

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

**Elk Island Catholic Seperate Regional Division #41**

Legal Name of School Jurisdiction

**160 Festival Way, Sherwood Park, AB T8A 5Z2**

Mailing Address

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Telephone and Fax Numbers

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

The financial statements of Elk Island Catholic Seperate Regional Division #41 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.

<b>BOARD CHAIR</b>	
<b>Tony Sykora</b> _____ Name	<b>"ORIGINAL SIGNED"</b> _____ Signature
<b>SUPERINTENDENT</b>	
<b>Chris Diachuk</b> _____ Name	<b>"ORIGINAL SIGNED"</b> _____ Signature
<b>SECRETARY TREASURER OR TREASURER</b>	
<b>Alberta Hutchings</b> _____ Name	<b>"ORIGINAL SIGNED"</b> _____ Signature

**24-Nov-10**  
 \_\_\_\_\_  
 Board-approved Release Date

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# Hawkings Epp Dumont LLP

**Chartered Accountants**

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## AUDITORS' REPORT

To the Board of Trustees of  
Elk Island Catholic Separate Regional Division No. 41  
Sherwood Park, Alberta

We have audited the statement of financial position of Elk Island Catholic Separate Regional Division No. 41 (the "Division") 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 Division'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 Division 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.



Edmonton, Alberta  
November 9, 2010

HAWKINGS EPP DUMONT LLP  
Chartered Accountants

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**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)	\$10,019,102	\$10,222,750
Accounts receivable (net after allowances) (Note 4)	\$2,133,272	\$2,420,104
Prepaid expenses (Note 1)	\$148,876	\$131,142
Other current assets	\$0	\$0
<b>Total current assets</b>	\$12,301,250	\$12,773,996
School generated assets	\$670,340	\$640,157
Trust assets (Note 8)	\$35,058	\$33,228
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets (Note 5)		
Land	\$1,656,711	\$1,656,711
Construction in Progress	\$2,740,538	\$0
Buildings	\$68,121,119	
Less: accumulated amortization	(\$39,780,664)	\$29,167,691
Equipment	\$5,557,818	
Less: accumulated amortization	(\$3,841,275)	\$2,133,195
Vehicles	\$3,847,575	
Less: accumulated amortization	(\$2,071,886)	\$2,029,514
<b>Total capital assets</b>	\$36,229,936	\$34,987,111
<b>TOTAL ASSETS</b>	\$49,236,584	\$48,434,492
<b>LIABILITIES</b>		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities (Note 6)	\$2,379,720	\$2,153,710
Deferred revenue (Note 7)	\$2,960,025	\$3,074,576
Deferred capital allocations (Note 10)	\$4,488	\$0
Current portion of long term debt	\$715,926	\$853,687
<b>Total current liabilities</b>	\$6,060,159	\$6,081,973
School generated liabilities	\$670,340	\$640,157
Trust liabilities (Note 8)	\$35,058	\$33,228
Employee future benefit liabilities (Note 11)	\$358,938	\$401,912
Long term debt (Note 9)		
Supported: Debentures and other supported debt	\$1,656,737	\$2,510,424
Less: Current portion	(\$715,926)	(\$853,687)
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 12)	\$29,713,227	\$27,150,967
<b>Total long term liabilities</b>	\$31,718,374	\$29,883,001
<b>TOTAL LIABILITIES</b>	\$37,778,533	\$35,964,974
<b>NET ASSETS</b>		
Unrestricted net assets	\$746,773	\$746,774
Operating Reserves	\$5,259,898	\$6,027,879
Accumulated Operating Surplus (Deficit)	\$6,006,671	\$6,774,653
Investment in capital assets	\$4,859,992	\$5,325,726
Capital Reserves	\$591,388	\$369,139
Total Capital Funds	\$5,451,380	\$5,694,865
<b>Total net assets</b>	\$11,458,051	\$12,469,518
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$49,236,584	\$48,434,492

**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 20)	Actual 2009
<b>REVENUES</b>			
Government of Alberta	\$51,866,080	\$50,710,537	\$51,025,780
Federal Government and First Nations	\$124,781	\$86,000	\$94,905
Other Alberta school authorities	\$52,363	\$0	\$8,576
Out of province authorities	\$0	\$0	\$6,472
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$343,289	\$358,495	\$357,162
Transportation fees	\$159,680	\$147,338	\$150,022
Other sales and services	\$1,327,061	\$923,327	\$1,137,818
Investment income	\$49,732	\$56,300	\$142,935
Gifts and donations	\$29,500	\$29,000	\$29,900
Rental of facilities	\$81,946	\$43,250	\$84,872
Gross school generated funds	\$2,672,232	\$96,000	\$153,809
Gains on disposal of capital assets	\$0	\$25,550	\$29,792
Amortization of capital allocations	\$2,023,545	\$1,934,342	\$2,091,518
Other revenue	\$0	\$0	\$0
<b>Total Revenues</b>	\$58,730,209	\$54,410,139	\$55,313,561
<b>EXPENSES</b>			
Certificated salaries (Note 19)	\$28,769,644	\$27,121,196	\$27,688,730
Certificated benefits (Note 19)	\$3,480,466	\$4,415,078	\$3,447,473
Non-certificated salaries and wages (Note 19)	\$10,129,688	\$9,646,903	\$9,312,542
Non-certificated benefits (Note 19)	\$1,983,669	\$2,117,613	\$1,768,969
Services, contracts and supplies	\$9,792,561	\$9,779,817	\$9,063,051
Gross school generated funds	\$2,672,232	\$96,000	\$153,809
<b>Capital and debt services</b>			
Amortization of capital assets			
Supported	\$2,703,178	\$2,081,674	\$2,091,518
Unsupported	\$0	\$258,079	\$631,922
<b>Total Amortization of capital assets</b>	\$2,703,178	\$2,339,753	\$2,723,440
Interest on capital debt			
Supported	\$204,530	\$249,585	\$304,054
Unsupported	\$0	\$0	\$0
<b>Total Interest on capital debt</b>	\$204,530	\$249,585	\$304,054
Other interest and charges	\$5,708	\$6,900	\$5,941
Losses on disposal of capital assets	\$0	\$0	\$0
<b>Other expense</b>	\$0	\$0	\$0
<b>Total Expenses</b>	\$59,741,676	\$55,772,845	\$54,468,009
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>	(\$1,011,467)	(\$1,362,706)	\$845,552
Extraordinary Item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	(\$1,011,467)	(\$1,362,706)	\$845,552

**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	(\$1,011,467)	\$845,552
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,023,545)	(\$2,091,518)
Total amortization expense	\$2,703,178	\$2,723,440
Gains on disposal of capital assets	\$0	(\$29,792)
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	\$286,832	\$247,159
Prepays and other current assets	(\$17,734)	(\$44,274)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$226,010	(\$951,235)
Deferred revenue	(\$114,551)	\$244,077
Employee future benefit liabilities	(\$42,974)	(\$41,136)
Other (describe)	\$0	\$0
<b>Total cash flows from Operations</b>	<b>\$5,749</b>	<b>\$902,273</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$3,745,824)	(\$1,549,446)
Equipment	(\$140,512)	(\$350,605)
Vehicles	(\$59,670)	(\$560,022)
Net proceeds from disposal of capital assets	\$0	\$29,792
Other (describe)	\$3	\$2
<b>Total cash flows from Investing activities</b>	<b>(\$3,946,003)</b>	<b>(\$2,430,279)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$3,736,605	\$1,398,335
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$853,687)	(\$1,051,970)
Add back: supported portion	\$853,688	\$1,051,971
Other (describe)	\$0	\$0
<b>Total cash flows from financing activities</b>	<b>\$3,736,606</b>	<b>\$1,398,336</b>
<b>Net cash flows from during the year</b>	<b>(\$203,648)</b>	<b>(\$129,670)</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/09</b>	<b>\$10,222,750</b>	<b>\$10,352,420</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/10</b>	<b>\$10,019,102</b>	<b>\$10,222,750</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: 46

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS Cols. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	School & Instruction Related		Operations & Maintenance		Board & System Admin.		Transportation		External Services	
						Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
<b>Balance at August 31, 2009</b>	\$12,469,518	\$5,325,726	\$746,774	\$6,027,879	\$369,139	\$12,264	\$1,328,837	\$210,933	\$0	\$744,185	\$0	\$0	\$145,942	\$0	\$0
Prior period adjustments (describe)															
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Adjusted Balance, Aug. 31, 2009</b>	\$12,469,518	\$5,325,726	\$746,774	\$6,027,879	\$369,139	\$12,264	\$1,328,837	\$210,933	\$0	\$744,185	\$0	\$0	\$145,942	\$0	\$0
Excess (deficiency) of revenues over expenses	(\$1,011,467)		(\$1,011,467)												
Board funded capital additions		\$213,899	\$0	(\$208,899)	(\$5,000)	\$0	\$0	(\$5,000)	\$0	(\$78,668)	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct credits to net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amortization of capital assets		(\$2,703,178)	\$2,703,178												
Amortization of capital allocations		\$2,023,545	(\$2,023,545)												
Debt principal repayments (unsupported)		\$0	\$0												
Net transfers to operating reserves			(\$1,177,782)	\$1,177,782			\$382,733			\$112,688		\$0		\$0	
Net transfers from operating reserves			\$1,736,864	(\$1,736,864)			\$0			\$0		\$0		\$0	
Net transfers to capital reserves			(\$263,058)		\$263,058			\$0		\$0			\$263,058		\$0
Net transfers from capital reserves			\$35,809		(\$35,809)			(\$29,209)		\$0			(\$6,600)		\$0
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Balance at August 31, 2010</b>	\$11,458,051	\$4,859,992	\$746,773	\$5,259,898	\$591,388	\$12,264	\$1,711,570	\$176,724	\$0	\$778,205	\$0	\$0	\$402,400	\$0	\$0

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

	Deferred Capital Allocations	Unamortized Capital Allocations
<b>Balance at August 31, 2009</b>	\$0	\$27,150,967
<b>Prior period adjustments</b>	\$0	\$0
<b>Adjusted balance, August 31, 2009</b>	\$0	\$27,150,967
<b>Add:</b>		
<b>Restricted capital allocations from:</b>		
Alberta Education including school and modular projects	\$3,501,611	
Other Government of Alberta	\$200,000	
Federal Government and First Nations	\$0	
Other sources	\$32,220	
<b>Interest earned on provincial government capital allocations</b>	\$2,774	
<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</b> (amortizable, @ fair market value)		\$0
<b>Transferred in capital assets</b> (amortizable, @ net book value)		\$0
<b>Current Year Debenture Principal Repayment</b>		\$853,688
<b>Expended capital allocations - current year</b>	(\$3,732,117)	\$3,732,117
<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>		\$2,023,545
<b>Balance at August 31, 2010</b>	\$4,488	\$29,713,227

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

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

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**1. AUTHORITY AND PURPOSE**

Elk Island Catholic Separate Regional Division No. 41 (the "Division") delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Division 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.

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	10% and 20%
Equipment & Furnishings	10% and 20%

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

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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 (see Note 11).

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

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 Division does not make pension contributions for certificated staff.

The Division 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 \$736,919 for the year ended August 31, 2010 (2009 - \$596,741). At December 31, 2009, the Local Authorities Pension Plan reported a deficiency of \$3,998,614,000 (2008, a deficiency of \$4,413,971,000).

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.

## NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

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) Employee Future Benefits

The Division accrues its obligations for employee future benefit plans and expenses the related costs as they are earned by employees. The cost of non-pension future employee benefits earned by employees is determined by management's best estimate.

i) Financial Instruments

These consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division 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 Division has invested surplus funds in accordance with Section 60 (2) (d) of the *School Act*.

j) Operating and Capital Reserves

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

**3. CASH AND TEMPORARY INVESTMENTS**

	2010			2009		
	Average Effective (Market) Yield	Cost	Fair Value	Average Effective (Market) Yield	Cost	Fair Value
Cash and cash equivalents	-	\$10,019,102	\$10,019,102	-	\$10,222,750	\$10,222,750
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>%</u>	<u>0</u>	<u>0</u>	<u>%</u>	<u>0</u>	<u>0</u>
Total cash and temporary investments	<u>%</u>	<u>\$10,019,102</u>	<u>\$10,019,102</u>	<u>%</u>	<u>\$10,222,750</u>	<u>\$10,222,750</u>

## NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

**4. ACCOUNTS RECEIVABLE**

	2010	2009
Alberta Education	\$135,477	\$750,545
Alberta Finance	89,896	134,951
Federal Government	224,521	98,441
First Nations	0	0
Other Alberta School Divisions	196	0
Foundations	0	0
Other	1,683,181	1,436,167
Total	\$2,133,272	\$2,420,104

**5. CAPITAL ASSETS**

	Land	Construction In Progress - Buildings	Buildings	Equipment - Computer Hardware & Software	Other Equipment	Vehicles	Total Aug. 31, 2010	Total Aug. 31, 2009
Estimated useful life								
<b>Historical cost</b>								
September 1, 2009	\$1,656,711	\$4,263	\$67,111,569	\$0	\$5,417,306	\$3,787,906	\$77,977,755	\$77,237,491
Additions	-	2,736,275	1,009,549	-	140,512	59,670	3,946,006	2,460,073
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	-	-	-	(1,719,809)
August 31, 2010	\$1,656,711	\$2,740,538	\$68,121,118	\$0	\$5,557,818	\$3,847,576	\$81,923,761	\$77,977,755
<b>Accumulated amortization</b>								
September 1, 2009	-	-	\$37,948,141	\$0	\$3,284,108	\$1,758,392	\$42,990,641	\$41,987,010
Amortization expense	-	-	1,832,523	-	557,167	313,494	2,703,184	2,723,440
Transfers in (out)	-	-	-	-	-	-	-	-
Effect of disposals	-	-	-	-	-	-	-	(1,719,809)
August 31, 2010	-	-	\$39,780,664	\$0	\$3,841,275	\$2,071,886	\$45,693,825	\$42,990,641
<b>Net Book Value at August 31, 2010</b>	\$1,656,711	\$2,740,538	\$28,340,454	\$0	\$1,716,543	\$1,775,690	\$36,229,936	\$34,987,114

**ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41**

**NOTES TO FINANCIAL STATEMENTS**

**AUGUST 31, 2010**

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2010</b>	<b>2009</b>
Alberta Education	\$1,348,022	\$1,261,232
Alberta Finance	92,920	134,951
Federal Government	16,267	4,553
First Nations	0	0
Other Alberta School Divisions	76	0
Other Trade Payables and Accrued Liabilities	922,435	752,974
<b>Total</b>	<b>\$2,379,720</b>	<b>\$2,153,710</b>

**7. DEFERRED REVENUE**

<b>SOURCE AND GRANT OR FUND TYPE</b>	<b>DEFERRED REVENUE as at Aug. 31, 2009</b>	<b>ADD: 2009/2010 Restricted Funds Received/ Receivable</b>	<b>DEDUCT: 2009/2010 Restricted Funds Expended (Paid / Payable)</b>	<b>ADD (DEDUCT): 2009/2010 Adjustments or Returned Funds</b>	<b>DEFERRED REVENUE as at Aug. 31, 2010</b>
<b>Alberta Education Restricted Operational Funding:</b>	\$0	\$0	\$0	\$0	\$0
Alberta Initiative for School Improvement	\$0	\$768,522	(\$701,399)	\$0	\$67,123
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0	\$0
Infrastructure Maintenance Renewal	\$2,335,743	\$972,372	(\$1,492,072)	\$0	\$1,816,043
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	\$570,918	\$661,054	(\$376,761)	\$0	\$855,211
<b>Other Government of Alberta Restricted Funding:</b>	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
<b>Other Deferred Revenue:</b>	\$0	\$0	\$0	\$0	\$0
Federal Government OLEP Grants	\$0	\$63,790	(\$36,844)	\$0	\$26,946
Instruction material fees (Foreign Students)	\$37,350	\$21,000	(\$37,350)	\$0	\$21,000
Transportation Fees	\$118,385	\$156,563	(\$118,385)	\$0	\$156,563
LRC	\$12,180	\$9,123	(\$12,180)	\$0	\$9,123
Noon Hour Supervisors	\$0	\$88,683	(\$80,668)	\$0	\$8,015
<b>Total</b>	<b>\$3,074,576</b>	<b>\$2,741,107</b>	<b>(\$2,855,659)</b>	<b>\$0</b>	<b>\$2,960,024</b>

**8. TRUST ASSETS AND LIABILITIES**

These balances represent cash that is held in trust by the Division for the following:

	<b>2010</b>	<b>2009</b>
Deferred Salary Leave Plan	\$0	\$0
Scholarship Trusts	35,058	33,228
Student Health Initiative Trust (SHI Banker Board)	0	0
Children and Youth with Complex Needs (Banker Board)	0	0
Alberta School Boards Association Zone 2/3	0	0
<b>Total</b>	<b>\$35,058</b>	<b>\$33,228</b>

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

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**9. LONG TERM DEBT**

The debentures are held with Alberta Capital Finance Authority, bear interest at rates varying between 7.50% and 11.75%, and are fully supported by Alberta Finance.

Debenture payments due over the next five years and beyond are:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2010-2011	\$715,925	\$160,855	\$876,781
2011-2012	464,252	88,656	552,908
2012-2013	162,230	43,868	206,097
2013-2014	77,138	29,039	106,177
2014-2015	62,592	22,081	84,674
2015 to maturity	174,600	38,103	212,703
Total	\$1,656,737	\$382,600	\$2,039,339

**10. DEFERRED CAPITAL ALLOCATIONS**

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

**11. EMPLOYEE FUTURE BENEFITS**

The Division provides lump-sum retirement allowance payments to certain classes of eligible employees based on years of service and upon reaching the age of fifty-five. The Division recognized expenses with respect to these obligations during 2010 in the amount of \$22,200 (2009 - \$36,492 recoveries). Benefit payments by the Division on behalf of these employees during 2010 totaled \$65,174 (2009 - \$69,619).

**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.

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

---

**13. COMMITMENTS**

a) Computer Equipment

The Division is committed to the following lease payments under the terms of a lease agreement for computer equipment:

2011	\$612,827
2012	492,068
2013	261,258
2014	122,241
2015	2,613

b) Land Lease

The Division and Elk Island Public Schools Regional Division No. 14 (the "Tenant") have entered into a joint agreement with Strathcona County for the lease of the land on which the Holy Spirit School is situated. The lease term commenced May 31, 2002 and extends to May 31, 2052. The base rent for the entire term of the lease is \$1. The lease contains a renewal option of two further terms of twenty-five years each. Upon the expiration of the second renewal term, should the Tenant require the lands for active use in the operation of the Holy Spirit School, the County and the Tenant may agree to extend or renew the lease as mutually agreed to by both parties.

**14. CONTINGENCIES**

The 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 expenses in the financial statements, as the value of equity is subject to liability claims.

**15. ECONOMIC DEPENDENCE**

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

**ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41**

**NOTES TO FINANCIAL STATEMENTS**

**AUGUST 31, 2010**

**16. ADDITIONAL CASH-FLOW INFORMATION**

The Division's cash payments for interest on long-term debt during 2010 were \$249,585 (2009 - \$362,109).

The Division received cash interest payments of \$49,732 during 2010 (2009 - \$142,935).

**17. RELATED PARTY TRANSACTIONS**

The Division is controlled by the Government of Alberta. Related party transactions with the Government of Alberta are as follows:

	<b>Balances</b>		<b>Transactions</b>	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
<b>2009-2010</b>				
<b>Government of Alberta:</b>				
Education	\$155,254	\$1,328,290	\$51,866,080	\$150,967
Infrastructure & Transportation	0	0	0	0
Finance	89,896	92,920	204,530	204,530
Health & Wellness	2	532	0	0
Human Resources/Employment	0	0	0	0
Other Gov't of Alberta departments	30,387	0	0	0
<b>Other:</b>				
Health authorities	0	0	0	0
Post-secondary institutions	0	6,609	0	0
Other Alberta school Divisions	15,388	76	0	308,210
Other related parties	0	0	0	0
<b>TOTAL 2009-2010</b>	<u>\$290,927</u>	<u>\$1,428,427</u>	<u>\$52,070,610</u>	<u>\$2,000,391</u>
<b>TOTAL 2008-2009</b>	\$885,496	\$1,396,183	\$51,329,834	\$1,336,974

**ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41**

**NOTES TO FINANCIAL STATEMENTS**

**AUGUST 31, 2010**

**18. REMUNERATION AND MONETARY INCENTIVES**

Disclosure of remuneration and benefits as required by paragraph 148(1) of *The School Act* is 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>
Tony Sykora	1.0	\$19,457	\$2,532	\$0			\$2,340
Jean Boisvert	1.0	\$16,806	\$2,722	\$0			\$4,548
Luisa Davidse	1.0	\$15,087	\$426	\$0			\$5,069
Joann Lloyd	1.0	\$15,087	\$426	\$0			\$3,837
Charlene Melenka	1.0	\$15,087	\$3,283	\$0			\$6,050
Gerald Mykytiuk	1.0	\$15,087	\$426	\$0			\$3,372
Ted Paszek	1.0	\$15,087	\$3,477	\$0			\$3,057
<b>Subtotal</b>	<b>7.0</b>	<b>\$111,698</b>	<b>\$13,292</b>	<b>\$0</b>			<b>\$28,273</b>
Chris Diachuk	1.0	\$169,553	\$25,136	\$0	\$0	\$0	\$23,875
Alberta Hutchings	1.0	\$146,244	\$29,270	\$0	\$0	\$0	\$11,430
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Teachers	333.0	\$28,600,091	\$3,455,330	\$0	\$0	\$0	
Non-certificated - Other	220.0	\$9,871,746	\$1,941,107	\$0	\$0	\$0	
<b>TOTALS</b>	<b>562</b>	<b>\$38,899,332</b>	<b>\$5,464,135</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

\* 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 Division does not make pension contributions for certificated staff.

**19. BUDGET AMOUNTS**

The budget was prepared by the Division and approved by the Board of Trustees on November 19, 2009. It is presented for information purposes only and has not been audited.

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

**Elk Island Catholic Separate Division No. 41**

Legal Name of School Jurisdiction

**160 Festival Way; Sherwood Park, AB T8A 5Z2**

Mailing Address

**Phone 780-467-8896; Fax 780-467-5469**

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

**Alberta Hutchings**  
Name

**"ORIGINAL SIGNED"**  
Signature

**24-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: 46

**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	\$2,296,531	\$38,290,898	\$6,429,121	\$2,603,583	\$2,231,368	\$0	\$51,851,501
(2) Other - Government of Alberta	\$0	\$9,943	\$3,018	\$1,618	\$0	\$0	\$14,579
(3) Federal Government and First Nations	\$0	\$124,781	\$0	\$0	\$0	\$0	\$124,781
(4) Other Alberta school authorities	\$0	\$52,363	\$0	\$0	\$0	\$0	\$52,363
(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	\$343,289					\$343,289
(8) Transportation fees-ECS				\$33,775			\$33,775
(9) Transportation fees-Grades 1-12				\$125,905			\$125,905
(10) Other sales and services	\$0	\$232,881	\$7,689	\$106,251	\$22,145	\$958,095	\$1,327,061
(11) Investment income	\$0	\$36,374	\$6,927	\$4,452	\$1,979	\$0	\$49,732
(12) Gifts and donations	\$0	\$29,500	\$0	\$0	\$0	\$0	\$29,500
(13) Rental of facilities	\$0	\$0	\$80,828	\$1,118	\$0	\$0	\$81,946
(14) Gross school generated funds	\$0	\$162,820	\$0	\$0	\$0	\$0	\$162,820
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) Amortization of capital allocations	\$0	\$92,655	\$1,930,890	\$0	\$0	\$0	\$2,023,545
(17) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$2,296,531	\$39,375,504	\$8,458,473	\$2,876,702	\$2,255,492	\$958,095	\$56,220,797
<b>EXPENSES</b>							
(19) Certificated salaries	\$1,177,699	\$27,024,476			\$325,993	\$241,477	\$28,769,645
(20) Certificated benefits	\$173,712	\$3,243,191			\$39,825	\$23,738	\$3,480,466
(21) Non-certificated salaries and wages	\$492,896	\$5,067,955	\$1,935,237	\$982,778	\$1,118,276	\$532,545	\$10,129,687
(22) Non-certificated benefits	\$108,365	\$1,028,974	\$391,618	\$158,825	\$220,550	\$75,391	\$1,983,723
(23) SUB - TOTAL	\$1,952,672	\$36,364,596	\$2,326,855	\$1,141,603	\$1,704,644	\$873,151	\$44,363,521
(24) Services, contracts and supplies	\$103,546	\$4,050,248	\$3,847,207	\$1,475,195	\$435,697	\$84,944	\$9,997,037
(25) Gross school generated funds	\$0	\$162,820					\$162,820
(26) Amortization of capital assets	\$0	\$316,961	\$2,115,619	\$243,795	\$26,803	\$0	\$2,703,178
(27) Interest and charges	\$0	\$0	\$0	\$3,445	\$2,263	\$0	\$5,708
(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	\$2,056,218	\$40,894,625	\$8,289,681	\$2,864,038	\$2,169,607	\$958,095	\$57,232,264
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$240,313	(\$1,519,121)	\$168,792	\$12,664	\$85,885	\$0	(\$1,011,467)

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

<b>Unexpended SGF - Opening Balance August 31, 2009</b> (Note 1)			\$638,987
<b>Sources of School Generated Funds:</b>	<b>Gross SGF</b>	<b>Related Expenses</b>	<b>Net SGF</b>
Fundraising activities	\$377,267	\$332,491	\$44,776
Student fees (Non-Instructional) (Note 1)	\$1,865,518	\$1,793,827	\$71,691
Donations and grants to schools	\$139,878	\$107,329	\$32,549
Other (describe):	\$319,753	\$275,764	\$43,989
<b>Net Additions to SGF</b>	\$2,702,416	\$2,509,411	\$193,005
<b>Net SGF Available</b>			\$831,992
<b>Uses of Net School Generated Funds:</b>			
Extra-curricular activities			\$30,398
Field Trips			\$18,056
Other (describe):			\$114,367
<b>Total Uses of Net SGF</b> (Note 2)			\$162,821
<b>Unexpended SGF - Closing Balance August 31, 2010</b> (Note 3)			\$669,171

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	\$1,618,212	\$124,090	\$0	\$0	\$192,935		\$1,935,237		\$1,935,237
Uncertificated benefits	\$321,587	\$25,103	\$0	\$0	\$44,928		\$391,618		\$391,618
Sub-total Remuneration	\$1,939,799	\$149,193	\$0	\$0	\$237,863		\$2,326,855		\$2,326,855
Supplies and services	\$440,752	\$488,771	\$24,505	\$1,487,072	\$21,062		\$2,462,162		\$2,462,162
Electricity			\$571,898				\$571,898		\$571,898
Natural Gas/Heating Fuel			\$391,487				\$391,487		\$391,487
Sewer and Water			\$136,924				\$136,924		\$136,924
Telecommunications			\$16,170				\$16,170		\$16,170
Insurance					\$64,036		\$64,036		\$64,036
Amortization of capital assets									
Supported								\$1,930,885	\$1,930,885
Unsupported						\$184,734	\$184,734		\$184,734
Total Amortization						\$184,734	\$184,734	\$1,930,885	\$2,115,619
Interest on capital debt									
Supported								\$204,530	\$204,530
Unsupported									
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$2,380,551	\$637,964	\$1,140,984	\$1,487,072	\$322,961	\$184,734	\$6,154,266	\$2,135,415	\$8,289,681
<b>SQUARE METRES</b>									
School Buildings									68,361.0
Non School Buildings									2,136.0

**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.