

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

**Medicine Hat Catholic Separate Regional Division No. 20**

Legal Name of School Jurisdiction

**1251- 1st Avenue S.W., Medicine Hat, AB T1A 8B4**

Mailing Address

**Phone: (403)527-2292; Fax: (403)529-0917**

Telephone and Fax Numbers

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

The financial statements of Medicine Hat Catholic Separate Regional Division No. 20 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**

**Peter Grad**

Name

**"ORIGINAL SIGNED"**

Signature

**SUPERINTENDENT**

**David Leahy**

Name

**"ORIGINAL SIGNED"**

Signature

**SECRETARY TREASURER OR TREASURER**

**Greg MacPherson**

Name

**"ORIGINAL SIGNED"**

Signature

**25-Nov-10**

Board-approved Release Date

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## Auditors' Report

To the Board of Trustees of the  
Medicine Hat Catholic Separate Regional Division No. 20

We have audited the statement of financial position of the Medicine Hat Catholic Separate Regional Division No. 20 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 Medicine Hat Catholic Separate Regional Division No. 20 as at August 31, 2010 and the results of its operations, cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

*Meggs Norris Penny LLP*

Medicine Hat, Alberta  
October 26, 2010

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)	\$2,454,680	\$2,541,321
Accounts receivable (net after allowances)	(Note 4)	\$1,695,960	\$1,423,051
Prepaid expenses		\$480,825	\$491,165
Other current assets		\$105,029	\$127,081
<b>Total current assets</b>		\$4,736,494	\$4,582,618
School generated assets			
Trust assets	(Note 9)	\$12,852	\$12,826
Long term accounts receivable		\$0	\$0
Long term investments		\$0	\$0
Capital assets (Note 5)			
Land		\$225,905	\$225,905
Construction in Progress		\$230,342	\$301,956
Buildings		\$29,239,766	
Less: accumulated amortization		(\$10,182,807)	\$17,654,767
Equipment		\$2,486,423	
Less: accumulated amortization		(\$835,390)	\$1,348,804
Vehicles		\$88,761	
Less: accumulated amortization		(\$88,761)	\$0
<b>Total capital assets</b>		\$21,164,239	\$19,531,432
<b>TOTAL ASSETS</b>		\$26,468,701	\$24,670,448
<b>LIABILITIES</b>			
Current liabilities			
Bank indebtedness	(Note 6)	\$0	\$0
Accounts payable and accrued liabilities	(Note 7)	\$1,913,095	\$2,029,415
Deferred revenue	(Note 8)	\$332,784	\$622,338
Deferred capital allocations	(Note 11)	\$61,934	\$186,088
Current portion of long term debt		\$157,631	\$167,089
<b>Total current liabilities</b>		\$2,465,444	\$3,004,930
School generated liabilities			
Trust liabilities	(Note 9)	\$12,852	\$12,826
Employee future benefit liabilities		\$0	\$0
Long term debt (Note 10)			
Supported: Debentures and other supported debt		\$564,749	\$708,345
Less: Current portion		(\$143,597)	(\$143,597)
Unsupported: Debentures and Capital Loans		\$0	\$0
Capital Leases		\$44,437	\$28,385
Mortgages		\$0	\$0
Less: Current portion		(\$14,034)	(\$23,492)
Other long term liabilities		\$0	\$0
Unamortized capital allocations	(Note 12)	\$17,584,106	\$16,841,389
<b>Total long term liabilities</b>		\$18,603,629	\$17,967,428
<b>TOTAL LIABILITIES</b>		\$21,069,073	\$20,972,358
<b>NET ASSETS</b>			
Unrestricted net assets		\$1,709,227	\$1,018,217
Operating Reserves		\$719,288	\$726,396
Accumulated Operating Surplus (Deficit)		\$2,428,515	\$1,744,613
Investment in capital assets		\$2,971,113	\$1,953,477
Capital Reserves		\$0	\$0
<b>Total Capital Funds</b>		\$2,971,113	\$1,953,477
<b>Total net assets</b>		\$5,399,628	\$3,698,090
<b>TOTAL LIABILITIES AND NET ASSETS</b>		\$26,468,701	\$24,670,448

**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 13	Actual 2009 (Note) Restated
<b>REVENUES</b>			
Government of Alberta	\$28,670,658	\$28,223,667	\$26,452,034
Federal Government and First Nations	\$92,762	\$22,000	\$0
Other Alberta school authorities	\$74,849	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$18,006	\$0	\$0
Instruction resource fees	\$242,062	\$622,838	\$295,694
Transportation fees	\$0	\$0	\$0
Other sales and services	\$581,843	\$136,056	\$411,728
Investment income	(\$1,628)	\$10,000	\$45,225
Gifts and donations	\$84,035	\$9,763	\$58,091
Rental of facilities	\$414,821	\$319,686	\$264,681
Gross school generated funds	\$1,024,587	\$832,000	\$940,545
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$690,681	\$919,995	\$690,681
Other revenue	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$31,892,677</b>	<b>\$31,096,005</b>	<b>\$29,158,679</b>
<b>EXPENSES</b>			
Certificated salaries (Note 20)	\$14,685,094	\$14,898,239	\$14,001,696
Certificated benefits (Note 20)	\$1,695,460	\$1,638,806	\$1,605,388
Non-certificated salaries and wages (Note 20)	\$5,388,859	\$5,080,065	\$4,496,678
Non-certificated benefits (Note 20)	\$1,247,254	\$1,422,418	\$1,097,226
Services, contracts and supplies	\$5,168,091	\$6,900,895	\$4,915,024
Gross school generated funds	\$1,024,587	\$832,000	\$940,545
<b>Capital and debt services</b>			
Amortization of capital assets			
Supported	\$690,681	\$919,995	\$690,681
Unsupported	\$200,687	\$0	\$201,858
Total Amortization of capital assets	\$891,368	\$919,995	\$892,539
Interest on capital debt			
Supported	\$70,374	\$76,741	\$85,646
Unsupported	\$4,619	\$0	\$9,227
Total Interest on capital debt	\$74,993	\$76,741	\$94,873
Other interest and charges	\$432	\$1,200	\$2,522
Losses on disposal of capital assets	\$15,000	\$0	\$0
Other expense	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$30,191,139</b>	<b>\$31,770,359</b>	<b>\$28,046,491</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>			
	\$1,701,538	(\$674,354)	\$1,112,188
Extraordinary Item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$1,701,538</b>	<b>(\$674,354)</b>	<b>\$1,112,188</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	\$1,701,538	\$1,112,188
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$690,681)	(\$690,681)
Total amortization expense	\$891,368	\$892,539
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$15,000	\$0
Changes in:		
Accounts receivable	(\$272,909)	(\$118,933)
Prepays and other current assets	\$32,392	(\$232,393)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	(\$116,320)	(\$114,373)
Deferred revenue	(\$289,554)	\$238,237
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from Operations</b>	<b>\$1,270,834</b>	<b>\$1,086,584</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$2,048,589)	(\$379,624)
Equipment	(\$490,587)	(\$291,909)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from Investing activities</b>	<b>(\$2,539,176)</b>	<b>(\$671,533)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$1,165,648	\$195,580
Issue of long term debt	\$37,107	\$0
Repayment of long term debt	(\$164,651)	(\$198,025)
Add back: supported portion	\$143,597	\$143,596
Other (describe)	\$0	\$0
<b>Total cash flows from financing activities</b>	<b>\$1,181,701</b>	<b>\$141,151</b>
<b>Net cash flows from during the year</b>	<b>(\$86,641)</b>	<b>\$556,202</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/09</b>	<b>\$2,541,321</b>	<b>\$1,985,119</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/10</b>	<b>\$2,454,680</b>	<b>\$2,541,321</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: 4501

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	INTERNALLY RESTRICTED NET ASSETS														
	TOTAL NET ASSETS Cols. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	School & Instruction Related		Operations & Maintenance		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	
<b>Balance at August 31, 2009</b>	\$3,698,090	\$1,953,477	\$1,018,217	\$726,396	\$0	\$633,329	\$0	\$52,667	\$0	\$25,000	\$0	\$15,400	\$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>	\$3,698,090	\$1,953,477	\$1,018,217	\$726,396	\$0	\$633,329	\$0	\$52,667	\$0	\$25,000	\$0	\$15,400	\$0	\$0	
Excess (deficiency) of revenues over expenses	\$1,701,538		\$1,701,538												
Board funded capital additions		\$1,212,268	(\$1,212,268)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Disposal of unsupported capital assets	\$0	(\$15,000)	\$15,000												
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0												
Direct credits to net assets	\$0	\$0	\$0												
Amortization of capital assets		(\$891,368)	\$891,368												
Amortization of capital allocations		\$690,681	(\$690,681)												
Debt principal repayments (unsupported)		\$21,055	(\$21,055)												
Net transfers to operating reserves			(\$996,034)	\$996,034				\$5,310		\$0		\$0	\$0		
Net transfers from operating reserves			\$1,003,142	(\$1,003,142)				\$0		\$0		(\$15,400)	\$0		
Net transfers to capital reserves			\$0										\$0		
Net transfers from capital reserves			\$0										\$0		
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0				\$0		\$0		\$0	\$0	\$0	
<b>Balance at August 31, 2010</b>	\$5,399,628	\$2,971,113	\$1,709,227	\$719,288	\$0	\$636,311	\$0	\$57,977	\$0	\$25,000	\$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
<b>Balance at August 31, 2009</b>	\$186,088	\$16,841,389
<b>Prior period adjustments</b>	\$0	\$0
<b>Adjusted balance, August 31, 2009</b>	\$186,088	\$16,841,389
<b>Add:</b>		
<b>Restricted capital allocations from:</b> Alberta Education including school and modular projects	\$1,103,096	
Other Government of Alberta	\$62,552	
Federal Government and First Nations	\$0	
Other sources	\$0	
<b>Interest earned on provincial government capital allocations</b>	\$0	
<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>		\$143,597
<b>Expended capital allocations - current year</b>	(\$1,289,801)	\$1,289,801
<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>		\$690,681
<b>Balance at August 31, 2010</b>	\$61,934	\$17,584,106

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

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

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### 1. AUTHORITY AND PURPOSE

The Medicine Hat Catholic Separate Regional Division No. 20 ("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 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.

Interest earned on trust assets and liabilities is recorded as direct increases in trust assets and liabilities.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### b. CAPITAL ASSETS

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis. Donated assets are recorded at fair market value at the time of the donation. No amortization is taken in the year of acquisition and a full year of amortization is taken in the year of disposal. The rates are as follows:

Buildings	40 years
Equipment	5 to 10 years
Vehicles	5 years
Site Improvements	20 years
Computer Equipment	5 years

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

#### c. LONG-LIVED ASSETS

Long-lived assets consist of capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Division performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in loss for the year.

Prices for similar items are used to measure fair value of long lived assets.

#### d. 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.).

#### e. VACATION PAY

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

#### f. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include balances with banks and short term investments with maturities of three months or less.

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

#### g. PENSIONS

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 Medicine Hat Catholic Separate Regional Division No. 20 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$223,684 (2009 - \$195,914) for the year ended August 31, 2010. 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). In 2010, the Province recorded a liability of \$314,000,000 (2009 - \$186,000,000) for its portion of the unfunded pension obligation related to organizations controlled by the Province.

#### h. 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.

#### i. 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.

#### j. FINANCIAL INSTRUMENTS

##### *Held for trading:*

The Medicine Hat Catholic Separate Regional Division No. 20 has classified cash and trust assets and liabilities as held for trading.

Any financial instrument whose fair value can be reliably measured may be designated as held for trading on initial recognition or adoption of CICA 3855 Financial Instruments – Recognition and Measurement, even if that instrument would not otherwise satisfy the definition of held for trading. The Division has designated cash on initial recognition as held for trading in accordance with its risk management strategy, as doing so allows the Division to eliminate or significantly reduce a measurement or recognition inconsistency; as the instruments are evaluated on a fair value basis in accordance with the Division's documented risk management strategy and reported to key management personnel on that basis.

The Division's held for trading instruments are initially recognized at their fair value.

Held for trading financial instruments are subsequently measured at their fair value. Gains and losses arising from changes in fair value are recognized immediately in income.

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### *Available-for-sale:*

The Division has classified other current assets as available-for-sale. The Division has designated other current assets as available-for-sale because they represent an equity position and cannot be traded. These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Total income is allocated to excess of revenues over expenses by the effective interest method, using an effective interest rate which exactly discounts estimated future cash receipts to the net carrying amount of the financial asset, over the asset's expected life, or other appropriate period.

Available-for-sale financial assets are subsequently measured at fair value. Investments in equity instruments that do not have a quoted market price in an active market are measured at cost. Net gains and losses arising from changes in fair value are recognized in net assets, until the financial asset is sold or otherwise derecognized. Upon derecognition, the cumulative gain or loss previously recognized in net assets is transferred to excess of revenues over expenses.

#### *Loans and receivables:*

The Division has classified its trade receivables as loans and receivables. These assets are initially recognized at their fair value, determined by the terms of the agreement entered into. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Loans and receivables are subsequently measured at their amortized cost, using the effective interest method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and less any reduction for impairment or uncollectability. Gains and losses arising from changes in fair value are recognized in net income upon derecognition or impairment.

#### *Other financial liabilities:*

The Division has classified accounts payable as other financial liabilities. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date and transaction costs are immediately recognized in income.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Under this method, estimated future cash payments are exactly discounted over the liability's expected life, or other appropriate period, to their net carrying value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, and plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount. Gains and losses arising from changes in fair value are recognized in net income upon derecognition.

#### k. 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.

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### I. EMPLOYEE FUTURE BENEFITS

The Division accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2010, the total expense recorded in the financial statements is nil (2009: nil).

#### m. MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Amortization is based on the estimated useful lives of capital assets. Amortization of capital allocations is based on the related estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

#### n. LEASES

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

### 3. CASH AND TEMPORARY INVESTMENTS

	2010		2009	
	Cost	Fair Value	Cost	Fair Value
Cash and cash equivalents	\$2,454,680	\$2,454,680	\$2,541,321	\$2,541,321

### 4. ACCOUNTS RECEIVABLE

	2010	2009
Alberta Education	\$ 255,172	\$ 407,306
Other Province of Alberta	405,006	127,316
Federal Government	173,566	66,301
Alberta Municipalities	761,533	659,911
Other	100,683	162,217
Total	<u>\$ 1,695,960</u>	<u>\$ 1,423,051</u>

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

### 5. TANGIBLE CAPITAL ASSETS

Estimated Useful life	Land	Construction In		Buildings 40 Years	Computer Equipment		Vehicles 5 Years	Total Aug. 31, 2010	Total Aug. 31, 2009
		Progress	Site Improvements 20 Years		Equipment 5 Years	Equipment 5-10 Years			
<b>Historical cost</b>									
Beginning of year	\$225,905	\$301,956	\$551,616	\$26,656,902	\$577,092	\$1,629,790	\$88,761	\$30,032,022	\$29,360,488
Additions	-	1,396,148	8,619	678,912	176,319	279,177	-	2,539,175	671,534
Transfers in (out)	-	(1,467,762)	-	1,343,717	101,617	22,428	-	-	-
Less disposals including write-offs	-	-	-	-	-	(300,000)	-	(300,000)	-
End of year	<u>\$225,905</u>	<u>\$230,342</u>	<u>\$560,235</u>	<u>\$28,679,531</u>	<u>\$855,028</u>	<u>\$1,631,395</u>	<u>\$88,761</u>	<u>\$32,271,197</u>	<u>\$30,032,022</u>
<b>Accumulated amortization</b>									
Beginning of year	-	-	\$73,141	\$9,480,610	\$79,789	\$778,289	\$88,761	\$10,500,590	\$9,608,051
Amortization expense	-	-	27,658	601,398	107,143	155,169	-	891,368	892,539
Transfers in (out)	-	-	-	-	-	-	-	-	-
Effect of disposals	-	-	-	-	-	(285,000)	-	(285,000)	-
End of year	-	-	<u>\$100,799</u>	<u>\$10,082,008</u>	<u>\$186,932</u>	<u>\$648,458</u>	<u>\$88,761</u>	<u>\$11,106,958</u>	<u>\$10,500,590</u>
Net Book Value at end of year	<u>\$225,905</u>	<u>\$230,342</u>	<u>\$459,436</u>	<u>\$18,597,523</u>	<u>\$668,096</u>	<u>\$982,937</u>	<u>\$-</u>	<u>\$21,164,239</u>	<u>\$19,531,432</u>

### 6. BANK INDEBTEDNESS

The Division has negotiated a line of credit in the amount of \$1,156,000 (2009: \$1,156,000) that bears interest at bank prime rate less 0.25%, prime at 2.75% at August 31, 2010 (Prime at 2.25% at August 31, 2009). This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the Division. There was no balance outstanding on the line of credit at August 31, 2010 (\$0 in 2009).

### 7. ACCOUNTS PAYABLE AND LIABILITIES

	2010	2009
Alberta Education	\$ 853,900	\$ 618,076
Alberta Finance	24,599	30,696
Other Alberta School Jurisdictions	31,986	38,193
Other trade payables and accrued liabilities	1,002,610	1,342,450
Total	<u>\$ 1,913,095</u>	<u>\$ 2,029,415</u>

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

### 8. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2009	ADD:	DEDUCT:	ADD (DEDUCT):	DEFERRED REVENUE as at Aug. 31, 2010
		2009/2010 Restricted Funds Received/ Receivable	2009/2010 Restricted Funds Paid / Payable	2009/2010 Adjustments or Returned Funds	
<b>Alberta Education Restricted Operational Funding:</b>					
Infrastructure Maintenance Renewal	\$462,865	\$491,325	\$ (713,083)	\$ -	\$241,107
Other Alberta Education deferred revenue	34,231	94,485	(85,136)	-	43,580
<b>Other Government of Alberta Restricted Funding:</b>					
Narrowing the Digital Divide	39,467	-	(10,469)	-	28,998
<b>Other Deferred Revenue:</b>					
Skills Canada	36,473	-	(36,473)	-	-
Ground Improvements	48,807	-	(48,807)	-	-
Other	495	20,847	(2,243)	-	19,099
<b>Total</b>	<b>\$622,338</b>	<b>\$606,657</b>	<b>\$ (896,211)</b>	<b>\$ -</b>	<b>\$332,784</b>

### 9. TRUST ASSETS AND LIABILITIES

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

	2010	2009
Scholarship trusts	\$ 12,852	\$ 12,826

### 10. LONG-TERM DEBT

#### a. DEBENTURE DEBT – SUPPORTED

The debenture debt bears interest at rates varying between 10% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2010-2011	143,597	61,108	204,705
2011-2012	143,597	45,744	189,341
2012-2013	102,796	30,381	133,177
2013-2014	94,797	19,241	114,038
2014-2015	48,310	8,942	57,252
2016 to maturity	31,652	4,355	36,007
<b>Total</b>	<b>\$ 564,749</b>	<b>\$ 169,771</b>	<b>\$ 734,520</b>

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

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### 10. LONG-TERM DEBT *(continued)*

#### b. CAPITAL LEASES - UNSUPPORTED

The Division previously entered into capital leases that bear interest at rates varying between 6.829% and 22.983% per annum. The following is a summary of principal and interest payments on related long term debt outstanding at August 31, 2010:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2010-2011	\$ 14,034	\$ 6,763	\$ 20,797
2011-2012	10,694	4,565	15,259
2012-2013	7,257	3,284	10,541
2013-2014	6,926	1,997	8,923
2014-2015	5,526	602	6,128
Total	<u>\$ 44,437</u>	<u>\$ 17,211</u>	<u>\$ 61,648</u>

### 11. 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.

### 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. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees. It is presented for information purposes only and as such was not audited.

### 14. COMPARATIVE FIGURES

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

### 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.

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

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### 16. CONTINGENCIES

The Division is a member of The Urban Schools Insurance Consortium, which facilitates the placement of property and liability insurance coverage for thirteen jurisdictions throughout the province of Alberta. Premium rebates are received from the insurer's favourable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. Under the terms of membership, the Division could become liable for its proportionate share of any claim losses in excess of the funds held by exchange. Premiums paid have been recorded as expenses in the financial statements. The Division's equity position in the consortium has been recognized as an asset in the financial statements.

The Division is contingently liable for corporate credit cards issued with a combined authorized credit limit of \$1,017,250 (2009 - \$1,281,050). The amount charged against this limit is \$45,178 (\$108,345 in 2009).

### 17. FINANCIAL INSTRUMENTS

The Division as part of its operations carries a number of financial instruments. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

#### *Risk management policy*

The Division, as part of operations, has established avoidance of undue concentrations of risk as risk management objectives. In seeking to meet these objectives, the Division follows a risk management policy approved by its Board of Trustees.

#### *Credit concentration*

Financial instruments that potentially subject the Division to concentrations of credit risk consist of accounts receivable. Credit risks exist due to 19% of accounts receivable being from one funder (2009 - one funder represented 31%). As the receivables are expected to be collected within the upcoming year, carrying value approximates fair value. However, the Division believes that there is minimal risk associated with the collection of these amounts.

#### *Fair value disclosure*

The carrying amounts of cash, accounts receivable and accounts payable and accruals approximates their fair values, due to the short-term nature of these instruments.

The fair value of the Division's fixed rate long-term debt is also approximated by its carrying value, as there have been no significant changes in lending rates or other conditions.

### 18. CAPITAL MANAGEMENT

The District sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets, as well as with consideration of externally imposed capital requirements.

The District is subject to capital requirements under the School Act which prohibits the Division, without the prior written approval of the Minister, from borrowing to meet current expenditures if the aggregate of the amount to be borrowed and the total amount owing under previous borrowings would exceed the amount of the Division's accounts receivable, as shown in the most recent audited financial statements of the Division. The District was in compliance with this requirement throughout the years ended August 31, 2010 and 2009.

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

### 19. 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. Transactions are recorded at the amount of consideration agreed upon by the related parties.

	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
<b>2009-2010</b>				
<b>Government of Alberta:</b>				
Education	\$255,172	\$1,138,588	\$28,276,070	\$70,965
Infrastructure & Transportation		61,934	-	-
Finance	24,599	589,349	70,374	70,374
Other Government of Alberta departments		28,997		
<b>Other:</b>				
Health authorities – Alberta Health Services	176,682	8,579	324,214	108,837
Post-secondary institutions:				
Medicine Hat College	-	-	-	2,028
University of Lethbridge	101	-	711	-
Other Alberta school jurisdictions:				
Calgary School Dist. No.19	-	-	-	19,688
CAPE – Centre for Academic and Personal Excellence Institute	10,946	1,972	240,100	33,159
Christ the Redeemer Catholic Separate Regional Division No.3	-	17,811	28,985	19,652
Edmonton School District No.7	-	-	-	159
Grassland Regional Division No.6	-	-	-	102
Greater Southern Public Francophone Education Region No. 4	173,970	-	173,970	-
Horizon School Division No.67	-	-	-	420
Medicine Hat School District No. 76	6,973	-	10,452	149,411
Prairie Rose School Div. No.8	407	7,853	1,307	26,066
Red Deer Catholic School Div.39	11,328	4,350	45,864	-
Rocky View School Division No.41	-	-	-	850
Westwind School Division No. 74	-	-	-	5,000
<b>Total 2009-2010</b>	<b>\$660,178</b>	<b>\$1,859,433</b>	<b>\$29,172,047</b>	<b>\$506,711</b>
Total 2008-2009	\$414,277	\$1,362,080	\$26,149,199	\$230,578

# MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2010

### 20. REMUNERATION AND MONETARY INCENTIVES

The Division has 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	Allowances	Performance Bonuses	ERIP's/Other	Expenses
Stan Aberle	1.0	\$18,824	\$2,093	-	-	-	\$4,943
Ken Arthur	1.0	\$16,254	\$397	-	-	-	\$1,196
Jodi Churla	1.0	\$15,754	\$615	-	-	-	-
Peter Grad	1.0	\$17,654	\$2,372	-	-	-	\$4,097
Kelly Van Ham	1.0	\$15,954	\$1,109	-	-	-	\$1,474
<b>Subtotal</b>	<b>5.0</b>	<b>\$84,438</b>	<b>\$6,585</b>	-	-	-	<b>\$11,710</b>
Superintendent	1.0	\$149,107	\$11,809	\$2,400	-	-	\$10,973
Secretary Treasurer	1.0	\$116,709	\$22,542	\$2,400	-	-	\$1,778
Certificated Teachers	160.37	\$14,535,987	\$1,683,652	\$267,886	-	\$20,000	\$82,833
Non-certificated - Other	137.98	\$5,187,712	\$1,218,127	\$25,321	-	-	\$19,260
<b>TOTALS</b>		<b>\$20,073,953</b>	<b>\$2,942,714</b>	<b>\$298,007</b>	-	<b>\$20,000</b>	<b>\$126,555</b>

### 21. COMMITMENTS

Service Providers: As at August 31, 2010, the Division has entered into an agreement with another jurisdiction for grounds maintenance with estimated remaining commitments as follows:

2010-2011	\$96,867
2011-2012	\$99,733
2012-2013	<u>\$33,567</u>
Total	\$230,167

### 22. CHANGE IN ACCOUNTING POLICIES

#### School Generated Funds

Effective September 1, 2009 the Division adopted the CICA accounting recommendation for the reporting of revenues and expenses on a gross basis. This change in accounting policy was applied retroactively, and the comparative revenues and expenses at August 31, 2009 have been restated to conform to this presentation. The effect of the change on the comparative revenues and expenses was an increase in Net school generated funds of \$204,882.

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

**MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20**

Legal Name of School Jurisdiction

**1251 - 1st Avenue S.W. Medicine Hat, Alberta T1A 8B4**

Mailing Address

**Telephone (403)527-2292; Fax (403)529-0917**

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

**Greg MacPherson**  
Name

**"DATED AND SIGNED ELECTRONICALLY"**  
Signature

**25-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: 4501

**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	\$2,663,286	\$20,151,002	\$3,113,432	\$1,042,756	\$1,336,276	\$0	\$28,306,751
(2) Other - Government of Alberta	\$0	\$363,906	\$0	\$0	\$0	\$0	\$363,906
(3) Federal Government and First Nations	\$0	\$92,762	\$0	\$0	\$0	\$0	\$92,762
(4) Other Alberta school authorities	\$0	\$74,849	\$0	\$0	\$0	\$0	\$74,849
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Alberta Municipalities-special tax levies	\$0	\$18,006	\$0	\$0	\$0	\$0	\$18,006
(7) Instruction resource fees	\$35,672	\$206,390					\$242,062
(8) Transportation fees-ECS				\$0			\$0
(9) Transportation fees-Grades 1-12				\$0			\$0
(10) Other sales and services	\$0	\$434,381	\$0	\$0	\$0	\$147,462	\$581,843
(11) Investment income	\$0	\$0	\$0	\$0	(\$1,628)	\$0	(\$1,628)
(12) Gifts and donations	\$0	\$23,367	\$60,668	\$0	\$0	\$0	\$84,035
(13) Rental of facilities	\$0	\$265,837	\$148,984	\$0	\$0	\$0	\$414,821
(14) Gross school generated funds	\$0	\$1,024,587	\$0	\$0	\$0	\$0	\$1,024,587
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) Amortization of capital allocations	\$0	\$0	\$690,681	\$0	\$0	\$0	\$690,681
(17) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$2,698,958	\$22,655,087	\$4,013,766	\$1,042,756	\$1,334,648	\$147,462	\$31,892,677
<b>EXPENSES</b>							
(19) Certificated salaries	\$989,490	\$13,451,080			\$244,524	\$0	\$14,685,094
(20) Certificated benefits	\$145,476	\$1,532,448			\$17,536	\$0	\$1,695,460
(21) Non-certificated salaries and wages	\$874,504	\$2,731,569	\$1,218,506	\$0	\$564,280	\$0	\$5,388,859
(22) Non-certificated benefits	\$162,275	\$667,704	\$299,241	\$0	\$118,035	\$0	\$1,247,254
(23) SUB - TOTAL	\$2,171,744	\$18,382,801	\$1,517,747	\$0	\$944,375	\$0	\$23,016,667
(24) Services, contracts and supplies	\$656,770	\$2,001,861	\$1,099,780	\$1,029,962	\$379,718	\$0	\$5,168,091
(25) Gross school generated funds	\$0	\$1,024,587					\$1,024,587
(26) Amortization of capital assets	\$0	\$0	\$891,368	\$0	\$0	\$0	\$891,368
(27) Interest and charges	\$0	\$0	\$70,374	\$0	\$5,051	\$0	\$75,425
(28) Losses on disposal of capital assets	\$0	\$0	\$15,000	\$0	\$0	\$0	\$15,000
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$2,828,514	\$21,409,249	\$3,594,269	\$1,029,962	\$1,329,144	\$0	\$30,191,139
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$129,556)	\$1,245,838	\$419,496	\$12,794	\$5,504	\$147,462	\$1,701,538

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

<b>Unexpended SGF - Opening Balance August 31, 2009</b> (Note 1)			\$543,572
<b>Sources of School Generated Funds:</b>			
	<b>Gross SGF</b>	<b>Related Expenses</b>	<b>Net SGF</b>
Fundraising activities	\$619,674	\$283,835	\$335,839
Student fees (Non-Instructional) (Note 1)	\$239,175	\$0	\$239,175
Donations and grants to schools	\$172,275	\$0	\$172,275
Other (describe): Interest (\$652), Book Sale (\$638), Misc (\$3,4	\$5,006	\$0	\$5,006
<b>Net Additions to SGF</b>	\$1,036,131	\$283,835	\$752,296
<b>Net SGF Available</b>			\$1,295,868
<b>Uses of Net School Generated Funds:</b>			
Extra-curricular activities			\$632,531
Field Trips			\$82,478
Other (describe): Bank Chrgs (\$1,040), Donations(\$8,494), Furniture (\$15,613), Misc (\$595)			\$25,744
<b>Total Uses of Net SGF</b> (Note 2)			\$740,752
<b>Unexpended SGF - Closing Balance August 31, 2010</b> (Note 3)			\$555,116
<p>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.)</p> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>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 &amp; Expenses.</li> <li>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</li> </ol>			

**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	\$906,743	\$311,764	\$0	\$0	\$0		\$1,218,506		\$1,218,506
Uncertificated benefits	\$234,164	\$65,077	\$0	\$0	\$0		\$299,241		\$299,241
Sub-total Remuneration	\$1,140,906	\$376,841	\$0	\$0	\$0		\$1,517,747		\$1,517,747
Supplies and services	\$104,832	\$270,337	\$0	\$18,369	\$0		\$393,538		\$393,538
Electricity			\$400,466				\$400,466		\$400,466
Natural Gas/Heating Fuel			\$118,469				\$118,469		\$118,469
Sewer and Water			\$85,989				\$85,989		\$85,989
Telecommunications			\$0				\$0		\$0
Insurance					\$101,318		\$101,318		\$101,318
Amortization of capital assets									
Supported								\$690,681	\$690,681
Unsupported						\$200,687	\$200,687		\$200,687
Total Amortization						\$200,687	\$200,687	\$690,681	\$891,368
Interest on capital debt									
Supported								\$70,374	\$70,374
Unsupported									
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$1,245,738	\$647,178	\$604,924	\$18,369	\$101,318	\$215,687	\$2,833,214	\$761,055	\$3,594,269
<b>SQUARE METRES</b>									
School Buildings									37,701.2
Non School Buildings									1,547.0

**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.