

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2009**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**PRAIRIE LAND REGIONAL DIVISION NO. 25**

Legal Name of School Jurisdiction

**BAG 1400, HANNA, ALBERTA T0J 1P0**

Mailing Address

**PHONE - (403)854-4481 FAX - (403)854-2803**

Telephone and Fax Numbers

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of PRAIRIE LAND REGIONAL DIVISION NO. 25 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**

**Duane Roy**

Name

Signature

**SUPERINTENDENT**

**Wes Neumeier**

Name

Signature

**SECRETARY TREASURER OR TREASURER**

**Sharon Orum**

Name

Signature

**26-Nov-09**

Board-approved Release Date

## TABLE OF CONTENTS

	<b>Page</b>
<b>AUDITORS' REPORT INSERT</b>	<b>3</b>
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>4</b>
<b>STATEMENT OF REVENUES AND EXPENSES</b>	<b>5</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>6</b>
<b>STATEMENT OF CHANGES IN NET ASSETS</b>	<b>7</b>
<b>STATEMENT OF CAPITAL ALLOCATIONS</b>	<b>8</b>
<b>NOTES TO THE FINANCIAL STATEMENTS INSERT</b>	<b>9</b>

**STATEMENT OF FINANCIAL POSITION**  
as at August 31, 2009

(in dollars)

		2009	2008 (Note)
<b>ASSETS</b>			
Current assets			
Cash and temporary investments	(Note 3)	\$7,142,317	\$7,013,139
Accounts receivable (net after allowances)	(Note 4)	\$504,296	\$247,567
Prepaid expenses		\$74,174	\$71,572
Other current assets		\$0	\$0
<b>Total current assets</b>		<b>\$7,720,787</b>	<b>\$7,332,278</b>
School generated assets			
Trust assets	(Note 10)	\$655,732	\$679,346
Long term accounts receivable		\$0	\$0
Long term investments	(Note 5)	\$54,819	\$20,819
Capital assets (Note 6)			
Land		\$574,670	\$574,670
Construction in Progress		\$1,537,367	\$0
Buildings		\$32,493,523	
Less: accumulated amortization		(\$17,621,574)	\$15,554,732
Equipment		\$1,789,703	
Less: accumulated amortization		(\$983,160)	\$743,164
Vehicles		\$5,410,063	
Less: accumulated amortization		(\$2,353,241)	\$2,273,734
<b>Total capital assets</b>		<b>\$20,143,770</b>	<b>\$19,146,300</b>
<b>TOTAL ASSETS</b>		<b>\$28,876,227</b>	<b>\$27,506,539</b>
<b>LIABILITIES</b>			
Current liabilities			
Bank indebtedness	(Note 7)	\$0	\$0
Accounts payable and accrued liabilities	(Note 8)	\$998,826	\$641,305
Deferred revenue	(Note 9)	\$1,306,675	\$1,250,904
Deferred capital allocations	(Note 13)	\$442,446	\$378,213
Current portion of long term debt	(Note 11)	\$315,810	\$359,204
<b>Total current liabilities</b>		<b>\$3,063,757</b>	<b>\$2,629,626</b>
School generated liabilities			
Trust liabilities	(Note 10)	\$301,119	\$327,796
Employee future benefit liabilities		\$0	\$0
Long term debt (Note 11)			
Supported: Debentures and other supported debt		\$1,122,031	\$1,481,235
Less: Current portion		(\$315,810)	(\$359,204)
Unsupported: Debentures and Capital Loans		\$0	\$0
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion		\$0	\$0
Other long term liabilities	(Note 12)	\$22,100	\$31,100
Unamortized capital allocations	(Note 14)	\$14,992,400	\$13,763,548
<b>Total long term liabilities</b>		<b>\$16,777,572</b>	<b>\$15,923,821</b>
<b>TOTAL LIABILITIES</b>		<b>\$19,841,329</b>	<b>\$18,553,447</b>
<b>NET ASSETS</b>			
Unrestricted net assets		\$344,778	\$330,202
Operating Reserves		\$2,989,731	\$3,219,016
Accumulated Operating Surplus (Deficit)		\$3,334,509	\$3,549,218
Investment in capital assets		\$4,029,339	\$3,901,517
Capital Reserves		\$1,671,050	\$1,502,357
Total Capital Funds		\$5,700,389	\$5,403,874
<b>Total net assets</b>		<b>\$9,034,898</b>	<b>\$8,953,092</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>\$28,876,227</b>	<b>\$27,506,539</b>

**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)	Actual 2008 (Note)
<b>REVENUES</b>			
Government of Alberta	\$20,554,362	\$20,433,911	\$20,180,754
Federal Government and First Nations	\$0	\$0	\$0
Other Alberta school authorities	\$0	\$0	\$2,277
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$274,072	\$267,446	\$387,558
Instruction resource fees	\$141,957	\$135,373	\$123,031
Transportation fees	\$0	\$0	\$0
Other sales and services	\$17,002	\$20,220	\$36,378
Investment income	\$298,559	\$300,000	\$285,711
Gifts and donations	\$8,277	\$0	\$1,225
Rental of facilities	\$98,040	\$102,000	\$108,323
Net school generated funds	\$190,770	\$280,000	\$348,471
Gains on disposal of capital assets	\$15,604	\$0	\$6,935
Amortization of capital allocations	\$858,230	\$850,000	\$863,001
Other revenue	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$22,456,873</b>	<b>\$22,388,950</b>	<b>\$22,343,664</b>
<b>EXPENSES</b>			
Certificated salaries (Note 18)	\$10,091,525	\$10,505,590	\$9,842,949
Certificated benefits (Note 18)	\$1,087,364	\$1,166,121	\$1,109,552
Non-certificated salaries and wages (Note 18)	\$4,368,318	\$4,425,687	\$4,234,247
Non-certificated benefits (Note 18)	\$890,351	\$885,138	\$827,581
Services, contracts and supplies	\$4,225,985	\$4,349,005	\$4,059,684
Net school generated funds	\$190,770	\$280,000	\$348,471
<b>Capital and debt services</b>			
Amortization of capital assets			
Supported	\$858,230	\$850,000	\$863,001
Unsupported	\$536,704	\$560,861	\$569,062
<b>Total Amortization of capital assets</b>	<b>\$1,394,934</b>	<b>\$1,410,861</b>	<b>\$1,432,063</b>
Interest on capital debt			
Supported	\$114,679	\$92,335	\$157,200
Unsupported	\$0	\$0	\$0
<b>Total Interest on capital debt</b>	<b>\$114,679</b>	<b>\$92,335</b>	<b>\$157,200</b>
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$11,141	\$0	\$36,207
<b>Other expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Expenses</b>	<b>\$22,375,067</b>	<b>\$23,114,737</b>	<b>\$22,047,954</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>			
	\$81,806	(\$725,787)	\$295,710
Extraordinary Item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$81,806</b>	<b>(\$725,787)</b>	<b>\$295,710</b>

**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) restated
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATIONS</b>		
Excess (deficiency) of revenues over expenses	\$81,806	\$295,710
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$858,230)	(\$863,001)
Total amortization expense	\$1,394,934	\$1,432,063
Gains on disposal of capital assets	(\$15,604)	(\$6,935)
Losses on disposal of capital assets	\$11,141	\$36,207
Changes in:		
Accounts receivable	(\$256,729)	\$37,754
Prepays and other current assets	(\$2,602)	(\$23,527)
Long term accounts receivable	\$0	\$0
Long term investments	(\$34,000)	\$0
Accounts payable and accrued liabilities	\$348,521	(\$119,272)
Deferred revenue	\$55,771	(\$49,081)
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from Operations</b>	<b>\$725,008</b>	<b>\$739,918</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$134,142)	\$0
Equipment	(\$1,786,701)	(\$14,173)
Vehicles	(\$486,137)	(\$826,767)
Net proceeds from disposal of capital assets	\$19,039	\$7,685
Other (describe)	\$0	\$0
<b>Total cash flows from Investing activities</b>	<b>(\$2,387,941)</b>	<b>(\$833,255)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$1,769,351	\$19,762
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$359,204)	(\$518,474)
Add back: supported portion	\$359,204	\$518,473
Other (describe)      Donations	\$22,760	\$0
<b>Total cash flows from financing activities</b>	<b>\$1,792,111</b>	<b>\$19,761</b>
<b>Net cash flows from during the year</b>	<b>\$129,178</b>	<b>(\$73,576)</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/08</b>	<b>\$7,013,139</b>	<b>\$7,086,715</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/09</b>	<b>\$7,142,317</b>	<b>\$7,013,139</b>

**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: 1115

(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
<b>Balance at August 31, 2008</b>	\$8,953,092	\$3,901,517	\$330,202	\$3,219,016	\$1,502,357	\$1,961,616	\$581,867	\$772,868	\$350,861	\$230,000	\$38,748	\$227,958	\$530,881	\$26,574	\$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
<b>Adjusted Balance, Aug. 31, 2008</b>	\$8,953,092	\$3,901,517	\$330,202	\$3,219,016	\$1,502,357	\$1,961,616	\$581,867	\$772,868	\$350,861	\$230,000	\$38,748	\$227,958	\$530,881	\$26,574	\$0
Excess (deficiency) of revenue over expenses	\$81,806		\$81,806												
Board funded capital additions		\$679,102		(\$126,629)	(\$552,473)	(\$126,629)	(\$39,725)	\$0	(\$145,971)	\$0	\$0	\$0	(\$366,777)	\$0	\$0
Disposal of unsupported capital assets	\$0	(\$14,576)	(\$4,463)		\$19,039		\$3,250		\$700		\$0		\$15,089		\$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		(\$1,394,934)	\$1,394,934												
Amortization of capital allocations		\$858,230	(\$858,230)												
Debt principal repayments (unsupported)		\$0	\$0												
Net transfers to operating reserves			(\$280,867)	\$280,867		\$61,949		\$11,958		\$0		\$148,344		\$58,616	
Net transfers from operating reserves			\$383,523	(\$383,523)		(\$205,342)		(\$28,181)		\$0		(\$150,000)		\$0	
Net transfers to capital reserves			(\$702,127)		\$702,127		\$128,593		\$89,989		\$16,645		\$466,900		\$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	\$180,000	\$0	\$0	\$0	(\$180,000)	\$0	\$0	\$0	\$0	\$0
<b>Balance at August 31, 2009</b>	\$9,034,898	\$4,029,339	\$344,778	\$2,989,731	\$1,671,050	\$1,871,594	\$673,985	\$756,645	\$295,579	\$50,000	\$55,393	\$226,302	\$646,093	\$85,190	\$0

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

	<b>Deferred Capital Allocations</b>	<b>Unamortized Capital Allocations</b>
<b>Balance at August 31, 2008</b>	\$378,213	\$13,763,548
<b>Prior period adjustments</b>	\$0	\$0
<b>Adjusted balance, August 31, 2008</b>	\$378,213	\$13,763,548
<b>Add:</b>		
<b>Restricted capital allocations from:</b> Alberta Education including school and modular projec	\$1,763,678	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
<b>Interest earned on provincial government capital allocations</b>	\$5,673	
<b>Other capital grants and donations</b>	\$0	
<b>Net proceeds on disposal of supported capital assets</b>	\$0	
<b>Insurance proceeds (and related interest)</b>	\$0	
<b>Donated capital assets (amortizable, @ fair market value)</b>		\$22,760
<b>Transferred in capital assets (amortizable, @ net book value)</b>		\$0
<b>Current Year Debenture Principal Repayment</b>		\$359,204
<b>Expended capital allocations - current year</b>	(\$1,705,118)	\$1,705,118
<b>Deduct:</b>		
<b>Net book value of supported capital assets dispositions, write-offs, or transfer; Other</b>	\$0	\$0
<b>Capital allocations amortized to revenue</b>		\$858,230
<b>Balance at August 31, 2009</b>	\$442,446	\$14,992,400

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

## AUDITORS' REPORT

To the Board of Trustees of the  
Prairie Land Regional Division #25

We have audited the statement of financial position of the Prairie Land Regional Division #25 as at August 31, 2009 and the statements of revenues 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 jurisdiction'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 jurisdiction as at August 31, 2009 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Lethbridge, Alberta

October 28, 2009

*Young Parkyn McNab LLP*

Chartered Accountants

## **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 instruction and support allocations under Regulation 77/2003. 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 Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

### a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

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

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

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

b) Capital Assets

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

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Other Equipment & Furnishings	10% to 20%

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

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

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

e) Pensions

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

The current and past service costs of the Alberta 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 Prairie Land Regional Division # 25 does not make pension contributions for certificated staff.

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 \$240,309 for the year ended August 31, 2009. At December 31, 2008, the Local Authorities Pension Plan reported a deficiency of \$4,413,971,000 (2007, a deficiency of \$1,183,334,000). Effective for the 2008 – 2009 fiscal year, the Government of Alberta has taken responsibilities for the LAP unfunded liabilities.

f) Inventories

Inventories are recorded at the lower of cost or net realizable value.

---

**PRAIRIE LAND REGIONAL DIVISION #25**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2009

---

g) Prepaid Expenses

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

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

These consist of cash, accounts receivable, accounts payable, accrued 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. The jurisdiction has invested surplus funds in accordance with Section 60 (2) (d) of the *School Act*.

j) Operating and Capital Reserves

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

k) Investments

Held for trading investments are recognized in the balance sheet at fair value. The fair values of the recognized investments are determined based on the available market information. Realized investment income and unrealized gains and losses are reported in the Statement of Revenues and Expenses.

**3. CASH AND TEMPORARY INVESTMENTS**

	2009			2008		
	Effective (Market) Yield	Cost	Fair Value	Effective (Market) Yield	Cost	Fair Value
Cash and cash equivalents	1.7%	\$1,896,470	\$1,896,470	4.4	\$2,034,018	\$2,034,018
Fixed-income securities						
Provincial, direct and guaranteed	5.4%	4,905,918	5,245,847	3.9	4,736,453	4,979,121
Total cash and temporary investments	<u>4.4%</u>	<u>\$6,802,388</u>	<u>\$7,142,317</u>	<u>4.1%</u>	<u>\$6,770,471</u>	<u>\$7,013,139</u>

Please refer to Note 2 (i).

**PRAIRIE LAND REGIONAL DIVISION #25**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2009

**4. ACCOUNTS RECEIVABLE**

	2009	2008
Alberta Education	162,864	7,911
Alberta Finance	53,120	71,417
Federal Government	203,167	82,396
Other Alberta School Jurisdictions	0	46,228
Other	85,145	39,615
Total	<u>\$504,296</u>	<u>\$247,567</u>

**5. TRUST ASSETS AND LIABILITIES**

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

	2009	2008
Deferred Salary Leave Plan	\$0	\$0
Scholarship Trusts	655,732	679,346
Student Health Initiative Trust (SHI Banker Board)	0	0
Children and Youth with Complex Needs (Banker Board)	0	0
Other foundations (please specify)	0	0
Total	<u>\$655,732</u>	<u>\$679,346</u>

**6. LONG TERM INVESTMENTS**

	2009			2008		
	Effective (Market) Yield	Cost	Fair Value	Effective (Market) Yield	Cost	Fair Value
Fixed income securities						
Pooled investment funds	7.9%	\$31,959	\$34,495	2.5%	\$12,346	\$12,651
Total fixed income securities	7.9%	31,959	34,495	2.5%	12,346	12,651
Equities						
Canadian	7.7%	13,157	14,167	2.5%	4,830	4,952
Foreign	7.6%	9,703	10,443	2.5%	3,643	3,735
Total equities	7.7%	22,860	24,610	2.5%	8,473	8,687
Total long term investments	7.8%	<u>\$54,819</u>	<u>\$59,105</u>	2.5%	<u>\$20,819</u>	<u>\$21,338</u>

Please refer to Note 2 (i).

**PRAIRIE LAND REGIONAL DIVISION #25**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2009

**7. TANGIBLE CAPITAL ASSETS**

	Land	Construction In Progress - New Building	Buildings	Computer Hardware & Software	Other Equipments	Vehicles	Total Aug. 31, 2009	Total Aug. 31, 2008
Estimated Useful life			25-40 Years	3-5 Years	5-10 Years	5-10 Years		
<b>Historical cost</b>								
September 1, 2008	\$574,670	\$0	\$32,364,381	\$765,430	\$774,940	\$5,401,440	\$39,880,861	\$39,661,975
Additions	-	1,537,367	134,142	230,237	19,097	486,138	2,406,981	\$840,940
Transfers in (out)	-	-	-	-	-	-	-	\$0
Less disposals including write-offs	-	-	(5,000)	-	-	(477,515)	(482,515)	(\$622,054)
August 31, 2009	\$574,670	\$1,537,367	\$32,493,523	\$995,667	\$794,037	\$5,410,063	\$41,805,327	\$39,880,861
<b>Accumulated amortization</b>								
September 1, 2008	-	-	16,809,650	440,156	357,049	3,127,706	20,734,561	19,887,596
Amortization expense	-	-	816,925	147,085	38,870	392,054	1,394,934	1,432,063
Transfers in (out)	-	-	-	-	-	-	-	-
Effect of disposals	-	-	(5,000)	-	-	(462,938)	(467,938)	(585,098)
August 31, 2009	-	-	17,621,575	587,241	395,919	3,056,822	21,661,557	20,734,561
<b>Net Book Value at August 31, 2009</b>	\$574,670	\$1,537,367	\$ 14,871,948	\$ 408,426	\$ 398,118	\$ 2,353,241	\$ 20,143,770	\$ 19,146,300

**PRAIRIE LAND REGIONAL DIVISION #25**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2009

**8. BANK INDEBTEDNESS**

The jurisdiction has negotiated a line of credit in the amount of \$1,000,000 that bears interest at the bank 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 outstanding on the line of credit at August 31, 2009.

**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2009	2008
Alberta Education	\$0	0
Alberta Finance	53,120	71,417
Federal Government	0	0
First Nations	0	0
Other Alberta School Jurisdictions	0	0
Other Trade Payables and Accrued Liabilities	945,706	569,888
<b>Total</b>	<b>\$998,826</b>	<b>\$641,305</b>

**10. DEFERRED REVENUE**

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2008	ADD: 2008/2009 Restricted Funds Received/ Receivable	DEDUCT: 2008/2009 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2008/2009 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2009
<b>Alberta Education Restricted Operational Funding:</b>		\$0	\$0	\$0	\$0
Alberta Initiative for School Improvement	\$369,138	\$218,661	(\$193,449)	\$0	\$394,350
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0	\$0
Infrastructure Maintenance Renewal	\$577,788	\$449,113	(\$743,516)	\$0	\$283,385
Institutional Education Programs	\$0	\$0	\$0	\$0	\$0
Portable/Modular Unit Relocation	\$0	\$0	\$0	\$0	\$0
Regional Consortium	\$0	\$0	\$0	\$0	\$0
Regional Educational Consulting Services	\$0	\$0	\$0	\$0	\$0
Small Class Size Initiative	\$293,711	\$297,902	(\$269,045)	\$0	\$322,568
Student Health Initiative (School Authorities)	\$0	\$0	\$0	\$0	\$0
SuperNet Service	\$0	\$0	\$0	\$0	\$0
Other Alberta Education deferred revenue	\$0	\$0	\$0	\$0	\$0
<b>Other Government of Alberta Restricted Funding:</b>	\$0	\$0	\$0	\$0	\$0
<b>Paving Path Healthways</b>	\$0	\$347,700	(\$90,772)	\$0	\$256,928
<b>CTS Initiative</b>	\$0	\$81,318	(\$39,917)	\$0	\$41,401
<b>Innovative Classroom</b>	\$0	\$56,869	(\$56,388)	\$0	\$481
<b>One-to-One Project</b>	\$10,267	\$0	(\$2,705)	\$0	\$7,562
<b>Other Deferred Revenue:</b>	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$1,250,904</b>	<b>\$1,451,563</b>	<b>(\$1,395,792)</b>	<b>\$0</b>	<b>\$1,306,675</b>

**11. DEFERRED CAPITAL ALLOCATIONS**

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

**12. LONG TERM DEBT**Debenture Debt – Supported

The debenture debt bears interest at rates varying between 7.5 % and 10.875 %. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2009-2010	\$315,810	\$100,345	\$416,155
2010-2011	207,143	71,131	278,274
2011-2012	195,543	52,902	248,445
2012-2013	195,543	35,934	231,478
2013-2014	129,477	18,967	148,444
2014 to maturity	78,515	7,532	86,047
Total	<u>\$1,122,031</u>	<u>\$286,811</u>	<u>\$1,408,843</u>

**13. OTHER LONG TERM LIABILITIES**

The jurisdiction has approved the participation of certain employees in the Supplemental Executive Retirement Pension Plan (SERP), a non-registered retirement plan introduced to provide for the portion of accrued pension based on the SERP formula that is in excess of the income Tax Act maximums. This program is not a registered pension plan and is not subject to pension regulation. The other long term liabilities are comprised of \$22,100 (2008 - \$31,100) of accrued benefit liability. The fair value of the accrued liability is \$40,500 (2008 - \$58,400).

**14. UNAMORTIZED CAPITAL ALLOCATIONS**

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

**PRAIRIE LAND REGIONAL DIVISION #25**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2009

**15. REMUNERATION AND MONETARY INCENTIVES**

Prairie Land Regional Division # 25 has 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:

<b>Board Members:</b>	<b>FTE</b>	<b>Remuneration</b>	<b>Benefits</b>	<b>Negotiated Allowances</b>	<b>Performance Bonuses</b>	<b>ERIP's / Other</b>	<b>Expenses</b>
Chair: Duane Roy	1.0	\$12,411	\$3,735	\$0			\$8,154
Ed Brinkman	1.0	\$7,465	\$3,723	\$0			\$1,979
Elaine Horner	1.0	\$13,360	\$3,752	\$0			\$8,348
John Neill	1.0	\$9,347	\$3,636	\$0			\$5,015
Vern Thuroo	1.0	\$9,925	\$1,894	\$0			\$3,485
Marsh Tkach	1.0	\$9,596	\$3,905	\$0			\$6,311
Samatha Vogel	1.0	\$15,190	\$3,806	\$0			\$14,792
Angie Warwick	1.0	\$11,604	\$3,995	\$0			\$5,317
<b>Subtotal</b>	<b>8.0</b>	<b>\$88,898</b>	<b>\$28,446</b>	<b>\$0</b>			<b>\$53,401</b>
Superintendent (1)	0.8	\$125,406	\$28,833	\$0	\$0	\$0	\$3,594
Superintendent (2)	0.2	\$25,000	\$2,629	\$0	\$0	\$0	\$2,210
Secretary/Treasurer (1)	1.0	\$132,260	\$35,047	\$0	\$0	\$0	\$3,317
Certificated Teachers	121.4	\$9,941,119	\$1,037,901	\$0	\$0	\$18,000	
Non-certificated - Other	115.6	\$4,147,160	\$807,858	\$0	\$0	\$19,000	
<b>TOTALS</b>	<b>247.0</b>	<b>\$14,459,843</b>	<b>\$1,940,714</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,000</b>	

**16. CONTINGENCIES**

- a) The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.
- b) Employees of the Division are allowed to accrue sick time. This sick time was not recorded in the financial statements as there is no certainty the full amount will be used. The amount of accumulated sick leave is not paid out to employees of the jurisdiction when they leave their position. Accrued sick time is as follows:

<b>Description</b>	<b>Number of employees</b>	<b>Total hours banked</b>
Teachers	115	67,035
Support Staff	104	35,228
Bus Drivers	45	5,956

---

**PRAIRIE LAND REGIONAL DIVISION #25**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2009

---

**17. 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. Prairie Land Regional Division # 25 had related party transactions for the year ended August 31, 2009 with the Government of Alberta recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at the amount of consideration agreed upon between the related parties.

	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
<b>2008-2009</b>				
<b>Government of Alberta:</b>				
Education	162,864	1,360,675	\$20,218,921	\$0
Infrastructure & Transportation	0	0	0	0
Finance	53,120	416,155	114,679	42,892
Health & Wellness	0	0	0	0
Human Resources/Employment	27,800	0	102,800	0
Other Gov't of Alberta departments	0	0	117,962	0
<b>Other:</b>				
Health authorities	0	0	0	0
Post-secondary institutions	0	0	0	158
Other Alberta school jurisdictions	0	0	438	29,783
Other related parties	0	0	0	0
<b>TOTAL 2008-2009</b>	<u>\$243,784</u>	<u>\$1,776,830</u>	<u>\$20,554,800</u>	<u>\$72,834</u>
<b>TOTAL 2007-2008</b>	<u>\$128,355</u>	<u>\$2,050,300</u>	<u>\$20,183,031</u>	<u>\$111,435</u>

**18. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY**

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

**19. BUDGET AMOUNTS**

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 24, 2008. 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 2009 presentation.

**21. SUBSEQUENT EVENTS**

On August 27, 2009 the jurisdiction received notice that the Government of Alberta would be accessing (clawing back) the August 31, 2008 operating reserve balance of the Division in the amount of \$358,290 (10.1%) and will be reducing 2009-2010 monthly operating payments in that amount in order to meet the fiscal correction targets for the education ministry. It should be noted that these reserves were of a program specific nature and were retained in order to manage jurisdiction enrolment decline.