

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2017**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Golden Hills School Division No. 75

Legal Name of School Jurisdiction

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Golden Hills School Division No. 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.

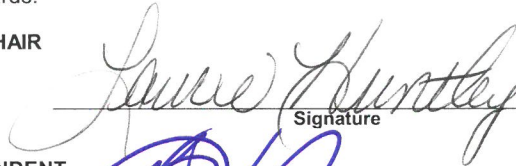
Declaration of Management and Board Chair

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

BOARD CHAIR

Mrs. Laurie Huntley

Name



Signature

SUPERINTENDENT

Mr. Bevan Daverne

Name



Signature

SECRETARY-TREASURER OR TREASURER

Ms. Tahra Sabir

Name



Signature

November 28, 2017

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
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Version 20170719

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Golden Hills School Division No.75

We have audited the accompanying financial statements of Golden Hills School Division No.75, which comprise the statement of financial position as at August 31, 2017, and the statements of operations, change in net debt, remeasurement gains and losses, and cash flows for the year ended August 31, 2017 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 Golden Hills School Division No.75 as at August 31, 2017, 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, 2017 in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements of Golden Hills School Division No.75 for the year ended August 31, 2016 were audited by another accounting firm who expressed an unmodified opinion on those statements in their report dated November 30, 2016.

Lethbridge, Alberta
November 28, 2017

A handwritten signature in black ink that reads "Avail LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants



STATEMENT OF FINANCIAL POSITION
As at August 31, 2017 (in dollars)

| | | 2017 | 2016 |
|---|----------------------|-----------------|-----------------|
| FINANCIAL ASSETS | | | |
| Cash and cash equivalents | (Schedule 5) | \$ 8,697,529 | \$ 2,261,692 |
| Accounts receivable (net after allowances) | (Note 3) | \$ 5,771,000 | \$ 9,701,025 |
| Portfolio investments | (Schedule 5) | \$ 2,500,000 | \$ 8,250,000 |
| Other financial assets | | \$ - | \$ - |
| Total financial assets | | \$ 16,968,529 | \$ 20,212,717 |
| LIABILITIES | | | |
| Bank indebtedness | (Note 4) | \$ - | \$ - |
| Accounts payable and accrued liabilities | (Note 5) | \$ 6,174,710 | \$ 7,762,221 |
| Deferred revenue | (Note 6) | \$ 87,936,083 | \$ 82,933,722 |
| Employee future benefits liabilities | (Note 7) | \$ 80,000 | \$ - |
| Liability for contaminated sites | | \$ - | \$ - |
| Other liabilities | | \$ - | \$ - |
| Debt | (Note 8) | | |
| Supported: Debentures and other supported debt | | \$ - | \$ - |
| Unsupported: Debentures and capital loans | | \$ 1,191,072 | \$ 1,325,159 |
| Mortgages | | \$ - | \$ - |
| Capital leases | | \$ - | \$ - |
| Total liabilities | | \$ 95,381,865 | \$ 92,021,102 |
| Net financial assets (debt) | | \$ (78,413,336) | \$ (71,808,385) |
| NON-FINANCIAL ASSETS | | | |
| Tangible capital assets | (Schedule 6) | | |
| Land | | \$ 2,411,559 | \$ 1,445,559 |
| Construction in progress | | \$ 2,738,115 | \$ 15,351,052 |
| Buildings | \$ 145,067,117 | | |
| Less: Accumulated amortization | \$ (59,807,521) | \$ 85,259,596 | \$ 64,795,633 |
| Equipment | \$ 5,523,710 | | |
| Less: Accumulated amortization | \$ (3,578,776) | \$ 1,944,934 | \$ 1,595,077 |
| Vehicles | \$ 9,894,471 | | |
| Less: Accumulated amortization | \$ (4,735,210) | \$ 5,159,261 | \$ 6,026,079 |
| Computer Equipment | \$ 597,297 | | |
| Less: Accumulated amortization | \$ (473,161) | \$ 124,136 | \$ 178,876 |
| Total tangible capital assets | | \$ 97,637,601 | \$ 89,392,276 |
| Prepaid expenses | | \$ 1,357,366 | \$ 3,510,088 |
| Other non-financial assets | | \$ 225,760 | \$ 235,884 |
| Total non-financial assets | | \$ 99,220,727 | \$ 93,138,248 |
| Accumulated surplus | (Schedule 1; Note 9) | \$ 20,807,391 | \$ 21,329,862 |
| Accumulating surplus / (deficit) is comprised of: | | | |
| Accumulated operating surplus (deficit) | | \$ 20,807,391 | \$ 21,329,862 |
| Accumulated remeasurement gains (losses) | | \$ - | \$ - |
| | | \$ 20,807,391 | \$ 21,329,862 |
| Contractual obligations | (Note 11) | | |
| Contingent liabilities | (Note 12) | | |

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2017 (in dollars)

| | Budget 2017 | Actual 2017 | Actual 2016 |
|---|----------------|----------------|----------------|
| REVENUES | | | |
| Alberta Education | \$ 73,047,368 | \$ 72,221,685 | \$ 72,484,148 |
| Other - Government of Alberta | \$ 886,957 | \$ 302,178 | \$ 397,417 |
| Federal Government and First Nations | \$ 1,415,106 | \$ 1,489,738 | \$ 1,360,709 |
| Other Alberta school authorities | \$ - | \$ - | \$ - |
| Out of province authorities | \$ - | \$ - | \$ - |
| Alberta municipalities-special tax levies | \$ 40,000 | \$ 42,200 | \$ 69,200 |
| Property taxes | \$ - | \$ - | \$ - |
| Fees (Schedule 8) | \$ 1,987,000 | \$ 1,640,743 | \$ 1,529,966 |
| Other sales and services | \$ 4,117,013 | \$ 7,121,335 | \$ 6,443,021 |
| Investment income | \$ - | \$ 9,986 | \$ 237,906 |
| Gifts and donations | \$ 50,000 | \$ 186,366 | \$ 172,163 |
| Rental of facilities | \$ 97,000 | \$ 96,541 | \$ 89,695 |
| Fundraising | \$ - | \$ 458,344 | \$ 354,153 |
| Gains on disposal of capital assets | \$ - | \$ - | \$ 9,502 |
| Other revenue | \$ 153,017 | \$ 284,057 | \$ 164,769 |
| Total revenues | \$ 81,793,461 | \$ 83,853,173 | \$ 83,312,649 |
| EXPENSES | | | |
| Instruction - ECS | \$ 3,246,813 | \$ 2,749,214 | \$ 2,996,373 |
| Instruction - Grades 1 - 12 | \$ 59,773,441 | \$ 60,326,881 | \$ 60,042,669 |
| Plant operations and maintenance | \$ 10,829,536 | \$ 10,303,838 | \$ 10,235,224 |
| Transportation | \$ 4,186,651 | \$ 4,268,359 | \$ 4,011,784 |
| Board & system administration | \$ 2,591,727 | \$ 2,559,760 | \$ 2,561,440 |
| External services | \$ 3,636,280 | \$ 4,167,592 | \$ 4,348,536 |
| Total expenses | \$ 84,264,448 | \$ 84,375,644 | \$ 84,196,026 |
| Operating surplus (deficit) | \$ (2,470,987) | \$ (522,471) | \$ (883,377) |

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2017 (in dollars)

| | 2017 | 2016 |
|--|------------------------|------------------------|
| CASH FLOWS FROM: | | |
| A. OPERATING TRANSACTIONS | | |
| Operating surplus (deficit) | \$ (522,471) | \$ (883,377) |
| Add (Deduct) items not affecting cash: | | |
| Total amortization expense | \$ 4,558,282 | \$ 3,828,804 |
| Gains on disposal of tangible capital assets | \$ - | \$ (9,502) |
| Losses on disposal of tangible capital assets | \$ 20,764 | \$ - |
| Expended deferred capital revenue recognition | \$ (3,126,129) | \$ (2,597,731) |
| Deferred capital revenue write-down / adjustment | \$ 152,000 | \$ - |
| Donations in kind | \$ - | \$ - |
| Changes in: | | |
| Accounts receivable | \$ 3,930,025 | \$ (2,651,413) |
| Prepays | \$ 2,152,722 | \$ 43,750 |
| Other financial assets | \$ - | \$ - |
| Non-financial assets | \$ 10,124 | \$ (2,947,162) |
| Accounts payable, accrued and other liabilities | \$ (1,587,511) | \$ 1,410,034 |
| Deferred revenue (excluding EDCR) | \$ 7,931,414 | \$ 14,975,777 |
| Employee future benefit liabilities | \$ 80,000 | \$ - |
| Other (describe) | \$ - | \$ - |
| Total cash flows from operating transactions | \$ 13,599,220 | \$ 11,169,181 |
| B. CAPITAL TRANSACTIONS | | |
| Purchases of tangible capital assets | | |
| Land | \$ (966,000) | \$ - |
| Buildings | \$ (11,173,877) | \$ (17,233,525) |
| Equipment | \$ (593,387) | \$ (637,958) |
| Vehicles | \$ (51,680) | \$ (1,541,721) |
| Computer equipment | \$ (12,402) | \$ - |
| Net proceeds from disposal of unsupported capital assets | \$ 18,050 | \$ 15,460 |
| Final payments received on prior year modular projects | \$ - | \$ 30,281 |
| Total cash flows from capital transactions | \$ (12,779,296) | \$ (19,367,463) |
| C. INVESTING TRANSACTIONS | | |
| Purchases of portfolio investments | \$ (1,750,000) | \$ (10,749,970) |
| Dispositions of portfolio investments | \$ 7,500,000 | \$ 14,979,970 |
| Remeasurement (gains) losses reclassified to the statement of operations | \$ - | \$ - |
| Other (Describe) | \$ - | \$ - |
| Other (describe) | \$ - | \$ - |
| Total cash flows from investing transactions | \$ 5,750,000 | \$ 4,230,000 |
| D. FINANCING TRANSACTIONS | | |
| Issue of debt | \$ - | \$ - |
| Repayment of debt | \$ (134,087) | \$ (129,800) |
| Other factors affecting debt (describe) | \$ - | \$ - |
| Issuance of capital leases | \$ - | \$ - |
| Repayment of capital leases | \$ - | \$ - |
| Other (describe) | \$ - | \$ - |
| Other (describe) | \$ - | \$ - |
| Total cash flows from financing transactions | \$ (134,087) | \$ (129,800) |
| Increase (decrease) in cash and cash equivalents | \$ 6,435,837 | \$ (4,098,082) |
| Cash and cash equivalents, at beginning of year | \$ 2,261,692 | \$ 6,359,774 |
| Cash and cash equivalents, at end of year | \$ 8,697,529 | \$ 2,261,692 |

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, 2017 (in dollars)

| | 2017 | 2016 |
|---|------------------------|------------------------|
| Operating surplus (deficit) | \$ (522,471) | \$ (883,377) |
| Effect of changes in tangible capital assets | | |
| Acquisition of tangible capital assets | \$ (12,842,422) | \$ (21,043,310) |
| Amortization of tangible capital assets | \$ 4,558,282 | \$ 3,828,804 |
| Net carrying value of tangible capital assets disposed of | \$ 38,814 | \$ 5,958 |
| Write-down carrying value of tangible capital assets | \$ - | \$ - |
| Other changes | \$ - | \$ - |
| Total effect of changes in tangible capital assets | \$ (8,245,326) | \$ (17,208,548) |
| Changes in: | | |
| Prepaid expenses | \$ 2,152,722 | \$ 43,750 |
| Other non-financial assets | \$ 10,124 | \$ (2,947,162) |
| Net remeasurement gains and (losses) | \$ - | \$ - |
| Endowments | \$ - | \$ - |
| Increase (decrease) in net financial assets (net debt) | \$ (6,604,951) | \$ (20,995,337) |
| Net financial assets (net debt) at beginning of year | \$ (71,808,386) | \$ (50,813,049) |
| Net financial assets (net debt) at end of year | \$ (78,413,337) | \$ (71,808,386) |

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended August 31, 2017 (in dollars)

| | 2017 | 2016 |
|--|------|------|
| Accumulated remeasurement gains (losses) at beginning of year | \$ - | \$ - |
| Prior Period Adj. (Explain) - Linked to Sch. 1 | \$ - | \$ - |
| Prior Period Adjustment (Explain) | \$ - | \$ - |
| 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 1

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2017 (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, 2016 | \$ 21,329,862 | \$ - | \$ 21,329,862 | \$ 12,257,913 | \$ - | \$ 215,562 | \$ 5,856,387 | \$ 3,000,000 |
| Prior period adjustments: | | | | | | | | |
| Reclassification of IMR cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Adjusted Balance, August 31, 2016 | \$ 21,329,862 | \$ - | \$ 21,329,862 | \$ 12,257,913 | \$ - | \$ 215,562 | \$ 5,856,387 | \$ 3,000,000 |
| Operating surplus (deficit) | \$ (522,471) | | \$ (522,471) | | | \$ (522,471) | | |
| Board funded tangible capital asset additions | | | | \$ 3,548,115 | | \$ (3,548,115) | \$ - | \$ - |
| Disposal of unsupported tangible capital assets or board funded portion of supported assets | \$ - | | \$ - | \$ (38,814) | | \$ 20,764 | | \$ 18,050 |
| 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 | \$ - | | \$ - | | \$ - | \$ - | | |
| Reinvested endowment income | \$ - | | \$ - | | \$ - | \$ - | | |
| Direct credits to accumulated surplus (Describe) | \$ - | | \$ - | | \$ - | \$ - | | \$ - |
| Amortization of tangible capital assets | \$ - | | \$ - | \$ (4,558,282) | | \$ 4,558,282 | | |
| Capital revenue recognized | \$ - | | \$ - | \$ 3,126,129 | | \$ (3,126,129) | | |
| Debt principal repayments (unsupported) | \$ - | | \$ - | \$ 134,087 | | \$ (134,087) | | |
| Additional capital debt or capital leases | \$ - | | \$ - | \$ - | | \$ - | | |
| Net transfers to operating reserves | \$ - | | \$ - | | | \$ (48,384) | \$ 48,384 | |
| Net transfers from operating reserves | \$ - | | \$ - | | | \$ 479,456 | \$ (479,456) | |
| Net transfers to capital reserves | \$ - | | \$ - | | | \$ (840,000) | | \$ 840,000 |
| Net transfers from capital reserves | \$ - | | \$ - | | | \$ 3,000,000 | | \$ (3,000,000) |
| Assumption/transfer of other operations' surplus | \$ - | | \$ - | | \$ - | \$ - | \$ - | \$ - |
| Other Changes | \$ - | | \$ - | | \$ - | \$ - | \$ - | \$ - |
| Balance at August 31, 2017 | \$ 20,807,391 | \$ - | \$ 20,807,391 | \$ 14,469,148 | \$ - | \$ 54,878 | \$ 5,425,315 | \$ 858,050 |

SCHEDULE 1

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2017 (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, 2016 | \$ 5,856,387 | \$ 3,000,000 | \$ - | \$ (0) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Prior period adjustments: | | | | | | | | | | | | |
| Reclassification of IMR cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Adjusted Balance, August 31, 2016 | \$ 5,856,387 | \$ 3,000,000 | \$ - | \$ (0) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operating surplus (deficit) | | | | | | | | | | | | |
| Board funded tangible capital asset additions | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Disposal of unsupported tangible capital assets or board funded portion of supported | | | | | | | | | | | | |
| 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 | | | | | | | | | | | | |
| Reinvested endowment income | | | | | | | | | | | | |
| Direct credits to accumulated surplus (Describe) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Amortization of tangible capital assets | | | | | | | | | | | | |
| Capital revenue recognized | | | | | | | | | | | | |
| Debt principal repayments (unsupported) | | | | | | | | | | | | |
| Additional capital debt or capital leases | | | | | | | | | | | | |
| Net transfers to operating reserves | \$ 48,384 | | \$ - | | \$ - | | \$ - | | \$ - | | \$ - | |
| Net transfers from operating reserves | \$ (479,456) | | \$ - | | \$ - | | \$ - | | \$ - | | \$ - | |
| Net transfers to capital reserves | | \$ 840,000 | | \$ - | | \$ - | | \$ - | | \$ - | | \$ - |
| Net transfers from capital reserves | | \$ (3,000,000) | | \$ - | | \$ - | | \$ - | | \$ - | | \$ - |
| Assumption/transfer of other operations' surplus | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Changes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Balance at August 31, 2017 | \$ 5,425,315 | \$ 840,000 | \$ - | \$ 4,000 | \$ - | \$ - | \$ - | \$ 14,050 | \$ - | \$ - | \$ - | \$ - |

SCHEDULE 2

SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2017 (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, 2016 | \$ 3,233,957 | \$ - | \$ 100,000 | \$ 1,015,642 | \$ 75,809,208 |
| Prior period adjustments | \$ - | \$ - | \$ - | \$ - | \$ - |
| Adjusted balance, August 31, 2016 | \$ 3,233,957 | \$ - | \$ 100,000 | \$ 1,015,642 | \$ 75,809,208 |
| Add: | | | | | |
| Unexpended capital revenue <u>received</u> from: | | | | | |
| Alberta Education school building & modular projects (excl. IMR) | \$ 4,584,360 | | | | |
| Infrastructure Maintenance & Renewal capital related to school facilities | \$ - | | | | |
| Other sources: Interest Revenue earned on Projects | \$ 51,327 | | | \$ 62,449 | |
| Other sources: | \$ - | | | \$ - | |
| Unexpended capital revenue <u>receivable</u> from: | | | | | |
| Alberta Education school building & modular (excl. IMR) | \$ 2,079,892 | | | | |
| Other sources: Society fundraising commitment adj. | \$ - | | | \$ (120,000) | |
| Other sources: | \$ - | | | \$ - | |
| Interest earned on unexpended capital revenue | \$ - | \$ - | \$ - | \$ - | |
| Other unexpended capital revenue: | | | | \$ - | |
| Proceeds on disposition of supported capital | | | \$ - | \$ - | |
| Insurance proceeds (and related interest) | | | \$ - | \$ - | |
| Donated tangible capital assets: | | | | | \$ - |
| Alberta Infrastructure managed projects | | | | | \$ 45,076 |
| Transferred in (out) tangible capital assets (amortizable, @ net book value) | | | | | \$ - |
| Expended capital revenue - current year | \$ (8,443,135) | \$ - | \$ - | \$ (806,091) | \$ 9,249,226 |
| Surplus funds approved for future project(s) | \$ - | \$ - | | | |
| Other adjustments: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Deduct: | | | | | |
| Net book value of supported tangible capital dispositions or write-offs | | | | | \$ - |
| Other adjustments: Society fundraising commitment correction | | \$ - | \$ - | \$ 152,000 | \$ - |
| Capital revenue recognized - Alberta Education | | | | | \$ 3,126,129 |
| Capital revenue recognized - Other Government of Alberta | | | | | \$ - |
| Capital revenue recognized - Other revenue | | | | | \$ - |
| Balance at August 31, 2017 | \$ 1,506,401 | \$ - | \$ 100,000 | \$ 0 | \$ 81,977,381 |
| | (A) | (B) | (C) | (D) | |
| Balance of Unexpended Deferred Capital Revenue at August 31, 2017 (A) + (B) + (C) + (D) | | | | \$ 1,606,402 | |

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. Please specify department if funds received from a source other than Alberta Education.

(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, 2017 (in dollars)

| REVENUES | 2017 | | | | | | 2016 | |
|--|--------------|---------------|----------------------------------|----------------|-------------------------------|-------------------|---------------|-------|
| | Instruction | | Plant Operations and Maintenance | Transportation | Board & System Administration | External Services | | TOTAL |
| | ECS | Grades 1 - 12 | | | | | | |
| (1) Alberta Education | \$ 2,648,938 | \$ 54,116,816 | \$ 9,318,805 | \$ 3,668,614 | \$ 2,450,012 | \$ 18,500 | \$ 72,221,685 | |
| (2) Other - Government of Alberta | \$ - | \$ 294,528 | \$ 7,650 | \$ - | \$ - | \$ - | \$ 302,178 | |
| (3) Federal Government and First Nations | \$ - | \$ 1,239,738 | \$ 250,000 | \$ - | \$ - | \$ - | \$ 1,489,738 | |
| (4) Other Alberta school authorities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| (5) Out of province authorities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| (6) Alberta municipalities-special tax levies | \$ - | \$ 42,200 | \$ - | \$ - | \$ - | \$ - | \$ 42,200 | |
| (7) Property taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| (8) Fees | \$ 12,210 | \$ 1,628,533 | \$ - | \$ - | \$ - | \$ - | \$ 1,640,743 | |
| (9) Other sales and services | \$ - | \$ 2,903,486 | \$ - | \$ 76,061 | \$ 31,470 | \$ 4,110,318 | \$ 7,121,335 | |
| (10) Investment income | \$ - | \$ - | \$ - | \$ - | \$ 9,986 | \$ - | \$ 9,986 | |
| (11) Gifts and donations | \$ - | \$ 171,595 | \$ - | \$ - | \$ - | \$ 14,771 | \$ 186,366 | |
| (12) Rental of facilities | \$ - | \$ 8,741 | \$ 87,800 | \$ - | \$ - | \$ - | \$ 96,541 | |
| (13) Fundraising | \$ - | \$ 366,675 | \$ - | \$ - | \$ - | \$ 91,669 | \$ 458,344 | |
| (14) Gains on disposal of tangible capital assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| (15) Other revenue | \$ 51,078 | \$ 98,461 | \$ 134,404 | \$ 114 | \$ - | \$ - | \$ 284,057 | |
| TOTAL REVENUES | \$ 2,712,226 | \$ 60,870,773 | \$ 9,798,659 | \$ 3,744,789 | \$ 2,491,468 | \$ 4,235,258 | \$ 83,853,173 | |
| EXPENSES | | | | | | | | |
| (17) Certificated salaries | \$ 1,630,332 | \$ 35,427,922 | | | \$ 394,048 | \$ - | \$ 37,452,302 | |
| (18) Certificated benefits | \$ 199,585 | \$ 7,816,431 | | | \$ 46,504 | \$ - | \$ 8,062,520 | |
| (19) Non-certificated salaries and wages | \$ 498,305 | \$ 6,385,808 | \$ 2,190,370 | \$ 1,824,028 | \$ 1,119,802 | \$ 409,845 | \$ 12,428,158 | |
| (20) Non-certificated benefits | \$ 146,330 | \$ 2,022,216 | \$ 572,603 | \$ 203,203 | \$ 251,689 | \$ 90,016 | \$ 3,286,057 | |
| (21) SUB - TOTAL | \$ 2,474,552 | \$ 51,652,377 | \$ 2,762,973 | \$ 2,027,231 | \$ 1,812,043 | \$ 499,861 | \$ 61,229,037 | |
| (22) Services, contracts and supplies | \$ 274,662 | \$ 8,303,323 | \$ 4,325,515 | \$ 1,401,198 | \$ 636,594 | \$ 3,468,877 | \$ 18,410,169 | |
| (23) Amortization of supported tangible capital assets | \$ - | \$ 135,887 | \$ 2,990,242 | \$ - | \$ - | \$ - | \$ 3,126,129 | |
| (24) Amortization of unsupported tangible capital assets | \$ - | \$ 155,749 | \$ 216,652 | \$ 830,862 | \$ 84,123 | \$ 144,767 | \$ 1,432,153 | |
| (25) Supported interest on capital debt | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| (26) Unsupported interest on capital debt | \$ - | \$ - | \$ - | \$ - | \$ 27,000 | \$ 44,820 | \$ 71,820 | |
| (27) Other interest and finance charges | \$ - | \$ 1,664 | \$ - | \$ - | \$ - | \$ 9,267 | \$ 10,931 | |
| (28) Losses on disposal of tangible capital assets | \$ - | \$ 3,240 | \$ 8,456 | \$ 9,068 | \$ - | \$ - | \$ 20,764 | |
| (29) Other expense | \$ - | \$ 74,641 | \$ - | \$ - | \$ - | \$ - | \$ 74,641 | |
| TOTAL EXPENSES | \$ 2,749,214 | \$ 60,326,881 | \$ 10,303,838 | \$ 4,268,359 | \$ 2,559,760 | \$ 4,167,592 | \$ 84,375,644 | |
| OPERATING SURPLUS (DEFICIT) | \$ (36,988) | \$ 543,892 | \$ (505,179) | \$ (523,570) | \$ (68,292) | \$ 67,666 | \$ (883,377) | |

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2017 (in dollars)

| EXPENSES | Custodial | Maintenance | Utilities and Telecomm. | Expensed IMR, Modular Unit Relocations & Lease Payments | Facility Planning & Operations Administration | Unsupported Amortization & Other Expenses | Supported Capital & Debt Services | 2017 TOTAL Operations and Maintenance | 2016 TOTAL Operations and Maintenance |
|---|--------------|--------------|-------------------------|---|---|---|-----------------------------------|---------------------------------------|---------------------------------------|
| Uncertificated salaries and wages | \$ 1,291,911 | \$ 672,544 | \$ - | \$ 118,815 | \$ 107,100 | | | \$ 2,190,370 | \$ 2,193,462 |
| Uncertificated benefits | \$ 364,669 | \$ 155,766 | \$ - | \$ 27,635 | \$ 24,633 | | | \$ 572,603 | \$ 556,549 |
| Sub-total Remuneration | \$ 1,656,580 | \$ 828,310 | \$ - | \$ 146,350 | \$ 131,733 | | | \$ 2,762,973 | \$ 2,750,011 |
| Supplies and services | \$ 682,583 | \$ 642,459 | \$ - | \$ 1,204,113 | \$ 7,501 | | | \$ 2,536,656 | \$ 2,656,401 |
| Electricity | | \$ 802,674 | | | | | | \$ 802,674 | \$ 768,053 |
| Natural gas/heating fuel | | \$ 427,948 | | | | | | \$ 427,948 | \$ 411,169 |
| Sewer and water | | \$ 250,203 | | | | | | \$ 250,203 | \$ 230,456 |
| Telecommunications | | \$ 16,870 | | | | | | \$ 16,870 | \$ 11,344 |
| Insurance | | | | | \$ 275,005 | | | \$ 275,005 | \$ 259,254 |
| ASAP maintenance & renewal payments | | | | | | | | | |
| Amortization of tangible capital assets | | | | | | | | | |
| Supported | | | | | | | \$ 2,990,242 | \$ 2,990,242 | \$ 2,513,839 |
| Unsupported | | | | | | \$ 216,652 | | \$ 216,652 | \$ 199,656 |
| Total Amortization | | | | | | \$ 216,652 | \$ 2,990,242 | \$ 3,206,894 | \$ 2,713,495 |
| Interest on capital debt | | | | | | | | | |
| Supported | | | | | | | | | |
| Unsupported | | | | | | | | | |
| Lease payments for facilities | | | | \$ 16,159 | | | | \$ 16,159 | \$ 435,041 |
| Other interest charges | | | | | | | | | |
| Losses on disposal of capital assets | | | | | | \$ 8,456 | | \$ 8,456 | \$ - |
| TOTAL EXPENSES | \$ 2,339,163 | \$ 1,470,769 | \$ 1,497,695 | \$ 1,366,622 | \$ 414,239 | \$ 225,108 | \$ 2,990,242 | \$ 10,303,838 | \$ 10,235,224 |
| SQUARE METRES | | | | | | | | | |
| School buildings | | | | | | | | 86,125.4 | 80,963.1 |
| Non school buildings | | | | | | | | 9,851.7 | 7,787.1 |

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.
Unsupported Amortization & Other Expenses: All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.
Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2017 (in dollars)**

| <u>Cash & Cash Equivalents</u> | 2017 | | | 2016 |
|---|----------------------------------|---------------------|---------------------|---------------------|
| | Average Effective (Market) Yield | Cost | Amortized Cost | Amortized Cost |
| Cash | | \$ 6,697,529 | \$ 6,697,529 | \$ 2,261,692 |
| Cash equivalents | | | | |
| Government of Canada, direct and guaranteed | 0.00% | - | - | - |
| Provincial, direct and guaranteed | 0.00% | - | - | - |
| Corporate | 0.00% | - | - | - |
| Municipal | 0.00% | - | - | - |
| Pooled investment funds | 0.00% | - | - | - |
| Other, including GIC's | 1.55% | 2,000,000 | 2,000,000 | - |
| Total cash and cash equivalents | 0.36% | \$ 8,697,529 | \$ 8,697,529 | \$ 2,261,692 |

See Note 3 for additional detail.

| <u>Portfolio Investments</u> | 2017 | | | 2016 | |
|---|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Average Effective (Market) Yield | Cost | Fair Value | Balance | Balance |
| Long term deposits | 0.00% | \$ - | \$ - | \$ - | \$ - |
| Guaranteed investment certificates | 1.56% | 2,500,000 | 2,500,000 | 2,500,000 | 8,250,000 |
| Fixed income securities | | | | | |
| Government of Canada, direct and guaranteed | 0.00% | \$ - | \$ - | \$ - | \$ - |
| Provincial, direct and guaranteed | 0.00% | - | - | - | - |
| Municipal | 0.00% | - | - | - | - |
| Corporate | 0.00% | - | - | - | - |
| Pooled investment funds | 0.00% | - | - | - | - |
| Total fixed income securities | 0.00% | - | - | - | - |
| Equities | | | | | |
| Canadian | 0.00% | \$ - | \$ - | \$ - | \$ - |
| Foreign | 0.00% | - | - | - | - |
| Total equities | 0.00% | - | - | - | - |
| Supplemental integrated pension plan assets | 0.00% | \$ - | \$ - | \$ - | \$ - |
| Restricted investments | 0.00% | - | - | - | - |
| Other (Specify) | 0.00% | - | - | - | - |
| Other (Specify) | 0.00% | - | - | - | - |
| Total portfolio investments | 1.56% | \$ 2,500,000 | \$ 2,500,000 | \$ 2,500,000 | \$ 8,250,000 |

The following represents the maturity structure for portfolio investments based on principal amount:

| | 2017 | 2016 |
|----------------|---------------|---------------|
| Under 1 year | 100.0% | 100.0% |
| 1 to 5 years | 0.0% | 0.0% |
| 6 to 10 years | 0.0% | 0.0% |
| 11 to 20 years | 0.0% | 0.0% |
| Over 20 years | 0.0% | 0.0% |
| | 100.0% | 100.0% |

SCHEDULE 6

School Jurisdiction Code: 2155

**SCHEDULE OF CAPITAL ASSETS
for the Year Ended August 31, 2017 (in dollars)**

| | 2017 | | | | | 2016 | |
|---|--------------|--------------------------|--------------------------|-------------------------|------------------------|---|----------------|
| | Land | Construction In Progress | Buildings 25-50 Years | Equipment 5-10 Years | Vehicles 5-10 Years | Computer Hardware & Software 3-5 Years | Total |
| Historical cost | | | | | | | |
| Estimated useful life | | | | | | | |
| Beginning of year | \$ 1,445,559 | \$ 15,351,052 | \$ 121,266,725 | \$ 4,930,323 | \$ 10,078,901 | \$ 584,895 | \$ 134,740,203 |
| 2016 roof repairs - IMR adjustment | - | - | (383,944) | - | - | - | (383,944) |
| Additions | 966,000 | 11,298,693 | 304,202 | 593,387 | 51,680 | 12,402 | 13,226,364 |
| Transfers in (out) | - | (23,911,630) | 23,911,630 | - | - | - | - |
| Less disposals including write-offs | - | - | (31,496) | - | (236,110) | - | (267,606) |
| Historical cost, August 31, 2017 | \$ 2,411,559 | \$ 2,738,115 | \$ 145,067,117 | \$ 5,523,710 | \$ 9,894,471 | \$ 597,297 | \$ 166,232,269 |
| Accumulated amortization | | | | | | | |
| Beginning of year | \$ - | \$ - | \$ 66,471,092 | \$ 3,335,246 | \$ 4,052,822 | \$ 406,019 | \$ 64,265,179 |
| 2016 roof repairs - IMR adjustment | - | - | (15,358) | - | - | - | (15,358) |
| Amortization | - | - | 3,368,327 | 243,530 | 894,641 | 67,142 | 4,573,640 |
| Other additions | - | - | - | - | - | - | - |
| Transfers in (out) | - | - | - | - | - | - | - |
| Less disposals including write-offs | - | - | (16,540) | - | (212,253) | - | (228,793) |
| Accumulated amortization, August 31, 2017 | \$ - | \$ - | \$ 59,807,521 | \$ 3,578,776 | \$ 4,735,210 | \$ 473,161 | \$ 68,594,668 |
| Net Book Value at August 31, 2017 | \$ 2,411,559 | \$ 2,738,115 | \$ 85,259,596 | \$ 1,944,934 | \$ 5,159,261 | \$ 124,136 | \$ 97,637,601 |
| Net Book Value at August 31, 2016 | \$ 1,445,559 | \$ 15,351,052 | \$ 64,795,633 | \$ 1,595,077 | \$ 6,026,079 | \$ 178,876 | \$ 89,392,276 |

| | 2017 | 2016 |
|--|------|------|
| Total cost of assets under capital lease | \$ - | \$ - |
| Total amortization of assets under capital lease | \$ - | \$ - |

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

1. Authority and purpose

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

The Division receives instruction and support allocations under Regulation AR120/2008. The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administration expenses.

The Division is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act* (Alberta). The Division 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 CPA 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

Portfolio investments consist of GIC's that 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.

(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.

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

- Work-in-progress is recorded as a transfer to the applicable asset class at substantial completion.
- Buildings include site and leasehold improvements as well as assets under capital lease.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the Division 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.
- 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 Division'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, over the following range of years:

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

(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 Division 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 deferred capital revenue represents externally restricted supported capital funds provided for a specific capital purpose received or receivable by the Division, 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 Division to use the asset in a prescribed manner over the life of the associated asset.

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

(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, death benefits, and various qualifying compensated absences, early retirement, retirement/severance, death benefit and vested sick leave.

(g) 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 expenses also fall into this category.

(h) 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.

(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.

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

Contributions with stipulations are recognized as revenue in the period that the stipulations are met, except to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with PS 3200. Such liabilities are recorded as deferred revenue.

- (j) Vacation pay
Vacation pay is accrued in the period in which the employee earns the benefit.
- (k) 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.

- (l) 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 No. 75 does not make pension contributions for certificated staff. For the school year ended August 31, 2017, the amount contributed by the province was \$4,258,345 (2016- \$4,511,962).

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 \$1,104,067 for the year ended August 31, 2017 (2016 - \$1,083,309). At December 31, 2016, the Local Authorities Pension Plan reported a deficiency of \$637,357,000 (2015 - a deficiency of \$923,416,000).

- (m) Program reporting
The Division's operations have been segmented as follows:

- ECS Instruction: The provision of Early Childhood Services education instructional services that fall under the basic public education mandate.
- Grade 1-12 Instruction: The provision of instructional services for grades 1 - 12 that fall under the basic public education mandate.
- Plant Operations and Maintenance: The operation and maintenance of all school buildings and maintenance shop facilities.

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facility expenses.
- **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 must 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 and services, school administration and instruction support, and System Instructional Support.

(n) **Trusts under administration**

The Division 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 14.

(o) **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 Division 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 Division is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

(p) **Operating and capital reserves**

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

(q) **Asset retirement obligation**

Contaminated sites are the 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 Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

will be discharged in the future by funding through the Government of Alberta. The Division believes that there is insufficient information to estimate the fair value of the asset retirement obligation because the settlement date or the range of potential settlement dates has not been determined and information is not available to apply an expected present value technique (Note 10).

(r) 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.

(s) Future Accounting Changes

The Public Sector Accounting Board has issued the following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**

PS 2200 defines a related party and establishes disclosures required for related party transactions. PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

- **PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights (effective April 1, 2017)**

PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; and PS 3380 defines and establishes disclosure standards on contractual rights.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**

This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

- **PS 3450 Financial Instruments (effective April 1, 2019)**

Adoption of this standard requires corresponding adoption of PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation, and PS 3401 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments.

Management is currently assessing the impact of these standards on the financial statements.

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

3. Accounts receivable

| | 2017 | | | 2016 |
|---|--------------------|---------------------------------|----------------------|----------------------|
| | Gross Amount | Allowance for Doubtful Accounts | Net Realizable Value | Net Realizable Value |
| Alberta Education - Grants | \$ - | \$ - | \$ - | \$ 7,139 |
| Alberta Education - Capital | 4,533,525 | - | 4,533,525 | 4,534,075 |
| Alberta Education - substitutes | 2,198 | - | 2,198 | - |
| Alberta Health Services | 4,397 | - | 4,397 | - |
| Regional Collaborative Service Delivery | 48,271 | - | 48,271 | 538,352 |
| Federal government | 221,797 | - | 221,797 | 445,218 |
| Municipalities | 19,246 | - | 19,246 | 1,860,297 |
| First Nations | 38,252 | - | 38,252 | - |
| Foundations | 720,000 | - | 720,000 | 2,000,000 |
| Other | 310,474 | (127,161) | 183,313 | 315,944 |
| Total | <u>\$5,898,161</u> | <u>\$ (127,161)</u> | <u>\$5,771,000</u> | <u>\$9,701,025</u> |

The deposit held by the municipality as security for municipal and site improvements was returned in full along with interest earned in the amount of \$1,263,699 (2016 – \$1,256,297). The deposit was refunded based upon the municipality approving completion of the project.

4. Bank indebtedness

The Division has negotiated a line of credit in the amount of \$2,475,000 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 Division. There was no balance outstanding on the line of credit at August 31, 2017 (2016 - \$ nil).

5. Accounts payable and accrued liabilities

| | 2017 | 2016 |
|--|---------------------|---------------------|
| Other Alberta school jurisdictions | \$ 1,286 | \$ 21,508 |
| Alberta Capital Finance Authority (Interest on long-term debt - Unsupported) | 23,318 | 23,620 |
| Federal government | 785,818 | 761,183 |
| Accrued vacation pay liability | 395,226 | 396,197 |
| Other trade payables and accrued liabilities | 3,212,343 | 5,436,019 |
| Holdback payable on new construction projects | 1,756,718 | 1,123,695 |
| Total | <u>\$ 6,174,710</u> | <u>\$ 7,762,221</u> |

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

6. Deferred revenue

| SOURCE AND GRANT OR FUND TYPE | DEFERRED REVENUE as at Aug. 31, 2016 | ADD: 2016/2017 Restricted Funds Received/ Receivable | DEDUCT: 2016/2017 Restricted Funds Expended (Paid / Payable) | ADD (DEDUCT): 2015/2016 Adjustments for Returned Funds | DEFERRED REVENUE as at Aug. 31, 2017 |
|---|--------------------------------------|--|--|--|--------------------------------------|
| Unexpended deferred operating revenue | | | | | |
| Alberta Education: | | | | | |
| Student Health Initiative (School Authorities) | 5,487 | - | - | - | 5,487 |
| Infrastructure Maintenance Renewal | (108,966) | 1,753,293 | (1,350,464) | - | 293,863 |
| Other Government of Alberta: | | | | | |
| Agricultural Career Pathways | 43,000 | - | (43,000) | - | - |
| Other Deferred Revenue: | | | | | |
| International Student Fees | 2,829,140 | 4,139,215 | (2,963,735) | - | 4,004,620 |
| Math Minds - Corporate | - | 42,076 | - | - | 42,076 |
| Other | 6,254 | 6,246 | (6,246) | - | 6,254 |
| Total unexpended deferred operating revenue | \$ 2,774,915 | \$ 5,940,830 | \$ (4,363,445) | \$ - | \$ 4,352,300 |
| Unexpended deferred capital revenue (Schedule 2) | 4,349,599 | 6,506,029 | (9,249,226) | - | 1,606,402 |
| Expended deferred capital revenue (Schedule 2) | 75,809,208 | 9,294,302 | (3,126,129) | - | 81,977,381 |
| Total | \$ 82,933,722 | \$ 21,741,161 | \$ (16,738,800) | \$ - | \$ 87,936,083 |

7. Employee future benefits liabilities

Employee future benefits liabilities consist of the following:

| | 2017 | 2016 |
|--|-----------|------|
| Defined benefit pension plan liability | \$ 80,000 | \$ - |
| Total | \$ 80,000 | \$ - |

8. Long-term debt

| | August 31, 2017 | August 31, 2016 |
|--|-----------------|-----------------|
| (a) Unsupported debentures outstanding at August 31, 2017 with interest rates between 5.175% and 6.25%. The terms of the loans range between 20 and 25 years, payments made annually | \$ 1,191,072 | \$ 1,325,159 |

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

(b) Unsupported debenture #1

The Division previously entered into an unsupported debenture in the amount of \$1,200,000. 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, 2017:

| | Principal | Interest | Total |
|-----------------|-------------------|-------------------|-------------------|
| 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 - 2021 | 48,000 | 15,000 | 63,000 |
| 2021 - 2022 | 48,000 | 12,000 | 60,000 |
| 2022 - maturity | <u>144,000</u> | <u>18,000</u> | <u>162,000</u> |
| | <u>\$ 384,000</u> | <u>\$ 108,000</u> | <u>\$ 492,000</u> |

(c) Unsupported debenture #2

The Division previously entered into an unsupported debenture in the amount of \$1,622,853. The capital loan 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, 2017:

| | Principal | Interest | Total |
|------------------|-------------------|-------------------|-------------------|
| 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 - 2021 | 105,608 | 25,601 | 131,209 |
| 2021 - 2022 | 111,144 | 20,065 | 131,209 |
| 2022 to maturity | <u>304,022</u> | <u>24,003</u> | <u>328,025</u> |
| | <u>\$ 807,072</u> | <u>\$ 176,998</u> | <u>\$ 984,070</u> |

9. Accumulated surplus

The Division's accumulated surplus is summarized as follows:

| | 2017 | 2016 |
|---|----------------------|----------------------|
| Unrestricted surplus | \$ 54,877 | \$ 215,562 |
| Operating reserves | <u>5,425,315</u> | <u>5,856,387</u> |
| Accumulated surplus (deficit) from operations | 5,480,192 | 6,071,949 |
| Investment in tangible capital assets | 14,469,149 | 12,257,913 |
| Capital reserves | 858,050 | 3,000,000 |
| Accumulated surplus (deficit) | <u>\$ 20,807,391</u> | <u>\$ 21,329,862</u> |

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

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

| | 2017 | 2016 |
|--|--------------|--------------|
| Accumulated surplus (deficit) from operations | \$ 5,480,192 | \$ 6,071,951 |
| Deduct: School generated funds included in accumulated surplus (Note 14) | 1,770,448 | 1,722,062 |
| Adjusted accumulated surplus (deficit) from operations | \$ 3,709,744 | \$ 4,349,889 |

10. Asset retirement obligation

Asset retirement obligation represents legal obligations associated with the retirement of a tangible long-lived asset that results from its acquisition, construction, development or normal operation. The Division 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. A provision for hazardous materials remediation has been provided for by Alberta Education within the grant agreement of the *East Wheatland Project* in the event that a closure of a school site(s) results in the demolition of that site(s).

11. Contractual obligations

| | Building Projects | Building Leases | Service Providers | Total |
|-------------|----------------------|--------------------|----------------------|----------------------|
| 2017 - 2018 | \$ 15,528,337 | \$ 117,960 | \$ 219,684 | \$ 15,865,981 |
| 2018 - 2019 | 1,550,000 | 23,429 | - | 1,573,429 |
| 2019 - 2020 | - | 23,837 | - | 23,837 |
| 2020 - 2021 | - | 40,660 | - | 40,660 |
| | <u>\$ 17,078,337</u> | <u>\$ 205,886</u> | <u>\$ 219,684</u> | <u>\$ 17,503,907</u> |

(a) Building Projects

The Division is committed to further capital expenditures relating to architectural/construction costs towards the new Strathmore K-9 school project and for the final construction cost of Wheatland Crossing School project of approximately \$14,307,484 and \$2,302,500, respectively.

The Division also has outstanding commitments approximating \$108,353 for final construction costs associated with one Greentree modular unit, Anchors Outreach and the Trochu Fitness centre. In addition, commitments have been entered into approximating \$360,000 in renovation costs associated with the Golden Hills Learning Academy/Strathmore Storefront. These costs are un-supported and therefore not expected to be funded by Alberta Education.

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

(b) Building Leases

The Division is committed to leasing office space for the Anchors 2 program for \$1,906 monthly (escalating to \$2,069 monthly) until May 1, 2022.

(c) Service Providers

As at August 31, 2017, the Division has \$219,684 in commitments relating to gas and electric service contracts, representing out clauses and/or termination fees associated with exiting the contract.

12. Contingent liabilities

The Division is a member of a reciprocal insurance exchange called Alberta School Boards Insurance Exchange (ASBIE). Under the terms of the membership, the Division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. The Division share of the pool as at August 31st, 2017 is \$233,510.

13. School generated funds

| | 2017 | 2016 |
|--|---------------------|---------------------|
| School Generated Funds, Beginning of Year | \$ 1,722,063 | \$ 1,761,309 |
| Gross Receipts: | | |
| Fees | 1,224,340 | 1,119,476 |
| Fundraising | 458,344 | 354,153 |
| Gifts and donations | 73,855 | 71,708 |
| Grants to schools | 12,618 | 32,036 |
| Other sales and services | 2,313,185 | 2,433,457 |
| Total gross receipts | 4,082,342 | 4,010,830 |
| Total Related Expenses and Uses of Funds | 3,587,681 | 3,716,597 |
| Total Direct Costs Including Cost of Goods Sold to Raise Funds | 446,276 | 333,480 |
| School Generated Funds, End of Year | <u>\$ 1,770,448</u> | <u>\$ 1,722,062</u> |
| Balance included in Deferred Revenue* | \$ - | \$ - |
| Balance included in Accumulated Surplus (Operating Reserves)** | \$ 1,770,448 | \$ 1,722,062 |

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

14. Trusts under administration

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

| | 2017 | 2016 |
|--|-------------------|------------------|
| Scholarship trusts | 51,404 | 58,459 |
| Regional Collaborative Service Delivery (Banker board) | 214,663 | 31,492 |
| Total | <u>\$ 266,067</u> | <u>\$ 89,951</u> |

15. 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 Divisions. These include government departments, health authorities, post-secondary institutions and other Divisions in Alberta.

| | Balances | | Transactions | |
|---|--|---------------------------------|---------------------|-------------------|
| | Financial Assets (at cost or net realizable value) | Liabilities (at amortized cost) | Revenues | Expenses |
| Government of Alberta (GOA): | | | | |
| Alberta Education | | | | |
| Accounts receivable / Accounts payable | \$4,533,525 | \$ - | | |
| Prepaid expenses / Deferred operating revenue | 293,864 | - | | |
| Unexpended deferred capital revenue | | 1,606,401 | | |
| Expended deferred capital revenue | | 78,693,386 | 3,126,129 | |
| Grant revenue & expenses | | | 64,837,211 | |
| ATRF payments made on behalf of district | | | 4,258,345 | |
| Other revenues & expenses | | | - | - |
| Children's Services | - | - | 212,079 | - |
| Agriculture & Forestry | - | - | 40,000 | - |
| Other: | | | | |
| Alberta Capital Financing Authority | | 1,212,382 | | 93,432 |
| TOTAL 2016/2017 | <u>\$4,827,389</u> | <u>\$81,512,169</u> | <u>\$72,473,764</u> | <u>\$ 93,432</u> |
| TOTAL 2015/2016 | <u>\$4,538,068</u> | <u>\$78,292,460</u> | <u>\$75,267,217</u> | <u>\$ 102,520</u> |

16. Economic dependence on related third party

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

GOLDEN HILLS SCHOOL DIVISION NO.75

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2017

17. Subsequent events

The Division prepaid the full amount of the closing cost as of August 31, 2017 on the purchase of land and building in the amount of \$845,000. The building is the new site of the Golden Hills Learning Academy and Strathmore Storefront. The purchase closed subsequent to year end on September 4, 2017.

18. Budget amounts

The budget was prepared by the Division and approved by the Board of Trustees on June 21, 2016. It is presented for information purposes only and has not been audited.

19. Comparative figures

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

SCHEDULE 8

UNAUDITED SCHEDULE OF FEES

for the Year Ending August 31, 2017 (in dollars)

| | Budgeted Fee Revenues 2016/2017 | Actual Fees Collected 2016/2017 | Unexpended Balance at September 1, 2016* | Actual Fee Expenditures 2016/2017 | Unexpended Balance at August 31, 2017* |
|---|---------------------------------|---------------------------------|--|-----------------------------------|--|
| Transportation Fees | \$0 | \$0 | \$0 | \$0 | \$0 |
| Basic Instruction Fees | \$400,000 | \$416,403 | \$0 | \$416,403 | \$0 |
| Basic instruction supplies | | | | | |
| Fees to Enhance Basic Instruction | \$12,000 | \$8,536 | \$16,527 | \$14,257 | \$10,806 |
| Technology user fees | \$60,000 | \$94,785 | \$76,912 | \$88,079 | \$83,618 |
| Alternative program fees | \$325,000 | \$147,919 | \$245,530 | \$196,429 | \$197,019 |
| Fees for optional courses | \$125,000 | \$199,839 | \$7,601 | \$156,270 | \$51,171 |
| Activity fees | \$15,000 | \$0 | \$0 | \$0 | \$0 |
| Early childhood services | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other fees to enhance education | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Enhancement fees | \$525,000 | \$99,844 | \$37,048 | \$98,337 | \$38,555 |
| Other Enhancement fees (describe) | \$0 | \$0 | \$0 | \$0 | \$0 |
| Non-Curricular fees | \$375,000 | \$341,042 | \$223,341 | \$398,225 | \$166,157 |
| Extracurricular fees | \$5,000 | \$127,753 | \$19,028 | \$138,520 | \$8,261 |
| Non-curricular travel | \$0 | \$0 | \$0 | \$0 | \$0 |
| Lunch supervision and noon hour activity fees | \$0 | \$123,003 | \$86,883 | \$102,178 | \$107,708 |
| Non-curricular goods and services | \$145,000 | \$81,619 | \$68,513 | \$0 | \$150,132 |
| Other Fees | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Fees (describe) | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL FEES | \$1,987,000 | \$1,640,743 | \$781,384 | \$1,608,699 | \$813,428 |

*Unexpended balances cannot be less than \$0

| | Actual 2017 | Actual 2016 |
|--|--------------------|--------------------|
| Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue): | | |
| Cafeteria sales, hot lunch, milk programs | \$445,308 | \$407,408 |
| Special events, graduation, tickets | \$96,622 | \$20,112 |
| International and out of province student revenue | \$3,653,363 | \$3,445,033 |
| Sales or rentals of other supplies/services (clothing, agendas, yearbooks) | \$75,564 | \$85,780 |
| Adult education revenue | \$9,030 | \$24,639 |
| Preschool | \$49,745 | \$0 |
| Child care & before and after school care | \$1,236 | \$0 |
| Lost item replacement fee | \$3,170 | \$0 |
| Cosmetology Client Services | \$0 | \$0 |
| Other (Describe) Fundraising | \$366,675 | \$265,615 |
| Other (Describe) | \$0 | \$0 |
| TOTAL | \$4,700,715 | \$4,248,587 |

| UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2017 (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 Federally Funded Students REVENUES | | | | | | |
| Alberta Education allocated funding | 257 | 64 | 532 | | | |
| Other funding allocated by the board to the program | 159 | | | | | |
| TOTAL REVENUES | \$ 280,388 | \$ 1,101,900 | \$ 372,869 | \$ 3,885,555 | \$ 1,400,944 | |
| | \$ - | \$ - | \$ - | \$ - | \$ - | |
| | \$ 280,388 | \$ 1,101,900 | \$ 372,869 | \$ 3,885,555 | \$ 1,400,944 | |
| EXPENSES (Not allocated from BASE, Transportation, or other funding) | | | | | | |
| Instructional certificated salaries & benefits | \$ 176,770 | \$ 148,598 | \$ 102,401 | \$ 1,588,687 | | |
| Instructional non-certificated salaries & benefits | \$ 51,539 | \$ 648,403 | \$ 170,260 | \$ 2,827,961 | | |
| SUB TOTAL | \$ 228,309 | \$ 797,001 | \$ 272,661 | \$ 4,416,648 | | |
| Supplies, contracts and services | \$ 8,308 | \$ 260,401 | \$ 10,111 | \$ 75,186 | | |
| Program planning, monitoring & evaluation | \$ - | \$ - | \$ - | \$ - | | |
| Facilities (required specifically for program area) | \$ - | \$ - | \$ - | \$ - | | |
| Administration (administrative salaries & services) | \$ 10,094 | \$ 39,668 | \$ 13,423 | \$ 139,880 | | |
| Other (please describe) | \$ - | \$ - | \$ - | \$ - | | |
| Other (please describe) | \$ - | \$ - | \$ - | \$ - | | |
| TOTAL EXPENSES | \$ 246,711 | \$ 1,097,071 | \$ 296,195 | \$ 4,631,714 | | |
| NET FUNDING SURPLUS (SHORTFALL) | \$ 33,676 | \$ 4,829 | \$ 76,673 | \$ (746,159) | | |

SCHEDULE 10

| UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2017 (in dollars) | | | | | | | | | |
|--|--|---------------------|------------|--------------|-----------------------------|---------------------|-------|--------------|-------|
| EXPENSES | Allocated to Board & System Administration | | | | Allocated to Other Programs | | | | |
| | Salaries & Benefits | Supplies & Services | Other | TOTAL | Salaries & Benefits | Supplies & Services | Other | TOTAL | TOTAL |
| Office of the superintendent | \$ 440,552 | \$ 25,476 | \$ - | \$ 466,028 | \$ - | \$ 25,476 | \$ - | \$ 491,504 | \$ - |
| Educational administration (excluding superintendent) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Business administration | \$ 967,109 | \$ 255,402 | \$ - | \$ 1,222,511 | \$ - | \$ - | \$ - | \$ 1,222,511 | \$ - |
| Board governance (Board of Trustees) | \$ 120,758 | \$ 38,643 | \$ - | \$ 159,401 | \$ - | \$ - | \$ - | \$ 159,401 | \$ - |
| Information technology | \$ - | \$ 139,913 | \$ - | \$ 139,913 | \$ - | \$ - | \$ - | \$ 139,913 | \$ - |
| Human resources | \$ 143,904 | \$ 68,682 | \$ - | \$ 212,586 | \$ - | \$ - | \$ - | \$ 212,586 | \$ - |
| Central purchasing, communications, marketing | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Payroll | \$ 139,721 | \$ - | \$ - | \$ 139,721 | \$ - | \$ - | \$ - | \$ 139,721 | \$ - |
| Administration - insurance | \$ - | \$ - | \$ 6,832 | \$ 6,832 | \$ - | \$ - | \$ - | \$ 6,832 | \$ - |
| Administration - amortization | \$ - | \$ - | \$ 84,123 | \$ 84,123 | \$ - | \$ - | \$ - | \$ 84,123 | \$ - |
| Administration - other (admin building, interest) | \$ - | \$ - | \$ 128,645 | \$ 128,645 | \$ - | \$ - | \$ - | \$ 128,645 | \$ - |
| Other (describe) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other (describe) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other (describe) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL EXPENSES | \$ 1,812,044 | \$ 528,116 | \$ 219,600 | \$ 2,559,760 | \$ - | \$ 25,476 | \$ - | \$ 2,585,236 | \$ - |