

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

Horizon School Division No. 67

Legal Name of School Jurisdiction

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Horizon School Division No. 67 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

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

Board of Trustees Responsibility

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

External Auditors

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

Declaration of Management and Board Chair

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

BOARD CHAIR

Marie Logan

Name


Signature

SUPERINTENDENT

Wilco Tymensen

Name


Signature

SECRETARY-TREASURER OR TREASURER

Philip Johansen CPA,CA

Name


Signature

November 25, 2015

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF OPERATIONS	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)	7
STATEMENT OF REMEASUREMENT GAINS AND LOSSES	8
SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS	9
SCHEDULE OF CAPITAL REVENUE	11
SCHEDULE OF PROGRAM OPERATIONS	12
SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES	13
UNAUDITED SCHEDULE OF FEE REVENUE	14
UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING	15
UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES	16
NOTES TO THE FINANCIAL STATEMENTS	17

Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Horizon School Division No. 67

We have audited the accompanying financial statements of Horizon School Division No. 67, which comprise the statement of financial position as at August 31, 2015, and the statements of operations, change in net debt, remeasurement gains and losses, and cash flows for the year ended August 31, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Horizon School Division No. 67 as at August 31, 2015, and the results of its operations, changes in its net debt, remeasurement gains and losses, and its cash flows for the year ended August 31, 2015 in accordance with Canadian public sector accounting standards.

Young Parkyn McNab LLP

Lethbridge, Alberta
November 25, 2015

Chartered Accountants

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

		2015	2014
FINANCIAL ASSETS			
Cash and cash equivalents	(Note 3)	\$ 9,682,296	\$ 7,114,757
Accounts receivable (net after allowances)	(Note 4)	\$ 612,929	\$ 2,773,092
Portfolio investments	(Note 5)	\$ 6,702,205	\$ 2,246,102
Other financial assets		\$ -	\$ -
Total financial assets		\$ 16,997,430	\$ 12,133,951
LIABILITIES			
Bank indebtedness	(Note 6)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 7)	\$ 1,791,411	\$ 554,134
Deferred revenue	(Note 8)	\$ 41,567,301	\$ 39,114,479
Employee future benefit liabilities	(Note 9)	\$ 87,097	\$ 75,873
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Supported: Debentures and other supported debt		\$ -	\$ -
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 43,445,809	\$ 39,744,486
Net financial assets (debt)		\$ (26,448,379)	\$ (27,610,535)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Note 10)		
Land		\$ 534,275	\$ 534,275
Construction in progress		\$ -	\$ -
Buildings	\$ 59,987,746		
Less: Accumulated amortization	\$ (19,686,302)	\$ 40,301,444	\$ 40,988,875
Equipment	\$ 2,329,640		
Less: Accumulated amortization	\$ (1,346,768)	\$ 982,872	\$ 655,982
Vehicles	\$ 1,066,040		
Less: Accumulated amortization	\$ (870,221)	\$ 195,819	\$ 273,876
Computer Equipment	\$ 335,745		
Less: Accumulated amortization	\$ (222,532)	\$ 113,213	\$ 182,532
Total tangible capital assets		\$ 42,127,623	\$ 42,635,540
Prepaid expenses		\$ 170,147	\$ 93,966
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 42,297,770	\$ 42,729,506
Accumulated surplus	(Note 11)	\$ 15,849,391	\$ 15,118,971
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 15,871,533	\$ 15,142,475
Accumulated rereasurement gains (losses)		\$ (22,142)	\$ (23,504)
		\$ 15,849,391	\$ 15,118,971
Contractual obligations	(Note 12)		
Contingent liabilities			

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

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

	Budget 2015	Actual 2015	Actual 2014
REVENUES			
Alberta Education	\$ 41,865,709	\$ 42,989,035	\$ 42,348,336
Other - Government of Alberta	\$ -	\$ 277,402	\$ 293,712
Federal Government and First Nations	\$ -	\$ -	\$ -
Other Alberta school authorities	\$ 33,000	\$ 19,487	\$ 19,487
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Note 13)	\$ 1,500,845	\$ 1,610,903	\$ 1,607,328
Other sales and services	\$ 895,000	\$ 856,116	\$ 990,081
Investment income	\$ 193,140	\$ 181,919	\$ 129,937
Gifts and donations	\$ 250,000	\$ 229,878	\$ 267,211
Rental of facilities	\$ 13,475	\$ 17,484	\$ 12,857
Fundraising	\$ 250,000	\$ 295,384	\$ 303,901
Gains on disposal of capital assets	\$ -	\$ 91,101	\$ 12,251
Other revenue	\$ 4,000	\$ 128,221	\$ 3,765
Total revenues	\$ 45,005,169	\$ 46,696,930	\$ 45,988,866
EXPENSES			
Instruction - ECS	\$ 1,956,401	\$ 1,763,948	\$ 1,772,753
Instruction - Grades 1 - 12	\$ 32,968,855	\$ 32,807,785	\$ 32,556,158
Plant operations and maintenance	\$ 5,604,248	\$ 5,951,282	\$ 5,415,954
Transportation	\$ 2,995,450	\$ 2,855,905	\$ 3,182,096
Board & system administration	\$ 1,947,616	\$ 2,092,212	\$ 1,908,737
External services	\$ 559,449	\$ 496,740	\$ 508,355
Total expenses	\$ 46,032,019	\$ 45,967,872	\$ 45,344,053
Operating surplus (deficit)	\$ (1,026,850)	\$ 729,058	\$ 644,813

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

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

	2015	2014
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 729,058	\$ 644,813
Add (Deduct) Items not affecting cash:		
Total amortization expense	\$ 1,695,721	\$ 1,728,227
Gains on disposal of tangible capital assets	\$ (91,101)	\$ (12,251)
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (1,344,547)	\$ (1,337,264)
Deferred capital revenue write-off	\$ -	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 2,160,163	\$ (272,597)
Prepays	\$ (76,181)	\$ (43,432)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ 1,237,277	\$ (80,119)
Deferred revenue (excluding EDCR)	\$ 3,797,369	\$ 526,973
Employee future benefit liabilities	\$ 11,224	\$ 46,154
Capital funding included in deferred revenue	\$ (3,148,933)	\$ -
Total cash flows from operating transactions	\$ 4,970,050	\$ 1,200,504
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (668,041)	\$ (590,227)
Equipment	\$ (621,848)	\$ (34,768)
Vehicles	\$ (27,287)	\$ (76,721)
Computer equipment	\$ -	\$ (118,509)
Net proceeds from disposal of unsupported capital assets	\$ 220,473	\$ 14,282
Other (describe)	\$ -	\$ -
Total cash flows from capital transactions	\$ (1,096,703)	\$ (805,943)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (5,266,075)	\$ (729)
Dispositions of portfolio investments	\$ 820,305	\$ 953,079
Remeasurement gains (losses) reclassified to the statement of operations	\$ (8,971)	\$ 19,401
Change in endowments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ (4,454,741)	\$ 971,751
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ -	\$ (60,384)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other factors affecting capital leases (describe)	\$ -	\$ -
Capital funding received	\$ 3,148,933	\$ -
Total cash flows from financing transactions	\$ 3,148,933	\$ (60,384)
Increase (decrease) in cash and cash equivalents	\$ 2,567,539	\$ 1,305,928
Cash and cash equivalents, at beginning of year	\$ 7,114,757	\$ 5,808,829
Cash and cash equivalents, at end of year	\$ 9,682,296	\$ 7,114,757

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

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

	2015	2014
Operating surplus (deficit)	\$ 729,058	\$ 644,813
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (1,317,176)	\$ (820,225)
Amortization of tangible capital assets	\$ 1,695,721	\$ 1,728,227
Net carrying value of tangible capital assets disposed of	\$ 129,372	\$ 2,031
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ 507,917	\$ 910,033
Changes in:		
Prepaid expenses	\$ (76,181)	\$ (43,432)
Other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)		
Endowments	\$ 1,362	\$ 11,703
	\$ -	\$ -
Increase (decrease) in net financial assets (net debt)	\$ 1,162,156	\$ 1,523,117
Net financial assets (net debt) at beginning of year	\$ (27,610,535)	\$ (29,133,652)
Net financial assets (net debt) at end of year	\$ (26,448,379)	\$ (27,610,535)

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

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

	2015	2014
Accumulated remeasurement gains (losses) at beginning of year	\$ (23,504)	\$ (35,207)
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ 10,333	\$ (7,698)
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ (8,971)	\$ 19,401
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ 1,362	\$ 11,703
Accumulated remeasurement gains (losses) at end of year	\$ (22,142)	\$ (23,504)

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

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

	ACCUMULATED SURPLUS	ACCUMULATED REEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2014	\$ 15,118,971	\$ (23,504)	\$ 15,142,475	\$ 4,802,787	\$ -	\$ 2,742,607	\$ 7,597,081	\$ -
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2014	\$ 15,118,971	\$ (23,504)	\$ 15,142,475	\$ 4,802,787	\$ -	\$ 2,742,607	\$ 7,597,081	\$ -
Operating surplus (deficit)	\$ 729,058		\$ 729,058			\$ 729,058		
Board funded tangible capital asset additions				\$ 720,458		\$ (499,985)	\$ -	\$ (220,473)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ (129,372)		\$ (91,101)		\$ 220,473
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net reeasement gains (losses) for the year	\$ 1,362	\$ 1,362						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Investment income & realized capital gains on endowments	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (1,695,721)		\$ 1,695,721		
Capital revenue recognized	\$ -			\$ 1,344,547		\$ (1,344,547)		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (185,801)	\$ 185,801	
Net transfers from operating reserves	\$ -					\$ -	\$ -	
Net transfers to capital reserves	\$ -					\$ -		\$ -
Net transfers from capital reserves	\$ -					\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2015	\$ 15,849,391	\$ (22,142)	\$ 15,871,533	\$ 5,042,699	\$ -	\$ 3,045,952	\$ 7,782,882	\$ -

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

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2014	\$ 5,561,342	\$ -	\$ -	\$ -	\$ 35,739	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2014	\$ 5,561,342	\$ -	\$ -	\$ -	\$ 35,739	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (210,919)	\$ -	\$ (4,777)	\$ -	\$ (4,777)	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ 210,919		\$ 4,777		\$ 4,777		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year										
Endowment expenses & disbursements										
Endowment contributions										
Investment income & realized capital gains on endowments										
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ 175,801		\$ -		\$ 10,000		\$ -		\$ -	
Net transfers from operating reserves			\$ -		\$ -		\$ -		\$ -	
Net transfers to capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2015	\$ 5,737,143	\$ -	\$ -	\$ -	\$ 45,739	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -

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

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2014	\$ -	\$ 108,381	\$ -	\$ -	\$ 37,832,752
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2014	\$ -	\$ 108,381	\$ -	\$ -	\$ 37,832,752
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 3,097,670				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ 51,263				
Other sources: (Describe)	\$ -			\$ -	
Other sources (Describe):	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ -				
Other sources: (Describe)	\$ -			\$ -	
Other sources: (Describe)	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ 26,019	\$ -	\$ -	\$ -	
Other unexpended capital revenue: (Describe)				\$ -	
Net proceeds on disposal of supported tangible capital assets			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets (Explain):					\$ -
Alberta Schools Alternative Program (ASAP), Building Alberta School Construction Program (BASCP) and other Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (596,718)	\$ -	\$ -	\$ -	\$ 596,718
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments (Explain): Expended and receivable in 2014	\$ (215,639)	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ -
Other adjustments (Explain):	\$ -	\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 1,344,547
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2015	\$ 2,362,595	\$ 108,381	\$ -	\$ -	\$ 37,084,923
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2015 (A) + (B) + (C) + (D)				\$ 2,470,976	

Unexpended Deferred Capital Revenue

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

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

REVENUES	2015							2014
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 1,796,237	\$ 30,472,427	\$ 5,725,767	\$ 2,925,497	\$ 2,069,107	\$ -	\$ 42,989,035	\$ 42,348,336
(2) Other - Government of Alberta	\$ -	\$ 30,307	\$ -	\$ -	\$ -	\$ 247,095	\$ 277,402	\$ 293,712
(3) Federal Government and First Nations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ 19,487	\$ -	\$ -	\$ 19,487	\$ 19,487
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 6,473	\$ 1,356,583	\$ -	\$ -	\$ -	\$ 247,847	\$ 1,610,903	\$ 1,607,328
(9) Other sales and services	\$ -	\$ 856,116	\$ -	\$ -	\$ -	\$ -	\$ 856,116	\$ 990,081
(10) Investment income	\$ -	\$ 140,681	\$ 13,746	\$ 9,164	\$ 18,328	\$ -	\$ 181,919	\$ 129,937
(11) Gifts and donations	\$ -	\$ 229,878	\$ -	\$ -	\$ -	\$ -	\$ 229,878	\$ 267,211
(12) Rental of facilities	\$ -	\$ -	\$ 17,484	\$ -	\$ -	\$ -	\$ 17,484	\$ 12,857
(13) Fundraising	\$ -	\$ 295,384	\$ -	\$ -	\$ -	\$ -	\$ 295,384	\$ 303,901
(14) Gains on disposal of tangible capital assets	\$ -	\$ 82,969	\$ 3,355	\$ -	\$ 4,777	\$ -	\$ 91,101	\$ 12,251
(15) Other revenue	\$ -	\$ 3,468	\$ 121,542	\$ -	\$ -	\$ 3,211	\$ 128,221	\$ 3,765
(16) TOTAL REVENUES	\$ 1,802,710	\$ 33,467,813	\$ 5,881,894	\$ 2,954,148	\$ 2,092,212	\$ 498,153	\$ 46,696,930	\$ 45,988,866
EXPENSES								
(17) Certificated salaries	\$ 937,510	\$ 17,935,775	\$ -	\$ -	\$ 581,836	\$ 221	\$ 19,455,342	\$ 19,365,643
(18) Certificated benefits	\$ 98,895	\$ 4,296,684	\$ -	\$ -	\$ 136,092	\$ 12	\$ 4,531,683	\$ 4,388,165
(19) Non-certificated salaries and wages	\$ 556,671	\$ 4,706,728	\$ 671,207	\$ 28,081	\$ 691,364	\$ 252,655	\$ 6,906,706	\$ 6,850,154
(20) Non-certificated benefits	\$ 65,236	\$ 975,670	\$ 155,502	\$ 7,940	\$ 154,553	\$ 38,224	\$ 1,397,125	\$ 1,385,028
(21) SUB - TOTAL	\$ 1,658,312	\$ 27,914,857	\$ 826,709	\$ 36,021	\$ 1,563,845	\$ 291,112	\$ 32,290,856	\$ 31,988,990
(22) Services, contracts and supplies	\$ 105,636	\$ 4,711,818	\$ 3,700,472	\$ 2,819,884	\$ 437,857	\$ 205,628	\$ 11,981,295	\$ 11,622,946
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 1,344,547	\$ -	\$ -	\$ -	\$ 1,344,547	\$ 1,337,264
(24) Amortization of unsupported tangible capital assets	\$ -	\$ 181,110	\$ 79,554	\$ -	\$ 90,510	\$ -	\$ 351,174	\$ 390,963
(25) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,890
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Other interest and finance charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 1,763,948	\$ 32,807,785	\$ 5,951,282	\$ 2,855,905	\$ 2,092,212	\$ 496,740	\$ 45,967,872	\$ 45,344,053
(31) OPERATING SURPLUS (DEFICIT)	\$ 38,762	\$ 660,028	\$ (69,388)	\$ 98,243	\$ -	\$ 1,413	\$ 729,058	\$ 644,813

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

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	2015 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 109,862	\$ 340,839	\$ -	\$ -	\$ 220,506		\$ 671,207		\$ 671,207
Uncertificated benefits	\$ 26,463	\$ 76,162	\$ -	\$ -	\$ 52,877		\$ 155,502		\$ 155,502
Sub-total Remuneration	\$ 136,325	\$ 417,001	\$ -	\$ -	\$ 273,383		\$ 826,709		\$ 826,709
Supplies and services	\$ 1,121,166	\$ 794,900	\$ -	\$ 728,981	\$ 115		\$ 2,645,162		\$ 2,645,162
Electricity			\$ 372,347				\$ 372,347		\$ 372,347
Natural gas/heating fuel			\$ 155,450				\$ 155,450		\$ 155,450
Sewer and water			\$ 106,744				\$ 106,744		\$ 106,744
Telecommunications			\$ 9,194				\$ 9,194		\$ 9,194
Insurance					\$ 189,008		\$ 189,008		\$ 189,008
ASAP maintenance & renewal payments								\$ -	\$ -
Amortization of tangible capital assets									
Supported								\$ 1,344,547	\$ 1,344,547
Unsupported						\$ 79,554	\$ 79,554		\$ 79,554
Total Amortization						\$ 79,554	\$ 79,554	\$ 1,344,547	\$ 1,424,101
Interest on capital debt									
Supported								\$ -	\$ -
Unsupported						\$ -	\$ -		\$ -
Lease payments for facilities				\$ 222,567			\$ 222,567		\$ 222,567
Other interest charges						\$ -	\$ -		\$ -
Losses on disposal of capital assets						\$ -	\$ -		\$ -
TOTAL EXPENSES	\$ 1,257,491	\$ 1,211,901	\$ 643,735	\$ 951,548	\$ 462,506	\$ 79,554	\$ 4,606,735	\$ 1,344,547	\$ 5,951,282

SQUARE METRES									
School buildings									54,352.0
Non school buildings									2,200.0

Note:

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

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

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

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

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

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

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

	Actual 2014/2015	Actual 2013/2014
FEES		
Transportation fees	\$0	\$0
Basic instruction supplies (text books, including lost or replacement fees, course materials)	\$137,412	\$157,811
Technology user fees	\$3,540	\$3,978
Alternative program fees	\$826,104	\$869,465
Fees for optional courses (band, art, etc.)	\$46,264	\$35,590
Fees for students from other boards	\$0	\$0
Tuition fees (international & out of province)	\$111,080	\$254,372
Kindergarten & preschool	\$74,453	\$77,464
Extracurricular fees (sports teams and clubs)	\$226,705	\$140,453
Field trips (related to curriculum)	\$185,345	\$68,195
Lunch supervision fees	\$0	\$0
Locker rental; locks; student ID; uniforms; library, student union, and fitness fees	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
TOTAL FEES	\$1,610,903	\$1,607,328

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

Please disclose amounts paid by parents of students that are recorded as "Other sales and services" or "Other revenue" (rather than fee revenue):	Actual 2014/2015	Actual 2013/2014
Cafeteria sales, hot lunch, milk programs	\$111,820	\$117,899
Special events, graduation, tickets	\$36,451	\$42,443
Student travel (international, recognition trips, non-curricular)	\$19,344	\$4,386
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$52,040	\$62,761
Adult education revenue	\$0	\$0
Child care & before and after school care	\$0	\$0
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
TOTAL	\$219,655	\$227,489

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2015 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	134	47	819		
REVENUES					
Alberta Education allocated funding	\$ 148,441	\$ 795,581	\$ 966,042	\$ 2,323,491	\$ 1,832,291
Other funding allocated by the board to the program	\$ -	\$ 6,730	\$ -	\$ 1,619,320	\$ -
TOTAL REVENUES	\$ 148,441	\$ 802,311	\$ 966,042	\$ 3,942,811	\$ 1,832,291
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 40,575	\$ 217,236	\$ 110,081	\$ 822,846	
Instructional non-certificated salaries & benefits	\$ 5,673	\$ 440,022	\$ 277,056	\$ 2,441,115	
SUB TOTAL	\$ 46,248	\$ 657,258	\$ 387,137	\$ 3,263,961	
Supplies, contracts and services	\$ 17,061	\$ 82,789	\$ 230,059	\$ 174,307	
Program planning, monitoring & evaluation	\$ -	\$ 35,000	\$ -	\$ 154,745	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ 27,264	\$ -	\$ 20,222	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 63,309	\$ 802,311	\$ 617,196	\$ 3,613,235	
NET FUNDING SURPLUS (SHORTFALL)	\$ 85,132	\$ -	\$ 348,846	\$ 329,576	

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

EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
1 Office of the superintendent	\$ 257,205	\$ 32,856	\$ -	\$ 290,061	\$ -	\$ -	\$ -	\$ 290,061
2 Educational administration (excluding superintendent)	\$ 466,985	\$ 44,389	\$ -	\$ 511,374	\$ 394,598	\$ -	\$ -	\$ 905,972
3 Business administration	\$ 407,241	\$ 55,978	\$ -	\$ 463,219	\$ -	\$ -	\$ -	\$ 463,219
4 Board governance (Board of Trustees)	\$ 143,066	\$ 70,911	\$ -	\$ 213,977	\$ -	\$ -	\$ -	\$ 213,977
5 Information technology	\$ 36,296	\$ 74,889	\$ -	\$ 111,185	\$ 313,340	\$ -	\$ -	\$ 424,525
6 Human resources	\$ 73,122	\$ 4,528	\$ -	\$ 77,650	\$ -	\$ -	\$ -	\$ 77,650
7 Central purchasing, communications, marketing	\$ 96,948	\$ 43,108	\$ -	\$ 140,056	\$ -	\$ -	\$ -	\$ 140,056
8 Payroll	\$ 82,982	\$ 1,077	\$ -	\$ 84,059	\$ -	\$ -	\$ -	\$ 84,059
9 Administration - insurance			\$ 82,386	\$ 82,386			\$ -	\$ 82,386
10 Administration - amortization			\$ 90,510	\$ 90,510			\$ -	\$ 90,510
11 Administration - other (admin building, interest)			\$ 27,735	\$ 27,735			\$ -	\$ 27,735
12 Transportation Co-ordination	\$ -	\$ -	\$ -	\$ -	\$ 36,021	\$ 7,683	\$ -	\$ 43,704
13 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14 Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 1,563,845	\$ 327,736	\$ 200,631	\$ 2,092,212	\$ 743,959	\$ 7,683	\$ -	\$ 2,843,854

1. AUTHORITY AND PURPOSE

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Cash and Cash Equivalents

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

b) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

c) Portfolio Investments

The School District has investments in GIC's, term deposits, bonds, equity instruments and mutual funds that have no maturity dates or a maturity of greater than three months. GIC's, term deposits and investments not quoted in an active market are reported at cost or amortized cost.

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

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

Detailed information regarding portfolio investments is disclosed in Note 5.

d) Tangible capital assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost, including amounts directly related to the acquisition, design, construction, development, 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.

Tangible capital assets continued

- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Buildings include land, 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 School District to provide services or when the value of future economic benefits associated with the sites and buildings are 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 School District's rate for incremental borrowing or the interest rate implicit in the lease. At year-end the Board has not entered into any capital leases.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Computer Hardware & Software	20% to 25%
Other Equipment & Furnishings	10% to 20%

e) Deferred Revenue

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

Deferred revenue also includes contributions for capital expenditures, unexpended and expended. Unexpended Deferred Capital Revenue represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per *PS 3200* when expended.

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

f) Employee Future Benefits

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

The School Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include, retirement/severance, various qualifying compensated absences, and personal professional development funds.

g) Liability for Contaminated Sites

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

h) Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs are capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included on the Statement of Operations. The School Division has included its estimated asset retirement obligation of \$NIL (2014 - \$NIL) in the Statement of Financial Position as Other Liabilities representing no (2014 - \$NIL) obligations.

The School Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be discharged 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 determined and information is not available to apply an expected present value technique.

i) Operating and Capital Reserves

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

j) 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.

Revenue Recognition Continued

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

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

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

k) Expenses

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

Allocation of Costs

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

l) Pensions

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

Current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School 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, 2015, the amount contributed by the Government was \$2,437,077 (2014, \$2,308,936).

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 \$376,356 for the year ended August 31, 2015 (2014, \$369,358). At December 31, 2014, the Local Authorities Pension Plan reported an actuarial deficiency of \$2,454,636,000 (2013, deficiency of \$4,861,516,000).

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.
- **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 & services, school administration & instruction support, and System Instructional Support.

n) Financial Instruments

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

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

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

o) Measurement Uncertainty

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

3. CASH AND CASH EQUIVALENTS

	2015			2014
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	0.70%	\$ 9,682,296	\$ 9,682,296	\$ 7,114,757
Total cash and cash equivalents		<u>\$ 9,682,296</u>	<u>\$ 9,682,296</u>	<u>\$ 7,114,757</u>

4. ACCOUNTS RECEIVABLE

	2015			2014
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ -	\$ -	\$ -	\$ 1,944
Alberta Education - Capital	-	-	-	2,515,638
Treasury Board and Finance - Supported debenture principal	-	-	-	-
Treasury Board and Finance - Accrued interest on supported debentures	-	-	-	-
Alberta Health & Wellness	-	-	-	-
Alberta Health Services	5,940	-	5,940	8,321
Federal government	203,512	-	203,512	192,934
Other	403,477	-	403,477	54,255
Total	<u>\$ 612,929</u>	<u>\$ -</u>	<u>\$ 612,929</u>	<u>\$2,773,092</u>

5. PORTFOLIO INVESTMENTS

	2015				2014 Balance
	Average Effective (Market) Yield	Cost	Fair Value	Balance	
Long term deposits	%	\$ -	\$ -	\$ -	\$ -
Guaranteed interest certificates	2.05%	5,294,000	5,295,159	5,295,159	559,527
Fixed income securities					
Government of Canada, direct and guaranteed	%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	4.52%	208,848	218,959	218,959	225,794
Municipal	%	\$ -	\$ -	\$ -	\$ -
Corporate	4.60%	215,342	230,426	230,426	441,814
Pooled investment funds	%	-	-	-	-
Total fixed income securities	4.57%	424,190	449,385	449,385	667,608
Southern Alberta Windfarm	4.74%	957,661	957,661	957,661	1,018,967
Total portfolio investments	3.98%	\$6,675,851	\$6,702,205	\$6,702,205	\$2,246,102

The following is the maturity structure for fixed income securities based on the principal amount:

	2015	2014
3 months to 5 years	100.0%	100.0%
	100.0%	100.0%

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

The jurisdiction, along with two other school jurisdictions, has invested in the Southern Alberta Wind Farm project for a total project cost of \$6,400,000. The provincial government has contributed \$3,200,000 of matching funds towards the project, with Horizon School Division contributions totaling \$711,040. Horizon's investment and the matching funds will be repaid over 20 years including interest. The principal amount outstanding to Horizon at year end is \$957,661.

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

	Principal	Interest	Total
2015	\$ 64,442	\$ 46,419	\$ 110,861
2016	67,739	43,122	110,861
2017	71,204	39,657	110,861
2018	74,847	36,014	110,861
2019	78,676	32,185	110,861
2020 to maturity	600,753	101,371	702,124
Total Southern Alberta Wind Farm	\$ 957,661	\$ 298,768	\$1,256,429

6. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of \$400,000 that bears interest at the Royal Bank of Canada's prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance at August 31, 2015 (2014: NIL).

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2015	2014
Alberta Education	\$ -	\$ 4,738
Other Alberta school jurisdictions	-	147
Alberta Capital Finance Authority (Interest on long-term debt - Supported)	-	-
Accrued vacation pay liability	144,038	147,209
Other salaries & benefit costs	13,903	15,201
Other trade payables and accrued liabilities	1,633,470	386,839
Total	\$ 1,791,411	\$ 554,134

8. DEFERRED REVENUE

Children and Youth with Complex Needs	-	795,581	(795,581)	-	-
Student Health Initiative (School Authorities)	-	-	-	-	-
Infrastructure Maintenance Renewal	263,380	1,387,583	(780,244)	-	870,719
Capitalized IMR moved to EDCR	-	(51,263)	51,263	-	-
SuperNet Service	-	182,400	(182,400)	-	-
Jset Grant	-	5,000	(5,000)	-	-
Value Management Capital Grant	-	75,000	(28,336)	-	46,664
Technology In The Classroom Grant	-	61,000	(12,060)	-	48,940
Other Government of Alberta					
Family School Liason	-	29,307	(29,307)	-	-
Other Deferred Revenue:					
School Generated Funds	824,169	955,859	(824,169)	-	955,859
Fees	71,956	57,250	(71,956)	-	57,250
Donations	9,808	-	(9,808)	-	-
Community Futures Grants	-	22,500	(395)	-	22,105
Pre-K Fees	4,030	9,860	(4,030)	-	9,860
Total unexpended deferred operating revenue	\$ 1,173,343	\$3,695,068	\$ (2,857,014)	\$ -	\$ 2,011,397
Unexpended deferred capital revenue	108,381	2,908,050	(545,454)	-	2,470,977
Expended deferred capital revenue	37,832,755	596,718	(1,344,546)	-	37,084,927
Total	\$ 39,114,479	\$ 7,199,836	\$ (4,747,014)	\$ -	\$ 41,567,301

9. EMPLOYEE FUTURE BENEFIT LIABILITIES

Employee future benefit liabilities consist of the following:

	2015	2014
Other compensated absences	44,923	32,275
Retirement allowances	28,042	29,465
Personal professional development fund	14,132	14,133
Total	\$ 87,097	\$ 75,873

10. TANGIBLE CAPITAL ASSETS

	2015							2014
	Land	Construction In Progress - Buildings	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total	Total
Estimated useful life			25-40 Years	5-10 Years	5-10 Years	3-5 Years		
Historical cost								
Beginning of year	\$ 534,275	\$ -	\$59,319,706	\$ 2,266,827	\$ 1,063,977	\$ 335,745	\$63,520,530	\$63,152,758
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	-	668,040	621,848	27,287	-	1,317,175	820,224
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including w rite-	-	-	-	(559,035)	(25,224)	-	(584,259)	(452,452)
	<u>\$ 534,275</u>	<u>\$ -</u>	<u>\$59,987,746</u>	<u>\$ 2,329,640</u>	<u>\$ 1,066,040</u>	<u>\$ 335,745</u>	<u>\$64,253,446</u>	<u>\$63,520,530</u>
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$18,330,831	\$ 1,610,845	\$ 790,101	\$ 153,213	\$20,884,990	\$19,607,185
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	1,355,471	165,587	105,344	69,319	1,695,721	1,728,227
Other Additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including w rite-	-	-	-	(429,664)	(25,224)	-	(454,888)	(450,422)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$19,686,302</u>	<u>\$ 1,346,768</u>	<u>\$ 870,221</u>	<u>\$ 222,532</u>	<u>\$22,125,823</u>	<u>\$20,884,990</u>
Net Book Value at End of Year	<u>\$ 534,275</u>	<u>\$ -</u>	<u>\$40,301,444</u>	<u>\$ 982,872</u>	<u>\$ 195,819</u>	<u>\$ 113,213</u>	<u>\$42,127,623</u>	<u>\$42,635,540</u>

11. ACCUMULATED SURPLUS:

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

	2015	2014
Unrestricted surplus	\$ 3,045,952	\$ 2,742,607
Operating reserves	7,782,882	7,597,081
Accumulated surplus from operations	10,828,834	10,339,688
Investment in tangible capital assets	5,042,699	4,802,787
Accumulated rereasurement gains (losses)	(22,142)	(23,504)
Accumulated surplus	\$ 15,849,391	\$ 15,118,971

Accumulated surplus from operations (ASO) include funds of \$ 361,607 that are raised at the school level and are not available to spend at the board level. The school jurisdiction's Adjusted surplus from operations is calculated as follows:

	2015	2014
Accumulated surplus (deficit) from operations	\$ 10,828,834	\$ 10,339,688
Deduct: School generated funds included in accumulated surplus (note 14)	361,607	407,309
Adjusted accumulated surplus (deficit)	\$ 11,190,441	\$ 10,746,997

Adjusted accumulated surplus (deficit) from operations represents funds available for use by the school jurisdiction after deducting funds raised at school-level.

12. CONTRACTUAL OBLIGATIONS

	2015	2014
Building projects ⁽¹⁾	\$ 14,727,257	\$ 15,272,663
Building leases ⁽²⁾	218,773	124,207
Total	\$ 14,946,030	\$ 15,396,870

⁽¹⁾ Building projects: The jurisdiction is committed to capital expenditures to modernize two schools. Total costs are estimated at approximately \$15,488,350 with \$761,093 incurred by year-end and a remaining commitment of \$14,727,257. It is anticipated that these costs will be fully funded by capital revenue from Alberta Education. The modernization projects are expected to be complete by August 2017.

⁽²⁾ Building leases: The jurisdiction entered into a lease agreement for the premises of the Taber Christian School for the 2014 – 2015 operating year. The lease will remain in effect on a year to year basis, payable quarterly at a rate of 95% of the Plant Operations & Maintenance funding and 95% of School Leasing funding received for the Taber Christian School (2015: \$218,773 ; 2014: \$124,207). Payments for future years are approximated by the current year's payment.

⁽³⁾ Energy Contract: The jurisdiction has signed a contract with Enmax to provide electricity at a specified rate. The remaining term of the contract is 12 years.

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Building Projects	Building Leases	Service Providers	Other (Specify)	Other
2015-16	\$ 5,890,000	\$ 218,773	\$ -	\$ -	\$ -
2016-17	8,837,257	-	-	-	-
2017-18	-	-	-	-	-
2018-19	-	-	-	-	-
2019-20	-	-	-	-	-
Thereafter	-	-	-	-	-
	\$ 14,727,257	\$ 218,773	\$ -	\$ -	\$ -

13. FEES

	2015	2014
Transportation fees ⁽¹⁾	\$0	\$0
Fees charged for instruction material and supplies ⁽²⁾	187,216	197,379
Fees (International Students)	111,080	254,372
Fees (Non-instructional fees, field trips, athletics, clubs)	412,050	208,648
Kindergarten & preschool	74,453	77,464
Other fees (Elite sports programs)	826,104	869,465
Total	<u>\$1,610,903</u>	<u>\$1,607,328</u>

⁽¹⁾ Charged under School Act, Section 51 (3)

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

14. SCHOOL GENERATED FUNDS

	2015	2014
School Generated Funds, Beginning of Year	\$ 1,294,478	\$ 1,238,773
Gross Receipts:		
Fees	1,297,324	809,491
Fundraising	367,906	386,056
Gifts and donations	218,428	258,234
Grants to schools	-	-
Other sales and services	348,210	637,760
Total gross receipts	2,231,868	2,091,541
Total Related Expenses and Uses of Funds		
	105,693	1,707,910
Total Direct Costs Including Cost of Goods Sold to Raise Funds	2,103,187	327,926
School Generated Funds, End of Year		
	<u>\$ 1,317,466</u>	<u>\$ 1,294,478</u>
Balance included in Deferred Revenue		
	\$ 955,859	\$ 824,169
Balance included in Accumulated Surplus (Operating Reserves)		
	\$ 361,607	\$ 470,309

15. RELATED PARTY TRANSACTIONS

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):				
Education				
Accounts receivable / Accounts payable	\$ -	\$ -	\$ -	\$ -
Prepaid expenses / Deferred operating revenue	-	3,437,300	-	-
Unexpended deferred capital revenue	-	-	-	-
Expended deferred capital revenue	-	37,084,927	1,344,547	-
Other assets & liabilities	-	-	-	-
Grant revenue & expenses	-	-	41,644,488	17,291
Other revenues & expenses	-	-	-	-
Other Alberta school jurisdictions				
Treasury Board and Finance (Principal)	-	-	19,487	-
Treasury Board and Finance (Accrued interest)	-	-	-	-
Alberta Health				
Alberta Health Services	5,940	-	247,095	-
Enterprise and Advanced Education	-	-	-	-
Post-secondary institutions	-	-	-	-
Alberta Infrastructure	-	-	-	-
Human Services	-	-	-	-
Other:				
Alberta Capital Financing Authority	-	-	-	-
TOTAL 2014/2015	\$ 5,940	\$ 40,522,227	\$43,255,617	\$ 17,291
TOTAL 2013/2014	\$2,525,902	\$ 38,155,303	\$42,715,631	\$ 85,784

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

17. SUPPLEMENTAL INTEGRATED PENSION PLAN

The School jurisdiction is a member of the Supplemental Integrated Pension Plan. The plan provides supplementary pension plan benefits to a prescribed class of employees in addition to Local Authorities Pension Plan or Alberta Teacher Retirement Fund. For the 2014-2015 year, there were four employees who were eligible and participated in the plan.

18. REMUNERATION AND MONETARY INCENTIVES

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

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair - Logan, Marie	1.0	\$16,978	\$639	\$0			\$7,629
Anderson, Rick	1.0	\$13,936	\$544	\$0			\$2,132
Baron, Derek	1.0	\$13,615	\$522	\$0			\$2,235
Crow son, Jennifer	1.0	\$13,615	\$522	\$0			\$5,085
Francis, Bruce	1.0	\$13,615	\$522	\$0			\$1,838
Low ry, Blair	1.0	\$13,615	\$522	\$0			\$2,068
Michaelis, Terry	1.0	\$13,615	\$522	\$0			\$3,211
Subtotal	7.0	\$98,989	\$3,793	\$0			\$24,198
Superintendent (1)	1.0	\$177,570	\$39,353	\$10,000	\$0	\$0	\$22,856
Superintendent (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer (1)	1.0	\$163,110	\$32,206	\$2,400	\$0	\$0	\$6,681
Secretary/Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated teachers	214.8	\$19,277,772	\$4,492,330	\$0	\$0	\$0	
Non-certificated - other	204.9	\$6,644,607	\$1,361,126	\$0	\$0	\$0	
TOTALS		\$26,362,048	\$5,928,808	\$12,400	\$0	\$0	

19. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on May 20, 2014. It is presented for information purposes only and has not been audited.

20. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2014/2015 presentation.

21. FUNDRAISING

Schools within Horizon School Division engage in various activities to raise funds that support non-instructional programs and activities. Some of these activities involve soliciting contributions from the general public. Gross contributions from solicitation were \$295,384 (2014 - \$299,690). All expenses incurred for the purpose of soliciting contributions were \$105,693 (2014 - \$156,914). No remuneration was paid to staff whose principal duties involve fundraising.