

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Parkland School Division No. 70

Legal Name of School Jurisdiction

4603 48 Street, Stony Plain, AB, T7Z 2A8

Mailing Address

780-963-8402, 780-963-4169

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Parkland School Division No. 70 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 generally accepted accounting principles 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 Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements prescribed by Alberta Education.

BOARD CHAIR	
<u>Richard Gichrist</u>	<u>"ORIGINAL SIGNED"</u>
Name	Signature

SUPERINTENDENT	
<u>Tim Monds</u>	<u>"ORIGINAL SIGNED"</u>
Name	Signature

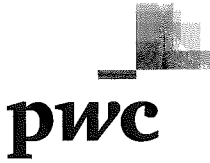
SECRETARY TREASURER OR TREASURER	
<u>Claire Jonsson</u>	<u>"ORIGINAL SIGNED"</u>
Name	Signature

27-Nov-12

Board-approved Release Date

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF REVENUES AND EXPENSES	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGES IN NET ASSETS	7
STATEMENT OF CAPITAL ALLOCATIONS	8
NOTES TO THE FINANCIAL STATEMENTS	9



November 27, 2012

Independent Auditor's Report

**To the Board of Trustees of
Parkland School Division No. 70**

We have audited the accompanying financial statements of Parkland School Division No. 70, which comprise the statement of financial position as at August 31, 2012 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended, and the related notes including a summary of significant accounting policies.

Management's responsibility for the financial statements

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

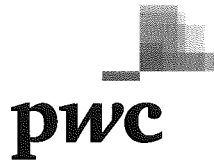
Auditor's responsibility

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.

*PricewaterhouseCoopers LLP
TD Tower, 10088 102 Avenue NW, Suite 1501, Edmonton, Alberta, Canada T5J 3N5
T: +1 780 441 6700, F: +1 780 441 6776*

PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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 Parkland School Division No. 70 as at August 31, 2012 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants

STATEMENT OF FINANCIAL POSITION
as at August 31, 2012

(in dollars)

	2012	2011
ASSETS		
Current assets		
Cash and temporary investments (Note 3)	\$12,920,789	\$14,411,350
Accounts receivable (net after allowances) (Note 4)	\$1,654,190	\$611,775
Prepaid expenses	\$180,278	\$223,694
Other current assets	\$0	\$0
Total current assets	\$14,755,257	\$15,246,819
Trust assets (Note 8)	\$324,255	\$270,582
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets (Note 5)		
Land	\$4,167,683	\$4,167,683
Construction in progress	\$0	\$0
Buildings	\$138,274,343	
Less: accumulated amortization	(\$55,379,390)	\$86,780,684
Equipment	\$9,432,761	
Less: accumulated amortization	(\$6,450,769)	\$3,465,977
Vehicles	\$1,160,402	
Less: accumulated amortization	(\$787,870)	\$507,100
Total capital assets	\$90,417,160	\$94,921,444
TOTAL ASSETS	\$105,496,672	\$110,438,845
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities (Note 6)	\$4,785,460	\$3,133,384
Deferred revenue (Note 7)	\$1,581,620	\$1,701,451
Deferred capital allocations (Note 10)	\$764,263	\$934,861
Current portion of long term debt	\$187,742	\$365,885
Total current liabilities	\$7,319,085	\$6,135,581
Trust liabilities (Note 8)	\$324,255	\$270,582
Employee future benefit liabilities	\$0	\$0
Long term debt (Note 9)		
Supported: Debentures and other supported debt	\$343,587	\$709,472
Less: Current portion	(\$187,742)	(\$365,885)
Unsupported: Debentures and capital loans	\$0	\$0
Capital leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations (Note 11)	\$83,893,944	\$87,423,379
Total long term liabilities	\$84,374,044	\$88,037,548
TOTAL LIABILITIES	\$91,693,129	\$94,173,129
NET ASSETS		
Unrestricted net assets	\$943,768	\$943,768
Operating reserves	\$3,754,479	\$5,121,015
Accumulated operating surplus (deficit)	\$4,698,247	\$6,064,783
Investment in capital assets	\$6,179,625	\$6,788,590
Capital reserves	\$2,925,671	\$3,412,343
Total capital funds	\$9,105,296	\$10,200,933
Total net assets	\$13,803,543	\$16,265,716
TOTAL LIABILITIES AND NET ASSETS	\$105,496,672	\$110,438,845

Note: Please input "(Restated)" in 2011 column heading where comparatives are not taken from the finalized 2010/2011 Audited Financial Statements filed with Alberta Education.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2012
(in dollars)

	Actual 2012	Budget 2012 Note 19	Actual 2011 Restated - Note 20
REVENUES			
Government of Alberta	\$97,358,167	\$96,658,596	\$93,226,356
Federal Government and/or First Nations	\$1,679,344	\$1,632,724	\$1,747,282
Other Alberta school authorities	\$34,693	\$54,000	\$57,372
Out of province authorities	\$11,250	\$0	\$5,472
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Fees (Note 12)	\$2,529,038	\$2,311,411	\$2,513,717
Other sales and services	\$1,281,475	\$469,450	\$869,425
Investment income	\$182,607	\$142,000	\$160,365
Gifts and donations	\$96,925	\$129,729	\$117,225
Fundraising	\$1,244,101	\$2,124,977	\$1,926,266
Rental of facilities	\$13,589	\$25,700	\$28,284
Gains on disposal of capital assets	\$36,201	\$0	\$30,740
Amortization of capital allocations	\$5,921,482	\$3,807,386	\$3,839,757
Other revenue	\$0	\$0	\$0
Total Revenues	\$110,388,872	\$107,355,973	\$104,522,261
EXPENSES			
Certificated salaries (Note 18)	\$48,945,450	\$49,454,597	\$46,228,859
Certificated benefits (Note 18)	\$10,371,468	\$9,358,865	\$9,769,958
Non-certificated salaries and wages (Note 18)	\$16,284,325	\$15,883,035	\$15,659,397
Non-certificated benefits (Note 18)	\$4,005,387	\$3,776,004	\$3,842,143
Services, contracts and supplies	\$26,225,850	\$25,977,074	\$24,406,772
Capital and debt services			
Amortization of capital assets			
Supported	\$5,921,482	\$3,807,386	\$3,839,757
Unsupported	\$1,040,836	\$895,344	\$1,002,682
Total Amortization of capital assets (Note 5)	\$6,962,318	\$4,702,730	\$4,842,439
Interest on capital debt			
Supported	\$56,247	\$56,247	\$97,146
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$56,247	\$56,247	\$97,146
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$1,725
Other expense	\$0	\$0	\$0
Total Expenses	\$112,851,045	\$109,208,552	\$104,848,439
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$2,462,173)	(\$1,852,579)	(\$326,178)
Extraordinary Item	(\$0)	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$2,462,173)	(\$1,852,579)	(\$326,178)

Note: Please input "(Restated)" where Actual 2011 comparatives are not as presented in the finalized 2010/2011 Audited Financial Statements filed with Alberta Education. Budget 2012 comparatives presented are final budget amounts formally approved by the Board.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2012

(in dollars)

	2012	2011 Restated - Note 20
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	(\$2,462,173)	(\$326,178)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$5,921,482)	(\$3,839,757)
Total amortization expense	\$6,962,318	\$4,842,439
Gains on disposal of capital assets	(\$36,201)	(\$30,740)
Losses on disposal of capital assets	\$0	\$1,725
Changes in:		
Accounts receivable	(\$1,042,415)	\$880,606
Prepays and other current assets	\$43,416	\$87,703
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$1,652,076	\$515,540
Deferred revenue	(\$119,831)	\$209,769
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from Operations	(\$924,292)	\$2,341,107
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$1,798,128)	(\$637,188)
Equipment	(\$596,115)	(\$842,516)
Vehicles	(\$70,709)	(\$97,693)
Net proceeds from disposal of capital assets	\$43,119	\$35,848
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$2,421,833)	(\$1,541,549)
C. FINANCING ACTIVITIES		
Capital allocations	\$1,855,564	\$433,700
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$365,885)	\$448,921
Add back: supported portion	\$365,885	(\$448,921)
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$1,855,564	\$433,700
Net cash flows from during the year	(\$1,490,561)	\$1,233,258
Cash and temporary investments, net of bank indebtedness, at Aug. 31/11	\$14,411,350	\$13,178,092
Cash and temporary investments, net of bank indebtedness, at Aug. 31/12	\$12,920,789	\$14,411,350

Note: Please input "(Restated)" where Actual 2011 comparatives are not as presented in the finalized 2010/2011 Audited Financial Statements filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2012**

School Jurisdiction Code: 2305

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS Cols. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	INTERNALLY RESTRICTED NET ASSETS									
						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
Balance at August 31, 2011	\$16,265,716	\$6,788,590	\$943,768	\$5,121,015	\$3,412,343	\$4,320,149	\$1,428,076	\$489,163	\$529,808	\$311,703	\$1,343,643	\$0	\$90,776	\$0	\$20,040
<u>Prior period adjustments</u> <u>(describe)</u>															
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2011	\$16,265,716	\$6,788,590	\$943,768	\$5,121,015	\$3,412,343	\$4,320,149	\$1,428,076	\$489,163	\$529,808	\$311,703	\$1,343,643	\$0	\$90,776	\$0	\$20,040
Excess (deficiency) of revenues over expenses	(\$2,462,173)		(\$2,462,173)												
Board funded capital additions		\$438,792	\$0	\$0	(\$438,792)	\$0	(\$287,167)	\$0	(\$49,388)	\$0	(\$31,528)	\$0	(\$70,709)	\$0	\$0
Disposal of unsupported capital assets	\$0	(\$6,921)	(\$29,280)		\$36,201	\$0		\$0	\$16,045		\$0		\$20,156		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0
Direct credits to net assets	\$0	\$0	\$0												
Amortization of capital assets		(\$6,962,318)	\$6,962,318												
Amortization of capital allocations		\$5,921,482	(\$5,921,482)												
Debt principal repayments (unsupported)		\$0	\$0												
Net transfers to operating reserves			(\$80,892)	\$80,892		\$0		\$0		\$55,691		\$25,201		\$0	
Net transfers from operating reserves			\$1,447,428	(\$1,447,428)		(\$997,046)		(\$450,382)		\$0		\$0		\$0	
Net transfers to capital reserves			(\$1,425,696)		\$1,425,696		\$1,097,861		\$123,638		\$137,380		\$58,472		\$8,345
Net transfers from capital reserves			\$1,509,777		(\$1,509,777)		(\$1,250,000)		\$0		(\$243,003)		(\$16,774)		\$0
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2012	\$13,803,543	\$6,179,625	\$943,768	\$3,754,479	\$2,925,671	\$3,323,103	\$988,770	\$38,781	\$620,103	\$367,394	\$1,206,492	\$25,201	\$81,921	\$0	\$28,385

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2012
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2011	\$934,861	\$87,423,379
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2011	\$934,861	\$87,423,379
Add:		
Restricted capital allocations from: Alberta Education school building and modular projects	\$1,848,931	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$6,633	
Other capital grants and donations	\$0	
Net proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
P3, other ASAP and Alberta Infrastructure managed projects		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current year supported debenture principal repayment		\$365,885
Expended capital allocations - current year	(\$2,026,162)	\$2,026,162
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$5,921,482
Balance at August 31, 2012	\$764,263	\$83,893,944

* Infrastructure Maintenance Renewal (IMR) Program allocations are excluded from this Statement, since those allocations are not externally restricted to capital.

1. AUTHORITY AND PURPOSE

Parkland School Division No. 70 (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 Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). 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 and approximations. 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) 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 revenue is collected in the year to which they relate.

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.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles	10% to 20%
Computer Hardware & Software	20%
Other Equipment & Furnishings	10% to 20%

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) Vacation Pay

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

d) Pensions

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

The current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2012, the amount contributed by the Government was \$4,882,769 (2011 \$4,551,835).

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 \$ 1,208,485 for the year ended August 31, 2012 (2011 \$1,105,658). At December 31, 2011, the Local Authorities Pension Plan reported an actuarial deficiency of \$4,639,390,000 (2010 \$4,635,250,000 deficiency).

e) Prepaid Expenses

Certain expenditures incurred before the close of the school year will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

f) Contributed Services

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. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g) Financial Instruments

The Division's financial instruments consist of cash, trust assets, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 (2) (d) of the *School Act*.

h) 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.

i) Capital Debt

Capital debt interest is recorded as an expenditure in the financial statements. Grants are receivable from Alberta Treasury for the interest expense and principal payments made on supported debt. The grant amounts received or receivable for the interest expense have been recorded as revenue in the financial statements. The total principal repayments on supported debt have been recorded to the debenture debt liability and equity in capital assets.

j) Future Accounting Policies

The Division will adopt public sector accounting standards for the year ending August 31, 2013 with retrospective application and restatement of the prior school year. The transition is intended to enhance the public accountability and comparability of the financial reporting of the government controlled entities with those of other government organizations.

3. CASH AND TEMPORARY INVESTMENTS

	2012			2011		
	Average Effective (Market) Yield	Cost	Fair Value	Average Effective (Market) Yield	Cost	Fair Value
Cash	-	\$12,920,789	\$12,920,789	-	\$14,411,350	\$14,411,350
Total cash and temporary investments	<u>-</u>	<u>\$12,920,789</u>	<u>\$12,920,789</u>	<u>-</u>	<u>\$14,411,350</u>	<u>\$14,411,350</u>

4. ACCOUNTS RECEIVABLE

	2012	2011
Alberta Education	\$1,187,560	\$106,928
Alberta Finance	21,415	35,058
Federal Government	155,027	62,784
First Nations	52,869	27,370
Other Alberta school jurisdictions	12,369	13,615
Other	224,950	366,020
Total	<u>\$1,654,190</u>	<u>\$611,775</u>

5. CAPITAL ASSETS

	Land	Buildings	Equipment	Vehicles	Total Aug. 31, 2012	Total Aug. 31, 2011
Estimated Useful life		25-40 Years	5-10 Years	5-10 Years		
Historical cost						
September 1, 2011	\$4,167,683	\$136,476,215	\$9,170,967	\$1,233,506	\$151,048,371	\$150,051,473
Additions	-	1,798,128	633,472	33,352	2,464,952	1,577,397
Less disposals including write-offs	-	-	(371,678)	(106,456)	(478,134)	(580,499)
August 31, 2012	<u>\$4,167,683</u>	<u>\$138,274,343</u>	<u>\$9,432,761</u>	<u>\$1,160,402</u>	<u>\$153,035,189</u>	<u>\$151,048,371</u>
Accumulated amortization						
September 1, 2011	-	\$49,695,530	\$5,704,991	\$726,406	\$56,126,927	\$51,858,154
Amortization expense	-	5,683,860	1,117,456	161,002	6,962,318	4,842,439
Effect of disposals	-	-	(371,678)	(99,538)	(471,216)	(573,666)
August 31, 2012	<u>\$-</u>	<u>\$55,379,390</u>	<u>\$6,450,769</u>	<u>\$787,870</u>	<u>\$62,618,029</u>	<u>\$56,126,927</u>
Net Book Value at August 31, 2012	<u>\$4,167,683</u>	<u>\$82,894,953</u>	<u>\$2,981,992</u>	<u>\$372,532</u>	<u>\$90,417,160</u>	<u>\$94,921,444</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2012	2011
Alberta Education	\$1,264,545	\$-
Alberta Finance	21,415	35,058
Federal Government	831,435	778,509
Other trade payables and accrued liabilities	2,668,065	2,319,817
Total	<u>\$4,785,460</u>	<u>\$3,133,384</u>

7. DEFERRED REVENUE

	REVENUE as at Aug. 31, 2011	Restricted Funds Received/ Receivable	Restricted Funds Expended (Paid / Payable)	REVENUE as at Aug. 31, 2012
Alberta Education Restricted Operational Funding:				
Alberta Initiative for School Improvement	\$ 200,480	\$ 676,711	\$ 877,191	\$ -
Children and Youth with Complex Needs	-	208,045	208,045	-
Infrastructure Maintenance Renewal	162,501	1,543,598	1,391,561	314,538
Institutional Education Programs	-	255,192	255,192	-
SuperNet Service	-	190,350	190,350	-
Other Government of Alberta Restricted Funding:				
Special Education Project	15,000	-	15,000	-
Other Deferred Revenue:				
School Generated Funds	1,036,027	2,395,195	2,325,677	1,105,545
Fees	184,867	157,019	184,867	157,019
Other	102,576	4,518	102,576	4,518
Total	<u>\$ 1,701,451</u>	<u>\$ 5,430,628</u>	<u>\$ 5,550,459</u>	<u>\$ 1,581,620</u>

8. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction.

	2012	2011
Scholarship Trusts	\$53,233	\$59,926
Student Health Initiative Trust (SHI Banker Board)	271,022	210,656
Total	<u>\$324,255</u>	<u>\$270,582</u>

9. LONG TERM DEBT

Debenture Debt – Supported

The debenture debt bears interest at rates varying between 7.75% and 11.75%. The debenture debt is fully supported by Alberta Treasury Board and Finance.

	2012	2011
Debentures	\$ 343,587	\$ 709,472
Less current portion	(187,742)	(365,885)
	\$ 155,845	\$ 343,587

Debenture payments due over the next four years and beyond are:

	Principal	Interest	Total
2012-2013	\$187,742	\$34,288	\$222,030
2013-2014	118,129	16,081	134,210
2014-2015	22,346	4,219	26,565
2015-2016	15,370	1,786	17,156
Total	\$343,587	\$56,374	\$399,961

10. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the Division, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

11. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

12. FEES

	2012	2011
Transportation fees *	\$394,227	\$424,566
Fees charged for instruction material and supplies **	1,466,378	1,391,873
Other fees	668,433	697,278
Total	\$2,529,038	\$2,513,717

*Charged under *School Act*, Section 51 (3)

**Charged under *School Act* Section 60 (2) (j)

13. SCHOOL GENERATED FUNDS

Unexpended School Generated Revenues, Opening Balance August 31, 2011:	\$1,049,593
Current Year Activities – Gross Receipts:	
Fees	668,433
Fundraising	1,244,101
Gifts and donations	96,925
Other sales and services	385,736
Total gross receipts	<u>\$2,395,195</u>
Current Year Activities – Total Direct Costs Including Cost of Goods Sold to Raise Funds	2,066,590
Current Year Activities –Uses of Funds	272,653
Unexpended School Generated Revenues, Closing Balance August 31, 2012	<u>\$1,105,545</u>

14. ASSET RETIREMENT OBLIGATIONS

The Division will be responsible to pay \$1.25 million of the costs to demolish the old Memorial Composite High School in the upcoming fiscal year. As a result, an asset retirement obligation of \$1.25M has been recognized in Accounts Payable and Accrued Liabilities. A capital reserve that was established by the Board of Trustees on November 6, 2012 has been utilized to fund this expenditure.

For its other school sites, the Division has applied the interpretations of the Canadian Institute of Chartered Accountants Emerging Issues Committee abstract 159 “Conditional Asset Retirement Obligations” (EIC-159). Under EIC-159, a liability should be recognized if the entity has sufficient information to reasonably estimate the fair value of the asset retirement obligation. The Division believes that there is insufficient information to estimate the fair value of the asset retirement obligation at other school sites because the settlement date or the range of potential settlement dates has not been specified and information is not available to apply an expected present value technique.

The Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be covered in the future by funding through the Alberta Government.

15. RELATED PARTY TRANSACTIONS

School jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities that are consolidated 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. The Division had related party transactions for the year ended August 31, 2012 at the amount of consideration agreed upon between the related parties as follows:

2011/2012	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta (GOA):				
Education	\$1,187,560	\$1,264,545	\$97,301,920	-
Education (Deferred Capital Allocations)	-	764,263	-	-
Treasury Board and Finance	21,415	365,002	56,247	56,247
Health and Wellness	-	-	-	-
Human Services	-	-	-	-
Other GOA departments	-	-	-	156,027
Other:				
Post-secondary institutions	9,534	-	-	2,028
Other Alberta school jurisdictions	12,369	-	34,693	239,536
TOTAL 2011/2012	\$1,230,878	\$2,393,810	\$97,392,860	\$453,838
TOTAL 2010/2011	\$155,601	\$1,679,391	\$88,731,893	\$546,821

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

17. CONTINGENCIES

The School Division is a member of the Alberta School Boards Insurance Exchange. Under the terms of membership, the School Division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred will be accounted for as a current transaction in the year the losses are determined.

18. REMUNERATION AND MONETARY INCENTIVES

The Division had paid or accrued expenses for the year ended August 31, 2012 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits *	ERIP's / Other	Expenses
Chair - Richard Gilchrist	1.0	\$38,649	\$4,913	\$-	\$9,664
Ward 1 - Ron Heinrichs	1.0	\$28,248	\$1,873	\$-	\$23,929
Ward 2 - Kathleen Linder	1.0	\$26,612	\$5,109	\$-	\$11,896
Ward 4 - Irene Goebel	1.0	\$27,464	\$172	\$-	\$13,904
Ward 5 - Dorcas Kilduff	1.0	\$32,328	\$5,293	\$-	\$12,087
Ward 5 - Eric Cameron	1.0	\$32,598	\$5,422	\$-	\$11,838
Ward 6 - Elsie Kinsey	1.0	\$26,608	\$5,133	\$-	\$10,690
Subtotal	7.0	\$212,507	\$27,915	\$-	\$94,008
Superintendent- Timothy Monds	1.0	\$213,670	\$33,501	\$-	\$24,770
Secretary Treasurer- Claire Jonsson	1.0	\$182,268	\$36,447	\$-	\$14,269
Certificated teachers	521.2	\$48,731,780	\$10,337,967	\$-	
Non-certificated - other	358.1	\$15,889,550	\$3,941,025	\$-	
TOTALS 2011-2012		\$65,229,775	\$14,376,855	\$-	
TOTALS 2010-2011		\$61,858,281	\$13,612,101	\$29,975	

* Benefits include government portion of the current service contribution to the Alberta Teachers Pension Fund on behalf of the Division.

19. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees on November 2, 2011. It is presented for information purposes only and has not been audited.

20. PRIOR PERIOD ADJUSTMENTS

As a result of a change in accounting treatment, the government's contributions to the Alberta Teachers Retirement Fund for the Division's employees are now recognized on the Division's statements as revenue and an expense.

	Reported Balance, beginning of year	<u>Adjustment</u>	Restated balance, beginning of year
Government of Alberta	88,674,521	4,551,835	93,226,356
Certificated Benefits	5,218,123	4,551,835	9,769,958

21. COMPARATIVE FIGURES

As a result of a change in accounting treatment regarding school generated funds to be broken out by object, the following adjustments have been performed.

	Reported Balance, beginning of year	<u>Adjustment</u>	Restated balance, beginning of year
Cash and cash equivalents	13,374,355	1,036,995	14,411,350
Accounts receivable	599,180	12,595	611,775
Accounts payable	3,119,818	13,566	3,133,384
Deferred revenues	665,424	1,036,027	1,701,451
School generated assets	1,049,593	-1,049,593	-
School generated liabilities	1,049,593	-1,049,593	-
Fees	1,816,439	697,278	2,513,717
Other sales and services	737,057	132,368	869,425
Gifts and donations	-	117,225	117,225
Fundraising	-	1,926,266	1,926,266
Services, contracts and supplies	21,533,635	2,873,137	24,406,772
School generated revenues	2,873,137	-2,873,137	-
School generated expenses	2,873,137	-2,873,137	-

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012
[School Act, Section 276]

Parkland School Division No. 70

Legal Name of School Jurisdiction

4603 48 Street, Stony Plain, AB, T7Z 2A8

Mailing Address

(780) 963-8402, (780) 963-4169

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions. These schedules were submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Claire Jonsson

Name



Signature

27-Nov-12

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Robert.Mah@gov.ab.ca
PHONE: (780) 427-3855 FAX: (780) 422-6996

TABLE OF CONTENTS

		Page
SCHEDULE A	Allocation of Revenues and Expenses to Programs	3
SCHEDULE B	Operations and Maintenance Program Expense Details	4

SCHEDULE A

School Jurisdiction Code: 2305

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2011/2012

REVENUES	ECS -Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration	External Services	TOTAL
(1) Alberta Education	\$75,492,915	\$8,915,053	\$9,403,860	\$3,490,092	\$0	\$97,301,920
(2) Other - Government of Alberta	\$0	\$56,247	\$0	\$0	\$0	\$56,247
(3) Federal Government and First Nations	\$1,441,610	\$174,338	\$0	\$63,396	\$0	\$1,679,344
(4) Other Alberta school authorities	\$17,053	\$0	\$17,640	\$0	\$0	\$34,693
(5) Out of province authorities	\$11,250	\$0	\$0	\$0	\$0	\$11,250
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0
(7) Fees	\$2,134,811		\$394,227			\$2,529,038
(8) Other sales and services	\$952,402	\$40,812	\$263,062	\$3,279	\$21,920	\$1,281,475
(9) Investment income	\$0	\$0	\$0	\$182,607	\$0	\$182,607
(10) Gifts and donations	\$96,925	\$0	\$0	\$0	\$0	\$96,925
(11) Fundraising	\$1,244,101	\$0	\$0	\$0	\$0	\$1,244,101
(12) Rental of facilities	\$0	\$5,243	\$0	\$0	\$8,346	\$13,589
(13) Gains on disposal of capital assets	\$0	\$16,045	\$20,156	\$0	\$0	\$36,201
(14) Amortization of capital allocations	\$0	\$5,905,844	\$0		\$15,638	\$5,921,482
(15) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0
(16) TOTAL REVENUES	\$81,391,067	\$15,113,582	\$10,098,945	\$3,739,374	\$45,904	\$110,388,872
EXPENSES						
(17) Certificated salaries	\$48,376,279			\$569,171	\$0	\$48,945,450
(18) Certificated benefits	\$10,305,843			\$65,625	\$0	\$10,371,468
(19) Non-certificated salaries and wages	\$11,092,406	\$3,238,712	\$460,535	\$1,492,672	\$0	\$16,284,325
(20) Non-certificated benefits	\$2,781,240	\$801,502	\$95,989	\$326,656	\$0	\$4,005,387
(21) SUB - TOTAL	\$72,555,768	\$4,040,214	\$556,524	\$2,454,124	\$0	\$79,606,630
(22) Services, contracts and supplies	\$10,452,551	\$5,421,977	\$9,237,222	\$1,092,179	\$21,921	\$26,225,850
(23) Amortization of capital assets	\$728,265	\$6,029,481	\$51,554	\$137,380	\$15,638	\$6,962,318
(24) Interest and charges	\$0	\$56,247	\$0	\$0	\$0	\$56,247
(25) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(26) Other expense	\$0	\$0	\$0	\$0	\$0	\$0
(27) TOTAL EXPENSES	\$83,736,584	\$15,547,919	\$9,845,300	\$3,683,683	\$37,559	\$112,851,045
EXCESS (DEFICIENCY) OF REVENUES (28) OVER EXPENSES	(\$2,345,517)	(\$434,337)	\$253,645	\$55,691	\$8,345	(\$2,462,173)

**SCHEDULE B
OPERATIONS AND MAINTENANCE OF SCHOOLS & MAINTENANCE SHOPS PROGRAM EXPENSE DETAILS - 2011/2012**

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR & Modular Unit Relocations	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$2,183,232	\$743,816	\$0	\$0	\$295,691		\$3,222,739		\$3,222,739
Uncertificated benefits	\$557,799	\$194,896	\$0	\$0	\$64,779		\$817,475		\$817,475
Sub-total Remuneration	\$2,741,031	\$938,713	\$0	\$0	\$360,471		\$4,040,214		\$4,040,214
Supplies and services	\$217,544	\$1,707,401	\$0	\$1,391,561	\$0		\$3,316,506		\$3,316,506
Electricity			\$979,891				\$979,891		\$979,891
Natural gas/heating fuel			\$816,625				\$816,625		\$816,625
Sewer and water			\$61,371				\$61,371		\$61,371
Telecommunications			\$40,259				\$40,259		\$40,259
Insurance					\$207,325		\$207,325		\$207,325
Amortization of capital assets									
Supported								\$5,905,844	\$5,905,844
Unsupported				\$0		\$123,637	\$123,637		\$123,637
Total Amortization				\$0		\$123,637	\$123,637	\$5,905,844	\$6,029,481
Interest on capital debt									
Supported								\$56,247	\$56,247
Unsupported				\$0			\$0		\$0
Lease payments for facilities									
Other interest charges						\$0	\$0		\$0
Losses on disposal of capital assets						\$0	\$0		\$0
TOTAL EXPENSES	\$2,958,575	\$2,646,114	\$1,898,146	\$1,391,561	\$567,796	\$123,637	\$9,585,828	\$5,962,091	\$15,547,919
SQUARE METRES									
School buildings									118,980.4
Non school buildings									10,873.7

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 Relocations:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
- 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.