

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2009**
[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

780-963-4010, 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

Richard Gilchrist

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Mary Lynne Campbell

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Claire Jonsson

Name

"ORIGINAL SIGNED"

Signature

1-Dec-09

Board-approved Release Date

TABLE OF CONTENTS

	Page
AUDITORS' REPORT INSERT	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 INSERT	9

December 1, 2009

Auditors' Report

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

We have audited the statement of financial position of **Parkland School Division No. 70** as at August 31, 2009 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2009 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.

The budgeted information in the statement of revenue and expenses has not been subjected to audit procedures and, accordingly, we do not express an opinion on this information.

PricewaterhouseCoopers LLP

Chartered Accountants

STATEMENT OF FINANCIAL POSITION
as at August 31, 2009

(in dollars)

	2009	2008 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$16,147,535	\$17,975,517
Accounts receivable (net after allowances) (Note 3)	\$2,209,531	\$1,894,077
Prepaid expenses	\$90,945	\$156,610
Other current assets	\$0	\$0
Total current assets	\$18,448,011	\$20,026,204
School generated assets		
Trust assets (Note 4)	\$225,742	\$240,001
Long term accounts receivable (Note 5)	\$593,324	\$0
Long term investments	\$0	\$0
Capital assets (Note 6)		
Land	\$4,167,683	\$4,167,683
Construction in Progress	\$25,978,130	\$0
Buildings	\$91,912,537	
Less: accumulated amortization	(\$43,923,598)	\$49,703,564
Equipment	\$6,958,732	
Less: accumulated amortization	(\$3,927,989)	\$2,025,120
Vehicles	\$1,321,314	
Less: accumulated amortization	(\$615,928)	\$571,532
Total capital assets	\$81,870,881	\$56,467,899
TOTAL ASSETS	\$102,618,321	\$78,056,825
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities (Note 7)	\$3,744,701	\$3,462,959
Deferred revenue (Note 8)	\$813,479	\$2,109,831
Deferred capital allocations	\$1,399,933	\$140,023
Current portion of long term debt	\$505,351	\$658,151
Total current liabilities	\$6,463,464	\$6,370,964
School generated liabilities (Note 9)		
Trust liabilities (Note 4)	\$225,742	\$240,001
Employee future benefit liabilities	\$0	\$0
Long term debt (Note 10)		
Supported: Debentures and other supported debt	\$1,663,743	\$2,321,894
Less: Current portion	(\$505,351)	(\$658,151)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities (Note 11)	\$996,539	\$0
Unamortized capital allocations	\$72,098,875	\$47,470,426
Total long term liabilities	\$75,959,911	\$50,696,891
TOTAL LIABILITIES	\$82,423,375	\$57,067,855
NET ASSETS		
Unrestricted net assets	\$847,737	\$3,836,220
Operating Reserves (Note 12)	\$9,269,991	\$8,054,692
Accumulated Operating Surplus (Deficit)	\$10,117,728	\$11,890,912
Investment in capital assets	\$8,108,258	\$6,675,578
Capital Reserves (Note 12)	\$1,968,960	\$2,422,480
Total Capital Funds	\$10,077,218	\$9,098,058
Total net assets	\$20,194,946	\$20,988,970
TOTAL LIABILITIES AND NET ASSETS	\$102,618,321	\$78,056,825

Note: Please input "(Restated)" in 2008 column heading where comparatives are not taken from the finalized 2007-2008 Audited Financial Statements filed with Alberta Education.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2009
(in dollars)

	Actual 2009	Budget 2009 (Note) 19	Actual 2008 (Note)
REVENUES			
Government of Alberta	\$83,439,522	\$82,380,665	\$81,924,967
Federal Government and First Nations	\$1,436,797	\$1,118,812	\$1,822,702
Other Alberta school authorities	\$37,470	\$24,255	\$25,266
Out of province authorities	\$5,470	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$1,295,152	\$816,394	\$1,258,885
Transportation fees	\$281,556	\$270,432	\$265,157
Other sales and services	\$947,240	\$395,808	\$1,225,997
Investment income	\$192,125	\$392,000	\$598,020
Gifts and donations	\$0	\$0	\$25,356
Rental of facilities	\$15,839	\$13,680	\$31,176
Net school generated funds	\$348,958	\$326,376	\$325,829
Gains on disposal of capital assets	\$4,556	\$0	\$15,875
Amortization of capital allocations	\$2,338,703	\$2,321,746	\$2,298,575
Other revenue	\$29,752	\$0	
Total Revenues	\$90,373,140	\$88,060,168	\$89,817,805
EXPENSES			
Certificated salaries (Note 14)	\$41,353,413	\$41,338,013	\$40,321,692
Certificated benefits (Note 14)	\$4,617,981	\$4,904,129	\$4,693,099
Non-certificated salaries and wages (Note 14)	\$14,221,137	\$13,776,086	\$12,502,262
Non-certificated benefits (Note 14)	\$3,637,412	\$3,590,759	\$3,289,839
Services, contracts and supplies	\$23,690,115	\$23,016,850	\$23,967,624
Net school generated funds	\$348,958	\$326,376	\$325,829
Capital and debt services			
Amortization of capital assets			
Supported	\$2,338,703	\$2,321,746	\$2,298,575
Unsupported	\$759,632	\$704,229	\$596,554
Total Amortization of capital assets	\$3,098,335	\$3,025,975	\$2,895,129
Interest on capital debt			
Supported	\$199,813	\$199,813	\$279,332
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$199,813	\$199,813	\$279,332
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$91,167,164	\$90,178,001	\$88,274,806
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	(\$794,024)	(\$2,117,832)	\$1,542,999
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$794,024)	(\$2,117,832)	\$1,542,999

Note: Please input "(Restated)" where Actual 2008 comparatives are not as presented in the finalized 2007-2008 Audited Financial Statements filed with Alberta Education. Budget 2009 comparatives presented are final budget amounts formally approved by the Board.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2009

(in dollars)

	2009	2008 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	(\$794,024)	\$1,542,999
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,338,703)	(\$2,298,575)
Total amortization expense	\$3,098,335	\$2,895,129
Gains on disposal of capital assets	(\$4,556)	(\$15,875)
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	(\$315,454)	(\$310,374)
Prepays and other current assets	\$65,665	\$194,631
Long term accounts receivable	(\$593,324)	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$1,278,281	(\$1,492,369)
Deferred revenue	(\$1,296,352)	\$1,489,132
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from Operations	(\$900,132)	\$2,004,698
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$26,647,541)	(\$473,850)
Equipment	(\$1,583,928)	(\$715,093)
Vehicles	(\$269,848)	(\$158,539)
Net proceeds from disposal of capital assets	\$4,556	\$15,875
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$28,496,761)	(\$1,331,607)
C. FINANCING ACTIVITIES		
Capital allocations	\$27,568,911	\$228,180
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$658,151)	(\$910,240)
Add back: supported portion	\$658,151	\$910,241
Other (describe)	\$0	(\$1)
Total cash flows from financing activities	\$27,568,911	\$228,180
Net cash flows from during the year	(\$1,827,982)	\$901,271
Cash and temporary investments, net of bank indebtedness, at Aug. 31/08	\$17,975,517	\$17,074,246
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$16,147,535	\$17,975,517

Note: Please input "(Restated)" where Actual 2008 comparatives are not as presented in the finalized 2007-2008 Audited Financial Statement filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2009**

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	INTERNALLY RESTRICTED NET ASSETS											
				TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	School & Instruction Related		Operations & Maintenance		Board & System Admin.		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, 2008	\$20,988,970	\$6,675,578	\$3,836,220	\$8,054,692	\$2,422,480	\$6,080,964	\$603,440	\$764,044	\$238,430	\$932,759	\$1,381,271	\$276,925	\$199,339	\$0	\$0
<u>Prior period adjustments</u> (describe)															
	\$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, 2008	\$20,988,970	\$6,675,578	\$3,836,220	\$8,054,692	\$2,422,480	\$6,080,964	\$603,440	\$764,044	\$238,430	\$932,759	\$1,381,271	\$276,925	\$199,339	\$0	\$0
Excess (deficiency) of revenue over expenses	(\$794,024)		(\$794,024)												
Board funded capital additions		\$2,192,312	(\$390,952)	(\$97,941)	(\$1,703,419)		(\$1,394,991)	(\$24,440)	(\$104,428)	(\$73,501)	(\$204,000)			\$0	\$0
Disposal of unsupported capital assets	\$0	\$0	(\$4,556)		\$4,556		\$0		\$4,556		\$0		\$0		\$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													
Amortization of capital assets		(\$3,098,335)	\$3,098,335												
Amortization of capital allocations		\$2,338,703	(\$2,338,703)												
Debt principal repayments (unsupported)		\$0	\$0												
Net transfers to operating reserves			(\$3,084,170)	\$3,084,170		\$3,022,327		\$0		\$3,759		\$58,084		\$0	
Net transfers from operating reserves			\$1,770,930	(\$1,770,930)		(\$1,239,031)		(\$144,014)		(\$387,885)		\$0		\$0	
Net transfers to capital reserves			(\$1,245,343)		\$1,245,343		\$1,005,886		\$155,319		\$50,610		\$33,528		\$0
Net transfers from capital reserves			\$0		\$0		\$0		\$0		\$0		\$0		\$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, 2009	\$20,194,946	\$8,108,258	\$847,737	\$9,269,991	\$1,968,960	\$7,864,260	\$214,335	\$595,590	\$293,877	\$475,132	\$1,227,881	\$335,009	\$232,867	\$0	\$0

**STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2009
(in dollars)**

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2008	\$140,023	\$47,470,426
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2008	\$140,023	\$47,470,426
Add:		
Restricted capital allocations from:		
Alberta Education including school and modular projects	\$27,559,081	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$9,830	
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
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$658,151
Expended capital allocations - current year	(\$26,309,001)	\$26,309,001
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$2,338,703
Balance at August 31, 2009	\$1,399,933	\$72,098,875

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

PARKLAND SCHOOL DIVISION NO. 70

Notes to the Financial Statements
Year Ended August 31, 2009

1. Authority and Purpose

Parkland School Division No. 70 delivers education programs under the authority of the School Act, Chapter S3, Statutes of Alberta, January 1, 2000.

The School Division receives block allocations for Instruction, Support and Capital purposes under Regulation 77/2003. The Regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of Significant Accounting Policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Education for Alberta school jurisdictions. 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 prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Changes in Significant Accounting Policies

i) Capital disclosures

Effective September 1, 2008, the Division implemented new capital disclosure requirements per Section 1535 of the CICA Handbook. The Division's objectives for managing capital are to safeguard the Division ability to continue to deliver primary and secondary education programs.

The majority of the Division's operating funding is from the Provincial Government which is received monthly. The Division monitors its working capital and cash flow forecasts on a continuous basis.

ii) Assessing going concern

In January 2008, the CICA amended Section 1400 – "General Standards of Financial Statement Presentation" to include requirements for management to assess and disclose material uncertainties relevant to an entity's ability to continue as a going concern. This amendment is effective for annual financial statements for years beginning on or after January 1, 2008. Management is not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Division's ability to continue as a going concern.

Revenue Recognition

Revenue from the Provincial and Federal governments for instruction and support is recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

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

PARKLAND SCHOOL DIVISION NO. 70

Notes to the Financial Statements
Year Ended August 31, 2009

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the property and equipment asset acquired by the grant.

Vacation Pay

Vacation pay is recorded in the period in which it is earned.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the School Division because the accountability and control/ownership of these funds rests with School Division officials or their appointee(s).

Property and Equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 4%
Equipment	20%
Vehicles	10% and 20%

Property and equipment are amortized in the year following the acquisition. Only property and equipment with costs in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Amortization

Amortization expense is reflected as a period expense on the statement of revenues and expenses and results in a reduction to operating reserves and unrestricted net assets. However, an amount equal to the amortization of supported assets is recorded as revenue. Amortization expense results in a transfer from investment in capital assets to unrestricted net assets on the statement of changes in net assets. The transfer from investment in capital assets to unrestricted net assets offsets the effect of the amortization expense of the period resulting in no change to the accumulated surplus.

Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

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

The current service 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 Parkland School Division No. 70 does not make pension contributions for certificated staff.

PARKLAND SCHOOL DIVISION NO. 70

Notes to the Financial Statements Year Ended August 31, 2009

The School Division participates in the multi-employer pension plan, Local Authorities Pension Plan. At August 31, 2009, the School Division's expense for this pension plan is equivalent to the annual contributions of \$890,169 (2008 - \$651,880). At December 31, 2008, the local Authorities Pension Plan reported an actuarial deficiency of \$4,413,971,000 (2007 - \$1,183,334,000 deficiency). Effective 2008-2009 fiscal year, the Government of Alberta has taken responsibilities of the LAPP unfunded liabilities.

Internally restricted net assets

Reserves created by authorization of the Board of Trustees represent allocations for future capital expenditures and future operating expenses. The capital reserves are established and expended in accordance with terms and conditions established by the Board of Trustees.

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.

Financial Instruments

The Division's financial instruments consist of cash, trust assets, account receivable, accounts payable and accrued liabilities, trust liabilities, and long term debt. It is management's opinion that the jurisdiction 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.

Held-to-maturity: Financial instruments that are initially recognized at their fair values and subsequently measured at amortized cost using the effective interest method. Impairment losses are charged in the period which they arise.

Held-for-trading: Financial instruments that are carried at fair value with changes in fair value charged or credited to expenses in the period in which they arise.

Loans and receivables: Items that are initially recognized at fair value, with any resulting premium or discount from the face value being amortized to income or expense using the effective interest method. Impairment losses are charged in the period which they arise.

Available-for-sale: Financial instruments that are carried at fair value with changes in the fair value charged or credited to net assets. Impairment losses are charged in the period which they arise.

Other financial liabilities: Items that are initially measured at cost or amortized cost, depending upon the nature of the instrument, with any resulting premium or discount from the face value being amortized to revenues or expenses using the effective interest method.

CICA Handbook Section 3861 – "Financial Instruments – Disclosure and Presentation" establishes standards for presentation of financial instruments and non-financial derivatives, and identifies information that should be disclosed regarding the significance of financial instruments to an entity's financial position, performance and cash flows. The Division adopted this section in its 2008 financial statements. CICA handbook Sections 3862 and 3863, applicable for 2009, expand on the disclosure requirements of section 3861, including quantitative and qualitative analysis of each type of risk arising from financial instruments. Not-for-profit organizations are permitted to apply Section 3861 in place of Sections 3862 and 3863, which the Division has elected to do.

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2009

3. Accounts Receivable

	<u>2009</u>	<u>2008</u>
Provincial government	\$ 1,797,622	\$ 1,144,903
Federal government/First nations	211,474	131,166
Municipalities	2,704	2,905
Other school divisions	814	5,516
Other	196,917	609,587
	<u>\$ 2,209,531</u>	<u>\$ 1,894,077</u>

4. Trust Assets and Liabilities

	<u>2009</u>	<u>2008</u>
Endowment funds for scholarships	\$ 76,278	\$ 75,539
Deferred salaries	149,464	164,462
	<u>\$ 225,742</u>	<u>\$ 240,001</u>

5. Long Term Accounts Receivable

The Division receives Infrastructure Maintenance Renewal (IMR) funding from the Provincial Government to fund the maintenance of its school facilities. As a result of a recent substantial increase in emergent items, the Division has a deficiency, which is to be covered by utilizing future years' funding.

	<u>2009</u>	<u>2008</u>
IMR funding receivable/(deferred) from previous year	\$ 724,480	\$ (475,804)
Current year funding	(1,499,625)	(1,518,666)
IMR project expenditures	2,871,096	2,724,837
Interest Earned on IMR Funding	(2,349)	(5,887)
Receivable from future years funding	2,093,602	724,480
Funding to be received in the next fiscal year	1,500,278	1,499,625
Receivable funding to be received in greater than one year	<u>\$ 593,324</u>	<u>\$ -</u>

PARKLAND SCHOOL DIVISION NO. 70

Notes to the Financial Statements
Year Ended August 31, 2009

6. Capital Assets

	<u>Land</u>	<u>Construction In Progress- Building</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>2009</u>	<u>2008</u>
<u>Historical cost</u>							
Balance, beginning of year	\$4,167,683	\$ -	\$91,243,126	\$5,523,840	\$1,105,678	\$102,040,327	\$100,830,816
Additions	-	25,978,130	669,411	1,583,928	269,848	28,501,317	1,347,481
Disposals	-	-	-	(149,036)	(54,212)	(203,248)	(137,970)
Balance, end of year	<u>\$4,167,683</u>	<u>\$25,978,130</u>	<u>\$91,912,537</u>	<u>\$6,958,732</u>	<u>\$1,321,314</u>	<u>\$130,338,396</u>	<u>\$102,040,327</u>
<u>Accumulated amortization</u>							
Balance, beginning of year	\$ -	\$ -	\$41,539,562	\$3,498,720	\$534,146	\$45,572,428	\$42,815,269
Amortization expense	-	-	2,384,036	578,305	135,994	3,098,335	2,895,129
Effect of disposals	-	-	-	(149,036)	(54,212)	(203,248)	(137,970)
Balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$43,923,598</u>	<u>\$3,927,989</u>	<u>\$615,928</u>	<u>\$48,467,515</u>	<u>\$45,572,428</u>
Net Book Value	<u>\$4,167,683</u>	<u>\$25,978,130</u>	<u>\$47,988,939</u>	<u>\$3,030,743</u>	<u>\$705,386</u>	<u>\$81,870,881</u>	<u>\$56,467,899</u>

7. Accounts Payable and Accruals

	<u>2009</u>	<u>2008</u>
Provincial government	\$ 117,734	\$ 212,214
Federal government/First nations	781,815	681,410
Other	2,845,152	2,569,335
	<u><u>\$ 3,744,701</u></u>	<u><u>\$ 3,462,959</u></u>

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2009

8. Deferred Revenue

	<u>Balance, beginning of year</u>	<u>2008/2009 Received/ Receivable</u>	<u>2008/2009 Expended (Paid / Payable)</u>	<u>2008/2009 Adjustments</u>	<u>Balance, end of year</u>
Alberta Education Restricted Operational Funding:					
Alberta Initiative for School Improvement	\$ 145,512	\$1,368,410	(\$1,496,131)	\$ -	\$ 17,791
Children and Youth with Complex Needs	154,245	234,561	(154,245)	-	234,561
Infrastructure Maintenance Renewal	-	2,871,096	(2,871,096)	-	-
Institutional Education Programs	-	210,881	(210,881)	-	-
Regional Consortium	1,276,862	-	-	(1,276,862)	-
Small Class Size Initiative	-	2,992,641	(2,992,641)	-	-
SuperNet Service	-	151,050	(151,050)	-	-
Other Alberta Education Deferred Revenue	-	240,000	-	-	240,000
Other Deferred Revenue:					
Instructional and Transportation Fees	121,156	127,671	(121,156)	-	127,671
Other	412,056	193,456	-	(412,056)	193,456
	<u>\$2,109,831</u>	<u>\$8,389,766</u>	<u>(\$7,997,200)</u>	<u>(\$1,688,918)</u>	<u>\$813,479</u>

9. School Generated Funds

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 1,322,721	\$ 1,292,345
Source of Net School Generated Funds (SGF)	506,600	356,205
Net SGF available for discretionary spending	1,829,321	1,648,550
Net Less: net SGF expended for the year	(348,958)	(325,829)
Balance, end of year	<u>\$ 1,480,363</u>	<u>\$ 1,322,721</u>

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2009

10. Long-term Debt

The debentures outstanding at August 31, 2009 have interest rates which vary between 6% and 12%. Terms of the debentures are 20-25 years with payments of principal and interest made annually. The debenture debt is fully supported by Alberta Finance.

	<u>2009</u>	<u>2008</u>
Debentures	\$ 1,663,743	\$ 2,321,894
Less current portion	(505,351)	(658,151)
	\$ 1,158,392	\$ 1,663,743

Debenture principal and interest amounts due in each of the next five years are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	505,351	165,916	671,267
2011	448,920	114,517	563,437
2012	365,885	69,890	435,775
2013	187,742	34,288	222,030
2014	118,129	16,081	134,210
2015 and thereafter	37,716	6,006	43,722
	\$ 1,663,743	\$ 406,698	\$ 2,070,441

Cash interest paid during the year by the School Division was \$235,651 (2008 - \$335,549).

11. Other Long Term Liabilities

	<u>2009</u>	<u>2008</u>
Deferred Playground Donations	\$ 605,587	\$ -
Deferred Contribution of Modular Classroom	390,952	-
	\$ 996,539	\$ -

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2009

12. Restricted Net Assets

	Balance, beginning of year	Appropriated during the year	Utilized during the year	Balance, end of year
Operating Reserves				
School instructional	\$ 6,080,964	\$ 3,022,327	\$ 1,239,031	\$ 7,864,260
System administration	932,759	3,759	461,386	475,132
Operation & maintenance	764,044	-	168,454	595,590
Transportation	276,925	58,084	-	335,009
	<u>\$ 8,054,692</u>	<u>\$ 3,084,170</u>	<u>\$ 1,868,871</u>	<u>\$ 9,269,991</u>
Capital Reserves				
Land	29,194	-	-	29,194
Buildings	982,467	130,338	14,224	1,098,581
Equipment	1,160,995	888,521	1,419,347	630,169
Vehicles	249,824	231,040	269,848	211,016
	<u>2,422,480</u>	<u>1,249,899</u>	<u>1,703,419</u>	<u>1,968,960</u>
TOTAL	<u>\$ 10,477,172</u>	<u>\$ 4,334,069</u>	<u>\$ 3,572,290</u>	<u>\$ 11,238,951</u>

13. Program Expenses

	2009 Budget (Note 19)	2009 Actual	2008 Actual
Early childhood services	3,692,151	4,173,743	3,390,297
Student instruction	62,191,674	61,414,638	58,149,595
Operation and maintenance	11,549,950	12,965,628	12,581,420
Student transportation	8,784,415	8,662,313	8,490,540
Board/system administration	3,580,196	3,427,442	3,253,364
External services	53,238	174,442	2,083,761
School generated funds (Note 9)	326,376	348,958	325,829
	<u>\$90,178,001</u>	<u>\$91,167,164</u>	<u>\$88,274,806</u>

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2009

14. Remuneration and Monetary Incentives

Parkland School Division had paid or accrued expenses for the year ended August 31, 2009 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	\$ 26,780	\$ 5,291	\$ -	\$ 3,458
Ward 1 - Robert Gillard	1.0	23,829	5,358	-	8,736
Ward 2 - Kathleen Linder	1.0	16,515	4,849	-	4,902
Ward 4 - Irene Goebel	1.0	16,625	91	-	4,370
Ward 5 - Dorcas Kilduff	1.0	19,906	5,288	-	4,577
Ward 5 - Darcy Kolodnicki	1.0	15,539	2,495	-	3,385
Ward 6 - Elsie Kinsey	1.0	15,949	5,142	-	4,011
	7.0	135,143	28,514	-	33,439
 Superintendent - Mary Lynne Campbell	 1.0	 143,693	 15,094	 -	 11,361
 Secretary-Treasurer Claire Jonsson	 1.0	 137,392	 30,832	 -	 9,941
Certificated Teachers	520.6	41,039,367	4,602,887	170,353	
Non-certificated - Other	459.0	13,904,763	3,578,067	43,839	
	988.6	\$ 55,360,358	\$ 8,255,394	\$ 214,192	

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2009

15. Related Party Transactions

Effective 2005-2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	<u>Balances</u>		<u>Transactions</u>	
	<u>Assets (cost or net realizable value)</u>	<u>Liabilities (fair value)</u>	<u>Revenues</u>	<u>Expenses</u>
Government of Alberta				
Education	\$ 2,225,891	\$ 44,710	\$ 82,788,817	\$ -
Infrastructure & transportation	-	-	-	-
Finance	73,024	1,736,767	199,813	199,813
Other	92,030	-	450,892	243,161
	<u>2,390,945</u>	<u>1,781,477</u>	<u>83,439,522</u>	<u>442,974</u>
Other				
Health authorities	-	-	-	2,988
Post-secondary institutions	-	-	-	5,496
Other Alberta school jurisdictions	814	-	37,470	263,915
TOTAL 2008-2009	<u>\$ 2,391,759</u>	<u>\$ 1,781,477</u>	<u>\$ 83,476,992</u>	<u>\$ 715,373</u>
TOTAL 2007-2008	<u>\$ 1,150,419</u>	<u>\$ 4,101,600</u>	<u>\$ 81,950,233</u>	<u>\$ 998,677</u>

16. Economic Dependence on Related Third Party

The School Division's primary source of income is from the Alberta Government. The School 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.

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2009

18. Asset Retirement Obligations

The School 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 School 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. The School 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 specified and information is not available to apply an expected present value technique.

19. Budget Amounts

The budget was prepared by the School Division management with the Board of Trustees approval given on November 6, 2008. A revised budget based on student enrolments at September 30, 2008 is presented in these statements for information purposes only and has not been audited.