

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Black Gold Regional Division No. 18

Legal Name of School Jurisdiction

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of ^{Black Gold Regional Division No. 18} 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 budgetary system of 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 the Board 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 have full and free 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 for Alberta school jurisdictions.

BOARD CHAIRMAN

Barb Martinson

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Dr. Norman Yanitski

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Orville Borys

Name

"ORIGINAL SIGNED"

Signature

28-Nov-07

Board-approved Release Date

TABLE OF CONTENTS

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



MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

To the Board of Trustees of

BLACK GOLD REGIONAL DIVISION NO. 18

We have audited the statement of financial position of the **Black Gold Regional Division No. 18** as at August 31, 2007 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 the audit to obtain reasonable assurance as to 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, 2007 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.

Meyers Norris Penny LLP

Leduc, Alberta
November 8, 2007

CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$12,478,741	\$9,428,878
Accounts receivable (net after allowances)	\$1,175,770	\$2,056,421
Prepaid expenses	\$97,166	\$42,196
Other current assets	\$966,742	\$226,773
Total current assets	\$14,718,419	\$11,754,268
School generated assets	\$827,149	\$671,268
Trust assets	\$312,049	\$285,875
Long term accounts receivable	\$110,400	\$147,200
Long term investments	\$0	\$0
Capital assets		
Land	\$2,394,945	\$2,394,945
Buildings	\$98,963,342	
Less: accumulated amortization	(\$41,271,052)	\$57,945,438
Equipment	\$6,715,242	
Less: accumulated amortization	(\$4,187,011)	\$2,608,236
Vehicles	\$929,578	
Less: accumulated amortization	(\$476,841)	\$452,737
Total capital assets	\$63,068,203	\$63,491,862
TOTAL ASSETS	\$79,036,220	\$76,350,473
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$3,796,679	\$3,610,354
Deferred revenue	\$1,698,190	\$211,160
Deferred capital allocations	\$1,804,089	\$1,805,535
Current portion of all long term debt	\$1,538,067	\$1,631,932
Total current liabilities	\$8,837,025	\$7,258,981
School generated liabilities	\$827,149	\$671,268
Trust liabilities	\$312,049	\$285,875
Employee future benefits liability	\$59,400	\$60,300
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$5,532,802	\$7,164,734
Less: Current portion of supported debt	(\$1,538,067)	(\$1,631,932)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$51,066,004	\$50,428,152
Total long term liabilities	\$56,259,337	\$56,978,397
TOTAL LIABILITIES	\$65,096,362	\$64,237,378
NET ASSETS		
Unrestricted net assets	\$352,011	\$393,739
Operating Reserves	\$4,916,323	\$4,076,125
Accumulated Operating Surplus (Deficit)	\$5,268,334	\$4,469,864
Investment in capital assets	\$6,469,397	\$5,898,976
Capital Reserves	\$2,202,127	\$1,744,255
Total Capital Funds	\$8,671,524	\$7,643,231
Total net assets	\$13,939,858	\$12,113,095
TOTAL LIABILITIES AND NET ASSETS	\$79,036,220	\$76,350,473

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2007

(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$67,687,105	\$68,824,876	\$64,438,716
Federal Government and/or First Nations	\$156,492	\$100,000	\$157,297
Other Alberta school authorities	\$508	\$0	\$2,194
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$71,807	\$65,020	\$62,028
Instruction resource fees	\$541,366	\$535,557	\$497,974
Transportation fees	\$107,638	\$90,000	\$84,330
Other sales and services	\$418,738	\$171,915	\$576,882
Investment income	\$542,123	\$254,900	\$323,946
Gifts and donations	\$13,982	\$0	\$14,418
Rentals of facilities	\$142,103	\$134,364	\$131,542
Net school generated funds	\$140,533	\$275,000	\$268,850
Gains on disposal of capital assets	\$0	\$0	\$18,780
Amortization of capital allocations	\$2,700,885	\$2,963,318	\$2,510,462
Total Revenues	\$72,523,280	\$73,414,950	\$69,087,419
EXPENSES			
Certificated salaries	\$37,512,796	\$37,822,996	\$36,041,692
Certificated benefits	\$4,232,731	\$4,357,998	\$3,884,911
Non-certificated salaries and wages	\$10,344,162	\$10,463,451	\$9,572,235
Non-certificated benefits	\$2,363,965	\$2,441,705	\$2,234,085
Services, contracts and supplies	\$12,231,612	\$13,884,989	\$11,632,791
Net school generated funds	\$140,533	\$275,000	\$268,850
Capital and debt services			
Amortization of capital assets			
Supported	\$2,700,885	\$2,963,318	\$2,510,462
Unsupported	\$543,446	\$556,254	\$486,238
Total Amortization of capital assets	\$3,244,331	\$3,519,572	\$2,996,700
Interest on capital debt			
Supported	\$626,387	\$626,387	\$810,003
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$626,387	\$626,387	\$810,003
Other interest charges	\$0	\$3,000	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$70,696,517	\$73,395,098	\$67,441,267
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,826,763	\$19,852	\$1,646,152
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,826,763	\$19,852	\$1,646,152

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,826,763	\$1,646,152
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,700,885)	(\$2,510,462)
Total amortization expense	\$3,244,331	\$2,996,700
Gains on disposal of capital assets	\$0	(\$18,780)
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$880,651	\$1,524,501
Prepays and other current assets	(\$794,939)	\$435,612
Long term accounts receivable	\$36,800	\$36,800
Long term investments	\$0	\$0
Payables and accrued liabilities	\$186,325	(\$1,399,354)
Deferred revenue	\$1,487,030	(\$918,589)
Employee future benefit expense (recovery)	(\$900)	(\$2,700)
Other (describe) Net capital alloc/holdback non-cash transactions	(\$370,559)	\$671,237
Total sources (uses) of cash from Operations	\$3,794,617	\$2,461,117
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$2,319,095)	(\$2,135,738)
Equipment	(\$479,493)	(\$592,605)
Vehicles	(\$22,084)	(\$111,736)
Net proceeds from disposal of capital assets	\$0	\$50,000
Other (describe) Net holdback non-cash transactions	(\$121,085)	(\$553,418)
Total sources (uses) of cash from Investing activities	(\$2,941,757)	(\$3,343,497)
C. FINANCING ACTIVITIES		
Capital allocations	\$1,705,359	\$1,210,583
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$1,631,932)	(\$1,939,276)
Add back: supported portion	\$1,631,932	\$1,939,276
Other (describe) Net capital allocations non-cash transactions	\$491,644	(\$117,819)
Total sources (uses) of cash from Financing activities	\$2,197,003	\$1,092,764
Net sources (uses) of cash during year	\$3,049,863	\$210,384
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$9,428,878	\$9,218,494
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$12,478,741	\$9,428,878

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$12,113,095	\$5,898,976	\$393,739	\$4,076,125	\$1,744,255
<u>Prior period adjustments (describe)</u>					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$12,113,095	\$5,898,976	\$393,739	\$4,076,125	\$1,744,255
Excess(def) of revenue over expenses	\$1,826,763		\$1,826,763		
Board funded capital transactions		\$1,113,867	(\$426,662)	(\$373,006)	(\$314,199)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$3,244,331)	\$3,244,331		
Amortization of capital allocations		\$2,700,885	(\$2,700,885)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$1,233,819)	\$1,233,819	
Net transfers from operating reserves			\$20,615	(\$20,615)	
Net transfers to capital reserves			(\$772,071)		\$772,071
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$13,939,858	\$6,469,397	\$352,011	\$4,916,323	\$2,202,127

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$1,805,535	\$50,428,152
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$1,805,535	\$50,428,152
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$1,557,849	
Infrastructure & Transportation-School/Modular Project Capital *	\$11,848	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$77,665	
Interest earned on provincial government capital allocations	\$57,997	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$1,631,932
Expended capital allocations - current year	(\$1,706,805)	\$1,706,805
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$2,700,885
Balance at August 31, 2007	\$1,804,089	\$51,066,004

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

BLACK GOLD REGIONAL DIVISION NO. 18
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

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. It is not taxable under Section 149(1) of the *Income Tax Act*.

The School 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. 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.

Grants received for construction and acquisition of capital assets are recognized as revenue on the same basis that the cost of the assets is amortized.

(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	10 to 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years

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.

2. Significant Accounting Policies (continued)

(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 service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Black Gold Regional Division does not make pension contributions for certificated staff.

The Regional Division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$569,916 for the year ended August 31, 2007 (2006 - \$520,059). At December 31, 2006, the Local Authorities Pension Plan reported an actuarial deficiency of \$746,651,000 (2005 - deficiency of \$863,558,000).

The Division is a member of the Supplemental Integrated Pension Plan (SiPP). 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. There are four employees who are eligible to participate in the plan; all are currently participating. The current service contributions in 2007 were \$35,549 and the accrued benefit liability at August 31, 2007 is \$59,400.

(f) Prepaid Expenses

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

(g) Financial Instruments

The Division's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and liabilities, trust assets and liabilities, long-term accounts receivable, accounts payable and accrued liabilities, employee future benefits liability, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

2. Significant Accounting Policies (continued)

(h) Operating and Capital Reserves

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

(i) Contributed Services

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

(j) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

(k) Recent Accounting Pronouncements

The Canadian Institute of Chartered Accountants issued new recommendations for the recognition and measurement of financial instruments, and amendments to the existing presentation and disclosure standards, effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2006. Section 3855 *Financial Instruments – Recognition and Measurement* establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Additionally Section 4400 *Not For Profit Organizations* will require presentation of gains, losses, revenues and expenses arising from derivatives, hedges and other financial instruments as separate components of the change in net assets. Transitional provisions are complex and vary based on the type of financial instruments under consideration. The Regional Division has not yet adopted these new standards on its financial statements.

BLACK GOLD REGIONAL DIVISION NO. 18
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

3. Accounts Receivable

	<u>2007</u>	<u>2006</u>
Government of Alberta	\$ 648,063	\$ 1,337,340
Federal Government	352,505	464,578
Other	132,718	217,703
Alberta Municipalities	<u>42,484</u>	<u>36,800</u>
	<u>\$ 1,175,770</u>	<u>\$ 2,056,421</u>

Long-term accounts receivable arose upon the sale of the interest and right of occupancy to the School Board Space in the Leduc Civic Center Complex, and will be collected in equal instalments over the next four years. The current portion of \$36,800 is included in the amount due from Alberta Municipalities, above. Other current accounts receivable which have been outstanding for more than one year total \$62,001.

4. Trust Assets and Trust Liabilities

(a) Deferred Salary Leave Plan

The Black Gold Regional Division No. 18 has established a Deferred Salary Leave Plan, whereby eligible employees are able to, at their option, defer a portion of their salary. These funds are held in trust in separate bank accounts. At August 31, 2007 total funds in the plan were \$151,760 (2006 - \$112,172).

(b) Scholarship Trusts

The Division also manages trust funds which will be used to pay school scholarships. At August 31, 2007 total funds in trust were \$47,387 (2006 - \$48,186).

(c) Student Health Initiative Trust

The Division is the banker board for the Leduc and Area Student Health Initiative Partnership. As of August 31, 2007, the Division held \$112,902 in trust for this initiative (2006 - \$125,517).

5. Credit Arrangements

At August 31, 2007, the Division had lines of credit totalling \$2 million, none of which were drawn.

6. Accounts Payable and Accrued Liabilities

	<u>2007</u>	<u>2006</u>
Trade payables	\$ 1,803,177	\$ 1,659,002
Payroll remittances payable	1,536,998	1,430,791
Government of Alberta	257,231	341,323
Wages payable	156,605	137,945
Other Alberta School Boards	23,708	14,166
Alberta Municipalities	<u>18,960</u>	<u>27,127</u>
	<u>\$ 3,796,679</u>	<u>\$ 3,610,354</u>

BLACK GOLD REGIONAL DIVISION NO. 18
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

7. Deferred Revenue

The following amounts have been deferred and will be recognized as income to match the expenditures as incurred.

	<u>2007</u>	<u>2006</u>
Infrastructure Maintenance Renewal	\$ 1,157,318	\$ 57,330
One-time grant funding	270,000	-
Other	151,257	117,321
Alberta Initiative for School Improvement	<u>119,615</u>	<u>36,509</u>
	<u>\$ 1,698,190</u>	<u>\$ 211,160</u>

8. Debenture Debt

The debenture debt bears interest at rates varying between 8.375% and 12%. Interest paid on long-term debt during 2007 was \$710,478 (2006 - \$910,317).

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007-2008	\$ 1,538,067	543,372	\$ 2,081,439
2008-2009	1,073,016	385,710	1,458,726
2009-2010	787,021	278,696	1,065,717
2010-2011	694,181	202,464	896,645
2011-2012	671,483	136,665	808,148
2012 to maturity	<u>769,034</u>	<u>113,910</u>	<u>882,944</u>
	<u>\$ 5,532,802</u>	<u>\$ 1,660,817</u>	<u>\$ 7,193,619</u>

The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt, therefore the working capital (current assets minus current liabilities) is understated by \$1,538,067.

9. Deferred Capital Allocations

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the Division, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

BLACK GOLD REGIONAL DIVISION NO. 18
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2007

10. Unamortized Capital Allocations

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid. Since the receipt of the funding does not coincide with the amortization of the cost, the unamortized portion of the grants are recorded as a liability on the statement of financial position.

11. Contingencies

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. 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.

12. 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.

All related-party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	Balances		Transactions	
	<u>Assets</u>	<u>Liabilities</u>	<u>Revenues</u>	<u>Expenses</u>
<u>2006-2007</u>				
Government of Alberta:				
Education	\$334,986	\$ 1,621,994	\$67,020,103	\$278,805
Infrastructure & Transportation	-	1,410,019	-	-
Finance	305,865	5,790,034	626,387	626,387
Human Resources/Employment	7,212	-	7,599	-
Other Gov't of Alberta departments	-	-	33,016	-
Other:				
Post-secondary institutions	-	-	-	2,543
Other Alberta school jurisdictions	174	23,708	508	217,207
TOTAL 2006-2007	\$648,237	\$8,845,755	\$67,687,613	\$1,124,942
TOTAL 2005-2006	\$1,337,340	\$9,058,366	\$64,495,910	\$1,177,390

13. Budget Amounts

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

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

Black Gold Regional Division No. 18

Legal Name of School Jurisdiction

#301, 1101 5th Street, Nisku, Alberta T9A 7N3

Mailing Address

(780) 955-6025 (780) 955-6050 (Fax)

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

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

SECRETARY TREASURER OR TREASURER

Orville Borys
Name

"ORIGINAL SIGNED"
Signature

28-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

TABLE OF CONTENTS

		Page
SCHEDULE A	Allocation of Revenues and Expenses to Programs	3
SCHEDULE B	Alberta Education Revenues	4
SCHEDULE C	ECS to Grade 12 Instruction Programs Expense Details	4
SCHEDULE D	2006-2007 Board and System Administration Expenses Under (Over) Maximum Limit	5
SCHEDULE E	School Generated Funds (SGF)	5

SCHEDULE A

School Jurisdiction Code: 2245

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$67,020,103	\$53,224,992	\$8,098,968	\$3,346,165	\$2,322,192	\$27,786
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$626,387		\$626,387			\$0
(4) Other - Government of Alberta	\$40,615	\$33,016	\$7,599	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$156,492	\$156,492	\$0	\$0	\$0	\$0
(6) Other Alberta school authorities	\$508	\$508	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$71,807	\$23,691	\$21	\$0	\$1,345	\$46,750
(9) Instruction resource fees	\$541,366	\$541,366				
(10) Transportation fees	\$107,638			\$107,638		
(11) Other sales and services	\$418,738	\$350,109	\$25,945	\$49	\$6,157	\$36,478
(12) Investment income	\$542,123	\$359,724	\$141,535	\$21,940	\$18,924	\$0
(13) Gifts and donations	\$13,982	\$13,982	\$0	\$0		\$0
(14) Rentals of facilities	\$142,103	\$0	\$0	\$0	\$0	\$142,103
(15) Net school generated funds	\$140,533	\$140,533			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$2,700,885	\$213,807	\$2,439,148	\$0		\$47,930
(18) TOTAL REVENUES	\$72,523,280	\$55,058,220	\$11,339,603	\$3,475,792	\$2,348,618	\$301,047
EXPENSES						
(19) Certificated salaries	\$37,512,796	\$37,103,289			\$409,507	\$0
(20) Certificated benefits	\$4,232,731	\$4,178,323			\$54,408	\$0
(21) Non-certificated salaries and wages	\$10,344,162	\$6,541,858	\$2,577,520	\$109,251	\$1,027,537	\$87,996
(22) Non-certificated benefits	\$2,363,965	\$1,531,279	\$558,754	\$27,060	\$232,866	\$14,006
(23) SUB - TOTAL	\$54,453,654	\$49,354,749	\$3,136,274	\$136,311	\$1,724,318	\$102,002
(24) Services, contracts & supplies	\$12,231,612	\$3,813,350	\$4,700,540	\$3,125,852	\$435,429	\$156,441
(25) Cost recoveries between programs	\$0	\$15,598	(\$43,155)	\$42,670	(\$17,900)	\$2,787
(26) Net school generated funds	\$140,533	\$140,533				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$2,700,885	\$213,807	\$2,439,148	\$0	\$0	\$47,930
(28) Unsupported	\$543,446	\$311,473	\$115,077	\$6,700	\$97,694	\$12,502
(29) Total Amortization	\$3,244,331	\$525,280	\$2,554,225	\$6,700	\$97,694	\$60,432
Interest on capital debt						
(30) Supported	\$626,387	\$0	\$626,387	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$70,696,517	\$53,849,510	\$10,974,271	\$3,311,533	\$2,239,541	\$321,662
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,826,763	\$1,208,710	\$365,332	\$164,259	\$109,077	(\$20,615)

**SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007**

	TOTAL
Base Funding	\$43,836,814
Additional Funding for Differential Cost Factors	\$17,157,753
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$2,938,120
Student Health Initiative (SHI)	\$81,872
Alberta Initiative for School Improvement (AISi)	\$967,134
SuperNet Services	\$163,134
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$78,715
Infrastructure Maintenance Renewal (IMR)	\$1,638,454
Other Funding from Alberta Education (describe): Secondments, Sub Teacher Reimburse	\$158,107
Total Alberta Education Revenues	\$67,020,103

**SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007**

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$3,783,453	\$3,085,162	\$475,514		(\$119,552)	\$199,131	\$7,423,708
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$2,246,690	\$102,015	\$29,212		\$0		\$2,377,917
ECS Program Unit (PUF)	\$280,105	\$1,172,947	\$89,269		\$91,282		\$1,633,603
Severe Disabilities (Gr 1-12)	\$439,510	\$3,271,386	\$192,535		\$0		\$3,903,431
English as a Second Language (ESL)	\$28,929	\$46,743	\$29,804		\$0		\$105,476
French Language & Francisation	\$0	\$0	\$0		\$0		\$0
Enhanced ESL/Francisation & Supports for Immigrant Students	\$6,886	\$11,127	\$7,095		\$0		\$25,108
First Nations, Metis and Inuit Education	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$883,030	\$21,832	\$62,355	\$0	\$0		\$967,217
Student Health Initiative	\$1,391	\$48,044	\$28,937		\$3,500		\$81,872
SuperNet Service			\$166,816		\$0		\$166,816
Class Size Initiative	\$2,938,120	\$0	\$0	\$0	\$0		\$2,938,120
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$30,673,498	\$313,881	\$2,109,846	\$620,081	\$40,368	\$466,682	\$34,226,242
TOTAL EXPENSES	\$41,281,612	\$8,073,137	\$3,191,383	\$620,081	\$15,598	\$665,813	\$53,849,510

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE	FTE
	Certificated	Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	27.6	3.7
ECS Program Unit (PUF)	3.4	29.4
Severe Disabilities (Gr 1-12)	5.4	113.9

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$70,696,517
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over = 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less = 6%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,827,861
Considerations for Charter Schools and Small School Boards	
If Charter School , enter \$58,366	\$0
If School Board , please enter your 2006-2007 Gr 1 - 12 funded enrolmen	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,827,861
Less: 2006/2007 Board and System Administration expenses	-\$2,239,541
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$588,320

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$671,268																								
Sources of School Generated Funds:																									
	<table border="1"> <thead> <tr> <th></th> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td align="right">\$1,304,953</td> <td align="right">\$1,006,679</td> <td align="right">\$298,274</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td align="right">\$1,600,253</td> <td align="right">\$1,666,912</td> <td align="right">(\$66,659)</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="right">\$220,751</td> <td align="right">\$122,885</td> <td align="right">\$97,866</td> </tr> <tr> <td>Other (describe): Interest, practicum, staff activities, misc</td> <td align="right">\$274,893</td> <td align="right">\$307,960</td> <td align="right">(\$33,067)</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="right">\$3,400,850</td> <td align="right">\$3,104,436</td> <td align="right">\$296,414</td> </tr> </tbody> </table>		Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$1,304,953	\$1,006,679	\$298,274	Student fees (Non-Instructional) (Note 1)	\$1,600,253	\$1,666,912	(\$66,659)	Donations and grants to schools	\$220,751	\$122,885	\$97,866	Other (describe): Interest, practicum, staff activities, misc	\$274,893	\$307,960	(\$33,067)	Net Additions to SGF	\$3,400,850	\$3,104,436	\$296,414
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Net SGF Available	\$967,682																								
Uses of Net School Generated Funds:																									
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Total Uses of Net SGF (Note 2)	\$140,533																								
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$827,149																								

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)

- Notes:**
- Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.
 - Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.
 - Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.