

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

**Westwind School Division No. 74**

Legal Name of School Jurisdiction

**445 Main Street Cardston AB T0K 0K0**

Mailing Address

**(403) 653-4991 (403) 653-4641 dexter.durfey@westwind.ab.ca**

Telephone & Fax Numbers, and Email Address

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of Westwind School Division No. 74 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

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

***Board of Trustees Responsibility***

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

***External Auditors***

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

***Declaration of Management and Board Chair***

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

**BOARD CHAIR**

**Mr. Ron Fromm**

Name

**"Original Signed"**

Signature

**SUPERINTENDENT**

**Mr. Ken Sommerfeldt**

Name

**"Original Signed"**

Signature

**SECRETARY-TREASURER OR TREASURER**

**Mr. Dexter Durfey**

Name

**"Original Signed"**

Signature

**November 26, 2015**

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
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# Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the  
Westwind School Division No.74

We have audited the accompanying financial statements of Westwind School Division No.74, which comprise the statement of financial position as at August 31, 2015, and the statements of operations, change in net debt, remeasurement gains and losses, and cash flows for the year ended August 31, 2015 and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Westwind School Division No.74 as at August 31, 2015, and the results of its operations, changes in its net debt, remeasurement gains and losses, and its cash flows for the year ended August 31, 2015 in accordance with Canadian public sector accounting standards.

Young Parkyn McNab LLP

Lethbridge, Alberta  
November 26, 2015

Chartered Accountants

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

		2015	2014 (restated)
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	(Note 3)	\$ 4,934,269	\$ 2,675,525
Accounts receivable (net after allowances)	(Note 4)	\$ 736,443	\$ 1,074,329
Portfolio investments	(Note 5)	\$ 2,470,540	\$ 2,564,678
Other financial assets		\$ -	\$ -
<b>Total financial assets</b>		\$ 8,141,252	\$ 6,314,532
<b>LIABILITIES</b>			
Bank indebtedness	(Note 6)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 7)	\$ 350,818	\$ 1,496,328
Deferred revenue	(Note 8)	\$ 51,229,190	\$ 45,616,238
Employee future benefit liabilities	(Note 9)	\$ 129,300	\$ 117,910
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt	(Note 10)		
Supported: Debentures and other supported debt		\$ 273,600	\$ 434,800
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
<b>Total liabilities</b>		\$ 51,982,908	\$ 47,665,276
<b>Net financial assets (debt)</b>		\$ (43,841,656)	\$ (41,350,744)
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	(Note 11)		
Land		\$ 656,541	\$ 656,541
Construction in progress		\$ 1,064,193	\$ 14,204,361
Buildings		\$ 81,541,516	
Less: Accumulated amortization		\$ (32,502,289)	\$ 49,039,227
Equipment		\$ 535,486	
Less: Accumulated amortization		\$ (353,685)	\$ 181,801
Vehicles		\$ 4,764,102	
Less: Accumulated amortization		\$ (2,915,098)	\$ 1,849,004
Computer Equipment		\$ -	
Less: Accumulated amortization		\$ -	\$ -
<b>Total tangible capital assets</b>		\$ 52,790,766	\$ 50,871,165
Prepaid expenses		\$ -	\$ -
Other non-financial assets			\$ -
<b>Total non-financial assets</b>		\$ 52,790,766	\$ 50,871,165
<b>Accumulated surplus</b>	(Note 12)	\$ 8,949,110	\$ 9,520,421
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 8,949,110	\$ 9,520,421
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 8,949,110	\$ 9,520,421
<b>Contractual obligations</b>			
<b>Contingent liabilities</b>			

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

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

	Budget 2015	Actual 2015	Actual 2014
<b>REVENUES</b>			
Alberta Education	\$ 44,839,608	\$ 45,319,858	\$ 44,574,499
Other - Government of Alberta	\$ 38,115	\$ 38,115	\$ 66,677
Federal Government and First Nations	\$ 3,927,093	\$ 3,576,555	\$ 3,883,681
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ 50,000	\$ 59,998	\$ 58,914
Property taxes	\$ -	\$ -	\$ -
Fees	\$ 522,782	\$ 603,933	\$ 655,383
Other sales and services	\$ 243,526	\$ 361,563	\$ 377,610
Investment income	\$ 162,096	\$ 125,744	\$ 144,050
Gifts and donations	\$ 44,000	\$ 65,288	\$ 97,261
Rental of facilities	\$ 1,000	\$ -	\$ 50
Fundraising	\$ 785,000	\$ 736,412	\$ 750,483
Gains on disposal of capital assets	\$ -	\$ 41,541	\$ 5,200
Other revenue	\$ 30,000	\$ 73,505	\$ 114,001
<b>Total revenues</b>	<b>\$ 50,643,220</b>	<b>\$ 51,002,512</b>	<b>\$ 50,727,809</b>
<b>EXPENSES</b>			
Instruction - ECS	\$ 3,232,493	\$ 3,604,462	\$ 3,235,509
Instruction - Grades 1 - 12	\$ 37,845,676	\$ 38,434,073	\$ 38,100,479
Plant operations and maintenance	\$ 5,666,373	\$ 5,289,846	\$ 5,570,427
Transportation	\$ 2,081,294	\$ 2,029,373	\$ 2,004,766
Board & system administration	\$ 2,104,282	\$ 2,059,152	\$ 2,118,431
External services	\$ 157,537	\$ 156,917	\$ 208,157
<b>Total expenses</b>	<b>\$ 51,087,655</b>	<b>\$ 51,573,823</b>	<b>\$ 51,237,769</b>
<b>Operating surplus (deficit)</b>	<b>\$ (444,435)</b>	<b>\$ (571,311)</b>	<b>\$ (509,960)</b>

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

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

	2015	2014
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Operating surplus (deficit)	\$ (571,311)	\$ (509,960)
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 2,151,871	\$ 2,200,307
Gains on disposal of tangible capital assets	\$ (41,541)	\$ (5,200)
Losses on disposal of tangible capital assets	\$ -	\$ 129,508
Expended deferred capital revenue recognition	\$ (1,557,243)	\$ (1,578,412)
Deferred capital revenue write-off	\$ -	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 337,886	\$ (40,276)
Prepays	\$ -	\$ 179,964
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ (1,145,510)	\$ 339,177
Deferred revenue (excluding EDCR)	\$ 4,729,782	\$ 344,561
Employee future benefit liabilities	\$ 11,390	\$ (11,373)
Other (describe)	\$ -	\$ -
<b>Total cash flows from operating transactions</b>	<b>\$ 3,915,324</b>	<b>\$ 1,048,296</b>
<b>B. CAPITAL TRANSACTIONS</b>		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (1,560,224)	\$ (836,047)
Equipment	\$ -	\$ -
Vehicles	\$ (182,374)	\$ (481,842)
Computer equipment	\$ -	\$ -
Net proceeds from disposal of unsupported capital assets	\$ 153,080	\$ 5,200
Other (describe)	\$ -	\$ -
<b>Total cash flows from capital transactions</b>	<b>\$ (1,589,518)</b>	<b>\$ (1,312,689)</b>
<b>C. INVESTING TRANSACTIONS</b>		
Purchases of portfolio investments	\$ 94,138	\$ 89,556
Dispositions of portfolio investments	\$ -	\$ -
Remeasurement gains (losses) reclassified to the statement of operations	\$ -	\$ -
Change in endowments	\$ -	\$ -
Other (describe)	\$ -	\$ -
<b>Total cash flows from investing transactions</b>	<b>\$ 94,138</b>	<b>\$ 89,556</b>
<b>D. FINANCING TRANSACTIONS</b>		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (161,200)	\$ (279,800)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other factors affecting capital leases (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
<b>Total cash flows from financing transactions</b>	<b>\$ (161,200)</b>	<b>\$ (279,800)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>\$ 2,258,744</b>	<b>\$ (454,637)</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>\$ 2,675,525</b>	<b>\$ 3,130,162</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$ 4,934,269</b>	<b>\$ 2,675,525</b>

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

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

	2015	2014
Operating surplus (deficit)	\$ (571,311)	\$ (509,960)
<b>Effect of changes in tangible capital assets</b>		
Acquisition of tangible capital assets	\$ (4,183,011)	\$ (9,369,595)
Amortization of tangible capital assets	\$ 2,151,871	\$ 2,200,307
Net carrying value of tangible capital assets disposed of	\$ 111,539	\$ 129,508
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	<b>\$ (1,919,601)</b>	<b>\$ (7,039,780)</b>
<b>Changes in:</b>		
Prepaid expenses	\$ -	\$ 179,964
Other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Endowments	\$ -	\$ -
<b>Increase (decrease) in net financial assets (net debt)</b>	<b>\$ (2,490,912)</b>	<b>\$ (7,369,776)</b>
<b>Net financial assets (net debt) at beginning of year</b>	<b>\$ (41,350,744)</b>	<b>\$ (33,980,968)</b>
<b>Net financial assets (net debt) at end of year</b>	<b>\$ (43,841,656)</b>	<b>\$ (41,350,744)</b>

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

**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**

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

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

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



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

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
<b>Balance at August 31, 2014</b>	\$ 9,520,421	\$ -	\$ 9,520,421	\$ 6,478,403	\$ 184,848	\$ 817,834	\$ 1,457,707	\$ 581,629
<b>Prior period adjustments:</b>								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2014</b>	\$ 9,520,421	\$ -	\$ 9,520,421	\$ 6,478,403	\$ 184,848	\$ 817,834	\$ 1,457,707	\$ 581,629
Operating surplus (deficit)	\$ (571,311)		\$ (571,311)			\$ (571,311)		
Board funded tangible capital asset additions				\$ 208,818		\$ -	\$ (116,291)	\$ (92,527)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ (111,539)		\$ -		\$ 111,539
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Investment income & realized capital gains on endowments	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
Amortization of tangible capital assets	\$ -		\$ -	\$ (2,151,871)		\$ 2,151,871		
Capital revenue recognized	\$ -		\$ -	\$ 1,557,243		\$ (1,557,243)		
Debt principal repayments (unsupported)	\$ -		\$ -	\$ -		\$ -		
Additional capital debt or capital leases	\$ -		\$ -	\$ -		\$ -		
Net transfers to operating reserves	\$ -		\$ -			\$ (143,302)	\$ 143,302	
Net transfers from operating reserves	\$ -		\$ -			\$ -		
Net transfers to capital reserves	\$ -		\$ -			\$ (451,327)		\$ 451,327
Net transfers from capital reserves	\$ -		\$ -			\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -		\$ -		\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
<b>Balance at August 31, 2015</b>	\$ 8,949,110	\$ -	\$ 8,949,110	\$ 5,981,054	\$ 184,848	\$ 246,522	\$ 1,484,718	\$ 1,051,988

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

	INTERNALLY RESTRICTED RESERVES BY PROGRAM											
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services			
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
<b>Balance at August 31, 2014</b>	\$ 1,042,717	\$ 254,002	\$ 79,348	\$ 231,675	\$ 7,639	\$ 95,952	\$ 281,181	\$ -	\$ 46,822	\$ -	\$ -	\$ -
<b>Prior period adjustments:</b>												
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2014</b>	\$ 1,042,717	\$ 254,002	\$ 79,348	\$ 231,675	\$ 7,639	\$ 95,952	\$ 281,181	\$ -	\$ 46,822	\$ -	\$ -	\$ -
Operating surplus (deficit)												
Board funded tangible capital asset additions	\$ -	\$ -	\$ (116,291)	\$ -	\$ -	\$ -	\$ -	\$ (92,527)	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported assets	\$ -	\$ -	\$ -	\$ 37,089	\$ -	\$ 74,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net remeasurement gains (losses) for the year												
Endowment expenses & disbursements												
Endowment contributions												
Investment income & realized capital gains on endowments												
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets												
Capital revenue recognized												
Debt principal repayments (unsupported)												
Additional capital debt or capital leases												
Net transfers to operating reserves	\$ 61,757	\$ -	\$ 80,498	\$ -	\$ -	\$ -	\$ 1,047	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers from operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to capital reserves	\$ -	\$ -	\$ -	\$ 66,961	\$ -	\$ 95,952	\$ -	\$ 288,414	\$ -	\$ -	\$ -	\$ -
Net transfers from capital reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2015</b>	\$ 1,104,474	\$ 254,002	\$ 43,555	\$ 335,725	\$ 7,639	\$ 266,354	\$ 282,228	\$ 195,887	\$ 46,822	\$ -	\$ -	\$ -

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

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	
<b>Balance at August 31, 2014</b>	\$ 409,263	\$ -	\$ 76,555	\$ -	\$ 44,392,758
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2014	\$ 409,263	\$ -	\$ 76,555	\$ -	\$ 44,392,758
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 3,669,728				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ 86,983				
Other sources: <i>(Describe)</i>				\$ -	
Other sources: <i>(Describe)</i> :	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ -				
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ 29,745	\$ -	\$ -	\$ -	
Other unexpended capital revenue: <i>(Describe)</i>				\$ -	
Net proceeds on disposal of supported tangible capital assets			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets (Explain):					
Alberta Schools Alternative Program (ASAP), Building Alberta School Construction Program, (BASCP) and other Alberta Infrastructure managed projects					\$ 2,440,413
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (1,533,782)	\$ -	\$ -	\$ -	\$ 1,533,782
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments (Explain):	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Deduct:</b>					
Net book value of supported tangible capital dispositions or write-offs					\$ -
Other adjustments (Explain):	\$ -	\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 1,557,243
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
<b>Balance at August 31, 2015</b>	\$ 2,661,937	\$ -	\$ 76,555	\$ -	\$ 46,809,710
	(A)	(B)	(C)	(D)	
<b>Balance of Unexpended Deferred Capital Revenue at August 31, 2015 (A) + (B) + (C) + (D)</b>				\$ 2,738,492	

**Unexpended Deferred Capital Revenue**

- (A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only.  
(B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.  
(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved capital assets per 10(2)(a) of Disposition of Property Reg. 181/2010.  
(D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

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

REVENUES	2015						2014
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL
	ECS	Grades 1 - 12					
(1) Alberta Education	\$ 4,008,010	\$ 32,264,689	\$ 4,969,957	\$ 1,920,583	\$ 2,156,619	\$ -	\$ 45,319,858
(2) Other - Government of Alberta	\$ -	\$ -	\$ 38,115	\$ -	\$ -	\$ -	\$ 38,115
(3) Federal Government and First Nations	\$ 67,706	\$ 3,508,849	\$ -	\$ -	\$ -	\$ -	\$ 3,576,555
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ 59,998	\$ -	\$ -	\$ -	\$ -	\$ 59,998
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 34,423	\$ 498,471	\$ -	\$ 71,039	\$ -	\$ -	\$ 603,933
(9) Other sales and services	\$ -	\$ 107,214	\$ 940	\$ -	\$ 35,250	\$ 218,159	\$ 361,563
(10) Investment income	\$ -	\$ 43,236	\$ 76,508	\$ -	\$ 6,000	\$ -	\$ 125,744
(11) Gifts and donations	\$ -	\$ 65,288	\$ -	\$ -	\$ -	\$ -	\$ 65,288
(12) Rental of facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(13) Fundraising	\$ -	\$ 736,412	\$ -	\$ -	\$ -	\$ -	\$ 736,412
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ 23,602	\$ 1,800	\$ 16,139	\$ -	\$ 41,541
(15) Other revenue	\$ -	\$ 84,444	\$ (11,846)	\$ -	\$ 907	\$ -	\$ 73,505
<b>(16) TOTAL REVENUES</b>	\$ 4,110,139	\$ 37,368,601	\$ 5,097,276	\$ 1,993,422	\$ 2,214,915	\$ 218,159	\$ 51,002,512
<b>EXPENSES</b>							
(17) Certificated salaries	\$ 1,086,564	\$ 21,939,376	\$ -	\$ -	\$ 358,506	\$ -	\$ 23,384,446
(18) Certificated benefits	\$ 120,410	\$ 5,442,202	\$ -	\$ -	\$ 58,701	\$ -	\$ 5,621,313
(19) Non-certificated salaries and wages	\$ 1,096,632	\$ 4,965,978	\$ 1,842,067	\$ 973,189	\$ 762,178	\$ 37,702	\$ 9,677,746
(20) Non-certificated benefits	\$ 374,307	\$ 1,650,901	\$ 503,253	\$ 147,859	\$ 212,479	\$ 1,272	\$ 2,890,071
(21) SUB - TOTAL	\$ 2,677,913	\$ 33,998,457	\$ 2,345,320	\$ 1,121,048	\$ 1,391,864	\$ 38,974	\$ 41,573,576
(22) Services, contracts and supplies	\$ 926,549	\$ 4,373,859	\$ 1,201,710	\$ 618,864	\$ 570,507	\$ 117,943	\$ 7,809,432
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 1,557,243	\$ -	\$ -	\$ -	\$ 1,557,243
(24) Amortization of unsupported tangible capital assets	\$ -	\$ 61,757	\$ 147,458	\$ 289,461	\$ 95,952	\$ -	\$ 594,628
(25) Supported interest on capital debt	\$ -	\$ -	\$ 38,115	\$ -	\$ -	\$ -	\$ 38,115
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Other interest and finance charges	\$ -	\$ -	\$ -	\$ -	\$ 829	\$ -	\$ 829
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>(30) TOTAL EXPENSES</b>	\$ 3,604,462	\$ 38,434,073	\$ 5,289,846	\$ 2,029,373	\$ 2,059,152	\$ 156,917	\$ 51,573,823
<b>(31) OPERATING SURPLUS (DEFICIT)</b>	\$ 505,677	\$ (1,065,472)	\$ (192,570)	\$ (35,951)	\$ 155,763	\$ 61,242	\$ (571,311)
							\$ (509,960)

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

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	2015 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 1,379,290	\$ 423,586	\$ -	\$ 39,191	\$ -		\$ 1,842,067		\$ 1,842,067
Uncertificated benefits	\$ 384,260	\$ 107,902	\$ -	\$ 11,091	\$ -		\$ 503,253		\$ 503,253
Sub-total Remuneration	\$ 1,763,550	\$ 531,488	\$ -	\$ 50,282	\$ -		\$ 2,345,320		\$ 2,345,320
Supplies and services	\$ 96,458	\$ 134,659	\$ -	\$ 110,366	\$ -		\$ 341,483		\$ 341,483
Electricity			\$ 546,614				\$ 546,614		\$ 546,614
Natural gas/heating fuel			\$ 234,100				\$ 234,100		\$ 234,100
Sewer and water			\$ 74,538				\$ 74,538		\$ 74,538
Telecommunications			\$ 4,975				\$ 4,975		\$ 4,975
Insurance				\$ -			\$ -		\$ -
ASAP maintenance & renewal payments							\$ -		\$ -
Amortization of tangible capital assets									
Supported								\$ 1,557,243	\$ 1,557,243
Unsupported						\$ 147,458	\$ 147,458	\$ 147,458	\$ 147,458
Total Amortization						\$ 147,458	\$ 147,458	\$ 1,557,243	\$ 1,704,701
Interest on capital debt									
Supported								\$ 38,115	\$ 38,115
Unsupported						\$ -	\$ -	\$ -	\$ -
Lease payments for facilities				\$ -			\$ -	\$ -	\$ -
Other interest charges						\$ -	\$ -	\$ -	\$ -
Losses on disposal of capital assets						\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENSES</b>	\$ 1,860,008	\$ 666,147	\$ 860,227	\$ 160,648	\$ -	\$ 147,458	\$ 3,694,488	\$ 1,595,358	\$ 5,289,846
<b>SQUARE METRES</b>									
School buildings									51,507.0
Non school buildings									2,460.0

**Note:**

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

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

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

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

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

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

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

	<b>Actual 2014/2015</b>	<b>Actual 2013/2014</b>
<b>FEES</b>		
Transportation fees	\$71,039	\$71,687
Basic instruction supplies (text books, including lost or replacement fees, course materials)	\$101,103	\$108,857
Technology user fees	\$0	\$0
Alternative program fees	\$0	\$0
Fees for optional courses (band, art, etc.)	\$91,503	\$60,130
Fees for students from other boards	\$0	\$0
Tuition fees (international & out of province)	\$0	\$0
Kindergarten & preschool	\$34,423	\$38,288
Extracurricular fees (sports teams and clubs)	\$85,433	\$89,816
Field trips (related to curriculum)	\$26,153	\$91,933
Lunch supervision fees	\$0	\$0
Locker rental; locks; student ID; uniforms; library, student union, and fitness fees	\$164,658	\$164,910
Other (describe)* Graduation	\$29,621	\$29,762
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
<b>TOTAL FEES</b>	<b>\$603,933</b>	<b>\$655,383</b>

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

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

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2015 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	172	108	123		
<b>REVENUES</b>					
Alberta Education allocated funding	\$ 218,538	\$ 2,398,580	\$ 144,906	\$ 2,890,069	\$ 610,502
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	\$ 218,538	\$ 2,398,580	\$ 144,906	\$ 2,890,069	\$ 610,502
<b>EXPENSES (Not allocated from BASE, Transportation, or other funding)</b>					
Instructional certificated salaries & benefits	\$ -	\$ 224,519	\$ -	\$ 103,828	
Instructional non-certificated salaries & benefits	\$ 365,153	\$ 1,267,660	\$ 290,264	\$ 3,171,573	
<b>SUB TOTAL</b>	\$ 365,153	\$ 1,492,179	\$ 290,264	\$ 3,275,401	
Supplies, contracts and services	\$ -	\$ 906,401	\$ 5,054	\$ 49,312	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL EXPENSES</b>	\$ 365,153	\$ 2,398,580	\$ 295,318	\$ 3,324,713	
<b>NET FUNDING SURPLUS (SHORTFALL)</b>	\$ (146,615)	\$ -	\$ (150,412)	\$ (434,644)	

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

EXPENSES	Allocated to Board & System Administration			Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	Salaries & Benefits	Supplies & Services	Other	
1 Office of the superintendent	\$ 200,774	\$ -	\$ -	\$ 200,774	\$ -	\$ -	\$ 200,774
2 Educational administration (excluding superintendent)	\$ 216,435	\$ -	\$ -	\$ 216,435	\$ -	\$ -	\$ 216,435
3 Business administration	\$ 527,624	\$ -	\$ -	\$ 527,624	\$ -	\$ -	\$ 527,624
4 Board governance (Board of Trustees)	\$ 175,266	\$ 55,169	\$ -	\$ 230,435	\$ -	\$ -	\$ 230,435
5 Information technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Human resources	\$ 85,987	\$ -	\$ -	\$ 85,987	\$ -	\$ -	\$ 85,987
7 Central purchasing, communications, marketing	\$ 102,401	\$ -	\$ -	\$ 102,401	\$ -	\$ -	\$ 102,401
8 Payroll	\$ 83,377	\$ -	\$ -	\$ 83,377	\$ -	\$ -	\$ 83,377
9 Administration - insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 Administration - amortization	\$ -	\$ -	\$ 95,952	\$ 95,952	\$ -	\$ -	\$ 95,952
11 Administration - other (admin building, interest)	\$ -	\$ -	\$ 56,017	\$ 56,017	\$ -	\$ -	\$ 56,017
12 Other (describe)	\$ -	\$ 460,150	\$ -	\$ 460,150	\$ -	\$ -	\$ 460,150
13 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENSES</b>	<b>\$ 1,391,864</b>	<b>\$ 515,319</b>	<b>\$ 151,969</b>	<b>\$ 2,059,152</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,059,152</b>



**1. AUTHORITY AND PURPOSE**

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the CICA Canadian public sector accounting standards (PSAS). The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Cash and Cash Equivalents

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

b) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

c) Portfolio Investments

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

d) Tangible capital assets

The following criteria applies:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings is less than their net book value. For supported assets, the write-downs are accounted for as reductions to Expended Deferred Capital Revenue.
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.

d) Tangible capital assets, continued

- Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the Board are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Equipment and furnishings	5 years
Vehicles & Buses	5 to 10 years
Buildings	25 to 50 years

e) Deferred Revenue

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

Deferred revenue also includes contributions for capital expenditures, unexpended and expended:

a. Unexpended Deferred Capital Revenue

Unexpended Deferred Capital Revenue represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end.

b. Expended Deferred Capital Revenue

Expended Deferred Capital Revenue represent externally restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require the school jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

f) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include defined-benefit retirement plans, vested or accumulating sick leave, early retirement, retirement/severance, job-training and counseling, post-employment benefit continuation, vacation, overtime, death benefits, and various qualifying compensated absences, early retirement, retirement/severance, vacation, overtime, death benefit and non-vested sick leave.

g) Liability for Contaminated Sites

In June 2010, the Public Sector Accounting Board issued this accounting standard effective for fiscal years starting on or after April 1, 2014. Contaminated sites are a result of contamination being introduced into the air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard. The School District adopted this accounting standard retroactively as of April 1, 2014. Currently the School District does not have any liability.

h) Operating and Capital Reserves

Certain amounts are internally or externally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Changes in Accumulated Surplus.

i) Revenue Recognition

Revenues are recorded on an accrual basis. Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Contributed services are not recognized in the financial statements.

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

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

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year the stipulated related expenses are incurred;
- Unexpended Deferred Capital Revenue; or
- Expended Deferred Capital Revenue.

h) Expenses

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

Allocation of Costs

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

i) Pensions

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

The current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School District does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2015, the amount contributed by the Government was \$2,857,002 (2014 \$2,776,435)

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$872,883 for the year ended August 31, 2015 (2013 \$865,208). At December 31, 2014, the Local Authorities Pension Plan reported an actuarial deficiency of \$2,454,636,000 (2013 deficiency of \$4,861,516,000).

j) Program Reporting

The District's operations have been segmented as follows:

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

The allocation of revenues and expenses are reported by program, source, and object on the Schedule of Program Operations. Respective instruction expenses include the cost of certificated teachers, non-certificated teaching assistants as well as a proportionate share of supplies & services, school administration & instruction support, and System Instructional Support.

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended August 31, 2015

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k) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, short term investments, accounts payable and accrued liabilities, debt and other liabilities. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

l) Measurement Uncertainty

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits.

**3. CASH AND CASH EQUIVALENTS**

	2015			2014 (restated)
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	-	\$ 4,934,269	\$ 4,934,269	\$ 2,675,525
Total cash and cash equivalents		\$ 4,934,269	\$ 4,934,269	\$ 2,675,525

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended August 31, 2015

**4. ACCOUNTS RECEIVABLE**

	2015			2014
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Capital	-	-	-	61,956
Treasury Board and Finance - Supported debenture principal	273,600	-	273,600	434,800
Treasury Board and Finance - Accrued interest on supported debentures	12,133	-	12,133	19,847
Innovation & Advanced Education	120,590	-	120,590	-
Federal government	131,389	-	131,389	103,899
Other	198,731	-	198,731	453,827
<b>Total</b>	<b>\$ 736,443</b>	<b>\$ -</b>	<b>\$ 736,443</b>	<b>\$ 1,074,329</b>

**5. PORTFOLIO INVESTMENTS**

	2015				2014 (restated)
	Average Effective (Market) Yield	Cost	Fair Value	Balance	2014 Balance
Southern Alberta Wind Farm Project	4.89%	\$ 1,470,540	\$ 1,470,540	\$ 1,470,540	\$1,564,678
Government of Canada, direct and guaranteed	1.30%	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$1,000,000
<b>Total portfolio investments</b>	<b>3.10%</b>	<b>\$ 2,470,540</b>	<b>\$ 2,470,540</b>	<b>\$ 2,470,540</b>	<b>\$ 2,564,678</b>

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

The jurisdiction, along with two other school jurisdictions, has invested in the Southern Alberta Wind Farm project for a total project cost of \$6,400,000. The provincial government has contributed \$3,200,000 of matching funds towards the project, with Westwind School Division contributions totaling \$1,091,840. The investment will be repaid over 20 years including interest. The principal amount outstanding at year end is \$1,470,540.

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended August 31, 2015

Principal repayments in each of the next five fiscal years and beyond are as follows:

	Principal	Interest	Total
2016	\$ 98,954	\$ 71,280	\$ 170,234
2017	104,017	66,217	170,234
2018	109,338	60,895	170,234
2019	114,932	55,302	170,234
2020	120,813	49,421	170,234
2021 to maturity	922,487	155,662	1,078,149
Total Southern Alberta Wind Farm	\$1,470,540	\$458,777	\$1,929,317

**6. BANK INDEBTEDNESS**

The jurisdiction has negotiated a line of credit in the amount of \$2,300,000 that bears interest at the prime rate less 0.25%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no (2014: \$0) balance at August 31, 2015.

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2015	2014
Alberta Capital Finance Authority (Interest on long-term debt - Supported)	12,133	19,847
Other Government of Alberta ministries (LAPP)	-	10,000
Other trade payables and accrued liabilities	338,685	1,466,481
Total	<u>\$ 350,818</u>	<u>\$ 1,496,328</u>

**8. DEFERRED REVENUE**

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2014	ADD: 2014/2015 Restricted Funds Received/ Receivable	DEDUCT: 2014/2015 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2014/2015 Adjustments for Returned Funds	DEFERRED REVENUE as at Aug. 31, 2015
<b>Unexpended deferred operating revenue</b>					
<b>Alberta Education:</b>					
Infrastructure Maintenance Renewal	315,916	1,418,451	(247,627)	-	1,486,740
<b>Other Deferred Revenue:</b>					
School Generated Funds	421,746	1,037,879	(1,265,378)	-	194,247
<b>Total unexpended deferred operating revenue</b>	<b>\$ 737,662</b>	<b>\$ 2,456,330</b>	<b>\$ (1,513,005)</b>	<b>\$ -</b>	<b>\$ 1,680,987</b>
<b>Unexpended deferred capital revenue</b>	485,818	3,786,456	(1,533,782)	-	2,738,492
<b>Expended deferred capital revenue</b>	44,392,758	3,974,195	(1,557,242)	-	46,809,711
<b>Total</b>	<b>\$ 45,616,238</b>	<b>\$ 10,216,981</b>	<b>\$ (4,604,029)</b>	<b>\$ -</b>	<b>\$ 51,229,190</b>

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended August 31, 2015

**9. EMPLOYEE FUTURE BENEFIT LIABILITIES**

Employee future benefit liabilities consist of the following:

	<b>2015</b>	<b>2014</b>
Other compensated absences	129,300	117,910
<b>Total</b>	<b>\$ 129,300</b>	<b>\$ 117,910</b>

**10. DEBT**

	<b>2015</b>	<b>2014</b>
Debentures outstanding at August 31, 2013 have interest rates between 7.6% to 11.5%. The terms of the loans range between 20 and 25 years, payments made annually supported by Alberta Education	\$ 273,600	\$ 434,800
<b>Total</b>	<b>\$ 273,600</b>	<b>\$ 434,800</b>

Debenture Debt – Supported

The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015-2016	\$ 68,400	\$ 22,451	\$ 90,851
2016-2017	68,400	16,838	85,238
2017-2018	68,400	11,225	79,625
2018-2019	68,400	5,613	74,013
<b>Total</b>	<b>\$ 273,600</b>	<b>\$ 56,127</b>	<b>\$ 329,727</b>



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**11. TANGIBLE CAPITAL ASSETS**

	2015						2014	
	Land	Construction In Progress - Buildings	Buildings 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total	Total
Estimated useful life								
<b>Historical cost</b>								
Beginning of year	\$ 656,541	\$ 14,204,361	\$ 64,400,711	\$ 535,486	\$ 4,937,933	\$ -	\$ 84,735,031	\$ 75,998,559
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	1,012,235	2,988,402	-	182,375	-	4,183,012	9,369,594
Transfers in (out)	-	(14,152,403)	14,152,403	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	(356,206)	-	(356,206)	(633,122)
	\$ 656,541	\$ 1,064,193	\$ 81,541,516	\$ 535,486	\$ 4,764,102	\$ -	\$ 88,561,838	\$ 84,735,032
<b>Accumulated amortization</b>								
Beginning of year	\$ -	\$ -	\$ 30,804,571	\$ 289,127	\$ 2,770,170	\$ -	\$ 33,863,868	\$ 32,167,176
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	1,697,718	64,558	389,595	-	2,151,871	2,200,307
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	(244,667)	-	(244,667)	(503,612)
	\$ -	\$ -	\$ 32,502,289	\$ 353,685	\$ 2,915,098	\$ -	\$ 35,771,072	\$ 33,863,871
<b>Net Book Value at End of Year</b>	\$ 656,541	\$ 1,064,193	\$ 49,039,227	\$ 181,801	\$ 1,849,004	\$ -	\$ 52,790,765	\$ 50,871,165

Construction in Progress does not include any projects financed under Alberta School Alternative Procurement Initiative (2014: \$14,152,403).

**WESTWIND SCHOOL DIVISION NO. 74**  
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**12. ACCUMULATED SURPLUS:**

Detailed information related to accumulated surplus is available on the Schedule of Changes in Accumulated Surplus. Accumulated surplus may be summarized as follows:

	<b>2015</b>	<b>2014</b>
Unrestricted surplus	\$ 246,522	\$ 817,834
Operating reserves	<u>1,484,718</u>	<u>1,457,707</u>
Accumulated surplus (deficit) from operations	1,731,240	2,275,541
Investment in tangible capital assets	5,981,054	6,478,403
Capital reserves	1,051,968	581,629
Endowments <sup>(1)</sup>	184,848	184,848
Accumulated rereasurement gains (losses)	-	-
Accumulated surplus (deficit)	<u>\$ 8,949,110</u>	<u>\$ 9,520,421</u>

<sup>(1)</sup> Terms of the endowments stipulate that the principal balance be maintained permanently.

The school jurisdiction has recorded a provision for employee future benefits. Since this provision reflects estimated future obligations, it is not required to be funded from current operations. Accumulated surplus (deficit) may be adjusted as follows:

	<b>2015</b>	<b>2014</b>
Accumulated surplus (deficit) from operations	\$ 1,731,236	\$ 2,275,541
Deduct: School generated funds included in accumulated surplus (Note 13)	<u>-</u>	<u>-</u>
Adjusted accumulated surplus (deficit) from operations <sup>(2)</sup>	<u>\$ 1,731,236</u>	<u>\$ 2,275,541</u>

<sup>(2)</sup> Accumulated surplus represents funding available for use by the school jurisdiction after deducting funds committed for use by the schools.

**WESTWIND SCHOOL DIVISION NO. 74**  
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**13. SCHOOL GENERATED FUNDS**

	2015	2014
School Generated Funds, Beginning of Year	\$ 421,746	\$ 461,701
<b>Gross Receipts:</b>		
Fees	397,368	436,551
Fundraising	736,412	750,483
Gifts and donations	24,383	33,511
Grants to schools	-	-
Other sales and services	86,425	106,956
Total gross receipts	1,244,587	1,327,501
<b>Total Related Expenses and Uses of Funds</b>		
	622,807	610,555
<b>Total Direct Costs Including Cost of Goods Sold to Raise Funds</b>		
	849,279	756,901
<b>School Generated Funds, End of Year</b>		
	<u>\$ 194,247</u>	<u>\$ 421,746</u>
<b>Balance included in Deferred Revenue*</b>		
	\$ -	\$ -
<b>Balance included in Accumulated Surplus (Operating Reserves)**</b>		
	\$ 194,247	\$ 421,746

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended August 31, 2015

**14. RELATED PARTY TRANSACTIONS**

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities,

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
<b>Government of Alberta (GOA):</b>				
<b>Education</b>				
Accounts receivable / Accounts payable	\$ -	\$ -	\$ 45,579,722	\$ -
Prepaid expenses / Deferred operating revenue	-	-	-	-
Unexpended deferred capital revenue	-	2,738,492	-	-
Expended deferred capital revenue	-	46,809,710	-	-
Other assets & liabilities	-	-	-	-
Grant revenue & expenses	-	-	-	-
ATRF payments made on behalf of district	-	-	-	-
Other revenues & expenses	-	-	-	-
<b>Other Alberta school jurisdictions</b>	-	-	-	-
<b>Alberta Treasury Board and Finance (Principal)</b>	273,600	-	-	-
<b>Alberta Treasury Board and Finance (Accrued interest)</b>	12,133	-	38,115	38,115
<b>Alberta Health</b>	-	-	-	-
<b>Alberta Health Services</b>	-	-	-	-
<b>Enterprise and Advanced Education</b>	-	-	-	-
<b>Post-secondary Institutions</b>	-	-	-	-
<b>Alberta Infrastructure</b>	-	-	-	-
<b>Human Services</b>	-	-	-	-
Other GOA ministry (Specify)	-	-	-	-
Other GOA ministry (Specify)	-	-	-	-
Other GOA ministries	-	-	-	-
<b>Other:</b>				
Alberta Capital Financing Authority	-	-	-	-
Other Related Parties (Specify)	-	-	-	-
Other Related Parties (Alberta School Jurisdictions)	-	-	30,360	-
Other Related Parties	-	-	180,588	-
<b>TOTAL 2014/2015</b>	<b>\$ 285,733</b>	<b>\$ 49,548,202</b>	<b>\$ 45,828,785</b>	<b>\$ 38,115</b>
<b>TOTAL 2013/2014</b>	<b>\$ 454,647</b>	<b>\$ 45,194,492</b>	<b>\$ 44,888,221</b>	<b>\$ -</b>

**WESTWIND SCHOOL DIVISION NO. 74**  
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**15. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY**

The jurisdiction's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

**16. REMUNERATION AND MONETARY INCENTIVES**

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

<b>Board Members:</b>	<b>FTE</b>	<b>Remuneration</b>	<b>Benefits</b>	<b>Negotiated Allowances</b>	<b>Performance Bonuses</b>	<b>ERIP's / Other</b>	<b>Expenses</b>
Mr. Ron Fromm, Chair	1.0	\$19,600	\$3,049	\$0			\$3,849
Mr. Lance Miller, Vice	1.0	\$17,050	\$2,963	\$0			\$7,199
Mrs. Anna-Joyce Frank	1.0	\$16,500	\$2,870	\$0			\$2,369
Mr. Stephen Heggie	1.0	\$16,500	\$1,708	\$0			\$2,877
Mr Peter Scott	1.0	\$16,500	\$2,933	\$0			\$2,113
Mrs. Patricia Beazer	1.0	\$16,500	\$2,933	\$0			\$2,099
Mrs. Denise Norton	1.0	\$16,500	\$2,933	\$0			\$3,104
Mrs. Barb Salmon	1.0	\$16,500	\$2,933	\$0			\$2,482
Mrs. Tracy Seik	1.0	\$16,500	\$1,708	\$0			\$3,847
<b>Subtotal</b>	<b>9.0</b>	<b>\$152,150</b>	<b>\$24,030</b>	<b>\$0</b>			<b>\$29,939</b>
Mr. Kenneth Sommerfeldt Superintendent	1.0	\$186,851	\$60,049	\$0	\$0	\$0	\$10,776
Mr. Dexter Durfey Secretary Treasurer	1.0	\$171,655	\$49,319	\$0	\$0	\$0	\$9,454
Certificated teachers	245.2	\$23,197,595	\$5,561,264	\$0	\$0	\$0	
Non-certificated - other	303.3	\$9,353,941	\$2,816,722	\$0	\$0	\$0	
<b>TOTALS</b>		<b>\$33,062,192</b>	<b>\$8,511,384</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**17. BUDGET AMOUNTS**

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on May 13, 2014. It is presented for information purposes only and has not been audited.

**18. COMPARATIVE FIGURES**

The comparative figures have been reclassified where necessary to conform to the 2015 presentation. These changes do not affect the prior year operating surplus or accumulated surplus.