

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

PRAIRIE ROSE SCHOOL DIVISION NO. 8

Legal Name of School Jurisdiction

918 - 2nd AVENUE, DUNMORE AB T1B 0K3

Mailing Address

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of PRAIRIE ROSE SCHOOL DIVISION NO. 8 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

MARIAN C. PEERS

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

DOUG NICHOLLS

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

PATRICIA COCKS

Name

"ORIGINAL SIGNED"

Signature

1-Dec-09

Board-approved Release Date

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Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees
Prairie Rose School Division #8

We have audited the statement of financial position of the Prairie Rose School Division #8 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

October 22, 2009

Chartered Accountants

STATEMENT OF FINANCIAL POSITION
as at August 31, 2009

(in dollars)

		2009	2008 (Note)
ASSETS			
Current assets			
Cash and temporary investments	(Note 3)	\$6,948,071	\$6,571,072
Accounts receivable (net after allowances)	(Note 4)	\$1,841,859	\$1,086,057
Prepaid expenses		\$331,686	\$504,278
Other current assets		\$3,350	\$3,350
Total current assets		\$9,124,966	\$8,164,757
School generated assets	(Note 2)	\$729,931	\$804,061
Trust assets	(Note 9)	\$904,868	\$1,080,349
Long term accounts receivable		\$0	\$0
Long term investments		\$0	\$0
Capital assets (Note 5)			
Land		\$770,078	\$770,078
Construction in Progress		\$1,814,328	\$0
Buildings		\$38,604,672	
Less: accumulated amortization		(\$22,738,175)	\$16,262,495
Equipment		\$2,628,547	
Less: accumulated amortization		(\$1,138,128)	\$701,599
Vehicles		\$725,911	
Less: accumulated amortization		(\$363,882)	\$386,667
Total capital assets		\$20,303,351	\$18,120,839
TOTAL ASSETS		\$31,063,116	\$28,170,006
LIABILITIES			
Current liabilities			
Bank indebtedness	(Note 6)	\$0	\$0
Accounts payable and accrued liabilities	(Note 7)	\$2,747,648	\$1,871,700
Deferred revenue	(Note 8)	\$1,272,431	\$2,123,209
Deferred capital allocations	(Note 11)	\$776,726	\$288,551
Current portion of long term debt		\$182,490	\$207,490
Total current liabilities		\$4,979,295	\$4,490,950
School generated liabilities	(Note 2)	\$729,931	\$804,061
Trust liabilities	(Note 9)	\$904,868	\$1,080,349
Employee future benefit liabilities		\$0	\$0
Long term debt (Note 10)			
Supported: Debentures and other supported debt		\$1,417,228	\$1,599,718
Less: Current portion		(\$182,490)	(\$182,490)
Unsupported: Debentures and Capital Loans		\$0	\$25,000
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion		\$0	(\$25,000)
Other long term liabilities		\$0	\$0
Unamortized capital allocations	(Note 12)	\$13,319,335	\$11,220,007
Total long term liabilities		\$16,188,872	\$14,521,645
TOTAL LIABILITIES		\$21,168,168	\$19,012,595
NET ASSETS			
Unrestricted net assets		\$311,120	\$996,746
Operating Reserves		\$2,855,064	\$2,751,164
Accumulated Operating Surplus (Deficit)		\$3,166,184	\$3,747,910
Investment in capital assets		\$5,566,788	\$5,276,126
Capital Reserves		\$1,161,976	\$133,376
Total Capital Funds		\$6,728,764	\$5,409,502
Total net assets		\$9,894,948	\$9,157,412
TOTAL LIABILITIES AND NET ASSETS		\$31,063,116	\$28,170,007

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	\$43,699,723	\$41,570,983	\$40,771,701
Federal Government and First Nations	\$219,215	\$198,000	\$212,357
Other Alberta school authorities	\$83,659	\$81,877	\$26,959
Out of province authorities	\$120,324	\$91,080	\$117,285
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$203,157	\$198,000	\$213,330
Transportation fees	\$0	\$0	\$0
Other sales and services	\$22,200	\$412,939	\$542,234
Investment income	\$78,286	\$216,000	\$249,052
Gifts and donations	\$214,076	\$230,000	\$367,327
Rental of facilities	\$92,806	\$50,000	\$118,344
Net school generated funds	\$156,972	\$455,000	\$476,232
Gains on disposal of capital assets	\$989,689	\$3,000	\$11,890
Amortization of capital allocations	\$968,929	\$970,175	\$942,158
Other revenue	\$402,005	\$0	\$0
Total Revenues	\$47,251,041	\$44,477,054	\$44,048,869
EXPENSES			
Certificated salaries	\$19,955,234	\$19,055,265	\$19,587,290
Certificated benefits	\$2,230,995	\$2,212,047	\$2,241,820
Non-certificated salaries and wages	\$7,154,491	\$7,096,195	\$6,754,825
Non-certificated benefits	\$1,467,764	\$1,028,323	\$1,311,872
Services, contracts and supplies	\$13,951,537	\$13,144,166	\$11,855,036
Net school generated funds	\$156,972	\$455,000	\$476,232
Capital and debt services			
Amortization of capital assets			
Supported	\$968,929	\$970,175	\$942,158
Unsupported	\$488,184	\$471,103	\$610,638
Total Amortization of capital assets	\$1,457,113	\$1,441,278	\$1,552,796
Interest on capital debt			
Supported	\$135,208	\$149,600	\$153,298
Unsupported	\$1,133	\$2,050	\$3,186
Total Interest on capital debt	\$136,341	\$151,650	\$156,484
Other interest and charges	\$3,058	\$3,500	\$3,363
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$46,513,505	\$44,587,424	\$43,939,718
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$737,536	(\$110,370)	\$109,151
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$737,536	(\$110,370)	\$109,151

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	\$737,536	\$109,151
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$968,929)	(\$942,158)
Total amortization expense	\$1,457,113	\$1,552,796
Gains on disposal of capital assets	(\$989,689)	(\$11,890)
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	(\$755,802)	(\$411,703)
Prepays and other current assets	\$172,592	(\$217,940)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$875,948	\$791,079
Deferred revenue	(\$850,778)	\$722,264
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from Operations	(\$322,009)	\$1,591,599
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$2,522,588)	(\$183,397)
Equipment	(\$1,078,218)	(\$199,574)
Vehicles	(\$77,729)	(\$96,438)
Net proceeds from disposal of capital assets	\$1,028,600	\$11,890
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$2,649,935)	(\$467,519)
C. FINANCING ACTIVITIES		
Capital allocations	\$3,373,942	\$426,916
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$207,490)	(\$207,491)
Add back: supported portion	\$182,490	\$182,490
Other (describe)		\$0
Total cash flows from financing activities	\$3,348,943	\$401,915
Net cash flows from during the year	\$376,999	\$1,525,995
Cash and temporary investments, net of bank indebtedness, at Aug. 31/08	\$6,571,072	\$5,045,077
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$6,948,071	\$6,571,072

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: 195

(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	(5) TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	INTERNALLY RESTRICTED NET ASSETS						(14) External Services	(15)			
						(6) School & Instruction Related		(8) Operations & Maintenance		(10) Board & System Admin.				(12) Transportation		(13) Capital Reserves
						(6) Operating Reserves	(7) Capital Reserves	(8) Operating Reserves	(9) Capital Reserves	(10) Operating Reserves	(11) Capital Reserves			(12) Operating Reserves	(13) Capital Reserves	
Balance at August 31, 2008	\$9,157,412	\$5,276,126	\$996,746	\$2,751,164	\$1,333,376	\$0	\$984,287	\$1,333,376	\$0	\$211,871	\$0	\$314,407	\$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		
Adjusted Balance, Aug. 31, 2008	\$9,157,412	\$5,276,126	\$996,746	\$2,751,164	\$1,333,376	\$1,094,307	\$984,287	\$1,333,376	\$0	\$211,871	\$0	\$314,407	\$0	\$0		
Excess (deficiency) of revenue over expenses	\$737,536		\$737,536													
Board funded capital additions		\$792,756	(\$792,756)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Disposal of unsupported capital assets	\$0	(\$38,910)	(\$989,690)		\$1,028,600			\$1,028,600					\$0	\$0		
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0			\$0					\$0	\$0		
Direct credits to net assets	\$0	\$0														
Amortization of capital assets		(\$1,457,113)	\$1,457,113													
Amortization of capital allocations		\$968,929	(\$968,929)													
Debt principal repayments (unsupported)		\$25,000	(\$25,000)													
Net transfers to operating reserves			(\$138,569)	\$138,569		\$92,751	\$0			\$0		\$0	\$45,818			
Net transfers from operating reserves			\$34,669	(\$34,669)		\$0	\$0			(\$34,669)		\$0	\$0			
Net transfers to capital reserves			\$0		\$0			\$0					\$0	\$0		
Net transfers from capital reserves			\$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		
Balance at August 31, 2009	\$9,894,948	\$5,566,788	\$311,120	\$2,855,064	\$1,161,976	\$1,187,058	\$984,287	\$1,161,976	\$0	\$177,202	\$0	\$314,407	\$0	\$192,110		

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	\$288,551	\$11,220,007
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2008	\$288,551	\$11,220,007
Add:		
Restricted capital allocations from:		
Alberta Education including school and modular projects	\$3,029,208	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$6,481	
Other capital grants and donations	\$338,253	
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		\$182,490
Expended capital allocations - current year	(\$2,885,767)	\$2,885,767
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$968,929
Balance at August 31, 2009	\$776,726	\$13,319,335

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

PRAIRIE ROSE SCHOOL DIVISION NO. 8

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2009

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

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

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

Unrestricted contributions are recognized as revenue when received 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	2.5% to 4%
Vehicles & Buses	10% to 20%
Computer Hardware & Software	20%
Other Equipment & Furnishings	10% to 20%

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.

c) School Generated Funds

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

d) Vacation Pay

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

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current 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 Prairie Rose School Division 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 \$ 262,483 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, a deficiency of \$1,183,334,000). Effective for the 2008 – 2009 fiscal year, the Government of Alberta has taken responsibilities for the LAP unfunded liabilities.

f) 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.

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) Financial Instruments

These 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 (2) (d) of the *School Act*.

i) 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.

j) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2009, the recorded obligation is \$nil (2008 \$nil). The total expense recorded in the financial statements is \$nil (2008 \$nil).

3. CASH AND TEMPORARY INVESTMENTS

	2009			2008		
	Effective (Market) Yield	Cost	Fair Value	Effective (Market) Yield	Cost	Fair Value
Cash and cash equivalents	-	\$6,948,071	\$6,948,071	-	\$6,571,072	\$6,571,072
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	%	<u>0</u>	<u>0</u>	%	<u>0</u>	<u>0</u>
Total cash and temporary investments	<u>%</u>	\$6,948,071	\$6,948,071	-	\$6,571,072	\$6,571,072

Please refer to Note 2 (i).

4. ACCOUNTS RECEIVABLE

	2009	2008
Alberta Education	\$820,799	\$350,715
Alberta Finance	101,342	115,405
Federal Government	558,034	220,533
First Nations	0	0
Other Alberta School Jurisdictions	0	0
Foundations	0	0
Other	361,684	399,404
Total	<u>\$1,841,859</u>	<u>\$1,086,057</u>

5. TANGIBLE CAPITAL ASSETS

	Land	Construction In Progress - New Building	Buildings	Equipment - Computer Hardware & Software	Other Equipments	Vehicles	Total Aug. 31, 2009	Total Aug. 31, 2008
Estimated Useful life			25-40 Years	3-5 Years	5-10 Years	5-10 Years		
Historical cost								
September 1, 2008	\$770,078		\$38,315,500	\$763,068	\$1,336,156	\$679,600	\$41,864,402	\$41,376,077
Additions	0	1,648,037	874,551	585,586	492,633	77,729	3,678,536	497,216
Transfers in (out)	0	166,291	(166,291)	0	-	-	\$0	-
Less disposals including write-offs	0	-	(419,088)	0	(548,896)	(31,418)	(999,402)	(8,891)
August 31, 2009	<u>\$770,078</u>	<u>\$1,814,328</u>	<u>\$38,604,672</u>	<u>\$1,348,654</u>	<u>\$1,279,893</u>	<u>\$725,911</u>	<u>\$44,543,536</u>	<u>\$41,864,402</u>
Accumulated amortization								
September 1, 2008	-	-	\$22,053,007	\$500,589	\$897,037	\$292,932	\$23,743,565	\$22,199,661
Amortization expense	-	-	1,065,345	152,614	157,451	102,368	1,477,778	1,552,795
Transfers in (out)	-	-	-	-	-	-	\$0	-
Effect of disposals	-	-	(380,177)	-	(569,563)	(31,418)	(981,158)	(8,891)
August 31, 2009	-	-	<u>\$22,738,175</u>	<u>\$653,203</u>	<u>\$484,925</u>	<u>\$363,882</u>	<u>\$24,240,185</u>	<u>\$23,743,565</u>
Net Book Value at August 31, 2009	<u>\$770,078</u>	<u>\$1,814,328</u>	<u>\$15,866,497</u>	<u>\$695,451</u>	<u>\$794,968</u>	<u>\$362,029</u>	<u>\$20,303,351</u>	<u>\$18,120,837</u>

Note: The guidelines for estimated useful life of capital assets are shown above. If any of the useful lives of these assets differs from those noted, please change to reflect your amortization policy.

6. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of \$674,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering 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	\$42,898	\$150,440
Alberta Finance	101,342	116,319
Federal Government	0	0
First Nations	0	0
Other Alberta School Jurisdictions	0	0
Other Trade Payables and Accrued Liabilities	2,603,408	1,604,941
Total	\$2,747,648	\$1,871,700

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:	\$0	\$0	\$0	\$0	\$0
Alberta Initiative for School Improvement	\$88,028	\$471,270	(\$360,669)	\$0	\$198,629
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0	\$0
Infrastructure Maintenance Renewal	\$1,554,316	\$685,777	(\$1,581,858)	\$0	\$658,235
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
Other Government of Alberta Restricted Funding:	\$0	\$0	\$0	\$0	\$0
Classroom Resources Grant	\$110,806	\$0	(\$110,806)	\$0	\$0
Technology Grants	\$226,501	\$0	(\$226,501)	\$0	\$0
Supporting Innovative Technologies	\$0	\$300,000	\$0	\$0	\$300,000
School Bus Safety	\$0	\$117,900	(\$28,570)	\$0	\$89,330
Other Deferred Revenue:	\$0	\$0	\$0	\$0	\$0
Insurance Proceeds	\$47,179		(\$47,179)	\$0	\$0
Foremost Playground Project	\$45,880	\$172,490	(\$218,370)		\$0
Moving & Choosing	\$50,500		(\$45,678)		\$4,822
Margaret Wooding Playground Project		\$21,415			\$21,415
Total	\$2,123,209	\$1,768,852	(\$2,619,630)	\$0	\$1,272,431

9. TRUST ASSETS AND LIABILITIES

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

	2009	2008
Deferred Salary Leave Plan	\$0	\$0
Scholarship Trusts	362,299	367,543
Student Health Initiative Trust (SHI Banker Board)	-7,216	93,445
Children and Youth with Complex Needs (Banker Board)	544,114	614,742
Other foundations (D.A.R.E.)	5,671	4,619
Total	\$904,868	\$1,080,349

10. LONG TERM DEBT

Debenture Debt – Supported

The debenture debt bears interest at rates varying between 8% 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	\$182,490	\$131,885	\$314,375
2010-2011	162,551	114,499	277,050
2011-2012	162,551	99,148	261,699
2012-2013	162,551	83,796	246,347
2013-2014	159,000	57,444	216,444
2014 to maturity	588,085	141,364	729,449
Total	\$1,417,228	\$628,136	\$2,045,365

11. 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.

12. 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.

13. ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. The jurisdiction has a legal obligation to remove hazardous material located under the site of the central office building upon its disposal. A liability, however, has not been recognized because the fair value cannot be reasonably estimated due to there being no records on the site.

14. COMMITMENTS

- a) **Building Projects:** The jurisdiction is committed to further capital expenditures for the addition at Isabel F. Cox School for approximately \$1,061,871 and \$377,773 for the modernization project at Oyen Public School. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

15. CONTINGENCIES

- a) The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. 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.
- b) A human rights complaint was filed against the school division on January 18, 2008 by a contract bus driver alleging that she was discriminated against on the basis of her age when her services were terminated by her employer. As the likelihood of the outcome and potential damages, if any, ensuing from this complaint are not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with this lawsuit.

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	\$820,779	\$42,898	\$43,395,596	\$178,880
Infrastructure & Transportation	0	0	0	0
Finance	101,342	101,342	135,208	160,208
Health & Wellness	0	0	297,496	41,043
Human Resources/Employment	0	0	4,800	0
Other Gov't of Alberta departments	0	0	107,790	0
Other:				
Health authorities	0	0	0	65,815
Post-secondary institutions	0	0	0	2,414
Other Alberta school jurisdictions	0	0	69,182	59,963
Other related parties	0	0	0	0
TOTAL 2008-2009	<u>\$922,141</u>	<u>\$144,240</u>	<u>\$44,010,072</u>	<u>\$508,323</u>
TOTAL 2007-2008	<u>\$466,121</u>	<u>\$266,759</u>	<u>\$40,851,662</u>	<u>\$56,847</u>

Contingencies or Contractual Obligations with related parties are under separate disclosure.

17. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

18. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 10, 2008. It is presented for information purposes only and has not been audited.

19. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2009 presentation.

20. PRIOR PERIOD ADJUSTMENTS

None

21. SUBSEQUENT EVENTS

On August 27, 2009 the jurisdiction received notice that the Government of Alberta would be accessing (clawing back) the August 31, 2008 operating reserve balance of the Division in the amount of \$293,429 by reducing 2009-2010 monthly operating payments in that amount in order to meet the fiscal correction targets for the education ministry. It should be noted that these reserves were of a program specific nature and were retained in order to manage jurisdiction enrolment decline and to maintain the technology upgrading program.

22. REMUNERATION AND MONETARY INCENTIVES

Prairie Rose School Division 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	Performance Bonuses	ERIP's / Other	Expenses
Chair Marian Peers	1.0	\$20,454	\$261	\$0			\$12,553
Tr. Stuart Angle	1.0	\$21,462	\$1,155	\$0			\$7,979
Tr. Kathy Cooper	1.0	\$21,457	\$1,149	\$0			\$11,771
Tr. Graeme Dennis	1.0	\$13,970	\$784	\$0			\$2,318
Tr. Arnold Frank	1.0	\$20,974	\$261	\$0			\$7,562
Tr. Paulette Heller	1.0	\$18,895	\$1,027	\$0			\$5,575
Tr. Georgine Westgard	1.0	\$18,215	\$994	\$0			\$9,520
	0.0	\$0	\$0	\$0			\$0
Subtotal	7.0	\$135,428	\$5,630	\$0			\$57,277
Superintendent (1)	0.0	\$141,115	\$11,136	\$0	\$0	\$0	\$11,175
Secretary/Treasurer (1)	0.0	\$120,210	\$25,723	\$0	\$0	\$0	\$9,136
Certificated Teachers	240.4	\$19,955,234	\$2,230,995	\$0	\$0	\$0	
Non-certificated - Other	262.0	\$7,154,491	\$1,467,764	\$0	\$0	\$0	
TOTALS		\$27,506,478	\$3,741,248	\$0	\$0	\$0	

UNAUDITED SCHEDULES

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

PRAIRIE ROSE SCHOOL DIVISION NO. 8

Legal Name of School Jurisdiction

918 - 2nd AVENUE, DUNMORE, AB T1B 0K3

Mailing Address

PHONE 403-527-5516 FAX 403-528-2264

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

PATRICIA COCKS

Name

Original signed

Signature

1-Dec-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: _____

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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	\$1,785,213	\$28,364,478	\$5,516,739	\$5,490,499	\$1,840,000	\$157,501	\$43,154,430
(2) Other - Government of Alberta	\$0	\$315,902	\$140,008	\$0	\$0	\$89,383	\$545,293
(3) Federal Government and First Nations	\$0	\$219,215	\$0	\$0	\$0	\$0	\$219,215
(4) Other Alberta school authorities	\$0	\$0	\$7,100	\$16,182	\$0	\$60,377	\$83,659
(5) Out of province authorities	\$0	\$90,000	\$0	\$30,324	\$0	\$0	\$120,324
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) Instruction resource fees	\$17,539	\$185,618					\$203,157
(8) Transportation fees-ECS				\$0			\$0
(9) Transportation fees-Grades 1-12				\$0			\$0
(10) Other sales and services	\$0	\$19,800	\$0	\$2,400	\$0	\$0	\$22,200
(11) Investment income	\$0	\$50,000	\$0	\$0	\$28,286	\$0	\$78,286
(12) Gifts and donations	\$0	\$87,814	\$0	\$0	\$750	\$125,512	\$214,076
(13) Rental of facilities	\$0	\$0	\$5,370	\$0	\$0	\$87,436	\$92,806
(14) Net school generated funds	\$0	\$156,972	\$0	\$0	\$0	\$0	\$156,972
(15) Gains on disposal of capital assets	\$0	\$0	\$8,158	\$0	\$0	\$881,531	\$989,689
(16) Amortization of capital allocations	\$0	\$0	\$968,929	\$0	\$0	\$0	\$968,929
(17) Other revenue	\$0	\$231,599	\$346	\$954		\$169,107	\$402,005
(18) TOTAL REVENUES	\$1,802,752	\$29,721,398	\$6,646,650	\$5,540,359	\$1,869,036	\$1,670,847	\$47,251,041
EXPENSES							
(19) Certificated salaries	\$649,743	\$18,961,718			\$343,773	\$0	\$19,955,234
(20) Certificated benefits	\$72,641	\$2,119,920			\$38,434	\$0	\$2,230,995
(21) Non-certificated salaries and wages	\$527,858	\$3,945,755	\$1,551,470	\$94,126	\$740,738	\$294,544	\$7,154,491
(22) Non-certificated benefits	\$99,341	\$828,266	\$336,160	\$19,940	\$135,218	\$48,839	\$1,467,764
(23) SUB - TOTAL	\$1,349,583	\$25,855,659	\$1,887,630	\$114,066	\$1,258,163	\$343,383	\$30,808,484
(24) Services, contracts and supplies	\$459,216	\$3,966,077	\$3,216,398	\$5,391,777	\$630,374	\$287,695	\$13,951,537
(25) Net school generated funds	\$0	\$156,972					\$156,972
(26) Amortization of capital assets	\$0	\$334,661	\$1,099,056	\$0	\$11,245	\$12,151	\$1,457,113
(27) Interest and charges	\$0	\$0	\$135,208	\$0	\$3,922	\$269	\$139,399
(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	\$1,808,799	\$30,313,369	\$6,338,292	\$5,505,843	\$1,903,704	\$643,498	\$46,513,505
(31) OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$6,047)	(\$591,971)	\$308,357	\$34,516	(\$34,668)	\$1,027,349	\$737,536

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

Unexpended SGF - Opening Balance August 31, 2008 (Note 1)			\$804,061
Sources of School Generated Funds:	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$437,256	\$419,378	\$17,878
Student fees (Non-Instructional) (Note 1)	\$197,655	\$140,603	\$57,052
Donations and grants to schools	\$68,227	\$59,623	\$8,604
Other (describe):	\$158,494	\$159,186	(\$692)
Net Additions to SGF	\$861,632	\$778,790	\$82,842
Net SGF Available			\$886,903
Uses of Net School Generated Funds:			
Extra-curricular activities			\$136,399
Field Trips			\$17,160
Other (describe):			\$3,413
Total Uses of Net SGF (Note 2)			\$156,972
Unexpended SGF - Closing Balance August 31, 2009 (Note 3)			\$729,931

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	\$846,870	\$547,445	\$0	\$0	\$157,155		\$1,551,470		\$1,551,470
Uncertificated benefits	\$183,493	\$118,616	\$0	\$0	\$34,051		\$336,160		\$336,160
Sub-total Remuneration	\$1,030,363	\$666,062	\$0	\$0	\$191,206		\$1,887,630		\$1,887,630
Supplies and services	\$380,007	\$356,362	\$0	\$1,581,858	\$22,347		\$2,340,573		\$2,340,573
Electricity			\$305,206				\$305,206		\$305,206
Natural Gas/Heating Fuel			\$342,096				\$342,096		\$342,096
Sewer and Water			\$107,764				\$107,764		\$107,764
Telecommunications			\$15,745				\$15,745		\$15,745
Insurance					\$105,014		\$105,014		\$105,014
Amortization of capital assets									
Supported								\$968,929	\$968,929
Unsupported									\$0
Total Amortization									\$968,929
Interest on capital debt									
Supported									
Unsupported									
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$1,410,369	\$1,022,423	\$770,811	\$1,581,858	\$318,567	\$150,794	\$5,254,822	\$1,104,137	\$6,358,959
SQUARE METRES									
School Buildings									55,884.3
Non School Buildings									4,099.3

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.