruments

Financial instruments are recognized at fair value when acquired. Measurement in subsequent periods depends upon the classification of financial instruments as held for trading, loans and receivables, or other financial liabilities. Items classified as held for trading are adjusted for changes in fair value which are recognized in income in the period in which they arise, items classified as loans and receivables and other financial liabilities are measured at amortized cost using the effective interest method.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

Financial instruments are comprised of cash, short-term investments, accounts receivable, notes receivable, pledges receivable, endowment and other investments, accounts payable and accrued liabilities, accrued vacation pay, employment related liabilities and long-term debt, which includes obligations under capital leases. Notes, pledges and accounts receivable are classified as loans and receivables and carried at amortized cost, which approximates fair value. At each consolidated statement of financial position date, these financial assets are assessed for impairment and the amount of any loss is measured as the difference between the carrying amount of the asset and its fair value and is recorded in the statement of operations. All other financial assets are carried at fair value as these assets are held for trading. All financial liabilities are classified as other liabilities and carried at amortized cost, which approximates fair value. As permitted for Not-for-Profit Organizations, the Centre has elected not to apply the standards of CICA Handbook Section 3862 Financial Instruments - Disclosure and Section 3863 Financial Instruments - Presentation, but the Centre has elected to continue to follow CICA Handbook Section 3861 Financial Instruments - Disclosure and Presentation.

Credit, Interest Rate and Market Risk - The Centre's accounts receivable and pledges receivable are subject to normal credit risks due to the nature of the Centre's customers and donors. The carrying values of these receivables reflect management's assessment of the credit risk associated with these customers and donors. A portion of the Centre's endowment and short-term investments are exposed to fluctuations in interest rates. The Centre's foreign currency holdings and long-term investments are subject to market risk. The Centre does not hold any derivative investments or floating-rate notes in its investment portfolios. The Centre maintains short-term lines of credit to ensure that sufficient funds are available to meet current and forecasted financial requirements. At March 31, 2012 there were no amounts outstanding under these credit facilities.

(d) Inventories

Inventories held for resale are valued at the lower of cost and net realizable value, being the estimated selling price less the cost to sell. Inventories held for consumption are valued at the lower of cost and replacement value. Cost is calculated principally using the weighted-average cost method.

(e) Pledges Receivable

Pledges receivable are recorded as assets when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

(f) Capital Assets

Purchased capital assets are recorded at cost. In-kind contributions are recorded at fair value when a fair value can be reasonably determined. Capital assets, except property under development and the artwork collection, are amortized on a straight-line basis over the estimated useful lives of the assets as follows:

Land improvements	20 years
Buildings and improvements	50 years
Furnishings and equipment	5-10 years
Computer equipment	4 years

Artworks are recorded at cost if purchased or at the appraised value at the time of donation. The artwork collection is made up of numerous pieces of art that are held for display in the Walter Phillips Gallery and other public areas of the Centre. Artworks are not amortized.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(g) Revenue Recognition

Amounts received for tuition, fees, and sales of goods and services are classified as unearned and recognized as revenue at the time the goods are delivered or the services are provided. Accommodations, investment income and other sales, rentals and services are recognized as revenue when earned.

The Centre follows the deferral method of accounting for contributions.

Externally restricted non-capital contributions are deferred and recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for the purposes designated by external parties.

Any externally restricted contributions containing stipulations that the amounts and related earnings be retained as net assets or that the contributions not be expended are recorded as direct increases in net assets. Such stipulations would include contributions made for endowment purposes or to acquire non-amortizable property.

Externally restricted capital contributions are recorded as deferred contributions until the amount is invested in capital assets. External funds invested in capital assets are then transferred to deferred expended capital contributions. Deferred expended capital contributions are recognized as revenue in the periods in which the related amortization expense of the funded capital assets is recorded. The related portions of amortization expense and capital contributions revenue are matched to indicate that the amortization expense has been funded externally.

Unrestricted contributions are recognized as revenue when received.

Donations of materials that would otherwise have been purchased are recorded at fair value when a fair value can be reasonably determined.

(h) Scholarships and Financial Assistance

Scholarships and financial assistance include payments to resident artists and program participants for tuition, fees, accommodation and other program related costs.

(i) Foreign Currency Translation

Financial assets and liabilities recorded in foreign currencies are translated to Canadian dollars at the year-end exchange rate. Revenues and expenses are translated when recorded during the year using the prior month-end exchange rates. Gains or losses from these translations are included in operating financial costs and endowment fund investment income.

(j) Endowment and Other Investments

Endowment and other investments are classified as held for trading and stated at fair value. Fair values are determined based on quoted market prices at year-end. Realized gains and losses and unrealized appreciation and depreciation of endowment investments are reflected in the statement of changes in net assets. Realized and unrealized gains and losses on other investments are recognized in revenue.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(k) Employee Future Benefits

The Centre participates with other employers in the Public Service Pension Plan (PSPP) and the Universities Academic Pension Plan (UAPP). These pension plans are multi-employer defined benefit pension plans that provide pensions for the employers' participating employees based on years of service and earnings.

Pension expense for the UAPP is actuarially determined using the projected benefit method prorated on service and is allocated to each participant based on their respective percentage of employer contributions to the plan. Actuarial gains or losses on the accrued benefit obligation are amortized over the expected average remaining service life.

The Centre does not have sufficient plan information on the PSPP required to follow the standards for defined benefit accounting. Accordingly, pension expense recorded for the PSPP is comprised of employer contributions to the plan that are required for its employees during the year. The contributions are calculated based on actuarially predetermined amounts that are expected to provide the plan's respective future benefits.

(l) Contributed Services

Volunteers as well as members of the staff of the Centre contribute an indeterminable number of hours per year to assist the Centre in carrying out its mission. Such contributed services are not recognized in these financial statements.

(m) Capital Disclosures

As a Not-For-Profit Organization, the Centre operates under a framework established by the Post-Secondary Learning Act of the Province of Alberta, which includes capital restrictions imposed on the institution. The Centre defines its capital as the amounts included in its deferred contribution and net asset balances. The Centre's objective when managing capital is to safeguard its ability to sustain itself as a going concern so that it can continue to support education and service delivery to the Centre's community and other stakeholders.

A portion of the Centre's capital is externally restricted and must meet certain requirements. The Centre has restricted capital balances in deferred contributions (Note 7), deferred expended capital contributions (Note 11) and investment earnings from endowments (Note 13). The Centre has internal control processes to ensure the restrictions are met prior to the utilization of these resources and has been in compliance with these restrictions throughout the year.

Management and the Board of Governors carefully consider fundraising campaigns, grants, sponsorship and investment income to ensure that sufficient funds will be available to meet the Centre's short and long-term objectives. The Centre monitors its financial performance against an annual budget. In the event that revenues decline or there are forecasted operating deficits, management will reduce costs to minimize operating expenditures.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)*(n) Future Accounting Changes*

The Public Sector Accounting Board of the CICA (PSAB) has issued a framework for financial reporting by government not-for-profit organizations. This framework is effective for fiscal periods beginning on or after January 1, 2012. Under this framework, the Government of Alberta elected to apply the PSA Handbook to post-secondary institutions in the Province, therefore the Centre will adopt the Canadian public sector accounting standards without the PS 4200 series effective with its fiscal year beginning April 1, 2012. Adopting these new standards will impact the Centre's financial statements, however the quantitative impact cannot be fully and reasonably determined at this time.

Note 3 Short-term Investments, Endowments and Other Investments**Short-term**

Short-term investments carried at fair value include Canadian and US dollar money market funds, Treasury Bill funds and Guaranteed Investment Certificates

Long-term

	2012		2011	
	Market	Cost	Market	Cost
Cash and cash equivalents	\$ 1,532	\$ 1,531	\$ 666	\$ 668
Government bonds	632	602	662	666
Corporate bonds	7,706	7,937	6,993	6,971
Equities	14,231	13,849	13,738	13,257
	24,101	23,919	22,059	21,562
Endowment earnings and other receivables	(648)	(648)	(397)	(397)
Endowment investments	23,453	23,271	21,662	21,165
Other investments	1,081	337	181	337
	<u>\$ 24,534</u>	<u>\$ 23,608</u>	<u>\$ 21,843</u>	<u>\$ 21,502</u>

Note 4 Notes Receivable and Deferred Charge

In prior years, the Centre advanced a total of \$672,800 to Rocky Mountain Cooperative Housing Association (the "Cooperative") for the right to lease 42 accommodation units. In December 2005, the terms of the notes were modified to discontinue the accrual of interest (interest accrued to that date was \$26,037). The notes are unsecured and repayable in 2019. Commitments under these operating leases are included in Note 8 - Long-Term Debt and Commitments.

The notes receivable are discounted to a present value of \$471,980 (2011 - \$450,879). The discount is amortized using the effective interest method. The deferred charge of \$177,017 (2011 - \$199,858) is amortized over the lease period.

Note 5 Capital Assets and Collections

	2012			2011		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land improvements	\$ 2,722	\$ 2,455	\$ 267	\$ 2,722	\$ 2,414	\$ 308
Buildings and improvements	174,627	44,423	130,204	171,810	41,222	130,588
Furnishings and equipment	27,008	16,222	10,786	20,431	14,798	5,633
Computer equipment	1,288	488	800	1,016	234	782
Artwork collection	1,346	-	1,346	1,278	-	1,278
Property under development	3,343	-	3,343	4,954	-	4,954
	<u>\$ 210,334</u>	<u>\$ 63,588</u>	<u>\$ 146,746</u>	<u>\$ 202,211</u>	<u>\$ 58,668</u>	<u>\$ 143,543</u>

Land is leased from the Government of Canada. The current lease expires on July 31, 2043 and is renewable.

Included in furnishings and equipment as at March 31, 2012 is net book value of approximately \$119,000 related to assets under capital leases (2011 - \$152,000).

Note 6 Unearned Revenue and Deposits

	2012	2011
Accommodation deposits	\$ 755	\$ 818
Other sales and services	583	645
	<u>\$ 1,338</u>	<u>\$ 1,463</u>

Note 7 Deferred Contributions

	2012	2011
Deferred contributions, beginning of year	\$ 23,903	\$ 29,856
Contributions		
Operating	2,435	1,267
Capital and other	4,097	6,425
Distributed endowment earnings	677	646
Transferred to operations		
Grants and contributions	(4,917)	(3,221)
Endowment earnings utilized and returned to the fund	(503)	(434)
Transferred to deferred expended capital contributions (Note 11)	(9,221)	(10,636)
Deferred contributions, end of year	16,471	23,903
Current portion of non-capital deferred contributions	(4,624)	(6,433)
Long-term deferred contributions	<u>\$ 11,847</u>	<u>\$ 17,470</u>
Deferred contributions are comprised of		
Operating	\$ 11,557	\$ 12,548
Capital and other	4,914	11,355
	<u>\$ 16,471</u>	<u>\$ 23,903</u>

Note 8 Long-Term Debt and Commitments

Long-Term Debt	2012	2011
Term loan - Professional Development Centre	\$ 1,354	\$ 1,594
Capital leases	96	138
	<u>1,450</u>	<u>1,732</u>
Less debt due within one year	(294)	(288)
Long-term debt	<u>\$ 1,156</u>	<u>\$ 1,444</u>

In April 2010, the Centre refinanced the unsecured term loan for a three-year period with blended principal and interest repayments of approximately \$297,000 per annum. Interest is at 3.79% per annum.

In January 2010, the Centre entered into a capital lease for new theatre lighting. The lease is for a 48-month period ending in January 2014 and has an implicit interest rate of 4.11% per annum. The payments are approximately \$4,000 per month.

Interest expense on long-term debt for the years ended March 31, 2012 and 2011 was \$62,145 and \$81,597, respectively. Interest expense approximates interest paid for both fiscal years.

Note 8 Long-Term Debt and Commitments (continued)**Commitments**

In October 2009, the Centre entered into a long-term supply arrangement with an electrical utility supplier for its electrical power needs for the period January 1, 2011 to December 31, 2014, at a rate of \$0.0652 per kwh.

The Centre is party to an agreement with Rocky Mountain Cooperative Housing Association under which the Centre is committed to the rental of 42 housing units through December 2019. Under this agreement, the monthly rent is approximately \$47,733, and the total of all commitments over the remainder of the lease term is approximately \$4,439,000.

The Centre is party to an agreement with YWCA Banff under which the Centre is committed to the rental of 13 single rooms through August 31, 2012. Under this agreement, the approximate monthly rent is \$6,000, and the total of all commitments over the remainder of the lease term is approximately \$30,000.

In December 2011, the Centre entered into a construction contract for facility renovations to be completed in 2012. Remaining contractual commitments for this project total \$461,000.

The Banff Centre maintains a Letter of Credit Facility of up to \$200,000 ("Credit Facility") at an interest rate of 1.3%. Amounts drawn under this Credit Facility are available through commercial letters of credit. At March 31, 2012, \$75,000 is issued and outstanding.

Future expected minimum repayments are as follows

Year Ending March 31	Professional Development Centre	Capital Lease	Construction Contractual Obligations	Operating Leases
2013	250	44	461	758
2014	1,104	52	-	651
2015	-	-	-	585
2016	-	-	-	584
2017	-	-	-	578
thereafter	-	-	-	1,575
	<u>\$ 1,354</u>	<u>\$ 96</u>	<u>\$ 461</u>	<u>\$ 4,731</u>

Note 9 Employment Related Liabilities

Under the terms of executive employment contracts, executives may receive administrative, professional or retirement leave benefits based on years of service. These amounts are period expenses for rights to future benefits payable at specified dates or upon retirement. The accrued liabilities for executive leaves are as follows.

	2012	2011
Balance, beginning of year	\$ 518	\$ 732
Benefits accrued	62	64
Benefits paid	(278)	(278)
	<u>302</u>	<u>518</u>
Less current portion (1)	(274)	(278)
Balance, end of year	<u>\$ 28</u>	<u>\$ 240</u>

(1) included in accounts payable and accrued liabilities

Note 10 Employee Future Benefit Obligation

The Centre participates with other employers in the Public Service Pension Plan (PSPP) and the Universities Academic Pension Plan (UAPP). These pension plans are multi-employer defined benefit plans that provide pensions for the Centre's participating employees based on years of service and earnings.

PSPP

The Centre does not have sufficient plan information on the PSPP required to follow the standards for defined benefit accounting. Accordingly, pension expense of \$862,726 (2011 - \$801,828) recorded for the PSPP is composed of employer contributions to the plan that are required for the Centre's employees during the year. The contributions are calculated based on actuarially predetermined amounts that are expected to provide the plan's respective future benefits. The unfunded position of the plan as a whole was \$1.790 billion as at December 31, 2011 (2010 - \$2 067 billion).

UAPP

The UAPP is a multi-employer defined benefit pension plan for academic staff members and other eligible employees. An actuarial valuation of the UAPP was carried out as at December 31, 2008 and further extrapolated to the Centre's year end of March 31, 2012. The Centre's portion of the benefit obligation, which has been allocated based on employer contributions to the plan, is estimated to be \$2,263,000 at March 31, 2012 (2011 - \$2,159,000).

Note 10 Employee Future Benefit Obligation (continued)

The significant actuarial assumptions used to measure the UAPP accrued benefit obligation are as follows

	2012	2011
Accrued benefit obligation at March 31	\$ 15,599	\$ 15,018
Discount rate	6.50%	6.50%
Benefit costs for years ended March 31	\$ 708	\$ 675
Discount rate	6.50%	6.90%
Average compensation increase	3.50%	3.50%

The unfunded deficiency for service prior to January 1, 1992 is financed by additional contributions of 1.25% of salaries by the Province of Alberta. Employees and employers equally share the balance of the contributions of 2.34% (2011 - 2.03%) of salaries required to eliminate the unfunded deficiency by December 31, 2043. The Government of Alberta's obligation for the future additional contributions was \$314.8 million at March 31, 2012.

The unfunded deficiency for service after December 31, 1991 is financed by special payments of 5.24% (2011 - 5.09%) of pensionable earnings shared equally between employees and employers until December 31, 2021 and 1.46% (2011 - 1.01%) of salaries for 2022 and 2023, and 0.45% (2011 - 0.00%) of salaries for 2024 and 2025, all shared equally between employees and employers.

Note 11 Deferred Expended Capital Contributions

Deferred expended capital contributions represent the unamortized grants and donations received to fund capital acquisitions. The amortization of deferred expended capital contributions is recorded as revenue in the consolidated statement of operations. The changes in the deferred expended capital contributions balance are as follows:

	2012	2011
Balance, beginning of year	\$ 117,406	\$ 109,175
Transferred from deferred contributions to acquire capital assets (Note 7)	9,221	10,636
Transferred to revenue	(3,487)	(2,405)
Balance, end of year	<u>\$ 123,140</u>	<u>\$ 117,406</u>

Note 12 Net Assets

	Unrestricted	Employee Future Benefit Obligation (Note 10)	2012	2011
Operating net assets, beginning of year	\$ 17,160	\$ (2,159)	\$ 15,001	\$ 14,812
Excess of revenue over expense, net of transfers	86	-	86	84
Internally designated funds for capital acquisitions	110	-	110	105
Employee future benefit obligation	104	(104)	-	-
Operating net assets, end of year	<u>\$ 17,460</u>	<u>\$ (2,263)</u>	<u>\$ 15,197</u>	<u>\$ 15,001</u>

Included in unrestricted net assets is \$22,156,000 (2011 - \$24,405,000) representing the Centre's investment in capital assets and collections.

Note 13 Endowments

	2012	2011
Endowments, beginning of year	\$ 21,662	\$ 18,357
Contributions and other transfers	2,554	2,357
Investment income	736	732
Net change in value		
Realized	(505)	439
Unrealized	(318)	423
Distribution of earnings available for spending	(677)	(646)
Endowments, end of year	<u>\$ 23,452</u>	<u>\$ 21,662</u>

The Centre receives matching funds on eligible endowment contributions from Canadian Heritage under the Endowment Incentives program. These contributions and matching funds are held by The Banff Centre Foundation and The Banff Community Foundation (an unrelated public charitable foundation) and managed as a permanent endowment for the sole benefit of the Centre. The market and book values of these funds are as follows

	2012		2011	
	Market	Cost	Market	Cost
The Banff Centre Foundation	\$ 7,773,000	\$ 7,790,000	\$ 4,979,000	\$ 4,949,000
The Banff Community Foundation	\$ 8,051,000	\$ 7,688,000	\$ 7,938,000	\$ 7,534,000

Endowments consist of externally restricted donations received by the Centre and are managed in accordance with the terms of the agreements between the Centre and the individual donors.

Investment income earned on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Benefactors as well as the Centre's policy stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and reinvesting unexpended income.

Note 13 Endowments (continued)

Under the Post-Secondary Learning Act, the Centre has the authority to alter the terms and conditions of endowments to enable

- income earned by the endowment to be withheld from distribution to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment
- encroachment on the capital of the endowment to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment if, in the opinion of the Board of Governors, the encroachment benefits the Centre and does not impair the long-term value of the fund

In any year, if the investment earnings on endowments is insufficient to fund the spending allocation, the spending allocation is funded from the cumulative earnings reinvested in the fund. However, for individual endowment funds without sufficient cumulative reinvested earnings, endowment principal may be used in that year. This amount is expected to be recovered by future investment income

Note 14 Grants

	2012	2011
Base operating grant from Alberta Advanced Education and Technology	\$ 16,105	\$ 15,955
Other grants		
Province of Alberta		
Advanced Education and Technology	1,223	1,018
Alberta Innovates Technology Futures	-	133
Innovation and Science	-	27
Culture and Community Spirit	241	340
Other	24	5
Government of Canada - Canadian Heritage		
Canada Arts Training Fund	1,950	1,875
Canada Arts Presentation Fund	124	124
Canada Cultural Investment Fund	792	-
Other Government	452	428
	<u>4,806</u>	<u>3,950</u>
	<u>\$ 20,911</u>	<u>\$ 19,905</u>

Note 15 Salaries, Wages and Benefits

	2012	2011
Salaries, wages and non-pension benefits	\$ 28,316	\$ 27,232
Pension benefits	1,843	1,786
	<u>\$ 30,159</u>	<u>\$ 29,018</u>

Note 16 Changes in Non-Cash Working Capital

	2012	2011
Changes in		
Accounts receivable	\$ (780)	\$ 2,040
Inventories	(17)	29
Prepaid expenses	(253)	(248)
Accounts payable and accrued liabilities related to operations	2,035	(7,324)
Accrued vacation pay	98	64
Unearned revenue and deposits	(125)	(309)
	<u>\$ 958</u>	<u>\$ (5,748)</u>

Note 17 Salary Disclosure

The salaries and benefits of the Board of Governors and senior management are as follows

	2012			2011
	Salaries (1)	Non-Cash Benefits (2)	Total	Total
Board of Governors (3)	\$ -	\$ -	\$ -	\$ -
President - Incumbent (4) (5)	71	23	94	-
President and CEO - Former (4)(5)	234	34	268	344
Chief Operating Officer (4)(5)	70	23	93	-
Vice-Presidents				
Programming	181	35	216	220
Finance (4)	221	75	296	261
	<u>\$ 777</u>	<u>\$ 190</u>	<u>\$ 967</u>	<u>\$ 825</u>

(1) salaries include regular base pay and other direct cash remuneration

(2) non-cash benefits include the Centre's share of all employee benefits and payments made on behalf of employees including pension, health care, insurance and disability plans, tuition benefits and taxable benefits for the use of Banff Centre residences and vehicles

(3) the Chair and members of the Board of Governors receive no remuneration for their services

(4) executives in these roles may receive administrative, professional or retirement leave benefits (Note 9)

(5) positions held for less than a year

Note 18 Budget

The following represents The Banff Centre's operating budget for the fiscal year ended March 31, 2012.

	<u>Unaudited</u>
Revenue	
Accommodations and meals	\$ 16,291
Grants	20,405
Other sales, rentals and services	4,840
Tuition and related fees	5,110
Donations and other contributions	4,269
Investment income	519
Amortization of deferred expended capital contributions	3,299
	<u>54,733</u>
Expense	
Salaries, wages and benefits	30,067
Purchased services	4,277
Materials, goods and supplies	3,856
Scholarships and financial assistance	3,781
Facility operations and maintenance	2,771
Utilities	1,972
Travel, training and related costs	1,417
Rentals and equipment	839
Marketing and recruitment	552
Financial costs	545
Amortization of capital assets	4,656
	<u>54,733</u>
Excess of revenue over expense	<u>\$ -</u>

Note 19 Prior Year Figures

Certain prior year figures have been reclassified to conform to the current year presentation.

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