

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

Battle River Regional Division #31

Legal Name of School Jurisdiction

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Mailing Address

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Battle River Regional Division #31 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

Cheryl Smith

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Dr. Larry Payne

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Imogene Walsh, CGA, CSBO

Name

"ORIGINAL SIGNED"

Signature

9-Nov-09

Board-approved Release Date

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AUDITORS' REPORT

To the Board of Trustees of Battle River Regional Division No. 31

We have audited the statement of financial position of Battle River Regional Division No. 31 as at August 31, 2009 and the statements of revenues and expenditures, 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, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Harberg Nikiforuk Wood, LLP

Camrose, Alberta
November 25, 2009

Chartered Accountants

STATEMENT OF FINANCIAL POSITION
as at August 31, 2009

(in dollars)

	2009	2008 (Note 20)
ASSETS		
Current assets		
Cash and temporary investments (Note 3)	\$16,033,542	\$14,898,547
Accounts receivable (net after allowances) (Note 4)	\$1,504,776	\$1,173,572
Prepaid expenses (Note 2g)	\$469,129	\$544,862
Other current assets	\$807,343	\$692,994
Total current assets	\$18,814,790	\$17,309,975
School generated assets	\$912,596	\$927,478
Trust assets	\$1,026,780	\$1,053,947
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets (Note 5)		
Land	\$1,166,481	\$1,151,724
Construction in Progress	\$6,449,642	\$440,789
Buildings	\$71,912,620	
Less: accumulated amortization	(\$43,954,025)	\$29,877,295
Equipment	\$6,339,905	
Less: accumulated amortization	(\$4,166,365)	\$2,291,790
Vehicles	\$10,305,898	
Less: accumulated amortization	(\$6,550,481)	\$3,182,768
Total capital assets	\$41,503,675	\$36,944,366
TOTAL ASSETS	\$62,257,841	\$56,235,766
LIABILITIES		
Current liabilities		
Bank indebtedness (Note 6)	\$0	\$0
Accounts payable and accrued liabilities (Note 7)	\$4,638,652	\$3,164,564
Deferred revenue (Note 8)	\$5,133,085	\$3,833,465
Deferred capital allocations (Note 12)	\$2,660,791	\$607,348
Current portion of long term debt	\$794,071	\$840,938
Total current liabilities	\$13,226,599	\$8,446,315
School generated liabilities	\$912,596	\$927,478
Trust liabilities (Note 9)	\$1,026,780	\$1,053,947
Employee future benefit liabilities	\$0	\$0
Long term debt (Note 10)		
Supported: Debentures and other supported debt	\$4,928,321	\$5,769,259
Less: Current portion	(\$794,071)	(\$840,938)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations (Note 13)	\$20,238,575	\$14,522,081
Total long term liabilities	\$26,312,201	\$21,431,827
TOTAL LIABILITIES	\$39,538,800	\$29,878,142
NET ASSETS		
Unrestricted net assets	\$282,587	\$1,017,112
Operating Reserves	\$6,006,739	\$8,619,076
Accumulated Operating Surplus (Deficit)	\$6,289,326	\$9,636,188
Investment in capital assets	\$16,336,778	\$16,653,026
Capital Reserves	\$92,937	\$68,410
Total Capital Funds	\$16,429,715	\$16,721,436
Total net assets	\$22,719,041	\$26,357,624
TOTAL LIABILITIES AND NET ASSETS	\$62,257,841	\$56,235,766

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

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

	Actual 2009	Budget 2009 (Note 19)	Actual 2008 (Note)
REVENUES			
Government of Alberta	\$67,884,602	\$67,906,842	\$65,883,107
Federal Government and First Nations	\$37,907	\$24,127	\$34,641
Other Alberta school authorities	\$11,446	\$0	\$18,535
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$602,802	\$557,862	\$586,239
Transportation fees	\$30,434	\$27,900	\$32,150
Other sales and services	\$1,610,895	\$521,554	\$1,132,348
Investment income	\$203,771	\$600,000	\$556,124
Gifts and donations	\$63,165	\$10,750	\$31,279
Rental of facilities	\$16,612	\$5,388	\$13,328
Net school generated funds	\$1,466,693	\$1,200,000	\$1,495,173
Gains on disposal of capital assets	\$39,521	\$0	\$39,955
Amortization of capital allocations	\$1,587,247	\$1,582,625	\$1,582,625
Other revenue	\$0	\$0	\$0
Total Revenues	\$73,555,095	\$72,437,048	\$71,405,504
EXPENSES			
Certificated salaries (Note 18)	\$35,054,829	\$34,391,463	\$33,824,498
Certificated benefits (Note 18)	\$3,736,002	\$3,584,468	\$3,564,659
Non-certificated salaries and wages (Note 18)	\$14,130,553	\$13,379,014	\$13,347,416
Non-certificated benefits (Note 18)	\$3,203,080	\$3,321,114	\$3,007,882
Services, contracts and supplies	\$14,710,721	\$15,606,844	\$13,484,372
Net school generated funds	\$1,466,693	\$1,200,000	\$1,495,173
Capital and debt services			
Amortization of capital assets			
Supported	\$1,587,247	\$1,582,625	\$1,582,625
Unsupported	\$1,861,814	\$1,824,233	\$1,824,233
Total Amortization of capital assets	\$3,449,061	\$3,406,858	\$3,406,858
Interest on capital debt			
Supported	\$511,489	\$571,795	\$617,183
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$511,489	\$571,795	\$617,183
Other interest and charges	\$126	\$0	\$105
Losses on disposal of capital assets	\$11,340	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$76,273,894	\$75,461,556	\$72,748,146
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	(\$2,718,799)	(\$3,024,508)	(\$1,342,642)
Extraordinary Item	(\$919,784)	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$3,638,583)	(\$3,024,508)	(\$1,342,642)

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) 20
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	(\$3,638,583)	(\$1,342,642)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,587,247)	(\$1,582,625)
Total amortization expense	\$3,449,061	\$3,406,858
Gains on disposal of capital assets	(\$39,521)	(\$39,955)
Losses on disposal of capital assets	\$11,340	\$0
Changes in:		
Accounts receivable	(\$331,204)	(\$152,643)
Prepays and other current assets	(\$38,616)	\$120,676
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$1,474,088	\$50,316
Deferred revenue	\$1,299,620	\$1,117,548
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from Operations	\$598,938	\$1,577,533
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	(\$14,757)	\$0
Buildings	(\$6,333,069)	(\$962,233)
Equipment	(\$408,449)	(\$322,962)
Vehicles	(\$1,310,484)	(\$209,099)
Net proceeds from disposal of capital assets	\$86,570	\$146,508
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$7,980,189)	(\$1,347,786)
C. FINANCING ACTIVITIES		
Capital allocations	\$8,516,246	\$1,112,410
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$840,938)	(\$998,221)
Add back: supported portion	\$840,938	\$998,221
Other (describe)	\$0	(\$232,133)
Total cash flows from financing activities	\$8,516,246	\$880,277
Net cash flows from during the year	\$1,134,995	\$1,110,024
Cash and temporary investments, net of bank indebtedness, at Aug. 31/08	\$14,898,547	\$13,788,523
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$16,033,542	\$14,898,547

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: 2285

(in dollars)

	(1) TOTAL NET ASSETS Cols. 2+3+4+5	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS	(4) TOTAL OPERATING RESERVES Cols. 6+8+10+12+14 7+9+11+13+15	(5) INTERNALLY RESTRICTED NET ASSETS												(15)
					(6) School & Instruction Related		(7) Operations & Maintenance		(8) Board & System Admin.		(9) Transportation		(10) External Services				
					(11) Operating Reserves	(12) Capital Reserves	(13) Operating Reserves	(14) Capital Reserves	(15) Operating Reserves	(16) Capital Reserves	(17) Operating Reserves	(18) Capital Reserves	(19) Operating Reserves	(20) Capital Reserves			
Balance at August 31, 2008	\$26,357,624	\$16,653,026	\$1,017,112	\$8,619,076	\$68,410	\$3,317,618	\$0	\$2,072,875	\$6,367	\$1,384,396	\$0	\$1,842,792	\$62,043	\$1,395	\$0		
Prior period adjustments (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		
Adjusted Balance, Aug. 31, 2008	\$26,357,624	\$16,653,026	\$1,017,112	\$8,619,076	\$68,410	\$3,317,618	\$0	\$2,072,875	\$6,367	\$1,384,396	\$0	\$1,842,792	\$62,043	\$1,395	\$0		
Excess (deficiency) of revenue over expenses	(\$3,638,583)		(\$3,638,583)														
Board funded capital additions		\$1,603,955	(\$24,621)	(\$1,517,291)	(\$62,043)	(\$246,907)	\$0	(\$55,381)	\$0	(\$57,067)	\$0	(\$1,157,936)	(\$62,043)	\$0	\$0		
Disposal of unsupported capital assets	\$0	(\$58,389)	(\$28,181)		\$86,570	\$6,750			\$100				\$79,720		\$0		
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0				\$0		\$0		
Direct credits to net assets	\$0	\$0															
Amortization of capital assets		(\$3,449,061)	\$3,449,061														
Amortization of capital allocations		\$1,587,247	(\$1,587,247)														
Debt principal repayments (unsupported)		\$0	\$0														
Net transfers to operating reserves			(\$2,792,205)	\$2,792,205		\$2,050,630	\$703,951		\$0			\$28,202		\$9,422			
Net transfers from operating reserves			\$3,887,251	(\$3,887,251)		(\$1,589,957)	(\$1,350,341)		(\$946,953)			\$0		\$0			
Net transfers to capital reserves			\$0		\$0	\$0			\$0				\$0		\$0		
Net transfers from capital reserves			\$0		\$0	\$0			\$0				\$0		\$0		
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Balance at August 31, 2009	\$22,719,041	\$16,336,778	\$282,587	\$6,006,739	\$92,937	\$3,531,384	\$6,750	\$1,371,104	\$6,467	\$380,376	\$0	\$713,058	\$79,720	\$10,817	\$0		

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

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2008	\$607,348	\$14,522,081
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2008	\$607,348	\$14,522,081
Add:		
Restricted capital allocations from: Alberta Education including school and modular projects	\$8,361,008	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$26,811	
Other capital grants and donations	\$128,427	
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		\$840,938
Expended capital allocations - current year	(\$6,462,803)	\$6,462,803
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,587,247
Balance at August 31, 2009	\$2,660,791	\$20,238,575

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

Battle River Regional Division No. 31
Notes to the Financial Statements
For the Year Ended August 31, 2009

1. AUTHORITY AND PURPOSE

Battle River Regional Division No. 31 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

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. 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 in 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	10 to 40 years
Equipment	5 to 10 years
Vehicles	5 to 10 years

In the year of acquisition, no amortization is recorded. In year of disposal, a full year of amortization is calculated.

Capital assets with costs in excess of \$5000 are capitalized. Capital assets allocations received for asset additions are amortized into revenue over the same period as the amortized expense.

Battle River Regional Division No. 31
Notes to the Financial Statements
For the Year Ended August 31, 2009

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 trips 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 Battle River Regional School Division No. 31 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 \$745,287 for the year ended August 31, 2009. As at December 31, 2008, the Local Authorities Pension Plan reported an actuarial deficiency of \$4,413,971,000 (2007 deficiency of \$1,183,334,000).

f) Inventories

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

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.

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 statement.

i) Financial Instruments

The Jurisdiction's financial instruments 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 of the School Act.

Battle River Regional Division No. 31
Notes to the Financial Statements
For the Year Ended August 31, 2009

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) Employee Future Benefits

The Jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the Jurisdiction at this time.

3. CASH AND TEMPORARY INVESTMENTS

	2009			2008		
	Effective (Market) Yield	Cost	Fair Value	Effective (Market) Yield	Cost	Fair Value
Cash and cash equivalents	P-1.8%	16,033,542	16,033,542	P-1.8%	14,898,547	14,898,547

4. ACCOUNTS RECEIVABLE

	2009	2008
Alberta Education	\$ 533,052	\$ 309,024
Alberta Finance	286,134	335,590
Other Province of Alberta	99,609	102,668
Federal Government	173,587	134,894
Other	412,394	291,396
Total	\$ 1,504,776	\$ 1,173,572

Battle River Regional Division No. 31
Notes to the Financial Statements
For the Year Ended August 31, 2009

5. TANGIBLE CAPITAL ASSETS

	Land	Construction In Progress- New Building	Buildings	Equipment Computer Hardware &Software	Other Equipment	Vehicles	Total Aug. 31, 2009	Total Aug. 31, 2008
Estimated Useful Life			10-40 years	3-5 years	5-10 years	5-10 years		
Historical Cost								
September 1	1,151,724	440,789	71,588,405	2,336,759	3,669,983	9,456,350	88,644,010	87,941,999
Additions	14,757	6,008,853	324,215	33,460	374,989	1,310,484	8,066,758	1,494,294
Transfer in (out)								
Less disposals including write-offs				(11,081)	(64,206)	(460,936)	(536,222)	(792,283)
August 31	1,166,481	6,449,642	71,912,620	2,359,139	3,980,766	10,305,898	96,174,546	88,644,010
Accumulated amortization								
September 1			41,711,110	1,622,116	2,092,836	6,273,582	51,699,644	48,976,519
Amortization expense			2,242,915	199,353	327,347	679,446	3,449,061	3,406,858
Transfer in (out)								
Effect of disposals				(11,081)	(64,206)	(402,547)	(477,834)	(683,733)
August 31			43,954,025	1,810,388	2,355,977	6,550,481	54,670,871	51,699,644
Net Book Value at August. 31, 2009	1,166,481	6,449,642	27,958,595	548,751	1,624,789	3,755,417	41,503,675	36,944,366

6. 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, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the Jurisdiction. There was no balance outstanding on the line of credit at August 31, 2009.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2009	2008
Alberta Education	\$ 270,855	\$ 328,435
Alberta Finance	286,134	335,590
Other Province of Alberta	23,450	43,354
Federal Government	772,870	695,517
Other Trade Payable and Accrued Liabilities	3,275,748	1,761,668
Other School Jurisdictions	9,595	-
Total	\$ 4,638,652	\$ 3,164,564

Battle River Regional Division No. 31

Notes to the Financial Statements

For the Year Ended August 31, 2009

8. 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
Alberta Education Restricted Operational Funding:					
Alberta Initiative for School Improvement	42,400	907,971	950,371		-
Infrastructure Maintenance Renewal	2,648,031	1,849,535	1,216,287		3,281,279
Other Alberta Education deferred revenue	673,785	1,398,349	612,862		1,459,272
Other Government of Alberta Restricted Funding:					
Employment, Industry and Immigration	26,554	10,000	16,554		20,000
Child and Family Services	3,098	42,104	41,639		3,563
Community Incentive Program	13,742	13,220	21,561		5,401
Rural Alberta Development Fund	72,082	56,875	51,237		77,720
Health Services		100,000			100,000
Other Deferred Revenue:					
Skills Canada	300,000		190,573		109,427
Transportation Fees	8,375	36,059	30,434		14,000
Instructional Resource Fees		605,202	602,802		2,400
Other sales and services	45,398	60,023	45,398		60,023
Total	3,833,465	5,076,989	3,777,369		5,133,085

9. TRUST LIABILITIES

	2009	2008
Trust funds for scholarships	\$ 1,025,884	\$ 1,053,008
Student travel	297	258
Early childhood services	599	681
Total	\$ 1,026,780	\$ 1,053,947

10. LONG TERM DEBT

a) Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.375% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are:

	Principal	Interest	Total
2009-2010	\$ 794,071	\$ 485,363	\$ 1,279,434
2010-2011	725,787	404,223	1,130,010
2011-2012	664,065	331,243	995,308
2012-2013	590,294	264,950	855,244
2013-2014	577,171	206,088	783,259
2014 to maturity	1,576,933	356,503	1,933,436
Total	\$ 4,928,321	\$ 2,048,370	\$ 6,976,691

9.(d)

Battle River Regional Division No. 31

Notes to the Financial Statements

For the Year Ended August 31, 2009

11. 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. The reserves are established and expended in accordance with the terms and conditions established by the Board.

Operating	Balance Beginning	Appropriated	Utilized	Balance Ending
Instruction	\$ 517,613	\$ 2,553,925	\$ 1,801,158	\$ 1,270,380
School budgets	1,718,878	0	312,611	1,406,267
Special education	896,857	0	219,686	677,171
Computer services	129,374	110,639	62,447	177,566
Classroom learning conditions	54,896	0	54,896	0
Operations and maintenance	2,072,875	703,951	1,405,722	1,371,104
System administration	1,384,396	0	1,004,020	380,376
Transportation	1,842,792	64,559	1,194,293	713,058
External services	1,395	9,422	0	10,817
	8,619,076	3,442,496	6,054,833	6,006,739
Capital				
Land	6,367	0	0	6,367
Equipment	62,043	86,570	62,043	86,570
	68,410	86,570	62,043	92,937
Total	\$ 8,687,486	\$ 3,529,066	\$ 6,116,876	6,099,676

12. 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.

13. 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.

14. COMMITMENTS

a) Building Projects

The Jurisdiction is committed to further capital expenditures for the addition at Camrose Composite High School of approximately \$4,233,090. These costs will be funded by the capital allocations from Alberta Education, in the amount of \$3,584,487, and by Infrastructure, Maintenance and Renewal funds in the amount of \$648,603.

9.(e)

Battle River Regional Division No. 31
Notes to the Financial Statements
For the Year Ended August 31, 2009

b) Legal Disputes

As at August 31, 2009 the Jurisdiction is involved in various legal disputes. While it is not possible to estimate the outcome of these disputes, it is believed by the Jurisdiction's management that there will be no adverse effect on the financial position of the Jurisdiction.

15. 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.

16. 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.

2008-2009	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$533,052	\$5,011,407	\$65,567,292	\$1,106,327
Finance	286,134	286,134	511,489	511,489
Health & Wellness	43,688	100,044	265,177	43,532
Human Resources/Employment	55,050	32,193	251,162	0
Other Gov't of Alberta departments	78,234	197,897	369,698	34,090
Other:				
Health authorities	0	0	0	0
Post-secondary institutions	0	0	0	15,774
Other Alberta school jurisdictions	0	0	11,446	221,693
Other related parties	0	0	0	0
TOTAL 2008-2009	<u>\$996,158</u>	<u>\$5,627,675</u>	<u>\$66,976,264</u>	<u>\$1,932,905</u>
TOTAL 2007-2008	<u>\$748,813</u>	<u>\$4,159,575</u>	<u>\$65,901,642</u>	<u>\$1,805,193</u>

17. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

Battle River Regional Division No. 31
Notes to the Financial Statements
For the Year Ended August 31, 2009

9.(f)

18. NUMBERATION AND MONETARY INCENTIVES

The Battle River Regional Division No. 31 had paid or accrued expenses for the year ended August 31, 2009 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Expenses
Chair - Smith, Cheryl	1.0	\$30,687	\$4,949	\$0	\$6,555
Heiberg, Rebecca	1.0	\$21,314	\$4,938	\$0	\$4,774
Miller, Peter	1.0	\$28,107	\$4,244	\$0	\$13,300
Offord, Ken	1.0	\$25,059	\$5,125	\$0	\$9,745
Petruk, Victor	1.0	\$18,010	\$4,403	\$0	\$3,084
Severson, Kendall	1.0	\$20,033	\$2,172	\$0	\$4,205
Syed, Hameed	1.0	\$20,840	\$0	\$0	\$3,292
Zeniuk, Patricia	1.0	\$27,233	\$5,190	\$0	\$7,556
Subtotal	8.0	\$191,283	\$31,021	\$0	\$52,511
Superintendent - Payne, Larry	1.0	\$149,955	\$16,007	\$0	\$19,113
Board Secretary- Schulte, William	1.0	\$134,613	\$24,497	\$0	\$11,279
Board Treasurer - Walsh, Imogene	1.0	\$102,740	\$25,415	\$0	\$6,702
Certificated Teachers	419.67	\$34,904,874	\$3,719,995	\$0	
Non-certificated - Other	401.39	\$13,701,917	\$3,122,147	\$0	
TOTALS		\$49,185,382	\$6,939,082	\$0	

Note 1: The benefit costs for the Superintendent do not reflect the Alberta Teacher Retirement Fund (ATRF) contribution made by Alberta Education on behalf of the Battle River Regional Division #31.

Note 2: The benefit costs for the certificated teaching staff do not reflect the Alberta Teacher Retirement Fund contribution made by Alberta Education on behalf of the Battle River Regional Division #31.

Note 3: Expenses include the reimbursement of travel, subsistence, and other approved expenses on his/her behalf in performing the responsibilities of the named position.

19. BUDGET AMOUNTS

The budget was prepared by the Jurisdiction's management with the Board of Trustees approval given on October 30, 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.

Battle River Regional Division No. 31
Notes to the Financial Statements
For the Year Ended August 31, 2009

9.(g)

21. EXTRAORDINARY ITEM

On August 27, 2009 the government announced that provincial grant funding for the 2009-2010 school year would be reduced to specific school boards based on accumulated surpluses and reserves held by those entities. As a result of the announcement, the Battle River Regional Division's grant revenue was reduced by \$919,784 for the next fiscal year.

The reduction of funding based on accumulated surplus and reserves is an infrequent occurrence and outside the control of management. It is management's belief that, due to the timing of the announcement, the net asset position of the Region has been externally restricted as at August 31, 2009.

Consequently, this restriction has been recorded as an extraordinary charge to income as at August 31, 2009 with an offsetting increase in deferred revenue. The deferred revenue amount will be recorded as additional income in the 2009-2010 fiscal year to offset the loss of grant revenue.

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2009
[School Act, Section 276]

Battle River Regional Division #31

Legal Name of School Jurisdiction

5402 48A Ave, Camrose AB T4V 0L3

Mailing Address

Telephone (780)672-6131 Fax (780)672-6137

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. These schedules were submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Imogene Walsh, CGA, CSBO
Name

"ORIGINAL SIGNED"
Signature

9-Nov-09

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Wang@gov.ab.ca
PHONE: (780) 644-5672 FAX: (780) 422-6996

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SCHEDULE A

School Jurisdiction Code: 2285

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2008-2009

REVENUES	ECS Instruction	Grades 1-12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration	External Services	TOTAL
(1) Alberta Education	\$0	\$50,214,434	\$7,958,376	\$5,329,367	\$2,457,064	\$527,835	\$66,487,076
(2) Other - Government of Alberta	\$0	\$455,496	\$519,289	\$0	\$0	\$422,741	\$1,397,526
(3) Federal Government and First Nations	\$0	\$37,907	\$0	\$0	\$0	\$0	\$37,907
(4) Other Alberta school authorities	\$0	\$11,446	\$0	\$0	\$0	\$0	\$11,446
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) Instruction resource fees	\$0	\$602,802					\$602,802
(8) Transportation fees-ECS				\$2,160			\$2,160
(9) Transportation fees-Grades 1-12				\$28,274			\$28,274
(10) Other sales and services	\$0	\$770,039	\$271,293	\$262,311	\$3,128	\$304,124	\$1,610,895
(11) Investment income	\$0	\$195,620	\$0	\$0	\$8,151	\$0	\$203,771
(12) Gifts and donations	\$0	\$61,165	\$0	\$0	\$0	\$2,000	\$63,165
(13) Rental of facilities	\$0	\$0	\$16,612	\$0	\$0	\$0	\$16,612
(14) Net school generated funds	\$0	\$1,466,693	\$0	\$0	\$0	\$0	\$1,466,693
(15) Gains on disposal of capital assets	\$0	\$6,750	\$100	\$32,671	\$0	\$0	\$39,521
(16) Amortization of capital allocations	\$0	\$61,511	\$1,519,607	\$6,129	\$0	\$0	\$1,587,247
(17) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$0	\$53,883,863	\$10,285,277	\$5,660,912	\$2,468,343	\$1,256,700	\$73,555,095
EXPENSES							
(19) Certificated salaries	\$0	\$34,564,362			\$465,040	\$25,427	\$35,054,829
(20) Certificated benefits	\$0	\$3,690,447			\$43,219	\$2,336	\$3,736,002
(21) Non-certificated salaries and wages	\$0	\$7,726,852	\$1,667,570	\$2,814,279	\$1,153,631	\$768,221	\$14,130,553
(22) Non-certificated benefits	\$0	\$1,955,904	\$404,387	\$405,669	\$254,484	\$182,616	\$3,203,080
(23) SUB - TOTAL	\$0	\$47,937,565	\$2,071,957	\$3,219,968	\$1,916,374	\$978,600	\$56,124,464
(24) Services, contracts and supplies	\$0	\$6,001,301	\$5,453,550	\$2,373,943	\$612,111	\$269,816	\$14,710,721
(25) Net school generated funds	\$0	\$1,466,693					\$1,466,693
(26) Amortization of capital assets	\$0	\$363,992	\$2,391,782	\$619,438	\$73,849	\$0	\$3,449,061
(27) Interest and charges	\$0	\$0	\$511,489	\$0	\$126	\$0	\$511,615
(28) Losses on disposal of capital assets	\$0	\$0	\$0	\$11,340	\$0	\$0	\$11,340
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$0	\$55,769,551	\$10,428,778	\$6,224,699	\$2,602,460	\$1,248,416	\$76,273,894
(31) OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$0	(\$1,885,688)	(\$143,501)	(\$563,777)	(\$134,117)	\$8,284	(\$2,718,799)

**SCHEDULE B
SCHOOL GENERATED FUNDS (SGF) - 2008-2009**

Unexpended SGF - Opening Balance August 31, 2008 (Note 1)			\$927,478
Sources of School Generated Funds:	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$1,807,914	\$901,583	\$906,331
Student fees (Non-Instructional) (Note 1)	\$392,774	\$0	\$392,774
Donations and grants to schools	\$145,515	\$0	\$145,515
Other (describe): Interest	\$7,191	\$0	\$7,191
Net Additions to SGF	\$2,353,394	\$901,583	\$1,451,811
Net SGF Available			\$2,379,289
Uses of Net School Generated Funds:			
Extra-curricular activities			\$1,172,794
Field Trips			\$203,351
Other (describe): School site beautification, Equipment and Bank charges			\$90,548
Total Uses of Net SGF (Note 2)			\$1,466,693
Unexpended SGF - Closing Balance August 31, 2009 (Note 3)			\$912,596

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.

Notes:

- 1 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
- 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.
- 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.

**SCHEDULE C
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2008-2009**

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$257,502	\$1,099,165	\$0	\$36,593	\$274,310		\$1,667,570		\$1,667,570
Uncertificated benefits	\$61,744	\$272,837	\$0	\$8,561	\$61,244		\$404,386		\$404,386
Sub-total Remuneration	\$319,246	\$1,372,002	\$0	\$45,154	\$335,554		\$2,071,956		\$2,071,956
Supplies and services	\$1,881,187	\$967,812	\$0	\$1,146,510	\$71,887		\$4,067,396		\$4,067,396
Electricity			\$548,784				\$548,784		\$548,784
Natural Gas/Heating Fuel			\$567,646				\$567,646		\$567,646
Sewer and Water			\$111,728				\$111,728		\$111,728
Telecommunications			\$20,188				\$20,188		\$20,188
Insurance					\$137,809		\$137,809		\$137,809
Amortization of capital assets									
Supported								\$1,519,607	\$1,519,607
Unsupported							\$872,175	\$1,519,607	\$2,391,782
Total Amortization							\$872,175		\$872,175
Interest on capital debt									
Supported								\$511,489	\$511,489
Unsupported									
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$2,200,433	\$2,339,814	\$1,248,346	\$1,191,664	\$545,250	\$872,175	\$9,397,682	\$2,031,096	\$10,428,778
SQUARE METRES									
School Buildings									0.0
Non School Buildings									0.0

Note:

- Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
- Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
- Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
- Expensed IMR & Modular Unit Relocations:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
- Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project administration, administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
- Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.