

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

East Central Alberta Catholic Separate Schools Regional Division No. 16

Legal Name of School Jurisdiction

1018 1 Avenue, Wainwright, Alberta, T9W 1G9

Mailing Address

Telephone (780) 842-3992 and Fax Number (780) 842-5322

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of East Central Alberta Catholic Separate Schools Regional Division No. 16 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

Jim Brady

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Stephen MacKenzie

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Iveta Paulik

Name

"ORIGINAL SIGNED"

Signature

November 26, 2007

Board-approved Release Date

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AUDITORS' REPORT

**To the Board of Trustees of
EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16**

We have audited the statement of financial position of the **East Central Alberta Catholic Separate Schools Regional Division No. 16** 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.

Megyn Norris Penny LLP

November 17, 2007
Lloydminster, Saskatchewan

CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007

(in dollars)

	2007	2006 (Note) Restated
ASSETS		
Current assets		
Cash and temporary investments	\$6,267,750	\$4,404,704
Accounts receivable (net after allowances)	\$438,480	\$624,781
Prepaid expenses	\$98,852	\$107,540
Other current assets	\$0	\$0
Total current assets	\$6,805,082	\$5,137,025
School generated assets	\$317,789	\$242,126
Trust assets	\$73,789	\$72,468
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$49,698	\$49,698
Buildings	\$20,967,901	
Less: accumulated amortization	(\$4,789,076)	\$16,178,825
Equipment	\$336,543	
Less: accumulated amortization	(\$90,434)	\$246,109
Vehicles	\$275,792	
Less: accumulated amortization	(\$208,537)	\$67,255
Total capital assets	\$16,541,887	\$17,152,777
TOTAL ASSETS	\$23,738,547	\$22,604,396
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$475,462	\$497,238
Deferred revenue	\$1,225,333	\$672,029
Deferred capital allocations	\$1,575,060	\$1,515,217
Current portion of all long term debt	\$193,405	\$232,564
Total current liabilities	\$3,469,260	\$2,917,048
School generated liabilities	\$317,789	\$242,126
Trust liabilities	\$73,789	\$72,468
Employee future benefits liability	\$0	\$0
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$353,190	\$585,756
Less: Current portion of supported debt	(\$193,405)	(\$232,564)
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	\$14,355,972	\$14,668,120
Total long term liabilities	\$14,907,335	\$15,335,906
TOTAL LIABILITIES	\$18,376,595	\$18,252,954
NET ASSETS		
Unrestricted net assets	\$1,731,278	\$1,404,445
Operating Reserves	\$1,467,229	\$829,043
Accumulated Operating Surplus (Deficit)	\$3,198,507	\$2,233,488
Investment in capital assets	\$1,832,742	\$1,898,921
Capital Reserves	\$330,703	\$219,033
Total Capital Funds	\$2,163,445	\$2,117,954
Total net assets	\$5,361,952	\$4,351,442
TOTAL LIABILITIES AND NET ASSETS	\$23,738,547	\$22,604,396

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) Restated	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$18,239,975	\$18,098,191	\$18,326,525
Federal Government and/or First Nations	\$1,731	\$0	\$3,013
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$109,808	\$105,125	\$109,005
Transportation fees	\$8,150	\$8,300	\$8,555
Other sales and services	\$45,250	\$15,752	\$46,960
Investment income	\$180,250	\$173,187	\$110,948
Gifts and donations	\$15,157	\$13,500	\$20,000
Rentals of facilities	\$28,406	\$28,406	\$25,492
Net school generated funds	\$408,928	\$300,000	\$427,941
Gains on disposal of capital assets	\$0	\$0	\$782
Amortization of capital allocations	\$544,712	\$544,712	\$446,182
Total Revenues	\$19,582,367	\$19,287,173	\$19,525,403
EXPENSES			
Certificated salaries	\$10,058,527	\$10,048,463	\$10,611,224
Certificated benefits	\$1,061,593	\$1,134,048	\$1,078,031
Non-certificated salaries and wages	\$1,996,072	\$1,981,296	\$1,961,044
Non-certificated benefits	\$434,696	\$485,672	\$416,231
Services, contracts and supplies	\$3,847,869	\$3,957,421	\$4,722,262
Net school generated funds	\$408,928	\$300,000	\$427,941
Capital and debt services			
Amortization of capital assets			
Supported	\$544,712	\$544,712	\$446,182
Unsupported	\$158,337	\$158,337	\$88,106
Total Amortization of capital assets	\$703,049	\$703,049	\$534,288
Interest on capital debt			
Supported	\$61,123	\$61,123	\$84,849
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$61,123	\$61,123	\$84,849
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$18,571,857	\$18,671,072	\$19,835,870
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,010,510	\$616,101	(\$310,467)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,010,510	\$616,101	(\$310,467)

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) Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$1,010,510	(\$310,467)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$544,712)	(\$446,182)
Total amortization expense	\$703,049	\$534,288
Gains on disposal of capital assets	\$0	(\$782)
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$186,301	\$1,381,670
Prepays and other current assets	\$8,688	(\$16,656)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$21,776)	(\$772,583)
Deferred revenue	\$553,304	(\$116,075)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe) Net capital allocations - non-cash transactions	\$0	(\$716,935)
Total sources (uses) of cash from Operations	\$1,895,364	(\$463,722)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$25,209)	(\$521,616)
Equipment	(\$39,432)	(\$197,632)
Vehicles	(\$27,518)	(\$39,874)
Net proceeds from disposal of capital assets	\$0	\$782
Other (describe) Net holdbacks - non-cash transactions	\$0	(\$381,103)
Total sources (uses) of cash from Investing activities	(\$92,159)	(\$1,139,443)
C. FINANCING ACTIVITIES		
Capital allocations	\$59,843	\$305,614
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$232,566)	(\$232,564)
Add back: supported portion	\$232,564	\$232,565
Other (describe) Allocations not received in cash	\$0	\$1,098,038
Total sources (uses) of cash from Financing activities	\$59,841	\$1,403,653
Net sources (uses) of cash during year	\$1,863,046	(\$199,512)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$4,404,704	\$4,604,216
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$6,267,750	\$4,404,704

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	\$4,351,442	\$1,898,921	\$1,404,445	\$829,043	\$219,033
<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	\$4,351,442	\$1,898,921	\$1,404,445	\$829,043	\$219,033
Excess(def) of revenue over expenses	\$1,010,510		\$1,010,510		
Board funded capital transactions		\$92,158	(\$45,493)	(\$19,147)	(\$27,518)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$703,049)	\$703,049		
Amortization of capital allocations		\$544,712	(\$544,712)		
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			(\$658,740)	\$658,740	
Net transfers from operating reserves			\$1,407	(\$1,407)	
Net transfers to capital reserves			(\$139,188)		\$139,188
Net transfers from capital reserves			\$0		
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$5,361,952	\$1,832,742	\$1,731,278	\$1,467,229	\$330,703

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	\$1,515,217	\$14,668,120
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$1,515,217	\$14,668,120
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *		
Infrastructure & Transportation-School/Modular Project Capital *		
Other Government of Alberta		
Federal Government and/or First Nations		
Other sources		
Interest earned on provincial government capital allocations	\$59,843	
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)		
Current Year Debenture Principal Repayment		\$232,564
Expended capital allocations - current year	\$0	\$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$544,712
Balance at August 31, 2007	\$1,575,060	\$14,355,972

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

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16
NOTES TO FINANCIAL STATEMENTS
For the year ended 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.

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 and 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.

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%

Equipment & Furnishings - 10% to 20%

Vehicles & Busses - 10% to 20%

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenues 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) 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.

f) 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 for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

g) Financial Instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and liabilities, trust assets and liabilities, accounts payable and 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 of the *School Act* and Section 5 of the Trustees Act.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES - continued

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) 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 East Central Alberta Catholic Separate Schools Regional Division No. 16 does not make pension contributions for certificated staff.

j) Investments

Temporary investments are valued at the lower of cost or market value.

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.

3. CASH AND TEMPORARY INVESTMENTS

	2007	2006
Cash	\$ 1,541,485	\$ 352,288
Temporary Investments	4,726,265	4,052,416
	\$ 6,267,750	\$ 4,404,704

The jurisdiction has designated funds for both deferred capital contributions and operating and capital reserves. The investments are redeemable guaranteed investment certificates. They bear interest at prime rate less 2.1%, 2.35% and 2.1% and mature in November 2007, January 2008 and February 2008.

4. ACCOUNTS RECEIVABLE

	2007	2006
Alberta Education	\$ 23,389	\$ 100,349
Alberta Infrastructure and Transportation	---	---
Alberta Finance	21,117	33,443
Other Province of Alberta	8,572	4,800
Federal Government	122,369	222,705
Alberta Municipalities	146,046	156,184
Other Alberta School Jurisdictions	107,720	98,486
Other Accounts Receivable	9,267	8,814
	\$ 438,480	\$ 624,781

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2007		2006	
Alberta Education	\$	166,435	\$	153,684
Alberta Finance		21,117		33,443
Other Alberta School Jurisdictions		---		27,296
Other Trade Payables and Accrued Liabilities		287,910		282,815
	\$	475,462	\$	497,238

6. DEFERRED REVENUE	2007		2006	
Alberta Infrastructure and Transportation				
Infrastructure Maintenance Program	\$	367,696	\$	421,535
Infrastructure Modernization Grant		73,277		73,277
Alberta Education				
Infrastructure Maintenance Renewal		629,238		81,137
Infrastructure Modernization Grant		15,465		15,465
Alberta Initiative for School Improvement		45,395		55,924
Class Size Initiative		64,696		---
Other Deferred Revenues		29,566		24,691
	\$	1,225,333	\$	672,029

7. LONG TERM DEBT

The debenture debt bears interest at rates varying between 8.5% and 12%. The debenture debt is fully supported by Alberta Finance. Interest paid on long term debt during 2007 was \$61,123 (2006 - \$84,849). Debenture payments due over the remaining years are as follows:

	Principal		Interest		Total
2007-2008	\$	193,404	\$	37,397	\$ 230,801
2008-2009		109,786		17,440	127,226
2009-2010		50,000		5,368	55,368
	\$	353,190	\$	60,205	\$ 413,395

8. TRUST ASSETS AND LIABILITIES	2007		2006	
Family School Liaison Program	\$	31,791	\$	---
Building Better Communities		31,104		62,468
Emile & Marie Chanut Scholarship		10,894		10,000
	\$	73,789	\$	72,468

Emile & Marie Chanut Scholarship amount of \$10,000 in 2006 was reclassified from accounts payable to trust liabilities and from cash and temporary investments to trust assets for comparative purposes.

9. 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 has not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 11
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

10. 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.

	2007	2006
Opening balance	\$ 14,668,120	\$ 14,687,973
Debenture and loan principal repaid	232,564	232,565
Amortization for the year	(544,712)	(446,182)
Net capital allocations	---	193,764
	\$ 14,355,972	\$ 14,668,120

11. OPERATING RESERVES

	Opening	Transfer to Reserve	Transfer from Reserve	Closing
Schools	\$ 360,778	\$ 658,740	\$ (20,554)	\$ 998,964
Administration	251,289	---	---	251,289
Operations/maintenance	207,886	---	---	207,886
Transportation	9,090	---	---	9,090
	\$ 829,043	\$ 658,740	\$ (20,554)	\$ 1,467,229

12. CAPITAL RESERVES

	Opening	Transfer to Reserve	Transfer from Reserve	Closing
Buildings	\$ 108,125	\$ 139,188	\$ ---	\$ 247,313
Vehicles	110,908	---	(27,518)	83,390
	\$ 219,033	\$ 139,188	\$ (27,518)	\$ 330,703

13. CONTINGENCIES

Contingent Asset

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 and is not an asset that the jurisdiction can liquidate.

Contingent Liability

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

14. OPERATING LEASE COMMITMENTS

Christ-King School

The Christ-King School is located in the Waverly School Building. The jurisdiction is committed to lease the school space until the building is officially transferred from the Clearview School Division No. 71 to East Central Alberta Catholic Separate Schools Regional Division No. 16. It is anticipated that the building will be transferred to the jurisdiction during the 2007-2008 school year. In 2007-2008, the jurisdiction was advised by Alberta Infrastructure and Transportation to lease the premises from the Clearview School Division No. 71 at no charge.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

15. RELATED PARTY TRANSACTIONS

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.

2006-2007	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Government of Alberta:				
Education	\$ 23,389	\$ 921,229	\$ 18,115,467	\$ 158,508
Infrastructure and Transportation	---	440,973	53,838	---
Finance	21,117	21,117	61,123	61,123
Human Resources & Employment	3,800		9,547	---
Municipal Finance Corporation	---	353,190	---	---
Other Government of Alberta	4,772	---	---	---
Other:				
Health Authorities	---	---	---	1,175
Other Alberta school jurisdictions	107,720	---	---	96,993
Post-secondary Institutions	---	---	---	41,826
TOTAL 2006-2007	\$ 160,798	\$ 1,736,509	\$ 18,239,975	\$ 359,625
TOTAL 2005-2006	\$ 237,078	\$ 1,447,517	\$ 18,326,525	\$ 452,833

16. DISCLOSURE OF SALARIES, BENEFITS AND REIMBURSED EXPENSES

	FTE	Salaries & Wages	Benefits	Total	Reimbursed Expenses
Myron Ganser (Chairman)	1	\$ 4,950	\$ 88	\$ 5,038	\$ 5,651
Jim Brady (Vice-Chairman)	1	4,350	74	4,424	5,073
Larry Wasyluk (Trustee)	1	5,400	1,566	6,966	5,391
Harry Loonen (Trustee)	1	3,450	302	3,752	3,042
Mardy Charlebois (Trustee)	1	2,775	21	2,796	3,126
Debra Klein (Trustee)	1	2,850	4,592	7,442	3,668
Chris Nichols (Trustee)	1	2,625	4,593	7,218	3,793
Rob Nichols (Trustee)	1	2,925	4,441	7,366	3,044
Stephen MacKenzie (Superintendent)	1	121,608	10,455	132,063	24,444
Iveta Paulik (Secretary-Treasurer)	1	106,580	15,542	122,122	9,250
Salaries - Certificated	131	9,936,919	1,051,138	10,988,057	---
Salaries and Wages - Uncert.	59	1,860,167	403,477	2,263,644	---
		\$ 12,054,599	\$ 1,496,289	\$ 13,550,888	

Benefits for the superintendent do not include Alberta Education contributions to the Teachers Retirement Fund pension plan.

Benefits for the Secretary-Treasurer include Registered Retirement Savings Plan contributions.

Note that the reimbursed expenses were recoveries of costs incurred while on school jurisdiction business and no personal expenses were paid by the school jurisdiction.

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

17. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The East Central Alberta Catholic Separate Schools Regional Division No. 16's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

18. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. Several budget amounts were revised where necessary to reflect significant changes and presented to the Board of Trustees during the school year. The budget amounts are presented for information purposes only and have not been audited.

19. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

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

East Central Alberta Catholic Separate Schools Regional Division No. 16

Legal Name of School Jurisdiction

1018 - 1 Avenue, Wainwright, Alberta T9W 1G9

Mailing Address

Telephone (780) 842-3992 and Fax Number (780) 842-5322

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

Iveta Paulik
Name

"ORIGINAL SIGNED"
Signature

November 26, 2007

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

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	2006-2007 Board and System Administration Expenses	
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SCHEDULE A

School Jurisdiction Cod 4330

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	\$18,115,467	\$15,630,616	\$1,598,639	\$25,212	\$861,000	\$0
(2) Alberta Infrastructure & Transportation	\$53,838	\$0	\$53,838			
(3) Alberta Finance	\$61,123		\$61,123			\$0
(4) Other - Government of Alberta	\$9,547	\$9,547	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$1,731	\$1,731		\$0	\$0	\$0
(6) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$0	\$0	\$0	\$0	\$0	\$0
(9) Instruction resource fees	\$109,808	\$109,808				
(10) Transportation fees	\$8,150			\$8,150		
(11) Other sales and services	\$45,250	\$29,673	\$0	\$0	\$15,577	\$0
(12) Investment income	\$180,250		\$0	\$0	\$180,250	\$0
(13) Gifts and donations	\$15,157	\$15,157	\$0	\$0		\$0
(14) Rentals of facilities	\$28,406	\$0	\$0	\$0	\$28,406	\$0
(15) Net school generated funds	\$408,928	\$408,928			\$0	
(16) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$544,712	\$0	\$544,712	\$0		\$0
(18) TOTAL REVENUES	\$19,582,367	\$16,205,460	\$2,258,312	\$33,362	\$1,085,233	\$0
EXPENSES						
(19) Certificated salaries	\$10,058,527	\$9,843,038			\$215,489	\$0
(20) Certificated benefits	\$1,061,593	\$1,041,517			\$20,076	\$0
(21) Non-certificated salaries and wages	\$1,996,072	\$1,407,577	\$184,329	\$26,352	\$377,814	\$0
(22) Non-certificated benefits	\$434,696	\$310,804	\$38,358	\$1,870	\$83,664	\$0
(23) SUB - TOTAL	\$13,550,888	\$12,602,936	\$222,687	\$28,222	\$697,043	\$0
(24) Services, contracts & supplies	\$3,847,869	\$2,773,108	\$713,416	\$59,807	\$301,538	\$0
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$408,928	\$408,928				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$544,712	\$0	\$544,712	\$0	\$0	\$0
(28) Unsupported	\$158,337	\$38,410	\$80,368	\$11,727	\$27,832	\$0
(29) Total Amortization	\$703,049	\$38,410	\$625,080	\$11,727	\$27,832	\$0
Interest on capital debt						
(30) Supported	\$61,123	\$0	\$61,123	\$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	\$18,571,857	\$15,823,382	\$1,622,306	\$99,756	\$1,026,413	\$0
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$1,010,510	\$382,078	\$636,006	(\$66,394)	\$58,820	\$0

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

	TOTAL
Base Funding	\$13,450,321
Additional Funding for Differential Cost Factors	\$3,756,534
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$393,442
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AISII)	\$405,896
SuperNet Services	\$69,647
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	\$39,627
Infrastructure Maintenance Renewal (IMR)	\$0
Other Funding from Alberta Education (describe):	\$0
Total Alberta Education Revenues	\$18,115,467

**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	\$906,825	\$884,488	\$431,881		\$0	\$0	\$2,223,194
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$506,447	\$178,503	\$77,779		\$0		\$762,729
ECS Program Unit (PUF)	\$0	\$75,348	\$20,560		\$0		\$95,908
Severe Disabilities (Gr 1-12)	\$204,172	\$438,766	\$89,786		\$0		\$732,724
English as a Second Language (ESL)		\$0	\$0		\$0		\$0
French Language & Francisation	\$0	\$0	\$0		\$0		\$0
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$315,091	\$19,944	\$70,861	\$0	\$0		\$405,896
Student Health Initiative	\$0	\$0	\$0		\$0		\$0
SuperNet Service			\$57,788		\$0		\$57,788
Class Size Initiative	\$393,442	\$0	\$0	\$0	\$0		\$393,442
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$8,558,578	\$121,332	\$1,865,945	\$158,508	\$0	\$447,338	\$11,151,701
TOTAL EXPENSES	\$10,884,555	\$1,718,381	\$2,614,600	\$158,508	\$0	\$447,338	\$15,823,382
FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Non-certificated					
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	6.4	5.8					
ECS Program Unit (PUF)	0.0	4.4					
Severe Disabilities (Gr 1-12)	2.7	15.5					

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

TOTAL EXPENSES	\$18,571,857
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%	5.66%
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	\$1,051,167
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	\$1,051,167
Less: 2006/2007 Board and System Administration expenses	-\$1,026,413
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$24,754

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

Unexpended SGF - Opening Balance August 31, 2006	\$242,126																								
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">\$263,499</td> <td align="right">\$127,896</td> <td align="right">\$135,603</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td align="right">\$76,032</td> <td align="right">\$3,450</td> <td align="right">\$72,582</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="right">\$111,529</td> <td align="right">\$778</td> <td align="right">\$110,751</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$179,940</td> <td align="right">\$14,285</td> <td align="right">\$165,655</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="right">\$631,000</td> <td align="right">\$146,409</td> <td align="right">\$484,591</td> </tr> </tbody> </table>		Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$263,499	\$127,896	\$135,603	Student fees (Non-Instructional) (Note 1)	\$76,032	\$3,450	\$72,582	Donations and grants to schools	\$111,529	\$778	\$110,751	Other (describe):	\$179,940	\$14,285	\$165,655	Net Additions to SGF	\$631,000	\$146,409	\$484,591
	Gross SGF	Related Expenses	Net SGF																						
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Net Additions to SGF	\$631,000	\$146,409	\$484,591																						
Net SGF Available	\$726,717																								
Uses of Net School Generated Funds:																									
	<table border="1"> <tbody> <tr> <td>Extra-curricular activities</td> <td align="right">\$149,819</td> </tr> <tr> <td>School site beautification</td> <td align="right">\$547</td> </tr> <tr> <td>Field Trips</td> <td align="right">\$46,643</td> </tr> <tr> <td>Equipment</td> <td align="right">\$47,230</td> </tr> <tr> <td>Family literacy and other community resources</td> <td align="right">\$10,093</td> </tr> <tr> <td>Other (describe): Graduation, banquets, retreats, provincials, miscellaneous office expenses, etc.</td> <td align="right">\$154,596</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td align="right">\$408,928</td> </tr> </tbody> </table>	Extra-curricular activities	\$149,819	School site beautification	\$547	Field Trips	\$46,643	Equipment	\$47,230	Family literacy and other community resources	\$10,093	Other (describe): Graduation, banquets, retreats, provincials, miscellaneous office expenses, etc.	\$154,596	Total Uses of Net SGF (Note 2)	\$408,928										
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Total Uses of Net SGF (Note 2)	\$408,928																								
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$317,789																								

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.