

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

Lethbridge School District No. 51

Legal Name of School Jurisdiction

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of 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.

Lethbridge School District No. 51

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

Gary Bartlett

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Barry Litun

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Don Lussier

Name

"ORIGINAL SIGNED"

Signature

30-Nov-09

Board-approved Release Date

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AUDITORS' REPORT

To the Board of Trustees
Lethbridge School District No. 51

We have audited the statement of financial position of the Lethbridge School District No. 51 as at August 31, 2009 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform 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, 2009 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Lethbridge, Alberta
October 16th, 2009

STATEMENT OF FINANCIAL POSITION
as at August 31, 2009

(in dollars)

		2009	2008 (Note)
ASSETS			
Current assets			
Cash and temporary investments	(Note 3)	\$19,054,835	\$18,441,878
Accounts receivable (net after allowances)	(Note 4)	\$2,732,387	\$2,607,196
Prepaid expenses		\$198,535	\$161,246
Other current assets		\$140,390	\$120,581
Total current assets		\$22,126,147	\$21,330,901
School generated assets			
Trust assets	(Note 10)	\$572,198	\$583,283
Long term accounts receivable		\$0	\$0
Long term investments		\$0	\$0
Capital assets (Note 6)			
Land		\$1,715,118	\$1,715,118
Construction in Progress		\$33,625,562	\$10,792,632
Buildings	\$69,360,507		
Less: accumulated amortization	(\$31,033,670)	\$38,326,837	\$39,957,395
Equipment	\$2,300,840		
Less: accumulated amortization	(\$1,341,032)	\$959,808	\$954,140
Vehicles	\$321,520		
Less: accumulated amortization	(\$182,209)	\$139,311	\$173,787
Total capital assets		\$74,766,636	\$53,593,072
TOTAL ASSETS		\$99,003,550	\$76,962,588
LIABILITIES			
Current liabilities			
Bank indebtedness	(Note 7)	\$0	\$0
Accounts payable and accrued liabilities	(Note 8)	\$8,356,015	\$7,592,453
Deferred revenue	(Note 9)	\$2,795,245	\$3,244,169
Deferred capital allocations	(Note 12)	\$6,596,882	\$6,347,819
Current portion of long term debt		\$991,932	\$1,073,865
Total current liabilities		\$18,740,074	\$18,258,306
School generated liabilities			
Trust liabilities	(Note 10)	\$572,198	\$583,283
Employee future benefit liabilities		\$0	\$0
Long term debt (Note 11)			
Supported: Debentures and other supported debt		\$3,742,171	\$4,608,057
Less: Current portion		(\$869,433)	(\$877,433)
Unsupported: Debentures and Capital Loans		\$528,514	\$723,992
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion		(\$122,499)	(\$196,432)
Other long term liabilities	(Note 11)	\$0	\$0
Unamortized capital allocations	(Note 13)	\$66,735,649	\$44,542,606
Total long term liabilities		\$72,125,169	\$50,839,405
TOTAL LIABILITIES		\$90,865,243	\$69,097,711
NET ASSETS			
Unrestricted net assets		\$716,692	\$965,743
Operating Reserves		\$2,623,139	\$2,253,571
Accumulated Operating Surplus (Deficit)		\$3,339,831	\$3,219,314
Investment in capital assets		\$3,760,301	\$3,718,417
Capital Reserves		\$1,038,175	\$927,146
Total Capital Funds		\$4,798,476	\$4,645,563
Total net assets		\$8,138,307	\$7,864,877
TOTAL LIABILITIES AND NET ASSETS		\$99,003,550	\$76,962,588

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

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

	Actual 2009	Budget 2009 (Note)	Actual 2008 (Note)
REVENUES			
Government of Alberta	\$73,126,076	\$72,307,041	\$70,285,087
Federal Government and First Nations	\$354,196	\$360,362	\$265,254
Other Alberta school authorities	\$0	\$0	\$80,653
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$469,639	\$423,904	\$499,290
Transportation fees	\$0	\$0	\$0
Other sales and services	\$1,002,421	\$182,359	\$708,654
Investment income	\$216,590	\$270,000	\$384,699
Gifts and donations	\$0	\$0	\$0
Rental of facilities	\$6,000	\$9,700	\$8,200
Net school generated funds	\$1,481,123	\$1,957,429	\$1,085,705
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$1,644,982	\$1,739,724	\$1,670,851
Other revenue	\$0	\$0	\$0
Total Revenues	\$78,301,027	\$77,250,519	\$74,988,393
EXPENSES			
Certificated salaries (Note 18)	\$38,248,071	\$37,877,444	\$36,711,492
Certificated benefits (Note 18)	\$5,563,786	\$5,911,509	\$5,488,200
Non-certificated salaries and wages (Note 18)	\$14,340,535	\$13,863,981	\$12,682,281
Non-certificated benefits (Note 18)	\$3,689,429	\$3,457,797	\$3,491,728
Services, contracts and supplies	\$12,289,075	\$12,743,081	\$12,122,573
Net school generated funds	\$1,481,123	\$1,957,429	\$1,085,705
Capital and debt services			
Amortization of capital assets			
Supported	\$1,644,982	\$1,739,724	\$1,670,851
Unsupported	\$257,568	\$257,563	\$224,966
Total Amortization of capital assets	\$1,902,550	\$1,997,287	\$1,895,817
Interest on capital debt			
Supported	\$474,475	\$519,600	\$570,200
Unsupported	\$25,828	\$20,000	\$34,100
Total Interest on capital debt	\$500,303	\$539,600	\$604,300
Other interest and charges	\$12,725	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$78,027,597	\$78,348,128	\$74,082,096
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$273,430	(\$1,097,609)	\$906,297
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$273,430	(\$1,097,609)	\$906,297

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)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	\$273,430	\$906,297
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,644,982)	(\$1,670,851)
Total amortization expense	\$1,902,550	\$1,895,817
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	(\$125,191)	(\$737,416)
Prepays and other current assets	(\$57,098)	\$32,898
Long term accounts receivable	\$0	\$10,524
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$763,562	\$3,907,197
Deferred revenue	(\$448,924)	\$531,096
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	(\$14,369)
Total cash flows from Operations	\$663,347	\$4,861,193
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$22,832,930)	(\$11,972,640)
Equipment	(\$243,184)	(\$124,201)
Vehicles	\$0	(\$110,895)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$23,076,114)	(\$12,207,736)
C. FINANCING ACTIVITIES		
Capital allocations	\$23,221,202	\$17,605,873
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$1,061,364)	(\$965,422)
Add back: supported portion	\$865,886	\$938,215
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$23,025,724	\$17,578,666
Net cash flows from during the year	\$612,957	\$10,232,123
Cash and temporary investments, net of bank indebtedness, at Aug. 31/08	\$18,441,878	\$8,209,755
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$19,054,835	\$18,441,878

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: 3040

(in dollars)

	(1)	(2)	(3)	(4)	(5)	INTERNALLY RESTRICTED NET ASSETS						(12)	(13)	(14)	(15)
	TOTAL NET ASSETS Cols. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	School & Instruction Related		Operations & Maintenance		Board & System Admin.		Transportation		External Services	
						Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2008	\$7,864,877	\$3,718,417	\$965,743	\$2,253,571	\$927,146	\$1,891,271	\$299,179	\$168,516	\$232,591	\$101,139	\$395,376	\$92,645	\$0	\$0	\$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	\$7,864,877	\$3,718,417	\$965,743	\$2,253,571	\$927,146	\$1,891,271	\$299,179	\$168,516	\$232,591	\$101,139	\$395,376	\$92,645	\$0	\$0	\$0
Excess (deficiency) of revenue over expenses	\$273,430		\$273,430												
Board funded capital additions		\$103,975	(\$103,975)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct credits to net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amortization of capital assets		(\$1,902,550)	\$1,902,550	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amortization of capital allocations		\$1,644,982	(\$1,644,982)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt principal repayments (unsupported)		\$195,477	(\$195,477)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net transfers to operating reserves			(\$441,175)	\$441,175	\$0	\$0	\$185,365	\$87,754	\$168,056	\$0	\$0	\$0	\$0	\$0	\$0
Net transfers from operating reserves			\$71,607	(\$71,607)	(\$71,607)	(\$71,607)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net transfers to capital reserves			(\$271,029)	\$271,029	\$271,029	\$0	\$0	\$0	\$0	\$271,029	\$0	\$0	\$0	\$0	\$0
Net transfers from capital reserves			\$160,000	(\$160,000)	(\$160,000)	\$0	\$0	\$0	\$0	(\$160,000)	\$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	\$8,138,307	\$3,760,301	\$716,692	\$2,623,139	\$1,038,175	\$1,819,664	\$299,179	\$353,881	\$232,591	\$188,893	\$506,405	\$260,701	\$0	\$0	\$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	\$6,347,819	\$44,542,606
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2008	\$6,347,819	\$44,542,606
Add:		
Restricted capital allocations from:		
Alberta Education including school and modular projects	\$23,090,518	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$130,684	
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		\$865,886
Expended capital allocations - current year	(\$22,972,139)	\$22,972,139
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,644,982
Balance at August 31, 2009	\$6,596,882	\$66,735,649

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

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS

August 31, 2009

1. AUTHORITY AND PURPOSE

Lethbridge School District No. 51 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 District is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are 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.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

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 funds, which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

b) Inventory

Inventory is recorded as the lesser of cost and net realizable value.

c) Prepaid Expenses

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

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS August 31, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Capital Assets

Capital assets are recorded at cost. No amortization is taken in the year of acquisition. Amortization of the cost is calculated over estimated useful lives on a straight line basis at the following rates:

Buildings	20 - 40 years
Equipment	3 - 5 years
Vehicles	5 - 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 amortization expense.

e) School Generated Funds

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

f) Vacation Pay

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

g) 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.

h) 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, Lethbridge School District No. 51 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan and the Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$835,660 for the year ended August 31, 2009. At December 31, 2008, the Local Authorities Pension Plan reported a deficit of \$ 4.414 billion (deficit of 1.183 billion- 2007).

The school board participates in the Alberta School Boards Association Supplemental Integrated Pension Plan (SIPP) for Senior Management. The expenses for this pension plan is equivalent to the annual contributions of \$44,531 for the year ended August 31, 2009.

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS August 31, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Financial Instruments

The jurisdiction's financial instruments consist of cash and cash equivalents, are classified as held-for-trading, which are measured at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable, accrued liabilities and long term debt are classified as other financial liabilities, which are measured at amortized cost. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 (2) (d) of the School Act.

j) Operating and Capital Reserves

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

k) Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

3. CASH AND TEMPORARY INVESTMENTS

	Effective (market) Yield	2009		2008	
		Cost	Fair Value	Cost	Fair Value
Cash and Cash Equivalents		\$19,054,835	\$19,054,835	\$18,441,878	\$18,441,878
Fixed-Income securities		-	-	-	-
Total cash and temporary investments		\$19,054,835	\$19,054,835	\$18,441,878	\$18,441,878

Cash and cash equivalents are held with the Royal Bank of Canada, Lethbridge, and earn interest at the rate of prime less 1.75%.

4. ACCOUNTS RECEIVABLE

	2009	2008
Alberta Education	\$ 1,229,033	\$ 1,283,999
Alberta Finance	214,346	263,762
Federal Government	703,059	563,293
First Nations	-	-
Other	585,949	496,142
Total	\$ 2,732,387	\$ 2,607,196

5. LONG TERM ACCOUNTS RECEIVABLE

The loan for employee laptop purchases was paid in full in 2009.

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS August 31, 2009

6. TANGIBLE CAPITAL ASSETS

	Land	Construction In Progress - New Building	Buildings 20-40 Years	Equipment - Computer Hardware & Software 3-5 Years	Other Equipments 5 Years	Vehicles 5-10 Years	Total Aug. 31, 2009	Total Aug. 31, 2008
Estimated Useful life								
Historical cost								
September 1, 2008	\$1,715,118	\$10,792,632	\$69,360,507	\$304,635	\$1,753,021	\$321,520	\$84,247,433	\$72,043,319
Additions	-	\$22,832,930	-	\$45,525	\$197,659	-	\$23,076,114	\$12,204,114
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals	-	-	-	-	-	-	-	-
August 31, 2009	\$1,715,118	\$33,625,562	\$69,360,507	\$350,160	\$1,950,680	\$321,520	\$107,323,547	\$84,247,433
Accumulated amortization								
September 1, 2008	-	-	\$29,403,112	\$214,170	\$889,346	\$147,733	\$30,654,361	\$28,758,544
Amortization expense	-	-	\$1,630,558	\$47,404	\$190,112	\$34,476	\$1,902,550	\$1,895,817
Transfers in (out)	-	-	-	-	-	-	-	-
Effect of disposals	-	-	-	-	-	-	-	-
August 31, 2009	-	-	\$31,033,670	\$261,574	\$1,079,458	\$182,209	\$32,556,911	\$30,654,361
Net Book Value at August 31, 2009	\$1,715,118	\$33,625,562	\$38,326,837	\$88,586	\$871,222	\$139,311	\$74,766,636	\$53,593,072

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS August 31, 2009

7. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit with the Royal Bank of Canada, Lethbridge, in the amount of \$500,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing resolution and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2009.

8. ACCOUNTS PAYABLE AND LIABILITIES

	2009	2008
Alberta Education	\$ 153,907	\$ 311,870
Alberta Finance	214,346	263,762
Federal Government	796,014	718,537
Other Trade Payables and Accrued Liabilities	7,191,748	6,298,284
	\$ 8,356,015	\$ 7,592,453

9. DEFERRED REVENUE

	DEFERRED REVENUE as at Aug. 31, 2008	ADD: 2008/2009 Restricted Funds Received/ Receivable	DEDUCT: 2008/2009 Restricted Funds Expended (Paid / Payable)	DEFERRED REVENUE as at Aug. 31, 2009
Alberta Education Restricted Operational Funding:				
Alberta Initiative for School Improvement	\$ 114,394	\$ 1,095,442	\$ 1,209,836	-
Infrastructure Maintenance Renewal	2,379,805	1,518,711	1,804,327	2,094,189
Other Alberta Education deferred revenue	601,732	485,229	574,262	512,699
Other Government of Alberta Restricted Funding:				
Alberta Infrastructure	-	-	-	-
Other Deferred Revenue	148,238	273,430	233,311	188,357
Total	\$ 3,244,169	\$ 3,372,812	\$ 3,821,736	\$ 2,795,245

10. TRUST ASSETS AND LIABILITIES

	2009	2008
Scholarship and Program Trusts	\$ 572,198	\$ 583,283

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

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS

August 31, 2009

11. LONG TERM DEBT

a) Debenture Debt -Supported

	2009	2008
Alberta Capital Finance Authority debenture debt, at interest rates from 8% to 12%, with various due dates. Security is represented by school buildings held by the jurisdiction.	\$ 3,742,171	\$ 4,608,057
Due within one year	(869,433)	(877,433)
	\$ 2,872,738	\$ 3,730,624

Debenture payments due over the next five years are as follows:

2010	\$ 869,433
2011	794,988
2012	464,628
2013	392,384
2014	223,383
Thereafter	997,355
	\$ 3,742,171

b) Capital Loan - Unsupported

	2009	2008
Royal Bank of Canada, five year term, renewable demand loan at fixed rate of interest at 4.61% over 5 year term, with principal and interest payment of \$5,109 per month.	\$ 528,514	\$ 723,992
Due within one year	(122,499)	(196,432)
	\$ 406,015	\$ 527,560

Planned extra Principal payment of \$80,000 per year until loan paid out.

Principal payments due over the next five years are as follows:

2010	\$ 122,499
2011	127,211
2012	133,143
2013	139,352
2014	6,309
	\$ 528,514

c) Other Long Term Liabilities

Royal Bank of Canada, three year demand loan, was paid in full.

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS

August 31, 2009

12. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been 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. ASSET RETIREMENT OBLIGATION

Asset retirement obligations represent legal obligations associated with the retirement of tangible long-lived assets that result from its acquisition, construction, development or normal operation. The jurisdiction has a legal obligation to remove hazardous material from facilities upon renovation or disposal. A liability, however, has not been recognized because the fair value cannot be reasonably estimated.

15. COMMITMENTS

Building Projects

- a) The jurisdiction is committed to further Capital Expenditures for the building of a new West Lethbridge High School, in conjunction with the West Lethbridge Multi Use Facility project, of approximately \$18.8 million. Funding for this project will be provided by capital allocations from Alberta Education.
- b) The jurisdiction is committed to further Capital Expenditures for the modernization of Gilbert Paterson Middle School of approximately \$4.4 million. Funding for this project will be provided by capital allocations from Alberta Education.

16. CONTINGENCIES

- a) The jurisdiction is a member of the Urban Schools Insurance Consortium. 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 exchange. The jurisdiction's share of the pool at year end is \$239,921. (2008 - \$212,162).
- b) The jurisdiction is named in a personal injury claim. The action is currently being handled by the jurisdiction's Insurance provider. As the likelihood of the outcome and potential damages, if any, ensuing from this lawsuit are not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with this lawsuit.

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS August 31, 2009

17. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
2008-2009				
Government of Alberta:				
Education	\$ 1,229,033	\$ 2,760,795	\$ 72,081,054	\$ 268,841
Finance	214,346	3,956,517	472,474	
Human Resources/Employment			223,400	
Other Government of Alberta departments	109,233		349,148	
Other:				
Health authorities				
Post-secondary institutions			273,610	7,949
Other Alberta School Jurisdictions			88,895	133,825
Other related parties				472,474
Total 2008-2009	\$ 1,552,612	\$ 6,717,312	\$ 73,488,581	\$ 883,089
Total 2007-2008	\$ 1,547,761	\$ 8,054,700	\$ 70,484,073	\$ 1,071,869

18. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

19. RENUMERATION AND MONETARY INCENTIVES

Lethbridge School District No. 51 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	Allowances	Total	Expenses
Gary Bartlett - Chair	1.00	\$ 17,553	\$ 932	\$ -	\$ 18,486	\$ 8,035
Tyler Demers	1.00	14,044	1,229	-	15,272	7,022
Mitch Forster	1.00	13,594	1,181	-	14,775	1,887
Jan Foster	1.00	13,369	901	-	14,270	1,398
Keith Fowler	1.00	15,314	1,252	-	16,566	4,433
Lola Majors	1.00	13,294	1,001	-	14,295	2,263
Lea Switzer	1.00	14,344	1,211	-	15,555	3,161
Subtotal	7.00	101,512	7,707	-	109,219	28,199
Barry Litun - Superintendent	1.00	163,171	12,600	5,000	180,772	9,210
Don Lussier - Secretary Treasurer	1.00	143,927	25,921	5,000	174,848	5,686
Certificated Teachers		38,084,900	5,501,832	44,354	43,631,086	-
Non-certificated - Other		14,095,095	3,585,216	65,585	17,745,896	-
TOTALS	9.00	\$ 52,588,605	\$ 9,133,276	\$ 119,939	\$ 61,841,820	\$ 43,095

20. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction management with Board of Trustees approval given on June 9th, 2008, and revised and approved on November 25th, 2008. It is presented for information purposes only and has not been audited.

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

Lethbridge School District No. 51

Legal Name of School Jurisdiction

433 15th Street South Lethbridge Alberta T1J 2Z5

Mailing Address

ph: 403-380-5303 Fax: 403-320-9117

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

Don Lussier
Name

"ORIGINAL SIGNED"
Signature

30-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: 3040

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	\$3,078,974	\$56,354,432	\$8,437,878	\$1,834,034	\$2,948,284	\$0	\$72,653,602
(2) Other - Government of Alberta	\$0	\$0	\$472,474	\$0	\$0	\$0	\$472,474
(3) Federal Government and First Nations	\$0	\$340,028	\$0	\$0	\$14,168	\$0	\$354,196
(4) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(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	\$469,639					\$469,639
(8) Transportation fees-ECS				\$0			\$0
(9) Transportation fees-Grades 1-12				\$0			\$0
(10) Other sales and services	\$0	\$962,324	\$0	\$0	\$40,097	\$0	\$1,002,421
(11) Investment income	\$0	\$182,926	\$13,750	\$11,250	\$8,664	\$0	\$216,590
(12) Gifts and donations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) Rental of facilities	\$0	\$0	\$6,000	\$0	\$0	\$0	\$6,000
(14) Net school generated funds	\$0	\$1,481,123	\$0	\$0	\$0	\$0	\$1,481,123
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) Amortization of capital allocations	\$0	\$88,245	\$1,556,737	\$0	\$0	\$0	\$1,644,982
(17) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$3,078,974	\$59,878,717	\$10,486,839	\$1,845,284	\$3,011,213	\$0	\$78,301,027
EXPENSES							
(19) Certificated salaries	\$1,441,178	\$36,291,136			\$515,757	\$0	\$38,248,071
(20) Certificated benefits	\$195,683	\$5,281,212			\$86,891	\$0	\$5,563,786
(21) Non-certificated salaries and wages	\$1,050,951	\$8,984,739	\$2,993,554	\$162,162	\$1,149,129	\$0	\$14,340,535
(22) Non-certificated benefits	\$274,134	\$2,320,512	\$773,647	\$20,533	\$300,603	\$0	\$3,669,429
(23) SUB - TOTAL	\$2,961,946	\$52,877,599	\$3,767,201	\$182,695	\$2,052,380	\$0	\$61,841,821
(24) Services, contracts and supplies	\$215,070	\$5,406,552	\$4,448,936	\$1,494,533	\$723,984	\$0	\$12,289,075
(25) Net school generated funds	\$0	\$1,481,123					\$1,481,123
(26) Amortization of capital assets	\$0	\$170,691	\$1,610,862	\$0	\$120,997	\$0	\$1,902,550
(27) Interest and charges	\$0	\$12,725	\$474,475	\$0	\$25,828	\$0	\$513,028
(28) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$3,177,016	\$59,948,690	\$10,301,474	\$1,677,228	\$2,923,189	\$0	\$78,027,597
(31) OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$98,042)	(\$69,973)	\$185,365	\$168,056	\$88,024	\$0	\$273,430

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

Unexpended SGF - Opening Balance August 31, 2008 (Note 1)			\$1,455,332
Sources of School Generated Funds:	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$1,985,200	\$1,563,210	\$421,990
Student fees (Non-Instructional) (Note 1)	\$968,912	\$99,857	\$869,055
Donations and grants to schools	\$292,909	\$41,697	\$251,212
Other (describe):	\$91,733	\$69,630	\$22,103
Net Additions to SGF	\$3,338,754	\$1,774,394	\$1,564,360
Net SGF Available			\$3,019,692
Uses of Net School Generated Funds:			
Extra-curricular activities			\$1,130,720
Field Trips			\$297,201
Other (describe):			\$53,202
Total Uses of Net SGF (Note 2)			\$1,481,123
Unexpended SGF - Closing Balance August 31, 2009 (Note 3)			\$1,538,569

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	\$2,439,599	\$343,161	\$0	\$0	\$210,794		\$2,993,554		\$2,993,554
Uncertificated benefits	\$630,863	\$99,571	\$0	\$0	\$43,213		\$773,647		\$773,647
Sub-total Remuneration	\$3,070,462	\$442,732	\$0	\$0	\$254,007		\$3,767,201		\$3,767,201
Supplies and services	\$176,146	\$752,434	\$0	\$1,804,327	\$168,542		\$2,901,449		\$2,901,449
Electricity			\$860,220				\$860,220		\$860,220
Natural Gas/Heating Fuel			\$408,884				\$408,884		\$408,884
Sewer and Water			\$110,214				\$110,214		\$110,214
Telecommunications			\$32,444				\$32,444		\$32,444
Insurance					\$135,725		\$135,725		\$135,725
Amortization of capital assets									
Supported								\$1,556,737	\$1,556,737
Unsupported							\$54,125		\$54,125
Total Amortization							\$54,125	\$1,556,737	\$1,610,862
Interest on capital debt									
Supported								\$474,475	\$474,475
Unsupported							\$0		\$0
Other interest charges							\$0		\$0
Losses on disposal of capital assets							\$0		\$0
TOTAL EXPENSES	\$3,246,608	\$1,195,166	\$1,411,762	\$1,804,327	\$558,274		\$9,270,262	\$2,031,212	\$10,301,474
SQUARE METRES									
School Buildings									102,886.0
Non School Buildings									5,525.0

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.