

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

Grande Yellowhead Public School Division No. 77

Legal Name of School Jurisdiction

3656-1 Avenue, Edson, Alberta T7E 1S8

Mailing Address

780-723-4471 (Ph) / 780-723-2414 (Fax)

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Grande Yellowhead Public School Division No. 77 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

John Stitzenberger

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Dr. Dean Lindquist

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Edward Latka

Name

"ORIGINAL SIGNED"

Signature

1-Dec-10

Board-approved Release Date

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Mergaert, Rathgeber, Barford & Williams

Chartered Accountants

AUDITORS' REPORT

To the Board of Trustees,
Grande Yellowhead Public School Division No. 77

We have audited the statement of financial position of the Grande Yellowhead Public School Division No. 77 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 and changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Dated at Edson, Alberta, this 18th day of November 2010.

Signed: Mergaert, Rathgeber, Barford & Williams Address: 5999 - 3rd Avenue

Firm: Mergaert, Rathgeber, Barford & Williams Edson, AB T7E 1R8

Accounting Designation: Chartered Accountants Telephone No.: (780) 723-4428
Fax No.: (780) 723-2343

STATEMENT OF FINANCIAL POSITION
as at August 31, 2010

(in dollars)

		2010	2009 (Note)
ASSETS			
Current assets			
Cash and temporary investments	(Note 3)	\$11,332,278	\$10,857,913
Accounts receivable (net after allowances)	(Note 4)	\$466,667	\$1,053,629
Prepaid expenses		\$821,363	\$588,734
Other current assets		\$99,593	\$64,383
Total current assets		\$12,719,901	\$12,564,659
School generated assets			
Trust assets	(Note 9)	\$633,191	\$672,610
Long term accounts receivable		\$18,750	\$22,500
Long term investments		\$0	\$0
Capital assets (Note 5)			
Land		\$1,276,770	\$1,276,770
Construction in Progress		\$0	\$39,100
Buildings		\$61,844,272	
Less: accumulated amortization		(\$31,548,783)	\$30,101,807
Equipment		\$13,206,579	
Less: accumulated amortization		(\$10,209,763)	\$2,019,464
Vehicles		\$4,734,135	
Less: accumulated amortization		(\$2,264,191)	\$2,545,961
Total capital assets		\$37,039,019	\$35,983,102
TOTAL ASSETS		\$51,157,572	\$49,993,738
LIABILITIES			
Current liabilities			
Bank indebtedness		\$0	\$0
Accounts payable and accrued liabilities	(Note 7)	\$3,189,554	\$2,327,096
Deferred revenue	(Note 8)	\$1,080,076	\$471,060
Deferred capital allocations	(Note 11)	\$0	\$79,154
Current portion of long term debt		\$468,536	\$633,228
Total current liabilities		\$4,738,166	\$3,510,538
School generated liabilities			
Trust liabilities	(Note 9)	\$633,191	\$672,610
Employee future benefit liabilities		\$0	\$0
Long term debt (Note 10)			
Supported: Debentures and other supported debt		\$961,408	\$1,574,711
Less: Current portion		(\$448,977)	(\$613,302)
Unsupported: Debentures and Capital Loans		\$170,400	\$190,171
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion		(\$19,559)	(\$19,926)
Other long term liabilities		\$0	\$0
Unamortized capital allocations	(Note 12)	\$27,568,470	\$27,773,992
Total long term liabilities		\$29,611,644	\$30,329,123
TOTAL LIABILITIES		\$34,349,810	\$33,839,661
NET ASSETS			
Unrestricted net assets		\$2,263,713	\$2,020,128
Operating Reserves		\$4,223,470	\$3,592,845
Accumulated Operating Surplus (Deficit)		\$6,487,183	\$5,612,973
Investment in capital assets		\$8,338,739	\$6,408,222
Capital Reserves		\$1,981,840	\$4,132,882
Total Capital Funds		\$10,320,579	\$10,541,104
Total net assets		\$16,807,762	\$16,154,077
TOTAL LIABILITIES AND NET ASSETS		\$51,157,572	\$49,993,738

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)	Actual 2009 (Restated-Note 24)
REVENUES			
Government of Alberta	\$50,124,850	\$49,146,944	\$50,528,005
Federal Government and First Nations	\$212,225	\$70,000	\$342,321
Other Alberta school authorities	\$24,036	\$70,886	\$4,477
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$367,420	\$348,582	\$380,278
Transportation fees	\$13,980	\$69,100	\$10,838
Other sales and services	\$167,354	\$83,000	\$206,968
Investment income	\$44,981	\$250,000	\$172,010
Gifts and donations	\$30,140	\$0	\$29,169
Rental of facilities	\$31,303	\$35,789	\$44,385
Gross school generated funds	\$1,650,265	\$888,000	\$1,752,321
Gains on disposal of capital assets	\$23,094	\$0	\$231,314
Amortization of capital allocations	\$1,576,248	\$1,332,634	\$1,337,076
Other revenue	\$9,043	\$9,043	\$9,043
Total Revenues	\$54,274,939	\$52,303,978	\$55,048,205
EXPENSES			
Certificated salaries (Note 19)	\$24,099,663	\$24,092,237	\$23,280,561
Certificated benefits (Note 19)	\$2,528,074	\$2,388,198	\$2,525,080
Non-certificated salaries and wages (Note 19)	\$8,829,530	\$8,284,115	\$8,166,564
Non-certificated benefits (Note 19)	\$2,157,324	\$2,211,726	\$2,033,145
Services, contracts and supplies	\$11,537,867	\$12,069,510	\$13,832,520
Gross school generated funds	\$1,650,265	\$888,000	\$1,752,321
Capital and debt services			
Amortization of capital assets			
Supported	\$1,576,248	\$1,332,634	\$1,337,076
Unsupported	\$1,120,707	\$1,434,684	\$1,451,082
Total Amortization of capital assets	\$2,696,955	\$2,767,318	\$2,788,158
Interest on capital debt			
Supported	\$116,781	\$116,780	\$199,128
Unsupported	\$4,230	\$0	\$2,171
Total Interest on capital debt	\$121,011	\$116,780	\$201,299
Other interest and charges	\$565	\$0	\$2,646
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$53,621,254	\$52,817,884	\$54,582,294
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$653,685	(\$513,906)	\$465,911
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$653,685	(\$513,906)	\$465,911

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)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	\$653,685	\$465,911
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,576,248)	(\$1,337,076)
Total amortization expense	\$2,696,955	\$2,788,158
Gains on disposal of capital assets	(\$23,094)	(\$231,314)
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	\$586,962	\$1,680,193
Prepays and other current assets	(\$267,839)	(\$37,247)
Long term accounts receivable	\$3,750	\$3,750
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$862,458	(\$107,448)
Deferred revenue	\$609,016	(\$568,685)
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from Operations	\$3,545,645	\$2,656,242
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	(\$241,905)
Buildings	(\$1,833,157)	(\$4,945,022)
Equipment	(\$1,573,704)	(\$423,613)
Vehicles	(\$396,680)	(\$359,702)
Net proceeds from disposal of capital assets	\$73,763	\$258,314
Other (describe)		\$0
Total cash flows from Investing activities	(\$3,729,778)	(\$5,711,928)
C. FINANCING ACTIVITIES		
Capital allocations	\$678,269	\$3,142,305
Issue of long term debt	\$0	\$200,000
Repayment of long term debt	(\$633,074)	(\$764,321)
Add back: supported portion	\$613,303	\$754,493
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$658,498	\$3,332,477
Net cash flows from during the year	\$474,365	\$276,791
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$10,857,913	\$10,581,122
Cash and temporary investments, net of bank indebtedness, at Aug. 31/10	\$11,332,278	\$10,857,913

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: 1085

(in dollars)

	(1) TOTAL NET ASSETS Cols. 2+3+4+5	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS	(4) - (6) INTERNALLY RESTRICTED NET ASSETS						(7) School & Instruction Related	(8) - (9) Operations & Maintenance		(10) - (11) Board & System Admin.		(12) - (13) Transportation		(14) - (15) External Services	
				(4) TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	(5) TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	(6) School & Instruction Related		(8) Operations & Maintenance			(10) Board & System Admin.		(12) Transportation		(14) External Services			
						Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves		Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2009	\$16,154,077	\$6,408,222	\$2,020,128	\$3,592,845	\$4,132,882	\$2,864,429	\$1,287,851	\$500,796	\$2,235,611	\$30,000	\$99,699	\$197,620	\$509,721	\$0	\$0	\$0	\$0	
Prior period adjustments (describe)																		
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Adjusted Balance, Aug. 31, 2009	\$16,154,077	\$6,408,222	\$2,020,128	\$3,592,845	\$4,132,882	\$2,864,429	\$1,287,851	\$500,796	\$2,235,611	\$30,000	\$99,699	\$197,620	\$509,721	\$0	\$0	\$0	\$0	
Excess (deficiency) of revenues over expenses	\$653,685		\$653,685															
Board funded capital additions		\$3,082,122	(\$61,043)	(\$359,566)	(\$2,661,513)	(\$359,566)	(\$1,150,000)	\$0	(\$1,114,833)	\$0	\$0	\$0	(\$396,680)	\$0	\$0	\$0	\$0	
Disposal of unsupported capital assets	\$0	(\$50,669)	(\$23,094)		\$73,763		\$0		\$0				\$73,763				\$0	
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Direct credits to net assets	\$0		\$0															
Amortization of capital assets		(\$2,696,955)	\$2,696,955															
Amortization of capital allocations		\$1,576,248	(\$1,576,248)															
Debt principal repayments (unsupported)		\$19,771	(\$19,771)															
Net transfers to operating reserves			(\$2,385,616)	\$2,385,616		\$1,821,986		\$536,215		\$12,624		\$14,791		\$0		\$0	\$0	
Net transfers from operating reserves			\$1,395,425	(\$1,395,425)		(\$1,297,785)		(\$97,640)		\$0		\$0		\$0		\$0	\$0	
Net transfers to capital reserves			(\$456,479)		\$456,479		\$47,418		\$41,442		\$13,715		\$353,904				\$0	
Net transfers from capital reserves			\$19,771		(\$19,771)				\$0		\$0		(\$19,771)				\$0	
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Balance at August 31, 2010	\$16,807,762	\$8,338,739	\$2,263,713	\$4,223,470	\$1,981,840	\$3,029,064	\$185,269	\$939,371	\$1,162,220	\$42,624	\$113,414	\$212,411	\$520,937	\$0	\$0	\$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
Balance at August 31, 2009	\$79,154	\$27,773,992
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2009	\$79,154	\$27,773,992
Add:		
Restricted capital allocations from: Alberta Education including school and modular projects	\$678,269	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		
Transferred in capital assets (amortizable, @ net book value)		
Current Year Debenture Principal Repayment		\$613,303
Expended capital allocations - current year	(\$757,423)	\$757,423
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,576,248
Balance at August 31, 2010	\$0	\$27,568,470

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

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
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 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 they can be reasonably determined.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as a direct increase in the trust assets and liabilities in the period in which they are received or receivable.

b) Capital Assets

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

Buildings	2.5% to 10%
Equipment	7 % to 20%
Vehicles & Buses	7 % to 20%

No amortization is recorded in the year of acquisition. Full amortization is recorded in the year of disposal.

Only capital assets with costs in excess of \$5,000 are capitalized. Any 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 that come under the control and responsibility of the school principal for school activities. These funds are usually collected, retained, and expended at the school level.

d) Inventories

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

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

2. Summary of Significant Accounting Policies – Continued

e) Vacation Pay and Banked Overtime

Vacation pay and banked overtime are accrued in the period in which the employee earns the benefit.

f) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered. Because of the difficulty in determining the fair value of these contributed services and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

g) Pension Obligation

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

The school board participates in a multi-employer pension plan, Local Authorities Pension Plan and does not report on any unfunded liabilities. At December 31, 2009 the Local Authorities Pension Plan reported an actuarial deficiency of \$3,998,614,000 (2008 deficiency of \$4,413,971,000). The expense for this pension plan is equivalent to the annual employer contributions for current service of \$623,650 for the year ended August 31, 2010 (2009-\$542,131) Effective for the 2008/2009 fiscal year, the Government of Alberta has taken responsibility for the LAPP unfunded liabilities.

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 Grande Yellowhead Public School Division No. 77 does not make pension contributions for certificated staff.

h) Prepaid Expenses

Certain expenditures incurred and paid 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. Certain insurance expenses also fall into this category.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, temporary investments, 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 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

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

k) Employee Future Benefits

The jurisdiction has accounted for the future cost of employee benefits.

l) Investments

Held to maturity investments are recognized in the balance sheet at the lower of cost or market.

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

3. **Cash and Temporary Investments**

	Average Effective (Market) Yield	2010		Average Effective (Market) Yield	2009	
		Cost	Fair Value		Cost	Fair Value
Cash and cash equivalents	-	\$9,330,552	\$9,330,552	-	\$1,957,913	\$1,957,913
Fixed-income securities						
Government of Canada, Direct and guaranteed						
Provincial, direct and guaranteed	0.70%	\$2,001,726	\$2,004,106	2.3%	\$8,900,000	\$8,900,000
Corporate						
Municipal						
Pooled investment funds						
Total fixed-income securities						
Total cash and temporary investments		\$11,332,278	\$11,334,658		\$10,857,913	\$10,857,913

Cash account earns interest on monthly balances at prime minus 2%.

4. **Accounts Receivable**

	2010	2009
Alberta Education	46,664	48,384
Alberta Finance	50,856	88,486
Other - Prov. of Alberta	78,340	6,191
AB Infrastructure	26,189	612,920
Federal Government	178,962	224,619
Other	85,656	73,029
Total	466,667	1,053,629

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

5. Tangible Capital Assets

	Land	Construction in Progress - New Building	Buildings	Equipment Computer Hardware & Software	Other Equipment	Vehicles	Total Aug. 31, 2010	Total Aug.31, 2009
Estimated Useful Life			25 - 40 years	3 - 5 years	5 - 10 years	5 - 10 years		
Historical Cost								
September 1, 2009	1,276,770		59,972,015	5,543,262	8,005,329	4,577,247	79,374,623	73,987,021
Additions			1,872,257	1,540,808	32,896	396,680	3,842,641	5,970,245
Transfers in(out)							0	
Less disposals including write-offs				-1,915,716		-239,792	-2,155,508	-543,543
August 31, 2010	1,276,770		61,844,272	5,168,354	8,038,225	4,734,135	81,061,756	79,413,723
Accumulated Amortization								
September 1, 2009			29,870,208	3,994,828	7,534,299	2,031,286	43,430,621	41,159,749
Amortization expense			1,678,575	548,080	48,272	422,028	2,696,955	2,786,690
Transfer in/out							0	
Effect of disposals				-1,915,716		-189,123	-2,104,839	-515,818
August 31, 2010	0	0	31,548,783	2,627,192	7,582,571	2,264,191	44,022,737	43,430,621
Balance Assets - August 31, 2010	1,276,770	0	30,295,489	2,541,162	455,654	2,469,944	37,039,019	35,983,102

6. Bank Indebtedness

The Board of Trustees established a Borrowing Resolution with Alberta Treasury Branch (ATB-Financial), Edson for \$750,000 with interest calculated and paid monthly at a rate of 1/4% below prime. The resolution is passed each fall for a one-year term. The line of credit is secured by a security agreement covering all accounts receivable of the jurisdiction. There was no balance outstanding on the line-of-credit at August 31, 2010.

7. Accounts Payable and Accrued Liabilities

	2010	2009
Alberta Education	0	67,842
Alberta Finance	50,856	88,486
Other - Prov. of Alberta	162,693	0
AB Infrastructure	0	0
Federal Government	0	0
AB Municipalities	0	0
Other AB School Jurisdictions	93,753	0
Other Trade Payables	2,882,252	2,170,768
Total	3,189,554	2,327,096

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

8. Deferred Revenue

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2009	ADD: 2009/2010 Restricted Funds Received/ Receivable	DEDUCT: 2009/2010 Restricted Funds Expended (Paid / Payable)	2009/2010 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2010
Alberta Education Restricted Operational Funding:	0	0	0	0	0
Children and Youth with Complex Needs	0	0	0	0	0
Infrastructure Maintenance Renewal	116,440	983,705	(810,459)	0	289,686
Portable/Modular Unit Relocation	0	0	0	0	0
Small Class Size Initiative	0	1,666,409	(1,666,409)	0	0
Student Health Initiative (School Authorities)	0	270,939	(270,939)	0	0
SuperNet Service	0	229,596	(229,596)	0	0
Other Alberta Education Deferred Revenue	169,093	940,255	(848,771)	(68,000)	192,577
Other Government of Alberta Restricted Funding:	0	0	0	0	0
SHIP Infrastructure funds	0	0	0	0	0
Advanced Education- Supernet Funding	7,552	7,552	(7,552)	0	7,552
Emergent Building Repairs	175,975	1,006,636	(595,050)	0	587,561
Other Deferred Revenue:	0	0	0	0	0
Transportation Fees	1,500	2,200	(1,500)	0	2,200
Scholarship funds	500	0	0	0	500
Total	471,060	5,107,292	(4,430,276)	(68,000)	1,080,076

9. Trust Assets and Liabilities

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

	2010	2009
Carmichael Endowment Fund (Principal)	406,309	406,309
Carmichael Endowment Fund (Interest)	458	210
Scholarships	40,849	39,623
Deferred Salary Plan Contributions	156,341	90,636
Student Health Initiative Trust (Banker Board)	29,234	135,832
Total	633,191	672,610

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

The Carmichael Endowment Fund is held in trust as a scholarship fund for Harry Collinge High School. These funds are held as term certificates at the Royal Bank of Canada. The term deposits are as follows:

Principal	Interest Rate	Maturity Date
80,742	2.94%	September 29, 2010
80,700	4.00%	September 29, 2011
2,767	4.00%	September 29, 2011
80,700	4.35%	September 30, 2012
80,700	4.25%	October 1, 2012
80,700	3.00%	September 29, 2014

Other Scholarships have been established under Board Policy and are administered by Grande Yellowhead Public School Division No.77. The 'Deferred Salary Plan' contributions are held in trust at the Alberta Treasury Branch (ATB-Financial – Edson).

As the 'Banker' Board for Student Health Initiative Partnership, Grande Yellowhead Public School Division No.77 holds the residual funds in trust.

10. **Long-Term Debt**

a) Debenture Debt - Supported

The debentures were acquired to finance buildings constructed by the jurisdiction. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. The debenture debt bears interest at rates varying between 7.5% and 11.75%. The debt matures over the period 2011 to 2015.

	2010			2009
	Total	Current Portion	Long-Term Portion	Total
Alberta Finance	961,408	448,977	512,431	1,574,710

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

2010-2011	448,977
2011-2012	306,181
2012-2013	132,881
2013-2014	63,610
2014-2015	9,759

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

10. Long-Term Debt – Continued

b) Debenture Debt - Unsupported

In February 2009, Grande Yellowhead Public School Division No.77 arranged an unsecured capital loan for \$200,000 with ATB Financial. The interest rate is floating at prime with blended monthly payments of \$2,000 ending April 30, 2018.

	2010		2009
	Total	Current Portion	Total
ATB Financial	170,400	19,559	170,245
			190,171

Principal repayment required in each of the next five fiscal years is as follows:

2010-2011	19,559
2011-2012	20,104
2012-2013	20,664
2013-2014	21,239
2014-2015	21,831
2015-2016	22,439
2016-2017	23,064
2017-2018	21,500

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 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 operations. A legal liability exists when the purchase, sale or transfer agreement states that it does, or when there is legislation relating to an obligation to take action when a property is retired. Grande Yellowhead Public School Division No.77 believes that there is no significant risk with respect to any property held and therefore no liability has been established.

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

14. **Reserves**

Reserves represent funds allocated for future capital and operating expenditures. The reserves are established and expended in accordance with terms and conditions established by the Board of Trustees.

Operating Reserves	Balance Aug. 31, 2009	Contributions During 2010	Utilized During 2010	Re-classed as Capital Reserve	Balance Aug. 31, 2010
Instruction	810,240	0	(810,240)	0	0
Instruction – ECS	0	0	0	0	0
Instruction	135,608	65,334	(92,415)	0	108,527
Instruction – Severe Needs Support	375,000	0	0	0	375,000
Instruction – First Nations, Metis & Inuit Education	66,287	0	(49,287)	0	17,000
Instruction – Professional Growth (ATA contractual obligation)	162,631	280,704	(393,978)	0	49,357
Instruction – Technology	309,057	589,420	(356,023)		542,454
Schools	1,005,607	931,119	0	0	1,936,726
Schools (resource allocations)	0	0	0	0	0
System Administration	30,000	12,624	0		42,624
Transportation	197,620	14,791	0	0	212,411
Operations & Maintenance	25,400	384,855	(12,300)	0	397,955
Administration Building Reserve	71,285	44,154	(40,748)	0	74,691
Non Supported Building Reserve	404,110	62,615	0	0	466,725
Total	3,592,845	2,385,616	(1,754,991)	0	4,223,470

Capital Reserves	Balance Aug 31, 2009	Contributions During 2010	Utilized During 2010	Re-Classified from Operating	Balance Aug 31, 2010
Building	200,000	0	0	0	200,000
Administration Building	100,000	0	0	0	100,000
Maintenance – facility upgrades	1,857,303	0	(1,114,833)	0	742,470
Land	190,171	0	(19,771)	0	170,400
Technology Infrastructure	1,150,000	0	(1,150,000)	0	0
System Administration equipment	99,698	13,715	0	0	113,413
Bus replacement	319,550	427,667	(396,680)	0	350,537
Maintenance fleet replacement	78,308	41,442	0	0	119,750
Other vehicle replacement	137,852	47,418	0	0	185,270
Total	4,132,882	530,242	(2,681,284)	0	1,981,840
Total operating and capital	7,725,727	2,915,858	(4,436,275)	0	6,205,310

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

15. **Commitments**

a) Copier Lease – Xerox

Xerox and Grande Yellowhead Public School Division No.77 entered into an agreement for a "Total Document Solution". The agreement covers the annual lease for equipment and software for electronic document management. The lease was renewed in September 2009 for a five-year term ending August 31, 2015. The annual lease base contract charge is \$356,259.

b) Construction Contracts

A number of contracts for facility repairs were signed prior to August 31, 2010, however the work was not fully completed. The outstanding contract commitments are as follows:

H & D Roofing Ltd.	\$132,496
Freeze Maxwell	\$ 68,559

16. **Contingencies**

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.

17. **Related Party Transactions**

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

2009-2010	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Government of Alberta	0	0	0	0
Education	46,664	0	49,664,450	0
Infrastructure & Transportation	26,189	0	0	0
Finance	50,856	50,856	116,781	116,781
Health & Wellness	0	124,177	279,982	1,611
Human Resources/Employment	4,340	0	0	0
Other Gov't Of Alberta departments	74,000	38,516	111,066	186,571
Other				
Health Authorities	0	0	0	0
Post-secondary institutions	0	0	0	0
Other Alberta School jurisdictions	4,980	93,753	24,036	302,623
Other related parties	0	0	0	0
Total 2009-2010	207,029	307,302	50,196,315	607,586
Total 2008-2009	764,641	294,283	50,682,093	711,880

Grande Yellowhead Public School Division No. 77
Notes to the Financial Statement
For The Year Ended August 31, 2010

18. **Economic Dependence on Related Third Party**

Grande Yellowhead Public School Division No.77 primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

19. **Remuneration and Monetary Incentives**

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair							
Stitzenberger, J.	1.0	16,984	4,131	0			7,407
Other members							
Akers, L.	1.0	19,783	4,200	0			6,691
Caputo, S.	1.0	19,064	4,207	0			7,921
DeClerq, B.	1.0	22,193	4,319	0			19,227
Krewusik, R.	1.0	20,488	3,750	0			21,034
Munn, Fred	1.0	20,919	3,750	0			17,556
Shearer, Hazel	1.0	29,464	4,501	0			21,623
Subtotal	7.0	148,895	28,858	0			101,459
Superintendent	1.0	164,285	17,595	0	0	0	25,726
Secretary/Treasurer	1.0	125,889	28,545	0	0	0	15,816
Certificated Teachers	283	23,935,378	2,510,479	0	0	0	
Non-certificated - Other	180	8,554,746	2,099,921	0	0	0	
TOTALS		32,929,193	4,685,398	0	0	0	

20. **Budget Amounts**

The budget was prepared by the school jurisdiction and the Board of Trustees gave approval on June 17, 2009. It is presented for information only and has not been audited.

21. **Comparative Figures**

The Budget 2010 and Actual 2009 comparative figures have been reclassified where necessary to conform to actual 2010 presentation.

22. **Prior Period Adjustments**

No prior period adjustments have been made in these financial statements.

23. **Legal Change of Name**

Effective September 30, 2009, by Ministerial Order the Grande Yellowhead Regional Division No. 35 changed its name to Grande Yellowhead Public School Division No. 77.

24. **Prior Year Restated**

Prior year gross school generated funds have been restated to reflect the related expenses of \$546,414 to be comparable to current years reporting requirements.

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

Grande Yellowhead Public School Division No.77

Legal Name of School Jurisdiction

3656-1 Avenue, Edson, Alberta T7E 1S8

Mailing Address

780-723-4471 (Ph) / 780-723-2414 (Fax)

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

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

SECRETARY TREASURER OR TREASURER

Edward Latka
Name

"ORIGINAL SIGNED"
Signature

1-Dec-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
PHONE: (780) 644-5672 FAX: (780) 422-6996

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SCHEDULE A

School Jurisdiction Code: 1085

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	\$2,187,817	\$35,168,815	\$6,396,099	\$3,623,431	\$2,297,330	\$0	\$49,673,492
(2) Other - Government of Alberta	\$0	\$211,107	\$116,781	\$0	\$0	\$123,470	\$451,358
(3) Federal Government and First Nations	\$0	\$212,225	\$0	\$0	\$0	\$0	\$212,225
(4) Other Alberta school authorities	\$0	\$0	\$20,436	\$0	\$0	\$3,600	\$24,036
(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	\$20,553	\$346,867					\$367,420
(8) Transportation fees-ECS				\$460			\$460
(9) Transportation fees-Grades 1-12				\$13,520			\$13,520
(10) Other sales and services	\$0	\$137,686	\$0	\$0	\$29,668	\$0	\$167,354
(11) Investment income	\$0	\$29,870	\$6,919	\$3,112	\$5,080	\$0	\$44,981
(12) Gifts and donations	\$0	\$26,993	\$0	\$3,147	\$0	\$0	\$30,140
(13) Rental of facilities	\$0	\$0	\$28,387	\$2,916	\$0	\$0	\$31,303
(14) Gross school generated funds	\$0	\$1,650,265	\$0	\$0	\$0	\$0	\$1,650,265
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$23,094	\$0	\$0	\$23,094
(16) Amortization of capital allocations	\$0	\$4,442	\$1,571,806	\$0	\$0	\$0	\$1,576,248
(17) Other revenue	\$0	\$9,043	\$0	\$0	\$0	\$0	\$9,043
(18) TOTAL REVENUES	\$2,208,370	\$37,797,313	\$8,140,428	\$3,669,680	\$2,332,078	\$127,070	\$54,274,939
EXPENSES							
(19) Certificated salaries	\$1,390,924	\$22,313,392			\$395,347	\$0	\$24,099,663
(20) Certificated benefits	\$138,335	\$2,349,813			\$39,926	\$0	\$2,528,074
(21) Non-certificated salaries and wages	\$507,564	\$5,401,816	\$1,017,705	\$1,137,388	\$765,057	\$0	\$8,829,530
(22) Non-certificated benefits	\$166,333	\$1,351,918	\$226,472	\$251,876	\$160,725	\$0	\$2,157,324
(23) SUB - TOTAL	\$2,203,156	\$31,416,939	\$1,244,177	\$1,389,264	\$1,361,055	\$0	\$37,614,591
(24) Services, contracts and supplies	\$138,060	\$3,848,270	\$4,666,188	\$1,914,729	\$843,550	\$127,070	\$11,537,867
(25) Gross school generated funds	\$0	\$1,650,265					\$1,650,265
(26) Amortization of capital assets	\$0	\$581,554	\$1,750,877	\$350,809	\$13,715	\$0	\$2,696,955
(27) Interest and charges	\$0	\$50	\$121,348	\$87	\$91	\$0	\$121,576
(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	\$2,341,216	\$37,497,078	\$7,782,590	\$3,654,869	\$2,218,411	\$127,070	\$53,621,254
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$132,846)	\$300,235	\$357,838	\$14,791	\$113,667	\$0	\$653,685

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

Unexpended SGF - Opening Balance August 31, 2009 (Note 1)			\$750,867
Sources of School Generated Funds:	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$879,798	\$548,769	\$331,029
Student fees (Non-Instructional) (Note 1)	\$477,054	\$0	\$477,054
Donations and grants to schools	\$281,090	\$0	\$281,090
Other (describe):	\$8,167	\$4,520	\$3,647
Net Additions to SGF	\$1,646,109	\$553,289	\$1,092,820
Net SGF Available			\$1,843,687
Uses of Net School Generated Funds:			
Extra-curricular activities			\$865,102
Field Trips			\$95,837
Other (describe):			\$136,037
Total Uses of Net SGF (Note 2)			\$1,096,976
Unexpended SGF - Closing Balance August 31, 2010 (Note 3)			\$746,711

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	\$0	\$565,903	\$255,481	\$0	\$196,321		\$1,017,705		\$1,017,705
Uncertificated benefits	\$0	\$126,706	\$54,746		\$45,020		\$226,472		\$226,472
Sub-total Remuneration	\$0	\$692,609	\$310,227	\$0	\$241,341		\$1,244,177		\$1,244,177
Supplies and services	\$1,603,169	\$838,609	\$78,537	\$765,868	\$101,942		\$3,388,125		\$3,388,125
Electricity			\$613,712				\$613,712		\$613,712
Natural Gas/Heating Fuel			\$412,326				\$412,326		\$412,326
Sewer and Water			\$134,736				\$134,736		\$134,736
Telecommunications			\$20,476				\$20,476		\$20,476
Insurance					\$96,813		\$96,813		\$96,813
Amortization of capital assets									
Supported								\$1,571,806	\$1,571,806
Unsupported						\$179,071	\$179,071		\$179,071
Total Amortization						\$179,071	\$179,071		\$1,750,877
Interest on capital debt									
Supported								\$121,011	\$121,011
Unsupported							\$0		\$0
Other interest charges							\$337		\$337
Losses on disposal of capital assets							\$0		\$0
TOTAL EXPENSES	\$1,603,169	\$1,531,218	\$1,570,014	\$765,868	\$440,096	\$179,408	\$6,089,773	\$1,692,817	\$7,782,590
SQUARE METRES									
School Buildings									74,369.0
Non School Buildings									2,694.0

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.