

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

**LIVINGSTONE RANGE SCHOOL DIVISION No. 68**

Legal Name of School Jurisdiction

**P.O. Box 69, Claresholm, Alberta T0L 0T0**

Mailing Address

**(403) 625-3356 (phone)      (403) 625-2424 (fax)**

Telephone and Fax Numbers

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

The financial statements of LIVINGSTONE RANGE SCHOOL DIVISION No. 68  
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**

**Dick Peterson**

Name

**"ORIGINAL SIGNED"**

Signature

**SUPERINTENDENT**

**Ellie Elliott**

Name

**"ORIGINAL SIGNED"**

Signature

**SECRETARY TREASURER OR TREASURER**

**Don Olsen**

Name

**"ORIGINAL SIGNED"**

Signature

**26-Nov-09**

Board-approved Release Date

## TABLE OF CONTENTS

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

# Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

## AUDITORS' REPORT

To the Board of Trustees of the  
Livingstone Range School Division No. 68

We have audited the statement of financial position of the Livingstone Range School Division No. 68 as at August 31, 2009 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2009 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

*Young Parkyn McNab LLP*

Lethbridge, Alberta

November 4, 2009

Chartered Accountants

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

(in dollars)

		2009	2008 (Note)
<b>ASSETS</b>			
Current assets			
Cash and temporary investments	(Note 3)	\$12,693,802	\$9,641,893
Accounts receivable (net after allowances)	(note 4)	\$2,637,926	\$10,729,177
Prepaid expenses		\$62,871	\$34,619
Other current assets		\$197,384	\$158,207
<b>Total current assets</b>		\$15,591,983	\$20,563,896
School generated assets			
Trust assets		\$0	\$83,449
Long term accounts receivable		\$0	\$0
Long term investments	(Note 5)	\$2,522,017	\$2,611,310
Capital assets (Note 6)			
Land		\$1,158,361	\$1,158,361
Construction in Progress		\$0	\$0
Buildings	\$57,863,616		
Less: accumulated amortization	(\$30,027,757)	\$27,835,859	\$23,323,429
Equipment	\$868,896		
Less: accumulated amortization	(\$499,409)	\$369,487	\$346,276
Vehicles	\$5,051,160		
Less: accumulated amortization	(\$3,296,830)	\$1,754,330	\$1,722,257
<b>Total capital assets</b>		\$31,118,037	\$26,550,323
<b>TOTAL ASSETS</b>		\$50,890,589	\$51,279,944
<b>LIABILITIES</b>			
Current liabilities			
Bank indebtedness	(Note 7)	\$0	\$0
Accounts payable and accrued liabilities	(Note 8)	\$2,640,398	\$1,482,346
Deferred revenue	(Note 9)	\$3,393,056	\$2,871,823
Deferred capital allocations		\$4,328,393	\$10,138,832
Current portion of long term debt		\$347,138	\$352,198
<b>Total current liabilities</b>		\$10,708,985	\$14,845,199
School generated liabilities			
Trust liabilities		\$0	\$83,449
Employee future benefit liabilities		\$0	\$0
Long term debt (Note 10)			
Supported: Debentures and other supported debt		\$1,146,383	\$1,498,580
Less: Current portion		(\$347,138)	(\$352,198)
Unsupported: Debentures and Capital Loans		\$0	\$0
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion		\$0	\$0
Other long term liabilities	(Note 11)	\$2,515,207	\$2,604,260
Unamortized capital allocations		\$25,597,444	\$20,644,072
<b>Total long term liabilities</b>		\$30,570,448	\$25,949,129
<b>TOTAL LIABILITIES</b>		\$41,279,433	\$40,794,328
<b>NET ASSETS</b>			
Unrestricted net assets		\$1,825,343	\$1,848,001
Operating Reserves		\$3,411,602	\$4,229,945
Accumulated Operating Surplus (Deficit)		\$5,236,945	\$6,077,946
Investment in capital assets		\$4,374,211	\$4,407,670
Capital Reserves		\$0	\$0
Total Capital Funds		\$4,374,211	\$4,407,670
<b>Total net assets</b>		\$9,611,156	\$10,485,616
<b>TOTAL LIABILITIES AND NET ASSETS</b>		\$50,890,589	\$51,279,944

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

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

	Actual 2009	Budget 2009 (Note)	Actual 2008 (Note)
<b>REVENUES</b>			
Government of Alberta	\$38,008,287	\$37,454,077	\$38,223,873
Federal Government and First Nations	\$2,917,163	\$2,405,250	\$2,692,834
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$167,986	\$171,877	\$178,088
Transportation fees	\$0	\$0	\$0
Other sales and services	\$1,177,681	\$901,344	\$1,297,923
Investment income	\$192,064	\$283,884	\$245,270
Gifts and donations	\$0	\$0	\$0
Rental of facilities	\$57,433	\$44,940	\$58,742
Net school generated funds	\$511,830	\$950,000	\$1,143,337
Gains on disposal of capital assets	\$13,274	\$0	\$22,222
Amortization of capital allocations	\$1,633,402	\$1,642,571	\$1,642,571
Other revenue	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$44,679,120</b>	<b>\$43,853,943</b>	<b>\$45,504,860</b>
<b>EXPENSES</b>			
Certificated salaries (Note 19)	\$20,086,289	\$20,209,306	\$19,824,177
Certificated benefits (Note 19)	\$2,099,521	\$2,230,177	\$2,044,115
Non-certificated salaries and wages (Note 19)	\$8,482,484	\$7,670,196	\$7,785,819
Non-certificated benefits (Note 19)	\$1,680,038	\$1,606,728	\$1,510,896
Services, contracts and supplies	\$10,371,582	\$9,866,181	\$9,914,326
Net school generated funds	\$511,830	\$950,000	\$1,143,337
<b>Capital and debt services</b>			
Amortization of capital assets			
Supported	\$1,633,403	\$1,642,571	\$1,642,571
Unsupported	\$527,878	\$417,317	\$576,171
<b>Total Amortization of capital assets</b>	<b>\$2,161,281</b>	<b>\$2,059,888</b>	<b>\$2,218,742</b>
Interest on capital debt			
Supported	\$149,101	\$149,102	\$186,799
Unsupported	\$0	\$0	\$0
<b>Total Interest on capital debt</b>	<b>\$149,101</b>	<b>\$149,102</b>	<b>\$186,799</b>
Other interest and charges	\$3,860	\$3,000	\$2,993
Losses on disposal of capital assets	\$7,594	\$0	\$0
<b>Other expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Expenses</b>	<b>\$45,553,580</b>	<b>\$44,744,578</b>	<b>\$44,631,204</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>			
	(\$874,460)	(\$890,635)	\$873,656
Extraordinary Item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>(\$874,460)</b>	<b>(\$890,635)</b>	<b>\$873,656</b>

**Note:** Please input "(Restated)" where Actual 2008 comparatives are not as presented in the finalized 2007-2008 Audited Financial Statements filed with Alberta Education. Budget 2009 comparatives presented are final budget amounts formally approved by the Board.

**STATEMENT OF CASH FLOWS**  
for the Year Ended August 31, 2009

(in dollars)

	2009	2008 (Note)
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATIONS</b>		
Excess (deficiency) of revenues over expenses	(\$874,460)	\$873,656
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,633,402)	(\$1,642,571)
Total amortization expense	\$2,161,281	\$2,218,742
Gains on disposal of capital assets	(\$13,274)	(\$22,222)
Losses on disposal of capital assets	\$7,594	\$0
Changes in:		
Accounts receivable	\$8,091,251	(\$8,881,062)
Prepays and other current assets	(\$67,429)	\$64,453
Long term accounts receivable	\$0	\$0
Long term investments	\$89,293	\$84,948
Accounts payable and accrued liabilities	\$1,068,999	\$36,486
Deferred revenue	\$521,233	\$471,165
Employee future benefit liabilities	\$0	\$0
Other (describe)      Other long term liabilities	\$0	(\$84,718)
<b>Total cash flows from Operations</b>	<b>\$9,351,086</b>	<b>(\$6,881,123)</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$6,234,576)	(\$800,443)
Equipment	(\$162,027)	(\$87,256)
Vehicles	(\$364,471)	(\$148,404)
Net proceeds from disposal of capital assets	\$37,759	\$22,222
Other (describe)	\$0	\$0
<b>Total cash flows from Investing activities</b>	<b>(\$6,723,315)</b>	<b>(\$1,013,881)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$424,137	\$10,490,884
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$352,197)	(\$370,438)
Add back: supported portion	\$352,198	\$370,438
Other (describe)	\$0	\$0
<b>Total cash flows from financing activities</b>	<b>\$424,138</b>	<b>\$10,490,884</b>
<b>Net cash flows from during the year</b>	<b>\$3,051,909</b>	<b>\$2,595,880</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/08</b>	<b>\$9,641,893</b>	<b>\$7,046,013</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/09</b>	<b>\$12,693,802</b>	<b>\$9,641,893</b>

**Note:** Please input "(Restated)" where Actual 2008 comparatives are not as presented in the finalized 2007-2008 Audited Financial Statement filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS  
for the Year Ended August 31, 2009**

School Jurisdiction Code: 1135

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	INTERNALLY RESTRICTED NET ASSETS														
	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	
<b>Balance at August 31, 2008</b>	\$10,485,616	\$4,407,670	\$1,848,001	\$4,229,945	\$0	\$0	\$528,000	\$0	\$210,000	\$0	\$400,000	\$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	
<b>Adjusted Balance, Aug. 31, 2008</b>	\$10,485,616	\$4,407,670	\$1,848,001	\$4,229,945	\$0	\$0	\$528,000	\$0	\$210,000	\$0	\$400,000	\$0	\$0	\$0	
Excess (deficiency) of revenue over expenses	(\$874,460)		(\$874,460)												
Board funded capital additions		\$526,498	(\$488,739)	\$0	(\$37,759)	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,300)	\$0	\$0	
Disposal of unsupported capital assets	\$0	(\$32,078)	(\$5,681)		\$37,759			\$0		\$0		\$2,300		\$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		(\$2,161,281)	\$2,161,281												
Amortization of capital allocations		\$1,633,402	(\$1,633,402)												
Debt principal repayments (unsupported)		\$0	\$0												
Net transfers to operating reserves			\$0	\$0		\$0		\$0		\$0		\$0		\$0	
Net transfers from operating reserves			(\$818,343)	(\$818,343)		(\$818,343)		\$0		\$0		\$0		\$0	
Net transfers to capital reserves			\$0	\$0		\$0		\$0		\$0		\$0		\$0	
Net transfers from capital reserves			\$0	\$0		\$0		\$0		\$0		\$0		\$0	
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Balance at August 31, 2009</b>	\$9,611,156	\$4,374,211	\$1,825,343	\$3,411,602	\$0	\$0	\$528,000	\$0	\$210,000	\$0	\$400,000	\$0	\$0	\$0	

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

	<b>Deferred Capital Allocations</b>	<b>Unamortized Capital Allocations</b>
<b>Balance at August 31, 2008</b>	\$10,138,832	\$20,644,072
<b>Prior period adjustments</b>	\$0	\$0
<b>Adjusted balance, August 31, 2008</b>	\$10,138,832	\$20,644,072
<b>Add:</b>		
<b>Restricted capital allocations from:</b> Alberta Education including school and modular projects	\$400,000	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
<b>Interest earned on provincial government capital allocations</b>	\$24,137	
<b>Other capital grants and donations</b>	\$0	
<b>Net proceeds on disposal of supported capital assets</b>	\$0	
<b>Insurance proceeds (and related interest)</b>	\$0	
<b>Donated capital assets (amortizable, @ fair market value)</b>		\$0
<b>Transferred in capital assets (amortizable, @ net book value)</b>		\$0
<b>Current Year Debenture Principal Repayment</b>		\$352,198
<b>Expended capital allocations - current year</b>	(\$6,234,576)	\$6,234,576
<b>Deduct:</b>		
<b>Net book value of supported capital assets dispositions, write-offs, or transfer; Other</b>	\$0	\$0
<b>Capital allocations amortized to revenue</b>		\$1,633,402
<b>Balance at August 31, 2009</b>	<b>\$4,328,393</b>	<b>\$25,597,444</b>

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

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**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2009**

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**1. Authority and purpose**

The School Division 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 are prepared in accordance with Canadian generally accepted accounting principles with the significant policies being as follows:

**(a) Financial instruments**

Cash and investments are classified as held-for-trading and are reported at estimated fair value.

Accounts receivable have been classified as loans and receivables and are reported at amortized cost using the effective interest method.

Accounts payable and accrued liabilities have been classified as other financial liabilities and are reported at amortized cost using the effective interest method.

The carrying amount of accounts receivable and accounts payable and accrued liabilities is comparable to fair value due to the approaching maturity of these financial instruments.

**(b) Revenue recognition**

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

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

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

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

**(c) Investments**

Temporary investments are recorded at fair market value. Accrued interest on these investments is recorded as it is earned.

**(d) Inventories**

Inventories are recorded at the lesser of cost and net realizable value. Cost is determined on the basis of most recent invoice cost.

**(e) Capital assets**

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

Buildings	2.5 to 10%
Equipment and furnishings	10% and 20%
Vehicles and buses	10% and 20%

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

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**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2009**

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(f) School generated funds

These are funds in the community, 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 (eg. yearbook sales, graduation fees, field trip fees, etc.).

(g) Vacation pay

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

(h) Contributed services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

(i) Pension obligation

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 School Division does not make pension contributions for certificated staff.

The School Board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$384,566 for the year ended August 31, 2009. At December 31, 2008, the Local Authorities Pension Plan reported a deficiency of \$4,413,971,000 (2007 deficiency of \$1,183,334,000).

(j) Measurement uncertainty

The financial statements by their nature, contain estimates and are subject to measurement uncertainty. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided based on management's best information available at the time. The amounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. Pension plan expenses are based on actuarial valuations extrapolated to the reporting date. The effect on the financial statements of changes in such estimates in future periods could be significant.

(k) Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

(l) Employee future benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs.

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2009

**3. Cash and temporary investments**

	2009			2008		
	Effective (Market) Yield	Cost	Fair Value	Effective (Market) Yield	Cost	Fair Value
Cash and cash equivalents	0.25%	\$12,693,801	\$12,693,802	2.25%	\$9,641,893	\$9,641,893
Fixed-income securities						
Government of Canada, direct and guaranteed	%	0	0	%	0	0
Provincial, direct and guaranteed	%	0	0	%	0	0
Corporate	%	0	0	%	0	0
Municipal	%	0	0	%	0	0
Pooled investment funds	%	0	0	%	0	0
Total fixed-income securities	%	0	0	%	0	0
Total cash and temporary investments	<u>%</u>	<u>\$12,693,801</u>	<u>\$12,693,802</u>	<u>%</u>	<u>\$9,641,893</u>	<u>\$9,641,893</u>

**4. Accounts receivable**

	2009	2008
Alberta Education	\$ 1,619,689	\$ 9,802,448
Federal Government	597,728	441,356
Other	95,904	281,236
GST receivable	324,605	204,137
	<u>\$2,637,926</u>	<u>\$10,729,177</u>

**5. Long term investments**

The jurisdiction, along with two other school jurisdictions, has invested in the Southern Alberta Wind Farm project for a total project cost of \$6,400,000. The provincial government has contributed \$3,200,000 towards the project, with Livingstone Range School Division contributions totalling \$1,397,120. This investment will be repaid over 20 years including interest at 5%. The principal amount outstanding at year end is \$2,522,017.

Principal repayments in each of the next five fiscal years and beyond are as follows:

	Principal	Interest	Total
2010	93,862	123,969	217,831
2011	98,664	119,167	217,831
2012	103,712	114,119	217,831
2013	109,018	108,813	217,831
2014	114,596	103,235	217,831
2015 to maturity	2,002,165	684,432	2,686,597

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2009

**6. Tangible capital assets**

	Land	Construction In Progress - New Building	Buildings 25-40 Years	Equipment - Computer Hardware & Software 3-5 Years	Other Equipments 5-10 Years	Vehicles 5-10 Years	Total Aug. 31, 2009	Total Aug. 31, 2008
<b>Historical cost</b>								
September 1, 2008	\$1,158,361	\$0	\$51,629,040	\$0	\$926,858	\$4,768,651	\$58,482,910	\$57,645,008
Additions	0	0	6,234,576	0	162,027	364,471	6,761,074	1,036,104
Transfers in (out)	0	0	0	0	0	0	0	0
Less disposals including write-offs	0	0	0	0	(219,989)	(81,962)	(301,951)	(198,202)
August 31, 2009	<u>\$1,158,361</u>	<u>\$0</u>	<u>\$57,863,616</u>	<u>\$0</u>	<u>\$868,896</u>	<u>\$5,051,160</u>	<u>\$64,942,033</u>	<u>\$58,482,910</u>
<b>Accumulated amortization</b>								
September 1, 2008	-	-	\$28,305,611	\$0	\$580,582	\$3,046,394	\$31,932,587	\$29,912,047
Amortization expense	-	-	1,722,146	0	106,736	332,399	\$2,161,281	\$2,218,742
Transfers in (out)	-	-	0	0	0	0	0	0
Effect of disposals	-	-	0	0	(187,909)	(81,963)	(269,872)	(198,202)
August 31, 2009	-	-	<u>\$30,027,757</u>	<u>\$0</u>	<u>\$499,409</u>	<u>\$3,296,830</u>	<u>\$33,823,996</u>	<u>\$31,932,587</u>
<b>Net Book Value at August 31, 2009</b>	<u>\$1,158,361</u>	<u>\$0</u>	<u>\$27,835,859</u>	<u>\$0</u>	<u>\$369,487</u>	<u>\$1,754,330</u>	<u>\$31,118,037</u>	<u>\$26,550,323</u>

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2009

**7. 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 by-law and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2009 (2008 - \$0).

**8. Account payable and accrued liabilities**

	2009	2008
Trade payables and accrued liabilities	\$2,443,870	\$ 1,285,268
Federal Government	148,715	129,002
Alberta Education	47,813	68,076
	<b>\$2,640,398</b>	<b>\$ 1,482,346</b>

**9. Deferred revenue**

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2008	ADD: 2008/2009 Restricted Funds Received/ Receivable	DEDUCT: 2008/2009 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2008/2009 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2009
<b>Alberta Education Restricted Operational Funding:</b>	\$0	\$0	\$0	\$0	\$0
Alberta Initiative for School Improvement	\$223,459	\$536,613	(\$544,165)	\$0	\$215,907
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0	\$0
Infrastructure Maintenance Renewal	\$2,300,017	\$760,278	(\$216,136)	\$0	\$2,844,159
Institutional Education Programs	\$0	\$0	\$0	\$0	\$0
Portable/Modular Unit Relocation	\$0	\$0	\$0	\$0	\$0
Regional Consortium	\$0	\$0	\$0	\$0	\$0
Regional Educational Consulting Services	\$0	\$0	\$0	\$0	\$0
Small Class Size Initiative	\$0	\$0	\$0	\$0	\$0
Student Health Initiative (School Authorities)	\$0	\$0	\$0	\$0	\$0
SuperNet Service	\$0	\$0	\$0	\$0	\$0
Other Alberta Education deferred revenue	\$0	\$0	\$0	\$0	\$0
<b>Other Government of Alberta Restricted Funding:</b>	\$0	\$0	\$0	\$0	\$0
Building Connections	\$146,603	\$0	(\$19,500)	\$0	\$127,103
Skills Canada	\$195,744	\$0	(\$13,235)	\$0	\$182,509
Bus passes	\$0	\$16,010	\$0	\$0	\$16,010
	\$0	\$0	\$0	\$0	\$0
<b>Other Deferred Revenue:</b>	\$0	\$0	\$0	\$0	\$0
Pincher Creek F.C.S.S.	\$1,666	\$0	\$0	\$0	\$1,666
Crowsnest Pass F.C.S.S.	\$2,667	\$0	\$0	\$0	\$2,667
Lethbridge College	\$1,667	\$0	(\$1,667)	\$0	\$0
Alberta Health Services	\$0	\$1,185	\$0	\$0	\$1,185
First Canada	\$0	\$1,850	\$0	\$0	\$1,850
<b>Total</b>	<b>\$2,871,823</b>	<b>\$1,315,936</b>	<b>(\$794,703)</b>	<b>\$0</b>	<b>\$3,393,056</b>

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2009**

**10. Long-term debt**

The School Division has issued the following debentures to Alberta Finance to finance construction of school buildings having a carrying value of \$26,687,325. The debenture debt is fully supported by Alberta Finance.

8.875% to 13.750% due 2010 to 2019	\$ 1,146,383
Due within one year	(347,138)
	\$ 799,245

Principal repayments required in each of the next five fiscal years and beyond are as follows:

	Principal	Interest	Total
2010	347,138	111,235	458,373
2011	221,947	78,692	300,639
2012	212,260	56,066	268,326
2013	99,343	34,580	133,923
2014	63,223	24,583	87,806
2015 to maturity	202,472	41,646	244,118

**11. Other long term liabilities**

	2009	2008
Southern Alberta Wind Farm project division portion	\$ 1,274,215	\$ 1,319,330
Southern Alberta Wind Farm project government portion	1,240,992	1,284,930
	\$ 2,515,207	\$ 2,604,260

The jurisdiction's investment in the Southern Alberta Wind Farm project was \$2,794,240 and consists of a government grant and a divisional contribution each in the amount of \$1,397,120. These amounts will be brought into income over a 20 year period based on a rate of return of 5% on the investment.

Deferred revenue will be brought into income in each of the next five fiscal years and beyond as follows:

	Government	Division	Total
2010	46,186	47,423	93,609
2011	48,549	49,849	98,398
2012	51,033	52,398	103,431
2013	53,644	55,080	108,724
2014	56,388	57,898	114,286
2015 to maturity	985,192	1,011,567	1,996,759

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2009

**12. Commitments**

The School Division has signed a 20 year service agreement with Enmax to receive electricity at a flat rate, beginning January 1, 2007.

The School Division has committed to the modernization of the West Meadow School for approximately \$10,733,000. This project is expected to be completed by December 2009.

**13. 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
Government of Alberta				
Education	\$ 1,619,689	\$ 263,720	\$ 33,436,972	
Infrastructure & Transportation		2,844,159	4,416,414	
Finance			149,101	
Human Resources/Employment			5,800	
Other		1,185		
Post secondary institutions				
Total 2008 - 2009	\$ 1,619,689	\$ 3,109,064	\$ 38,008,287	\$ -
Total 2007 - 2008	\$ 9,734,371	\$ 2,529,476	\$ 38,223,873	\$ -

**14. 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.

**15. 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.

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2009**

**16. Economic dependence on related third party**

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

**17. Supplemental Integrated Pension Plan**

The School Division is a member of the Supplemental Integrated Pension Plan. The plan provides supplementary pension plan benefits to a prescribed class of employees in addition to Local Authorities Pension Plan or Alberta Teacher Retirement Fund. For the 2008-2009 year, there were four employees who were eligible and participated in the plan.

**18. Budget amounts**

The budget was prepared by the School Division management with Board of Trustees approval given on June 9, 2008. It is presented for information purposes only and has not been audited.

**19. Remuneration and monetary incentives**

The Livingstone Range School Division No. 68 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:

<b>Board Members:</b>	<b>FTE</b>	<b>Remuneration</b>	<b>Benefits</b>	<b>Negotiated Allowances</b>	<b>Performance Bonuses</b>	<b>ERIP's / Other</b>	<b>Expenses</b>
<b>Chair:</b> Jim Burdett	1.0	\$14,724	\$4,314	\$0			\$6,586
<b>Other members</b>	0.0	\$0	\$0	\$0			\$0
Gini Decoux-Filipuzzi	1.0	\$11,850	\$4,221	\$0			\$5,791
Kelly Hall	1.0	\$13,501	\$4,375	\$0			\$8,788
Ken Murray	1.0	\$12,294	\$4,274	\$0			\$10,506
Dick Peterson	1.0	\$15,116	\$4,340	\$0			\$9,786
Martha Ratcliffe	1.0	\$12,118	\$4,235	\$0			\$5,436
Don Thompson	1.0	\$15,521	\$4,369	\$0			\$4,839
	0.0	\$0	\$0	\$0			\$0
<b>Subtotal</b>	<b>7.0</b>	<b>\$95,124</b>	<b>\$30,128</b>	<b>\$0</b>			<b>\$51,732</b>
Superintendent	1.0	\$143,456	\$20,775	\$5,100	\$0	\$0	\$27,839
Secretary/Treasurer	1.0	\$125,211	\$33,561	\$4,800	\$0	\$0	\$14,114
Certificated Teachers	242.8	\$19,942,833	\$2,078,746	\$0	\$0	\$0	
Non-certificated - Other	250.5	\$8,262,149	\$1,616,349	\$0	\$0	\$0	
<b>TOTALS</b>		<b>\$28,568,773</b>	<b>\$3,779,559</b>	<b>\$9,900</b>	<b>\$0</b>	<b>\$0</b>	

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

**LIVINGSTONE RANGE SCHOOL DIVISION No. 68**

Legal Name of School Jurisdiction

**P.O. Box 69, Claresholm, AB T0L 0T0**

Mailing Address

**(403) 625-3356 (phone)      (403) 625-2424 (fax)**

Telephone and Fax Numbers

***Declaration of Secretary-Treasurer / Chief Financial Officer***

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

**SECRETARY TREASURER OR TREASURER**

**Don Olsen**

Name

**"DATED AND SIGNED ELECTRONICALLY"**

Signature

**26-Nov-09**

Dated

## TABLE OF CONTENTS

		<b>Page</b>
<b>SCHEDULE A</b>	<b>Allocation of Revenues and Expenses to Programs</b>	<b>3</b>
<b>SCHEDULE B</b>	<b>School Generated Funds (SGF)</b>	<b>4</b>
<b>SCHEDULE C</b>	<b>Operations and Maintenance Program Expenses</b>	<b>5</b>

**SCHEDULE A**

School Jurisdiction Code: 1135

**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	\$969,780	\$28,032,351	\$4,190,644	\$3,125,214	\$1,535,397	\$0	\$37,853,386
(2) Other - Government of Alberta	\$0	\$0	\$154,901	\$0	\$0	\$0	\$154,901
(3) Federal Government and First Nations	\$0	\$2,611,223	\$177,990	\$0	\$127,950	\$0	\$2,917,163
(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	\$167,986					\$167,986
(8) Transportation fees-ECS				\$0			\$0
(9) Transportation fees-Grades 1-12				\$0			\$0
(10) Other sales and services	\$0	\$942,899	\$161,748	\$69,595	\$3,439	\$0	\$1,177,681
(11) Investment income	\$0	\$50,292	\$134,824	\$3,143	\$3,805	\$0	\$192,064
(12) Gifts and donations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) Rental of facilities	\$0	\$0	\$18,566	\$22,200	\$16,667	\$0	\$57,433
(14) Net school generated funds	\$0	\$511,830	\$0		\$0	\$0	\$511,830
(15) Gains on disposal of capital assets	\$0	\$7,225	\$0	\$2,300	\$3,749	\$0	\$13,274
(16) Amortization of capital allocations	\$0	\$0	\$1,633,402	\$0		\$0	\$1,633,402
(17) Other revenue	\$0	\$0	\$0	\$0		\$0	\$0
(18) TOTAL REVENUES	\$969,780	\$32,323,806	\$6,472,075	\$3,222,452	\$1,691,007	\$0	\$44,679,120
<b>EXPENSES</b>							
(19) Certificated salaries	\$575,564	\$19,273,361			\$237,364	\$0	\$20,086,289
(20) Certificated benefits	\$63,450	\$2,002,324			\$33,747	\$0	\$2,099,521
(21) Non-certificated salaries and wages	\$277,796	\$5,661,960	\$988,196	\$952,337	\$602,195	\$0	\$8,482,484
(22) Non-certificated benefits	\$47,854	\$1,184,867	\$209,564	\$97,999	\$139,754	\$0	\$1,680,038
(23) SUB - TOTAL	\$964,664	\$28,122,512	\$1,197,760	\$1,050,336	\$1,013,060	\$0	\$32,348,332
(24) Services, contracts and supplies	\$62,367	\$4,054,980	\$3,499,378	\$2,092,390	\$662,467	\$0	\$10,371,582
(25) Net school generated funds	\$0	\$511,830					\$511,830
(26) Amortization of capital assets	\$0	\$132,783	\$1,733,511	\$283,367	\$11,620	\$0	\$2,161,281
(27) Interest and charges	\$0	\$0	\$149,101	\$0	\$3,860	\$0	\$152,961
(28) Losses on disposal of capital assets	\$0	\$7,594	\$0	\$0	\$0	\$0	\$7,594
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$1,027,031	\$32,829,699	\$6,579,750	\$3,426,093	\$1,691,007	\$0	\$45,553,580
(31) OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$57,251)	(\$505,893)	(\$107,675)	(\$203,641)	\$0	\$0	(\$874,460)

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

<b>Unexpended SGF - Opening Balance August 31, 2008</b> (Note 1)			\$1,470,966
<b>Sources of School Generated Funds:</b>	<b>Gross SGF</b>	<b>Related Expenses</b>	<b>Net SGF</b>
Fundraising activities	\$532,450	\$394,093	\$138,357
Student fees (Non-Instructional) (Note 1)	\$532,524	\$336,386	\$196,138
Donations and grants to schools	\$453,420	\$47,741	\$405,679
Other (describe):	\$67,951	\$108,709	(\$40,758)
<b>Net Additions to SGF</b>	\$1,586,345	\$886,929	\$699,416
<b>Net SGF Available</b>			\$2,170,382
<b>Uses of Net School Generated Funds:</b>			
Extra-curricular activities			\$241,282
Field Trips			\$130,191
Other (describe): School beautification, equipment, family literacy and other community resources			\$140,357
<b>Total Uses of Net SGF</b> (Note 2)			\$511,830
<b>Unexpended SGF - Closing Balance August 31, 2009</b> (Note 3)			\$1,658,552

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	\$535,233	\$300,165	\$0	\$0	\$152,799		\$988,197		\$988,197
Uncertificated benefits	\$109,769	\$66,600	\$0	\$0	\$33,195		\$209,564		\$209,564
Sub-total Remuneration	\$645,002	\$366,765	\$0	\$0	\$185,994		\$1,197,761		\$1,197,761
Supplies and services	\$757,764	\$1,404,133	\$0	\$216,137	\$7,533		\$2,385,567		\$2,385,567
Electricity			\$472,652				\$472,652		\$472,652
Natural Gas/Heating Fuel			\$414,849				\$414,849		\$414,849
Sewer and Water			\$104,018				\$104,018		\$104,018
Telecommunications			\$46,796				\$46,796		\$46,796
Insurance					\$75,496		\$75,496		\$75,496
Amortization of capital assets									
Supported								\$1,633,403	\$1,633,403
Unsupported							\$100,108		\$100,108
Total Amortization							\$100,108	\$1,633,403	\$1,733,511
Interest on capital debt									
Supported								\$149,101	\$149,101
Unsupported							\$0		\$0
Other interest charges							\$0		\$0
Losses on disposal of capital assets							\$0		\$0
TOTAL EXPENSES	\$1,402,766	\$1,770,898	\$1,038,315	\$216,137	\$269,023		\$4,797,247	\$1,782,504	\$6,579,751
<b>SQUARE METRES</b>									
School Buildings									69,805.0
Non School Buildings									1,290.0

**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.