

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2010**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Clearview School Division No. 71**

Legal Name of School Jurisdiction

**Box 1720 5031 50th Street, Stettler, AB**

Mailing Address

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Telephone and Fax Numbers

**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.

Clearview School Division No. 71

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**

**Ken Checkel**

Name

**"ORIGINAL SIGNED"**

Signature

**SUPERINTENDENT**

**John Bailey**

Name

**"ORIGINAL SIGNED"**

Signature

**SECRETARY TREASURER OR TREASURER**

**Lewis Hill**

Name

**"ORIGINAL SIGNED"**

Signature

**19-Nov-10**

Board-approved Release Date

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## AUDITORS' REPORT

To The Board of Trustees

Clearview School Division No. 71

We have audited the statement of financial position of the Clearview School Division No. 71 as at August 31, 2010 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, 2010 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.

Stettler, Alberta  
October 27, 2010

*Gitzel Krejci Dand Peterson*  
CHARTERED ACCOUNTANTS



Gitzel Krejci Dand Peterson  
CHARTERED ACCOUNTANTS

**STATEMENT OF FINANCIAL POSITION**  
as at August 31, 2010

(in dollars)

	2010	2009 (Note)
<b>ASSETS</b>		
Current assets		
Cash and temporary investments (Note 3)	\$7,881,889	\$16,627,012
Accounts receivable (net after allowances) (Note 4)	\$678,074	\$530,165
Prepaid expenses	\$170,699	\$160,653
Other current assets	\$90,258	\$113,902
<b>Total current assets</b>	<b>\$8,820,919</b>	<b>\$17,431,732</b>
School generated assets		
Trust assets (Note 10)	\$264,157	\$278,487
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets (Note 5)		
Land	\$1,167,616	\$1,198,551
Construction in Progress	\$0	\$5,702,480
Buildings	\$51,000,962	
Less: accumulated amortization	(\$19,845,551)	\$31,155,411
Equipment	\$3,294,977	
Less: accumulated amortization	(\$1,987,884)	\$1,307,093
Vehicles	\$6,043,915	
Less: accumulated amortization	(\$3,543,418)	\$2,500,497
<b>Total capital assets</b>	<b>\$36,130,617</b>	<b>\$28,698,223</b>
<b>TOTAL ASSETS</b>	<b>\$45,501,807</b>	<b>\$46,708,237</b>
<b>LIABILITIES</b>		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities (Note 6)	\$2,748,436	\$1,882,555
Deferred revenue (Note 7)	\$349,299	\$1,414,318
Deferred capital allocations (Note 8)	\$746,782	\$8,628,858
Current portion of long term debt	\$350,390	\$369,265
<b>Total current liabilities</b>	<b>\$4,194,907</b>	<b>\$12,294,996</b>
School generated liabilities		
Trust liabilities (Note 10)	\$264,157	\$278,487
Employee future benefit liabilities	\$0	\$0
Long term debt (Note 9)		
Supported: Debentures and other supported debt	\$1,897,364	\$2,266,629
Less: Current portion	(\$350,390)	(\$369,265)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations (Note 11)	\$28,881,866	\$21,420,061
<b>Total long term liabilities</b>	<b>\$30,979,110</b>	<b>\$23,895,707</b>
<b>TOTAL LIABILITIES</b>	<b>\$35,174,018</b>	<b>\$36,190,703</b>
<b>NET ASSETS</b>		
Unrestricted net assets	\$905,056	\$934,128
Operating Reserves	\$4,023,885	\$4,506,600
Accumulated Operating Surplus (Deficit)	\$4,928,941	\$5,440,728
Investment in capital assets	\$5,351,386	\$5,011,533
Capital Reserves	\$47,463	\$65,273
Total Capital Funds	\$5,398,849	\$5,076,806
<b>Total net assets</b>	<b>\$10,327,789</b>	<b>\$10,517,534</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$45,501,807</b>	<b>\$46,708,237</b>

**Note:** Please input "(Restated)" in 2009 column heading where comparatives are not taken from the finalized 2008-2009 Audited Financial Statements filed with Alberta Education.

**STATEMENT OF REVENUES AND EXPENSES**  
**for the Year Ended August 31, 2010**  
(in dollars)

	Actual 2010	Budget 2010 (Note 16)	Actual 2009 (Note 18) Restated
<b>REVENUES</b>			
Government of Alberta	\$27,774,789	\$27,755,680	\$26,541,975
Federal Government and First Nations	\$1,445	\$2,600	\$1,797
Other Alberta school authorities	\$2,800	\$0	\$3,000
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$234,764	\$261,780	\$317,068
Transportation fees	\$25,380	\$16,000	\$16,540
Other sales and services	\$451,387	\$274,040	\$450,513
Investment income	\$44,183	\$90,000	\$134,399
Gifts and donations	\$43,493	\$16,870	\$55,761
Rental of facilities	\$12,228	\$0	\$13,342
Gross school generated funds	\$735,332	\$200,000	\$244,744
Gains on disposal of capital assets	\$17,250	\$4,000	\$3,611
Amortization of capital allocations	\$1,297,982	\$1,298,030	\$1,359,514
Other revenue	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$30,641,033</b>	<b>\$29,919,000</b>	<b>\$29,142,264</b>
<b>EXPENSES</b>			
Certificated salaries (Note 20)	\$13,237,276	\$13,293,480	\$12,696,813
Certificated benefits (Note 20)	\$1,395,762	\$1,303,980	\$1,440,958
Non-certificated salaries and wages (Note 20)	\$5,959,146	\$5,869,480	\$5,711,097
Non-certificated benefits (Note 20)	\$1,076,919	\$1,077,830	\$1,045,780
Services, contracts and supplies	\$6,369,145	\$6,813,570	\$5,217,161
Gross school generated funds	\$735,332	\$200,000	\$244,744
<b>Capital and debt services</b>			
Amortization of capital assets			
Supported	\$1,297,980	\$1,298,030	\$1,359,514
Unsupported	\$550,981	\$551,680	\$639,090
<b>Total Amortization of capital assets</b>	<b>\$1,848,961</b>	<b>\$1,849,710</b>	<b>\$1,998,604</b>
Interest on capital debt			
Supported	\$208,236	\$221,470	\$246,842
Unsupported	\$0	\$0	\$0
<b>Total Interest on capital debt</b>	<b>\$208,236</b>	<b>\$221,470</b>	<b>\$246,842</b>
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
<b>Other expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Expenses</b>	<b>\$30,830,777</b>	<b>\$30,629,520</b>	<b>\$28,601,999</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>			
	(\$189,745)	(\$710,520)	\$540,265
Extraordinary Item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>(\$189,745)</b>	<b>(\$710,520)</b>	<b>\$540,265</b>

**Note:** Please input "(Restated)" where Actual 2009 comparatives are not as presented in the finalized 2008-2009 Audited Financial Statements filed with Alberta Education. Budget 2010 comparatives presented are final budget amounts formally approved by the Board.

**STATEMENT OF CASH FLOWS**  
for the Year Ended August 31, 2010

(in dollars)

	2010	2009 (Note)
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATIONS</b>		
Excess (deficiency) of revenues over expenses	(\$189,745)	\$540,265
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,297,982)	(\$1,359,514)
Total amortization expense	\$1,848,961	\$1,998,604
Gains on disposal of capital assets	(\$17,250)	(\$3,611)
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	(\$147,909)	\$9,428
Prepays and other current assets	\$13,598	\$93,249
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$865,881	\$1,156,559
Deferred revenue	(\$1,065,019)	\$196,724
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from Operations</b>	<b>\$10,537</b>	<b>\$2,631,704</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land		\$0
Buildings	(\$8,001,189)	(\$4,486,310)
Equipment	(\$593,188)	(\$265,117)
Vehicles	(\$688,392)	(\$458,207)
Net proceeds from disposal of capital assets	\$17,250	\$3,611
Other (describe)	\$0	\$0
<b>Total cash flows from Investing activities</b>	<b>(\$9,265,518)</b>	<b>(\$5,206,023)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$509,858	\$3,855,476
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$369,265)	(\$395,741)
Add back: supported portion	\$369,265	\$395,742
Other (describe)	\$0	\$0
<b>Total cash flows from financing activities</b>	<b>\$509,858</b>	<b>\$3,855,477</b>
<b>Net cash flows from during the year</b>	<b>(\$8,745,123)</b>	<b>\$1,281,158</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/09</b>	<b>\$16,627,012</b>	<b>\$15,345,854</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/10</b>	<b>\$7,881,889</b>	<b>\$16,627,012</b>

**Note:** Please input "(Restated)" where Actual 2009 comparatives are not as presented in the finalized 2008-2009 Audited Financial Statement filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS  
for the Year Ended August 31, 2010**

School Jurisdiction Code: 52

(in dollars)

	(1) TOTAL NET ASSETS Cols. 2+3+4+5	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS	(4) TOTAL OPERATING RESERVES Cols. 6+8+10+12+14 7+9+11+13+15	INTERNALLY RESTRICTED NET ASSETS											
					(5) TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15		(6) School & Instruction Related		(7) Operations & Maintenance		(8) Board & System Admin.		(9) Transportation		(10) 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, 2009</b>	\$10,517,534	\$5,011,533	\$934,128	\$4,506,600	\$2,801,238	\$0	\$1,247,620	\$35,501	\$140,816	\$0	\$316,926	\$29,772	\$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, 2009</b>	\$10,517,534	\$5,011,533	\$934,128	\$4,506,600	\$2,801,238	\$0	\$1,247,620	\$35,501	\$140,816	\$0	\$316,926	\$29,772	\$0	\$0		
Excess (deficiency) of revenues over expenses	(\$189,745)		(\$189,745)													
Board funded capital additions		\$890,832	(\$234,417)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$656,415)	\$0	\$0		
Disposal of unsupported capital assets	\$0	\$0	(\$17,250)	\$17,250		\$0		\$0				\$17,250		\$0		
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0								\$0		\$0		
Direct credits to net assets	\$0	\$0	\$0													
Amortization of capital assets		(\$1,848,961)	\$1,848,961													
Amortization of capital allocations		\$1,297,982	(\$1,297,982)													
Debt principal repayments (unsupported)		\$0	\$0													
Net transfers to operating reserves			(\$487,422)	\$487,422	\$352,307		\$177,888		\$0		(\$42,773)		\$0			
Net transfers from operating reserves			\$970,138	(\$970,138)	(\$886,730)				(\$14,112)		(\$269,296)		\$0			
Net transfers to capital reserves			(\$621,355)			\$0		\$0				\$621,355		\$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		
<b>Balance at August 31, 2010</b>	\$10,327,769	\$5,351,386	\$905,056	\$4,023,885	\$2,466,815	\$0	\$1,425,508	\$35,501	\$126,704	\$0	\$4,858	\$11,962	\$0	\$0		

**STATEMENT OF CAPITAL ALLOCATIONS**  
**(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)**  
for the Year Ended August 31, 2010  
(in dollars)

	<b>Deferred Capital Allocations</b>	<b>Unamortized Capital Allocations</b>
<b>Balance at August 31, 2009</b>	\$8,628,858	\$21,420,061
<b>Prior period adjustments</b>	\$0	\$0
<b>Adjusted balance, August 31, 2009</b>	\$8,628,858	\$21,420,061
<b>Add:</b>		
<b>Restricted capital allocations from:</b>		
Alberta Education including school and modular projects	\$405,778	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
<b>Interest earned on provincial government capital allocations</b>	\$11,420	
<b>Other capital grants and donations</b>	\$91,247	
<b>Net proceeds on disposal of supported capital assets</b>	\$1,413	
<b>Insurance proceeds (and related interest)</b>	\$0	
<b>Donated capital assets</b> (amortizable, @ fair market value)		\$0
<b>Transferred in capital assets</b> (amortizable, @ net book value)		\$0
<b>Current Year Debenture Principal Repayment</b>		\$369,265
<b>Expended capital allocations - current year</b>	(\$8,390,522)	\$8,390,522
<b>Deduct:</b>		
<b>Net book value of supported capital assets dispositions, write-offs, or transfer; Other</b>	\$1,413	\$0
<b>Capital allocations amortized to revenue</b>		\$1,297,982
<b>Balance at August 31, 2010</b>	<b>\$746,782</b>	<b>\$28,881,866</b>

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

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

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 School Division is exempt from Income Tax.

The School Division receives block allocations for instruction and support under Regulation 77/2003. The Regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are the representations of management prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates 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 significant 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. Donations 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 compiled with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities in the period in which they are received or receivable.

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

b. Inventories

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

c. 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% - 4%
Equipment	- 10% - 20%
Vehicles	- 10% - 20%

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

d. School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s). These funds are usually collected, retained and expended at the school level.

e. Vacation Pay

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

f. Pension

Pension costs included in these statements comprise the cost of employer contributions for current services 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.

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The school division participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contribution of \$304,676 for the year ended August 31, 2010. At December 31, 2009, the Local Authorities Pension Plan reported an actuarial deficiency of \$4.0 billion (2008 deficiency of \$4.4 billion). In 2010, the Province recorded a liability of \$314 million for its portion of the unfunded pension obligation related to organizations controlled by the Province.

g. 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 of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

h. Prepaid Expenses

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

i. Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable, and debenture debt.

The Division's held-to-maturity financial instruments consist of cash and accounts payable.

It is management's opinion that the division is not exposed to significant interest, currency or credit risks arising from these financial instruments and that their fair values approximate their carrying values, unless otherwise noted. The jurisdiction has invested surplus funds in accordance with Section 60(2)(d) of the School Act. Interest on debenture debt is fully supported by Alberta Finance.

j. Employee Future Benefits

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

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

k. 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 appropriation of unrestricted net assets.

3. CASH AND TEMPORARY INVESTMENTS

	<b>2010</b>	<b>2009</b>
	\$	\$
Cash and cash equivalents	<u>7,881,889</u>	<u>16,627,012</u>

Cost of cash and cash equivalents approximates their fair value.

4. ACCOUNTS RECEIVABLE

	2010	2009
	\$	\$
Alberta Education	212,847	255,328
Alberta Finance	64,063	77,294
Other Province of Alberta	160,701	3,800
Federal Government	144,528	137,966
Other	95,935	55,777
	<u>678,074</u>	<u>530,165</u>

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

5. CAPITAL ASSETS

	Land and Land Improvements	Construction in Progress - New Building	Buildings 25-40 years	Equipment 5-10 years	Vehicles 5-10 years	Total August 31, 2010	Total August 31, 2009
Estimated Useful Life							
	\$	\$	\$	\$	\$	\$	\$
<b>Historical cost</b>							
September 1, 2009	1,729,947	5,702,480	37,297,293	2,830,876	6,439,727	54,000,323	51,465,298
Additions	-	-	8,001,189	593,188	688,392	9,282,769	5,209,633
Transfers in (out)	-	(5,702,480)	5,702,480	-	-	-	-
Less disposals including write-offs	1,413	-	-	129,087	1,084,204	1,214,704	2,674,608
August 31, 2009	<u>1,728,534</u>	<u>-</u>	<u>51,000,962</u>	<u>3,294,977</u>	<u>6,043,915</u>	<u>62,068,388</u>	<u>54,000,323</u>
<b>Accumulated amortization</b>							
September 1, 2009	531,396	-	18,641,374	1,874,027	4,255,303	25,302,100	25,416,861
Amortization expense	29,522	-	1,204,177	242,944	372,319	1,848,962	1,998,603
Disposals	-	-	-	129,087	1,084,204	1,213,291	2,113,364
August 31, 2010	<u>560,918</u>	<u>-</u>	<u>19,845,551</u>	<u>1,987,884</u>	<u>3,543,418</u>	<u>25,937,771</u>	<u>25,302,100</u>
<b>Net Book Value at August 31, 2010</b>	<u><b>1,167,616</b></u>	<u><b>-</b></u>	<u><b>31,155,411</b></u>	<u><b>1,307,093</b></u>	<u><b>2,500,497</b></u>	<u><b>36,130,617</b></u>	<u><b>28,698,223</b></u>

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

6. ACCOUNTS PAYABLE AND ACCRUALS

	2010	2009
	\$	\$
Alberta Education	-	37,054
Accrued interest on debentures	64,063	77,294
Accrued vacation pay	91,237	98,060
Other trade payables and accrued liabilities	2,593,136	1,670,147
	<u>2,748,436</u>	<u>1,882,555</u>

7. DEFERRED REVENUE

	2010	2009
	\$	\$
IMR block funding	177,375	982,547
Class Size funding	-	41,323
Alberta Education Other	57,380	96,578
Other	114,544	293,870
	<u>349,299</u>	<u>1,414,318</u>

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdiction, but the related expenditure has not yet been made at year-end. When expended, these deferred capital allocations are transferred to the unamortized capital allocations account.

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

9. LONG-TERM DEBT

The School Division has issued debentures to the Alberta Capital Finance Authority to finance construction of school buildings. Debentures mature from 2010 to 2020 and interest rates vary from 7.625% to 11.625%.

	2010	2009
	\$	\$
Debenture debt	1,897,364	2,266,629
Due within one year	(350,390)	(369,265)
	1,546,974	1,897,364

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

	\$
2011 -	350,390
2012 -	321,287
2013 -	243,209
2014 -	243,209
2015 -	227,199
2016 to maturity -	512,070

The School Division's debentures are supported by payments from Alberta Finance. The principal support payments are not recorded as receivables before they are due. The effect of recording the corresponding debenture debt due within one year is to understate the working capital by the current portion of the debenture debt.

10. TRUST LIABILITIES

	2010	2009
	\$	\$
Endowment funds for scholarships	264,157	278,487
	264,157	278,487

11. 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.

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

12. CASH FLOWS

Cash and temporary investments are made up of cash on hand and balances in bank accounts.

	<b>2010</b>	<b>2009</b>
	\$	\$
Interest paid	<u>221,467</u>	<u>260,955</u>

13. ECONOMIC DEPENDENCE

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.

14. RELATED PARTY TRANSACTIONS

During the year the school division entered into transactions with related parties as follows:

- a) The School Division received funding for operations from the Alberta government in the amount of \$27,774,789 (2009 - \$26,541,975). In addition, Alberta Government funding for capital projects totaled \$405,778 (2009 - \$2,355,000).

At year end, the School Division had the following balance sheet amounts relating to funding from the Government of Alberta.

	2010	2009
	\$	\$
Accounts Receivable	437,611	336,422
Accounts Payable	64,063	114,348
Deferred Revenue	234,755	1,120,448
Deferred Capital Allocation	746,782	8,628,858

- b) The School Division has debenture debt in the amount of \$ 1,897,364 (2009- \$2,266,629) payable to the Alberta Capital Finance Authority and the principal payments are supported through provincial government funding.
- c) The Alberta Teacher Retirement Fund pension plan payments are paid by the provincial government directly to the plan on behalf of the division. The amount of these payments has not been disclosed to the division.

15. COMMITMENTS

- a) Building Projects  
 The School Division is committed to further capital expenditures for the modernization at Wm. E. Hay Composite High School of approximately \$613,350. It is anticipated that these costs will be funded by the capital allocations from Alberta Education.

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

15. COMMITMENTS - Continued

b) Joint Office Space

The School Division shares an office building with the Town of Stettler. Both entities share in the operating costs of this building space.

16. BUDGET AMOUNTS

The budget was prepared by the School jurisdiction management and was presented to the board of Trustees on December 17, 2009. It is presented for information purposes only and has not been audited.

17. CONTINGENCIES

The School Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified where necessary to conform to the 2010 presentation.

19. FUTURE CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The following accounting standards have been issued by the CICA but are not yet effective. The School Division is currently evaluating the effect of adopting these standards on their financial statements.

Generally Accepted Accounting Principles – All non-profit organizations will be required to choose which set of accounting standards they will adopt for years beginning on or after January 1, 2011. Two options for accounting standards are available to choose from: GAAP for Non-Profit Organizations or International Financial Reporting Standards (IFRS). Early adoption of either standard is available to entities with periods ending on or after December 31, 2009. Both options will result in significant changes to the financial presentation or disclosure of the reporting entity. This entity has indicated that they intend to adopt GAAP for Non-Profit Organizations within the next fiscal year and are currently investigating the impacts.

**CLEARVIEW SCHOOL DIVISION #71**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**

20. REMUNERATION AND MONETARY INCENTIVES

Clearview School Division had paid or accrued expenses for the year ended August 31, 2010 to or on behalf of the following positions and persons in groups as follows:

Board Members	FTE	Remuneration	Benefits	Expenses	Total
Board Chair					
Ken Checkel	1.00	15,305	4,431	9,630	29,366
Board Members					
Karen Holloway	1.00	13,201	4,298	7,495	24,994
Cheri Neitz	1.00	14,698	4,332	5,727	24,757
John Schofer	1.00	8,447	4,073	5,461	17,981
Peter Simons	1.00	11,785	2,264	3,991	18,040
Patty Dittrick	1.00	15,914	4,382	4,233	24,529
Yvette Cassidy	1.00	8,611	4,053	4,345	17,009
Superintendent					
John Bailey	1.00	142,274	11,290	6,721	160,284
Secretary Treasurer					
Peggy Keith	.50	62,750	11,109	2,340	76,199
Lewis Hill	.25	11,497	7,148	1,166	19,811
Certified Teachers	154.94	13,095,002	1,384,472		
Non-Certified - Other	184.25	5,796,938	1,030,829		
Totals	347.94	19,196,422	2,472,681		

There were no Early Retirement Incentive Plans paid out nor accrued in 2009-10

The jurisdiction has no accrual for employee future benefits.

**UNAUDITED SCHEDULES**  
**TO THE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2010**  
**[School Act, Section 276]**

**Clearview School Division No. 71**

Legal Name of School Jurisdiction

**5031 50 Street, Stettler, AB T0C 2L2**

Mailing Address

**Ph: (403)742-3331 Fax: (403)742-1388**

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

**Lewis G. Hill**  
Name

**"DATED AND SIGNED ELECTRONICALLY"**  
Signature

**19-Nov-10**

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](mailto:Cindy.Wang@gov.ab.ca)  
PHONE: (780) 644-5672 FAX: (780) 422-6996

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**SCHEDULE A**

School Jurisdiction Code: 52

**ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2009-2010**

REVENUES	ECS Instruction	Grades 1-12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration	External Services	TOTAL
(1) Alberta Education	\$1,118,756	\$17,950,066	\$3,942,174	\$2,883,115	\$1,201,140	\$0	\$27,095,250
(2) Other - Government of Alberta	\$0	\$204,239	\$3,800	\$0	\$0	\$471,499	\$679,539
(3) Federal Government and First Nations	\$0	\$1,445	\$0	\$0	\$0	\$0	\$1,445
(4) Other Alberta school authorities	\$0	\$2,800	\$0	\$0	\$0	\$0	\$2,800
(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	\$6,220	\$228,544					\$234,764
(8) Transportation fees-ECS				\$25,380			\$25,380
(9) Transportation fees-Grades 1-12				\$0			\$0
(10) Other sales and services	\$0	\$294,348	\$6,139	\$148,582	\$2,317	\$0	\$451,387
(11) Investment income	\$0	\$44,183	\$0	\$0	\$0	\$0	\$44,183
(12) Gifts and donations	\$0	\$34,567	\$5,926	\$0	\$0	\$3,000	\$43,493
(13) Rental of facilities	\$0	\$1,255	\$10,973	\$0	\$0	\$0	\$12,228
(14) Gross school generated funds	\$0	\$735,332	\$0	\$0	\$0	\$0	\$735,332
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$17,250	\$0	\$0	\$17,250
(16) Amortization of capital allocations	\$0	\$110,993	\$1,186,989	\$0	\$0	\$0	\$1,297,982
(17) Other revenue	\$0	\$0		\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$1,124,976	\$19,607,773	\$5,156,001	\$3,074,327	\$1,203,457	\$474,499	\$30,641,033
<b>EXPENSES</b>							
(19) Certificated salaries	\$421,331	\$12,593,235			\$222,710	\$0	\$13,237,276
(20) Certificated benefits	\$40,483	\$1,335,665			\$19,614	\$0	\$1,395,762
(21) Non-certificated salaries and wages	\$275,222	\$2,289,093	\$1,000,002	\$1,564,200	\$460,181	\$370,448	\$5,959,146
(22) Non-certificated benefits	\$30,652	\$444,018	\$229,526	\$178,297	\$125,908	\$68,517	\$1,076,919
(23) SUB - TOTAL	\$767,689	\$16,662,011	\$1,229,527	\$1,742,497	\$828,414	\$438,966	\$21,669,103
(24) Services, contracts and supplies	\$135,311	\$2,510,317	\$2,290,284	\$993,434	\$389,155	\$50,644	\$6,369,145
(25) Gross school generated funds	\$0	\$735,332					\$735,332
(26) Amortization of capital assets	\$0	\$235,227	\$1,250,065	\$363,668	\$0	\$0	\$1,848,961
(27) Interest and charges	\$0	\$0	\$208,236	\$0	\$0	\$0	\$208,236
(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	\$903,000	\$20,142,887	\$4,978,113	\$3,099,599	\$1,217,569	\$489,610	\$30,830,778
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$221,976	(\$535,115)	\$177,888	(\$25,273)	(\$14,112)	(\$15,110)	(\$189,745)

**SCHEDULE B  
SCHOOL GENERATED FUNDS (SGF) - 2009-2010**

<b>Unexpended SGF - Opening Balance August 31, 2009</b> (Note 1)			\$299,795
<b>Sources of School Generated Funds:</b>	<b>Gross SGF</b>	<b>Related Expenses</b>	<b>Net SGF</b>
Fundraising activities	\$387,243	\$219,368	\$167,875
Student fees (Non-Instructional) (Note 1)	\$253,279	\$248,927	\$4,352
Donations and grants to schools	\$32,834	\$23,290	\$9,544
Other (describe):	\$48,295	\$41,897	\$6,398
<b>Net Additions to SGF</b>	\$721,651	\$533,481	\$188,170
<b>Net SGF Available</b>			\$487,964
<b>Uses of Net School Generated Funds:</b>			
Extra-curricular activities			\$123,231
Field Trips			\$26,624
Other (describe):			\$51,996
<b>Total Uses of Net SGF</b> (Note 2)			\$201,851
<b>Unexpended SGF - Closing Balance August 31, 2010</b> (Note 3)			\$286,114

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)

**Notes:**

- 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 CEU-related activities are recorded as instruction resource fees, not SGF.
- 2 The sum of "total related expenses" and "total uses of net SGF" is reported as "gross school generated funds" in the Statement of Revenues & Expenses.
- 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 - 2009-2010**

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	\$673,043	\$215,985	\$0	\$0	\$110,974		\$1,000,002		\$1,000,002
Uncertificated benefits	\$160,018	\$44,844	\$0	\$0	\$24,664		\$229,526		\$229,526
Sub-total Remuneration	\$833,061	\$260,828	\$0	\$0	\$135,638		\$1,229,527		\$1,229,527
Supplies and services	\$83,571	\$247,065	\$0	\$1,292,126	\$3,902		\$1,626,664		\$1,626,664
Electricity			\$328,879				\$328,879		\$328,879
Natural Gas/Heating Fuel			\$235,002				\$235,002		\$235,002
Sewer and Water			\$46,371				\$46,371		\$46,371
Telecommunications			\$9,167				\$9,167		\$9,167
Insurance					\$44,202		\$44,202		\$44,202
Amortization of capital assets									
Supported								\$1,186,989	\$1,186,989
Unsupported							\$63,076		\$63,076
Total Amortization							\$63,076	\$1,186,989	\$1,250,065
Interest on capital debt									
Supported								\$208,236	\$208,236
Unsupported							\$0		\$0
Other interest charges							\$0		\$0
Losses on disposal of capital assets							\$0		\$0
TOTAL EXPENSES	\$916,631	\$507,893	\$619,419	\$1,292,126	\$183,742		\$3,582,888	\$1,395,225	\$4,978,113
<b>SQUARE METRES</b>									
School Buildings									38,561.0
Non School Buildings									2,900.0

**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.