

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

Golden Hills School Division #75

Legal Name of School Jurisdiction

435A Hwy#1, Strathmore, Alberta T1P 1J4

Mailing Address

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Golden Hills School Division #75 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

David Price


Name


Signature

SUPERINTENDENT

Bevan Daverne

Name


Signature

SECRETARY-TREASURER OR TREASURER

Tahra Sabir

Name


Signature

November 24, 2015

Board-approved Release Date

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

To the Shareholders
Golden Hills School Division #75

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We have audited the accompanying financial statements of Golden Hills School Division #75, which comprise the statement of financial position as at August 31, 2015, and the statements of operations, cash flows, changes in net financial assets (net debt) and remeasurment gains and losses and the schedules of changes in accumulated surplus, capital revenue, program operations and plant operations and maintenance expenses for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Golden Hills School Division #75 as at August 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Collins Barrow Calgary LLP

CHARTERED ACCOUNTANTS

Calgary, Canada
November 24, 2015

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

		2015	2014
FINANCIAL ASSETS			
Cash and cash equivalents	(Note 4)	\$ 6,359,774	\$ 6,235,336
Accounts receivable (net after allowances)	(Note 5)	\$ 7,049,612	\$ 3,395,797
Portfolio investments	(Note 6)	\$ 12,480,000	\$ 10,300,000
Other financial assets		\$ -	\$ -
Total financial assets		\$ 25,889,386	\$ 19,931,133
LIABILITIES			
Bank indebtedness	(Note 7)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 8)	\$ 5,985,211	\$ 4,242,548
Deferred revenue	(Note 9)	\$ 68,895,288	\$ 53,230,641
Employee future benefit liabilities	(Note 10)	\$ 366,976	\$ 321,628
Liability for contaminated sites	(Note 14)	\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt	(Note 11)		
Supported: Debentures and other supported debt		\$ -	\$ -
Unsupported: Debentures and capital loans		\$ 1,454,959	\$ 1,580,685
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 76,702,435	\$ 59,375,502
Net financial assets (debt)		\$ (50,813,049)	\$ (39,444,369)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Note 12)		
Land		\$ 1,445,559	\$ 1,445,559
Construction in progress		\$ 10,427,045	\$ 11,610,754
Buildings	\$ 107,327,101		
Less: Accumulated amortization	\$ (53,708,714)	\$ 53,618,387	\$ 41,064,464
Equipment	\$ 5,996,679		
Less: Accumulated amortization	\$ (4,856,211)	\$ 1,140,468	\$ 589,874
Vehicles	\$ 8,958,924		
Less: Accumulated amortization	\$ (3,701,291)	\$ 5,257,633	\$ 5,364,633
Computer Equipment	\$ 584,895		
Less: Accumulated amortization	\$ (290,259)	\$ 294,636	\$ 198,361
Total tangible capital assets		\$ 72,183,728	\$ 60,273,645
Prepaid expenses		\$ 553,838	\$ 278,557
Other non-financial assets		\$ 288,722	\$ 225,914
Total non-financial assets		\$ 73,026,289	\$ 60,778,116
Accumulated surplus	(Note 13)	\$ 22,213,239	\$ 21,333,747
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 22,213,239	\$ 21,333,747
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 22,213,239	\$ 21,333,747
Contractual obligations	(Note 15)		
Contingent liabilities	(Note 16)		

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

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

	Budget 2015	Actual 2015	Actual 2014
REVENUES			
Alberta Education	\$ 64,990,949	\$ 71,349,036	\$ 67,601,217
Other - Government of Alberta	\$ -	\$ 471,708	\$ 329,666
Federal Government and First Nations	\$ 1,420,000	\$ 1,397,621	\$ 1,294,743
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ 39,200	\$ 44,200	\$ 45,825
Property taxes	\$ -	\$ -	\$ -
Fees	\$ 1,845,170	\$ 5,304,460	\$ 4,913,319
Other sales and services	\$ 4,838,137	\$ 2,633,918	\$ 2,223,881
Investment income	\$ 188,600	\$ 314,590	\$ 214,779
Gifts and donations	\$ 175,000	\$ 149,025	\$ 439,221
Rental of facilities	\$ 771,906	\$ 92,662	\$ 106,294
Fundraising	\$ 685,000	\$ 482,977	\$ 763,319
Gains on disposal of capital assets	\$ -	\$ 13,700	\$ 4,480
Other revenue	\$ 1,152,579	\$ 254,615	\$ 146,513
Total revenues	\$ 76,106,541	\$ 82,508,512	\$ 78,083,257
EXPENSES			
Instruction - ECS	\$ 2,650,000	\$ 2,569,882	\$ -
Instruction - Grades 1 - 12	\$ 58,124,960	\$ 57,278,920	\$ 55,222,496
Plant operations and maintenance	\$ 9,096,019	\$ 11,263,895	\$ 9,209,622
Transportation	\$ 4,046,462	\$ 3,992,771	\$ 4,028,999
Board & system administration	\$ 2,592,691	\$ 2,426,687	\$ 2,396,239
External services	\$ 3,270,000	\$ 4,096,866	\$ 5,096,768
Total expenses	\$ 79,780,132	\$ 81,629,020	\$ 75,954,124
Operating surplus (deficit)	\$ (3,673,591)	\$ 879,492	\$ 2,129,133

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

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

	2015	2014
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 879,492	\$ 2,129,133
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 3,506,009	\$ 3,399,905
Gains on disposal of tangible capital assets	\$ (13,700)	\$ (4,480)
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (2,122,708)	\$ (2,143,743)
Deferred capital revenue write-off	\$ -	\$ -
Donations in kind	\$ -	\$ (225,000)
Changes in:		
Accounts receivable	\$ (3,653,815)	\$ (1,035,489)
Prepays	\$ (275,281)	\$ (79,103)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ (62,808)	\$ 30,843
Accounts payable, accrued and other liabilities	\$ 1,742,663	\$ 50,186
Deferred revenue (excluding EDCR)	\$ 13,076,245	\$ 2,496,000
Employee future benefit liabilities	\$ 45,348	\$ 21,520
Other (describe)	\$ -	\$ -
Total cash flows from operating transactions	\$ 13,121,445	\$ 4,639,772
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ (595,574)
Buildings	\$ (9,229,291)	\$ (2,671,436)
Equipment	\$ (681,808)	\$ (28,303)
Vehicles	\$ (621,252)	\$ (1,596,690)
Computer equipment	\$ (176,695)	\$ (134,839)
Net proceeds from disposal of unsupported capital assets	\$ 17,764	\$ 4,480
Other (describe)	\$ -	\$ -
Total cash flows from capital transactions	\$ (10,691,282)	\$ (5,022,362)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (10,480,000)	\$ (10,300,000)
Dispositions of portfolio investments	\$ 8,300,000	\$ 6,000,000
Remeasurement gains (losses) reclassified to the statement of operations	\$ -	\$ -
Change in endowments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ (2,180,000)	\$ (4,300,000)
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (125,726)	\$ (240,688)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other factors affecting capital leases - cancellation of obligation under capital lease	\$ -	\$ (10,077)
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ (125,726)	\$ (250,765)
Increase (decrease) in cash and cash equivalents	\$ 124,438	\$ (4,933,355)
Cash and cash equivalents, at beginning of year	\$ 6,235,336	\$ 11,168,691
Cash and cash equivalents, at end of year	\$ 6,359,774	\$ 6,235,336

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)	\$ 879,492	\$ 2,129,133
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (15,420,156)	\$ (11,640,888)
Amortization of tangible capital assets	\$ 3,506,009	\$ 3,399,905
Net carrying value of tangible capital assets disposed of	\$ 4,064	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ (11,910,083)	\$ (8,240,983)
Changes in:		
Prepaid expenses	\$ (275,281)	\$ (79,103)
Other non-financial assets	\$ (62,808)	\$ 30,843
Net remeasurement gains and (losses)	\$ -	\$ -
Endowments	\$ -	\$ -
Increase (decrease) in net financial assets (net debt)	\$ (11,368,679)	\$ (6,160,110)
Net financial assets (net debt) at beginning of year	\$ (39,444,369)	\$ (33,284,259)
Net financial assets (net debt) at end of year	\$ (50,813,049)	\$ (39,444,369)

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

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

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

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

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

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2014	\$ 21,333,747	\$ -	\$ 21,333,747	\$ 10,788,586	\$ -	\$ 358,479	\$ 8,041,334	\$ 2,145,348
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2014	\$ 21,333,747	\$ -	\$ 21,333,747	\$ 10,788,586	\$ -	\$ 358,479	\$ 8,041,334	\$ 2,145,348
Operating surplus (deficit)	\$ 879,492		\$ 879,492			\$ 879,492		
Board funded tangible capital asset additions				\$ 1,684,921		\$ (1,684,921)		
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ (17,764)		\$ 17,764
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	\$ -		\$ -	\$ (3,506,009)		\$ 3,506,009		
Capital revenue recognized	\$ -		\$ -	\$ 2,122,708		\$ (2,122,708)		
Debt principal repayments (unsupported)	\$ -		\$ -	\$ 125,726		\$ (125,726)		
Additional capital debt or capital leases	\$ -		\$ -	\$ -		\$ -		
Net transfers to operating reserves	\$ -		\$ -			\$ (504,299)	\$ 504,299	
Net transfers from operating reserves	\$ -		\$ -			\$ -	\$ -	
Net transfers to capital reserves	\$ -		\$ -			\$ (500,000)		\$ 500,000
Net transfers from capital reserves	\$ -		\$ -			\$ 348,063		\$ (348,063)
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Balance at August 31, 2015	\$ 22,213,239	\$ -	\$ 22,213,239	\$ 11,215,931	\$ -	\$ 136,626	\$ 8,545,633	\$ 2,315,049

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
Balance at August 31, 2014	\$ 8,041,334	\$ 188,687	\$ -	\$ 1,590,000	\$ -	\$ 168,217	\$ -	\$ 198,444	\$ -	\$ -	\$ -	\$ -
Prior period adjustments:												
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2014	\$ 8,041,334	\$ 188,687	\$ -	\$ 1,590,000	\$ -	\$ 168,217	\$ -	\$ 198,444	\$ -	\$ -	\$ -	\$ -
Operating surplus (deficit)												
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,764	\$ -	\$ -	\$ -	\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net reinsurance 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	\$ 504,299	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers from operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to capital reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Net transfers from capital reserves	\$ -	\$ -	\$ -	\$ (348,063)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2015	\$ 8,545,633	\$ 188,687	\$ -	\$ 1,241,937	\$ -	\$ 168,217	\$ -	\$ 716,208	\$ -	\$ -	\$ -	\$ -

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

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2014	\$ 1,649,601	\$ -	\$ 100,000	\$ 586,519	\$ 47,981,766
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2014	\$ 1,649,601	\$ -	\$ 100,000	\$ 586,519	\$ 47,981,766
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 10,125,539				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources: (Describe) Transferred from Capital Reserves	\$ 348,063				
Other sources (Describe): Transferred from IMR funds	\$ -			\$ 142,551	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ 3,437,707				
Other sources: (Describe) Friends of Trochu Valley	\$ -			\$ 152,000	
Other sources: (Describe)	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
Other unexpended capital revenue: (Describe)				\$ -	
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					\$ 4,711,110
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (9,231,224)	\$ -	\$ -	\$ (254,200)	\$ 9,485,424
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments (Explain):	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ -
Other adjustments (Explain): transfers from the capital reserves	\$ -	\$ -	\$ -	\$ -	\$ 348,063
Capital revenue recognized - Alberta Education					\$ 2,122,708
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2015	\$ 6,329,686	\$ -	\$ 100,000	\$ 626,870	\$ 59,707,530
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2015 (A) + (B) + (C) + (D)				\$ 7,056,557	

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	\$ 2,724,804	\$ 52,702,388	\$ 9,784,310	\$ 3,704,799	\$ 2,414,376	\$ 18,359	\$ 71,349,036
(2) Other - Government of Alberta	-	\$ 226,893	-	-	-	\$ 244,815	\$ 471,708
(3) Federal Government and First Nations	-	\$ 1,247,821	\$ 150,000	-	-	-	\$ 1,397,821
(4) Other Alberta school authorities	-	-	-	-	-	-	-
(5) Out of province authorities	-	-	-	-	-	-	-
(6) Alberta municipalities-special tax levies	-	\$ 44,200	-	-	-	-	\$ 44,200
(7) Property taxes	-	-	-	-	-	-	-
(8) Fees	\$ 13,650	\$ 1,593,648	-	-	-	-	\$ 1,607,298
(9) Other sales and services	-	\$ 1,588,486	\$ 125,383	\$ 34,069	\$ 31,517	\$ 3,697,162	\$ 5,304,460
(10) Investment income	-	-	-	-	\$ 314,590	-	\$ 314,590
(11) Gifts and donations	-	\$ 131,019	-	-	-	\$ 18,006	\$ 149,025
(12) Rental of facilities	-	\$ 5,318	\$ 87,344	-	-	-	\$ 92,662
(13) Fundraising	-	\$ 362,232	-	-	-	\$ 120,744	\$ 482,977
(14) Gains on disposal of tangible capital assets	-	-	-	\$ 13,700	-	-	\$ 13,700
(15) Other revenue	\$ 19,100	\$ 47,245	\$ 178,316	\$ 6,579	\$ 3,375	-	\$ 254,615
(16) TOTAL REVENUES	\$ 2,757,554	\$ 57,949,049	\$ 10,325,353	\$ 3,759,148	\$ 2,763,859	\$ 4,953,550	\$ 82,508,512

EXPENSES	2015						2014
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL
	ECS	Grades 1 - 12					
(17) Certificated salaries	\$ 1,600,409	\$ 32,993,618	-	-	\$ 385,743	\$ 40,924	\$ 35,000,695
(18) Certificated benefits	\$ 195,282	\$ 7,952,257	-	-	\$ 23,328	\$ 3,835	\$ 8,174,701
(19) Non-certificated salaries and wages	\$ 450,470	\$ 5,741,978	\$ 2,117,555	\$ 1,717,638	\$ 1,071,702	\$ 545,639	\$ 11,644,983
(20) Non-certificated benefits	\$ 119,122	\$ 1,639,663	\$ 531,978	\$ 199,930	\$ 258,972	\$ 110,354	\$ 2,860,020
(21) SUB - TOTAL	\$ 2,365,284	\$ 48,327,516	\$ 2,649,533	\$ 1,917,568	\$ 1,719,745	\$ 700,753	\$ 57,660,399
(22) Services, contracts and supplies	\$ 204,598	\$ 8,796,764	\$ 6,081,681	\$ 1,430,480	\$ 572,581	\$ 3,241,592	\$ 20,327,695
(23) Amortization of supported tangible capital assets	-	\$ 26,787	\$ 2,095,920	-	-	-	\$ 2,122,708
(24) Amortization of unsupported tangible capital assets	-	\$ 104,754	\$ 436,760	\$ 644,724	\$ 101,608	\$ 95,456	\$ 1,383,301
(25) Supported interest on capital debt	-	-	-	-	-	-	-
(26) Unsupported interest on capital debt	-	-	-	-	\$ 32,753	\$ 59,065	\$ 91,819
(27) Other interest and finance charges	-	\$ 1,365	-	-	-	-	\$ 1,365
(28) Losses on disposal of tangible capital assets	-	-	-	-	-	-	-
(29) Other expense	-	-	-	-	-	-	-
(30) TOTAL EXPENSES	\$ 2,569,882	\$ 57,278,920	\$ 11,263,895	\$ 3,992,771	\$ 2,426,687	\$ 4,096,866	\$ 81,629,020
(31) OPERATING SURPLUS (DEFICIT)	\$ 187,672	\$ 670,129	\$ (938,542)	\$ (233,623)	\$ 337,172	\$ 856,684	\$ 879,492

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	\$ 1,268,576	\$ 739,607	\$ -	\$ 15,814	\$ 93,559		\$ 2,117,555		\$ 2,117,555
Uncertificated benefits	\$ 321,658	\$ 182,912	\$ -	\$ 3,699	\$ 23,709		\$ 531,978		\$ 531,978
Sub-total Remuneration	\$ 1,590,234	\$ 922,519	\$ -	\$ 19,512	\$ 117,268		\$ 2,649,533		\$ 2,649,533
Supplies and services	\$ 687,114	\$ 1,104,913	\$ -	\$ 2,103,872	\$ 21,766		\$ 3,917,664		\$ 3,917,664
Electricity			\$ 737,246				\$ 737,246		\$ 737,246
Natural gas/heating fuel			\$ 418,928				\$ 418,928		\$ 418,928
Sewer and water			\$ 249,358				\$ 249,358		\$ 249,358
Telecommunications			\$ 10,579				\$ 10,579		\$ 10,579
Insurance					\$ 295,862		\$ 295,862		\$ 295,862
ASAP maintenance & renewal payments									
Amortization of tangible capital assets									
Supported									
Unsupported						\$ 436,760	\$ 436,760	\$ 2,095,920	\$ 2,095,920
Total Amortization						\$ 436,760	\$ 436,760	\$ 2,095,920	\$ 2,532,680
Interest on capital debt									
Supported									
Unsupported									
Lease payments for facilities				\$ 452,043			\$ 452,043		\$ 452,043
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$ 2,277,348	\$ 2,027,432	\$ 1,416,112	\$ 2,575,427	\$ 434,866	\$ 436,760	\$ 9,167,974	\$ 2,095,920	\$ 11,263,895
SQUARE METRES									
School buildings									80,790.7
Non school buildings									4,259.8

Note:

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

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

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

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

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

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

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

	Actual 2014/2015	Actual 2013/2014
FEES		
Transportation fees	\$0	\$0
Basic instruction supplies (text books, including lost or replacement fees, course materials)	\$412,080	\$397,538
Technology user fees	\$14,574	\$10,037
Alternative program fees	\$65,535	\$45,135
Fees for optional courses (band, art, etc.)	\$341,097	\$234,921
Fees for students from other boards	\$0	\$0
Tuition fees (international & out of province)	\$3,697,162	\$3,714,061
Kindergarten & preschool	\$12,718	\$8,759
Extracurricular fees (sports teams and clubs)	\$413,620	\$284,870
Field trips (related to curriculum)	\$92,757	\$42,430
Lunch supervision fees	\$0	\$0
Locker rental; locks; student ID; uniforms; library, student union, and fitness fees	\$87,812	\$60,478
Other (describe)* Supplemental Program Fees & Supplies	\$17,748	\$12,223
Other (describe)* Other Sales & Services Classed as Fees	\$149,358	\$102,867
Other (describe)*	\$0	\$0
TOTAL FEES	\$5,304,460	\$4,913,319

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

Please disclose amounts paid by parents of students that are recorded as "Other sales and services" or "Other revenue" (rather than fee revenue):	Actual 2014/2015	Actual 2013/2014
Cafeteria sales, hot lunch, milk programs	\$438,079	\$457,493
Special events, graduation, tickets	\$28,319	\$25,898
Student travel (international, recognition trips, non-curricular)	\$105	\$500
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$90,908	\$66,947
Adult education revenue	\$38,869	\$40,881
Child care & before and after school care	\$0	\$0
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
TOTAL	\$596,279	\$591,719

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING
for the Year Ended August 31, 2015 (in dollars)

	PROGRAM AREA						Small Schools by Necessity (Revenue only)
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education			
Funded Students in Program REVENUES							
Alberta Education allocated funding	\$ 237,976	\$ 960,200	\$ 387,595	\$ 3,846,338	\$ 1,399,716		
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -		
TOTAL REVENUES	\$ 237,976	\$ 960,200	\$ 387,595	\$ 3,846,338	\$ 1,399,716		
EXPENSES (Not allocated from BASE, Transportation, or other funding)							
Instructional certificated salaries & benefits	\$ 165,794	\$ 152,637	\$ 89,239	\$ 1,109,257			
Instructional non-certificated salaries & benefits	\$ 104,175	\$ 569,592	\$ 156,838	\$ 2,219,187			
SUB TOTAL	\$ 269,969	\$ 722,229	\$ 246,076	\$ 3,328,444			
Supplies, contracts and services	\$ 2,317	\$ 203,457	\$ 7,726	\$ 411,114			
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -			
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -			
Administration (administrative salaries & services)	\$ 8,567	\$ 34,567	\$ 13,953	\$ 138,468			
Other (please describe)	\$ -	\$ -	\$ -	\$ -			
Other (please describe)	\$ -	\$ -	\$ -	\$ -			
TOTAL EXPENSES	\$ 280,853	\$ 960,254	\$ 267,756	\$ 3,878,026			
NET FUNDING SURPLUS (SHORTFALL)	\$ (42,877)	\$ (54)	\$ 119,839	\$ (31,687)			

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

EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs				TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	TOTAL	
1 Office of the superintendent	\$ 389,071	\$ 26,931	\$ -	\$ 416,002	\$ -	\$ 13,710	\$ -	\$ 429,712	
2 Educational administration (excluding superintendent)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3 Business administration	\$ 913,279	\$ 196,188	\$ -	\$ 1,109,467	\$ -	\$ -	\$ -	\$ 1,109,467	
4 Board governance (Board of Trustees)	\$ 106,566	\$ 37,108	\$ -	\$ 143,674	\$ -	\$ -	\$ -	\$ 143,674	
5 Information technology	\$ -	\$ 135,126	\$ -	\$ 135,126	\$ -	\$ -	\$ -	\$ 135,126	
6 Human resources	\$ 170,242	\$ 75,648	\$ -	\$ 245,890	\$ -	\$ -	\$ -	\$ 245,890	
7 Central purchasing, communications, marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8 Payroll	\$ 140,587	\$ -	\$ -	\$ 140,587	\$ -	\$ -	\$ -	\$ 140,587	
9 Administration - insurance	\$ -	\$ -	\$ 6,677	\$ 6,677	\$ -	\$ -	\$ -	\$ 6,677	
10 Administration - amortization	\$ -	\$ -	\$ 101,608	\$ 101,608	\$ -	\$ -	\$ -	\$ 101,608	
11 Administration - other (admin building, interest)	\$ -	\$ -	\$ 127,656	\$ 127,656	\$ -	\$ -	\$ -	\$ 127,656	
12 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
13 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
14 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 1,719,745	\$ 471,001	\$ 235,941	\$ 2,426,687	\$ -	\$ 13,710	\$ -	\$ 2,440,397	

Golden Hills School Division #75

Notes to Financial Statements

August 31, 2015

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 School Jurisdiction receives instruction and support allocations under Regulation AR120/2008. 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.

The School Jurisdiction is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act* (Alberta). The School Jurisdiction is registered as a charitable organization under the *Income Tax Act* (Canada) and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian public sector accounting standards. 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 consist of cash on hand and bank indebtedness and short term investments with maturities of less than 90 days from the financial statement date.

(b) Accounts receivable

Accounts receivable are shown net of an allowance for doubtful accounts.

(c) Portfolio investments

Portfolio investments consists of guaranteed investment certificates ("GIC"), term deposits, bonds, equity instruments and mutual funds that have no maturity dates or have a maturity of greater than 3 months. GIC's, term deposits and other investments not quoted in an active market are reported at cost or amortized cost.

Portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are derecognized. Upon derecognition, the accumulated remeasurement gains or losses associated with the derecognized portfolio investments are reversed and reclassified to the Statement of Operations.

Golden Hills School Division #75

Notes to Financial Statements

August 31, 2015

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. A subsequent increase in value would be recognized on the Statement of Remeasurement Gains and Losses and realized on the Statement of Operations only when sold.

(d) Tangible capital assets

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair market value at the date of contribution. Only tangible capital assets with costs in excess of \$5,000 are capitalized.

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 School Jurisdiction 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. The discount rate used to determine the present value of the lease payments is the lower of the School Jurisdiction's rate for incremental borrowing or the interest rate implicit in the lease.

Amortization on capital assets is provided on a straight-line basis over the following range of years:

Buildings	25 - 40 years
Computer equipment	4 - 5 years
Equipment	5 - 10 years
Vehicles	5 - 10 years

Leasehold improvements are amortized over the life of the lease.

(e) Deferred revenue

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability. These contributions are recognized by the School Jurisdiction 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.

Golden Hills School Division #75

Notes to Financial Statements

August 31, 2015

Deferred revenue also includes contributions for capital expenditures. Unexpended deferred capital revenue represents externally restricted supported capital funds provided for a specific capital purpose received or receivable by the School Jurisdiction, but the related expenditure has not been made at year-end. Expended deferred capital revenue represents externally restricted 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 that the School Jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

(f) Prepaid expenses

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

(g) Other non-financial assets

Other non-financial assets include inventory recorded at the lower of cost and net realizable value. The cost of inventory is determined on a first-in, first-out basis and includes expenditures incurred in acquiring the inventory and other costs incurred in bringing it to its existing location and condition. In establishing the appropriate inventory obsolescence, management estimates the likelihood that inventory carrying values will be affected by changes in market demand which would make inventory on hand obsolete. At year-end, no inventory was considered to be obsolete.

(h) Revenue recognition

Revenue is recognized as follows:

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.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

Golden Hills School Division #75

Notes to Financial Statements

August 31, 2015

(i) Vacation pay

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

(j) Expenses

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

Salaries, employee benefits and allowances of personnel assigned to two or more programs are allocated based on the time spent in each program. Supplies and services are allocated based on actual program identification.

(k) Pensions

Pension costs included in these financial statements as part of salary and benefits comprise the cost of employer and Provincial contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the *Teachers Pension Plan Act*, the Golden Hills School Division #75 does not make pension contributions for certificated staff. For the school year ended August 31, 2015, the amount contributed by the province was \$4,280,640 (2014 - \$4,154,266).

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 \$1,033,314 for the year ended August 31, 2015 (2014 - \$934,314). At December 31, 2014, the Local Authorities Pension Plan reported a deficiency of \$2,454,636,000 (2013 - a deficiency of \$4,861,516,000).

(l) Program reporting

The School Jurisdiction's operations have been segmented as follows:

- ECS Instruction - The provision of Early Childhood Services that fall under the basic public education mandate.
- Grade 1 - 12 Instruction - The provision of grade 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.

Golden Hills School Division #75

Notes to Financial Statements

August 31, 2015

- 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.

(m) Portfolio investments

The School Jurisdiction has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The Division holds title to the property for the benefit of the beneficiary.

Trusts under administration have been excluded from the financial reporting of the Division. Trust balances can be found in Note 18.

(n) 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 Jurisdiction recognizes a financial instrument when it becomes a party to a financial instrument contract.

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

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

Golden Hills School Division #75

Notes to Financial Statements

August 31, 2015

(o) Contributed materials and services

Contributed materials and services which are used in the normal course of the School Jurisdiction's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

Volunteers assist the school in carrying out certain activities. Because of the difficulty of determining their fair market value and of the fact that such assistance is generally not otherwise purchased, contributed services of this nature are not recognized in the financial statements.

(p) Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the School Jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

(q) Liability for Contaminated Sites

In June 2010, the Public Sector Accounting Board issued PS3260 "Liability for Contaminated Sites" effective for fiscal years starting on or 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. Management believes that no such liability exists currently (note 14).

3. Measurement uncertainty

The valuation of accounts receivable is based on management's best estimate of the provision for doubtful accounts.

The valuation of inventory is based on management's best estimates of the provision for slow-moving and obsolete inventory.

The valuation of capital assets is based on management's best estimates of the future recoverability of these assets and the determination of costs subject to classification as capital assets. The amounts recorded for amortization of the capital assets and the related amortization of unamortized capital allocations are based on management's best estimates of the remaining useful lives and period of future benefit of the related assets.

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

4. Cash and cash equivalents

	2015		2014	
	Average Effective (Market) Yield	Amortized Cost	Average Effective (Market) Yield	Amortized Cost
Cash	0%	\$ 3,859,774	0%	\$ 6,235,336
GIC's - cashable	1.45%	<u>2,500,000</u>		<u>-</u>
Total cash and cash equivalents		<u>\$ 6,359,774</u>		<u>\$ 6,235,336</u>

5. Accounts receivable

	2015		2014	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 12,116	\$ -	\$ 12,116	\$ -
Alberta Education - Capital	3,437,707	-	3,437,707	1,596,000
Other Alberta school jurisdictions	8,512	-	8,512	12,283
Alberta Health Services	25,503	-	25,503	34,554
Federal government	457,272	-	457,272	268,554
Municipalities	1,244,598	-	1,244,598	1,223,787
First Nations	231,871	-	231,871	172,052
Other	628,671	(107,959)	520,712	88,567
Regional Collaborative Service Delivery	<u>1,111,321</u>	<u>-</u>	<u>1,111,321</u>	<u>-</u>
Total	<u>\$ 7,157,571</u>	<u>\$ (107,959)</u>	<u>\$ 7,049,612</u>	<u>\$ 3,395,797</u>

Included in accounts receivable is \$1,244,598 in deposits held by a municipality as security for municipal and site improvements. The deposits are interest bearing at prevailing market rates attributable to guaranteed investment certificates for investments in excess of 1 million (1.70% at August 31, 2015) and is refundable upon the municipality approving completion of the project.

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

6. Portfolio investments

	Average Effective (Market) Yield	August 31, 2015
Guaranteed investment certificates	1.55 %	\$ 4,880,000
Guaranteed investment certificates	2.07 %	1,000,000
Guaranteed investment certificates	1.95 %	1,000,000
Guaranteed investment certificates	1.80 %	1,000,000
Guaranteed investment certificates	1.70 %	1,000,000
Guaranteed investment certificates	1.50 %	1,000,000
Guaranteed investment certificates	1.90 %	600,000
Guaranteed investment certificates	1.91 %	500,000
Guaranteed investment certificates	1.80 %	500,000
Guaranteed investment certificates	1.72 %	500,000
Guaranteed investment certificates	1.65 %	<u>500,000</u>
Total portfolio investments		<u>\$ 12,480,000</u>

	Average Effective (Market) Yield	August 31, 2014
Guaranteed investment certificates	2.07 %	\$ 2,000,000
Guaranteed investment certificates	1.95 %	2,000,000
Guaranteed investment certificates	1.80 %	2,000,000
Guaranteed investment certificates	1.75 %	1,300,000
Guaranteed investment certificates	1.70 %	1,000,000
Guaranteed investment certificates	1.35 %	1,000,000
Guaranteed investment certificates	2.05 %	500,000
Guaranteed investment certificates	1.58 %	<u>500,000</u>
Total portfolio investments		<u>\$ 10,300,000</u>

7. Bank indebtedness

The School Jurisdiction has negotiated a line of credit in the amount of \$3,395,000 that bears interest at the bank prime rate less 0.25% per annum. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2015 (2014 - \$Nil).

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

8. Accounts payable and accrued liabilities

	August 31, 2015	August 31, 2014
Alberta Education	\$ -	\$ 40,688
Other Alberta school jurisdictions	29,000	6,886
Alberta Capital Finance Authority (interest on long-term debt - unsupported)	25,827	27,936
Federal government	754,586	729,232
Other trade payables and accrued liabilities	4,562,649	3,437,806
Holdback payable on new construction projects	613,149	-
	<u>\$ 5,985,211</u>	<u>\$ 4,242,548</u>

9. Deferred revenue

Source and Grant or Fund Type	Deferred Revenue as at August 31, 2014	ADD: 2014/2015 Restricted Funds Received/Receivable	DEDUCT: 2014/2015 Restricted Funds Expended (Paid/Payable)	Deferred Revenue as at August 31, 2015
Unexpended deferred operating revenue				
Alberta Education				
Student Health Initiatives (School Authorities)	\$ 5,487	\$ -	\$ -	\$ 5,487
Infrastructure Maintenance Renewal	261,294	1,975,702	(2,265,935)	(28,939)
Other Government of Alberta				
CTS Evergreening	399,245	-	(399,245)	-
Other Deferred Revenue				
International Student Fees	2,182,630	4,323,184	(4,419,853)	2,085,961
Municipalities	39,200	39,200	(56,400)	22,000
University of Calgary	10,000	-	(10,000)	-
Other	14,899	37,939	(6,147)	46,691
Total unexpended deferred operating revenue	2,912,755	6,376,025	(7,157,580)	2,131,200
Unexpended deferred capital revenue	2,336,120	14,205,861	(9,485,424)	7,056,557
Expended deferred capital revenue	47,981,766	13,848,473	(2,122,708)	59,707,531
Total	\$ 53,230,641	\$ 34,430,359	\$(18,765,712)	\$ 68,895,288

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

Source and Grant or Fund Type	Deferred Revenue as at August 31, 2013	ADD: 2013/2014 Restricted Funds Received/Receivable	DEDUCT: 2013/2014 Restricted Funds Expended (Paid/Payable)	Deferred Revenue as at August 31, 2014
Unexpended deferred operating revenue				
Alberta Education				
Regional Collaborative Service Delivery	\$ 100,000	\$ -	\$ (100,000)	\$ -
Student Health Initiative (School Authorities)	5,487	-	-	5,487
Infrastructure Maintenance Renewal	285,083	764,100	(787,889)	261,294
Other Government of Alberta				
CTS Evergreening	22,393	-	(22,393)	-
Technology in the Classrooms	99,423	-	(99,423)	-
Innovative Classrooms	277,429	-	(277,429)	-
Evergreen program	-	399,245	-	399,245
Miscellaneous Deferred Revenue				
International Student Fees	2,228,608	2,253,045	(2,299,023)	2,182,630
Municipalities	40,825	39,200	(40,825)	39,200
University of Calgary	-	10,000	-	10,000
Other	14,668	6,147	(5,916)	14,899
Total unexpended deferred operating revenue	3,073,916	3,471,737	(3,632,898)	2,912,755
Unexpended deferred capital revenue	1,549,002	2,657,161	(1,870,043)	2,336,120
Expended deferred capital revenue	41,811,243	8,314,266	(2,143,743)	47,981,766
Total	\$ 46,434,161	\$ 14,443,164	\$ (7,646,684)	\$ 53,230,641

10. Employee future benefits

Employee future benefits liabilities consist of the following:

	August 31, 2014	August 31, 2013
Accrued benefit obligations of the Supplementary Executive Retirement Program	\$ 23,300	\$ -
Vacation accrual liability	<u>343,676</u>	<u>321,628</u>
Total employee future benefits	<u>\$ 366,976</u>	<u>\$ 321,628</u>

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

11. Long-term debt

(a) Unsupported debentures

	August 31, 2015	August 31, 2014
Unsupported debentures outstanding with interest rates between 5.175% and 6.25%. The terms of the loans range between 20 and 25 years, payments made annually (note 11(b))	\$ 1,454,959	\$ 1,580,685

(b) Unsupported debentures #1

The School Jurisdiction previously entered into an unsupported debenture in the amount of \$1,200,000 and has an outstanding balance of \$480,000. The debenture bears interest at 6.25% per annum, is unsecured and expires on August 25, 2025. The following is a summary of principal and interest payments on related long-term debt outstanding at August 31, 2015:

	Principal	Interest	Total
2015 - 2016	\$ 48,000	\$ 30,000	\$ 78,000
2016 - 2017	48,000	27,000	75,000
2017 - 2018	48,000	24,000	72,000
2018 - 2019	48,000	21,000	69,000
2019 - 2020	48,000	18,000	66,000
2020 - maturity	<u>240,000</u>	<u>45,000</u>	<u>285,000</u>
	<u>\$ 480,000</u>	<u>\$ 165,000</u>	<u>\$ 645,000</u>

(c) Unsupported debentures #2

The School Jurisdiction previously entered into an unsupported debenture in the amount of \$1,622,853 and has an outstanding balance of \$974,959. The unsupported debenture bears interest at 5.175% per annum, is unsecured and expires on September 15, 2024. The following is a summary of principal and interest payments on related long term debt outstanding at August 31, 2015:

	Principal	Interest	Total
2015 - 2016	\$ 81,800	\$ 49,409	\$ 131,209
2016 - 2017	86,088	45,121	131,209
2017 - 2018	90,600	40,609	131,209
2018 - 2019	95,350	35,859	131,209
2019 - 2020	100,348	30,861	131,209
2020 to maturity	<u>520,773</u>	<u>69,669</u>	<u>590,442</u>
	<u>\$ 974,959</u>	<u>\$ 271,528</u>	<u>\$ 1,246,487</u>

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

12. Tangible capital assets

Estimated useful life	2015					2014		
	Land	Construction in Progress - Buildings	Buildings 25-40 years	Leasehold Improvements	Equipment 5-10 years	Vehicles 5-10 years	Computer Hardware and Software 3-5 years	Total
Historical Cost								
Beginning of year	\$ 1,445,559	\$ 11,610,754	\$ 91,565,592	\$ 637,399	\$ 5,314,870	\$ 8,728,831	\$ 408,199	\$ 119,711,204
Additions	-	13,699,181	227,883	13,337	681,809	621,252	176,696	15,420,158
Transfers in (out)	-	(14,882,890)	14,882,890	-	-	-	-	-
Less: Disposals including write-offs	-	-	-	-	-	(391,159)	-	(391,159)
	\$ 1,445,559	\$ 10,427,045	\$ 106,676,365	\$ 650,736	\$ 5,996,679	\$ 8,958,924	\$ 584,895	\$ 134,740,203
								\$ 119,711,204

Accumulated depreciation, amortization and impairment losses

Beginning of year	\$ -	\$ -	\$ 50,776,769	\$ 361,758	\$ 4,724,995	\$ 3,364,199	\$ 209,838	\$ 59,437,559	\$ 56,323,530
Amortization	-	-	2,301,586	268,601	131,216	724,185	80,421	3,506,009	3,399,906
Less: Disposals including write-offs	-	-	-	-	-	(387,093)	-	(387,093)	(285,877)
	\$ -	\$ -	\$ 53,078,355	\$ 630,359	\$ 4,856,211	\$ 3,701,291	\$ 290,259	\$ 62,556,475	\$ 59,437,559
Net book value at End of Year	\$ 1,445,559	\$ 10,427,045	\$ 53,598,010	\$ 20,377	\$ 1,140,468	\$ 5,257,633	\$ 294,636	\$ 72,183,728	\$ 60,273,645

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

13. Accumulated surplus

The School Jurisdiction's accumulated surplus is summarized as follows:

	2015	2014
Unrestricted surplus	\$ 136,626	\$ 358,479
Operating reserves	<u>8,545,633</u>	<u>8,041,334</u>
	8,682,259	8,399,813
Investment in tangible capital assets	11,215,931	10,788,586
Capital reserves	<u>2,315,049</u>	<u>2,145,348</u>
Accumulated surplus	<u>\$ 22,213,239</u>	<u>\$ 21,333,747</u>

Included in accumulated surplus from operations are school generated funds to which School Jurisdiction has no claim. Adjusted accumulated surplus represents funds owned by the School Jurisdiction.

	2015	2014
Accumulated surplus from operations	\$ 8,682,259	\$ 8,399,813
Deduct: School generated funds included in accumulated surplus (note 17)	<u>1,761,309</u>	<u>1,637,008</u>
Adjusted accumulated surplus from operations	<u>\$ 6,920,950</u>	<u>\$ 6,762,805</u>

14. Liability for contaminated sites

Liability for contaminated sites represents legal obligations associated with the retirement of a tangible long-lived asset that results from its acquisition, construction, development or normal operation (note 2(q)). The School Jurisdiction has a legal obligation to remove and dispose of, in a safe manner, the hazardous material (asbestos) located within any school within its jurisdiction upon its retirement. A liability has not been recognized, as the fair value of the liability cannot be reasonably estimated, as the range of time over which the entity may settle the obligation cannot be determined.

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

15. Contractual obligations

	Building Projects	Building Leases	Service Providers	Total
2015 - 2016	\$ 16,586,198	\$ 721,305	\$ 616,270	\$ 17,923,773
2016 - 2017	1,712,830	190,329	366,776	2,269,935
2017 - 2018	-	65,208	-	65,208
2018 - 2019	-	-	-	-
2019 - 2020	-	-	-	-
	<u>\$ 18,299,028</u>	<u>\$ 976,842</u>	<u>\$ 983,046</u>	<u>\$ 20,258,916</u>

(a) Building Projects

The School Jurisdiction is committed to further capital expenditures relating to architectural/engineering fees and construction costs towards the Prairie Christian Academy School modernization project and the new East Wheatland School project of approximately \$4,188,210 and \$14,056,817, respectively.

The School Jurisdiction has outstanding commitments approximating \$54,000 for set-up and installation costs for five modular units at Crowther Memorial Junior High School. These costs are expected to be covered by Alberta Education.

(b) Building Leases

The School Jurisdiction is committed to lease office space on behalf of an affiliated organization to September 14, 2017, from which the annual rental of \$43,397 is recovered annually.

The School Jurisdiction leases classroom and dormitory space under lease agreements expiring between 2015 and 2018.

(c) Service Providers

As at August 31, 2015, the School Jurisdiction has \$366,776 in commitments relating to an amended service contract for photocopiers for all the schools and division office within the school jurisdiction for each of the next two years.

The School Division has a commitment for \$249,494 in janitorial services in 2016.

(d) Transportation Services

The School Jurisdiction has agreements with several contractors to provide transportation services for students. These agreements are for the period June 2016, with basic daily rates ranging from \$197 to \$322.

Golden Hills School Division #75

Notes to Financial Statements

August 31, 2015

16. Contingencies

The School Jurisdiction is a member of a reciprocal insurance exchange called Alberta School Boards Insurance Exchange (ASBIE). A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements (\$119,212 - 2014/15), as the value of equity is subject to liability claims. Under the terms of the membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange.

17. School generated funds

	2015	2014
School generated funds, beginning of year	\$ <u>1,637,008</u>	\$ <u>1,591,956</u>
Gross receipts		
Fees	1,202,206	827,986
Fundraising	482,977	763,319
Gifts and donations	72,025	134,151
Grants to schools	11,803	-
Other sales and services	<u>2,109,536</u>	<u>1,745,466</u>
Total gross receipts	<u>3,878,547</u>	<u>3,470,922</u>
Total related expenses and uses of funds	3,270,564	2,877,358
Total direct costs including cost of goods sold to raise funds	<u>483,682</u>	<u>548,512</u>
School generated funds, end of year	\$ <u><u>1,761,309</u></u>	\$ <u><u>1,637,008</u></u>
Balance included in accumulated surplus (Operating Reserves)	\$ <u><u>1,761,309</u></u>	\$ <u><u>1,637,008</u></u>

18. Trusts under administration

The School Jurisdiction has trusts under administration that are not included in these financial statements as follows:

	2015	2014
Scholarship trusts	\$ 60,979	\$ 66,939
Regional Collaborative Service Delivery (Banker board)	<u>119,776</u>	<u>104,265</u>
Total	\$ <u><u>180,755</u></u>	\$ <u><u>171,204</u></u>

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

19. Related party transactions

All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. Transactions are recorded on the statement of revenues and expenses and statement of financial position, at the amount of consideration agreed upon between the related parties.

	Balances		Transactions	
	Financial Assets (at cost or net realizable)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA)				
Education				
Accounts receivable / accounts payable	\$ 3,449,823	\$ -	\$ -	\$ -
Prepaid expenses / deferred revenue	28,939	-	1,975,702	2,265,935
Unexpended deferred capital revenue	-	6,429,686	13,911,309	9,231,224
Expended deferred capital revenue	-	59,707,532	2,122,708	13,848,471
Other assets and liabilities	-	152,000	-	-
Grant revenues and expenses	-	-	76,623,741	-
A TRF payments made on behalf of district	-	-	4,280,640	-
Other revenues and expenses: Regional Collaborative Service Delivery	-	-	478,317	478,317
Other Alberta school jurisdictions	-	-	-	-
Treasury Board and Finance (Principal)	-	-	-	-
Treasury Board and Finance (Accrued Interest)	-	-	-	-
Alberta Health	-	-	-	-
Alberta Health Services	-	-	244,815	-
Enterprise and Advanced Education	-	-	-	-
Post-secondary institutions	-	-	-	10,000
Human Services	-	-	-	-
Other				
Alberta Capital Financing Authority	-	1,480,786	-	111,711
County of Wheatland	-	474,870	-	111,649
Total 2014/2015	\$ 3,478,762	\$ 68,244,874	\$ 99,637,232	\$ 26,057,307
Total 2013/2014	\$ 1,596,000	\$ 52,187,804	\$ 67,942,768	\$ 10,170,783

20. Economic dependence on related third party

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

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

21. Remuneration and monetary incentives

The Golden Hills School Division #75 had paid or accrued expenses for the year ended August 31, 2015 to or on behalf of the following positions and persons in groups as follows:

Board Members	FTE	Remuneration	Benefits	Expenses
Dave Price, Chair	1.0	\$ 17,029	\$ 4,253	\$ 6,661
Joyce Bazant	1.0	13,294	2,985	3,081
Barry Kletke	1.0	13,948	4,101	4,483
Alan Larsen	1.0	14,282	2,008	4,846
Sherrri Nielsen	1.0	12,227	4,015	3,618
Larry Tucker	1.0	<u>14,306</u>	<u>4,118</u>	<u>2,748</u>
Subtotal	6.0	85,086	21,480	25,437
Superintendent	1.0	195,000	31,227	15,317
Secretary/Treasurer	1.0	166,000	34,750	9,249
Certificated teachers	395.0	34,805,695	8,143,474	-
Non-certificated - other	339.0	<u>11,393,897</u>	<u>2,803,790</u>	<u>-</u>
Total		<u>\$ 46,645,678</u>	<u>\$ 11,034,721</u>	<u>\$ 50,003</u>

The Golden Hills School Division #75 had paid or accrued expenses for the year ended August 31, 2014 to or on behalf of the following positions and persons in groups as follows:

Board Members	FTE	Remuneration	Benefits	Expenses
Dave Price, Chair	1.0	\$ 17,003	\$ 4,387	\$ 7,883
Joyce Bazant	0.8	12,598	2,562	4,569
Janet Bolinger	0.2	4,215	422	-
Karen Harries	0.2	3,220	387	856
Barry Kletke	0.8	11,283	3,513	7,151
Alan Larsen	0.8	12,167	1,757	7,450
Larry Maerz	0.2	2,413	417	221
Robert McKay	0.2	1,867	417	69
Sherrri Nielsen	0.8	11,484	3,523	4,997
Larry Tucker	1.0	<u>15,771</u>	<u>4,326</u>	<u>6,093</u>
Subtotal	6.0	92,021	21,711	39,289
Superintendent	1.0	185,000	30,669	13,577
Secretary/Treasurer	1.0	154,500	33,850	12,337
Certificated teachers	384.0	34,237,317	8,093,692	-
Non-certificated - other	307.7	<u>10,411,482</u>	<u>2,667,722</u>	<u>-</u>
Total		<u>\$ 45,080,320</u>	<u>\$ 10,847,644</u>	<u>\$ 65,203</u>

22. Budget amounts

The budget was prepared by the School Jurisdiction and approved by the Board of Trustees on November 30, 2014. It is presented for information purposes only and has not been audited.

Golden Hills School Division #75
Notes to Financial Statements
August 31, 2015

23. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.