

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

CONSEIL SCOLAIRE DU NORD-OUEST No. 1

Legal Name of School Jurisdiction

C.P. 1220, ST. ISIDORE, ALBERTA T0H3B0

Mailing Address

(780)624-8855 (780)624-8554

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of CONSEIL SCOLAIRE DU NORD-OUEST No. 1 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

CHANTAL MONFETTE

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

MARCEL LIZOTTE

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

CHANTAL COTE

Name

"ORIGINAL SIGNED"

Signature

25-Nov-10

Board-approved Release Date

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SYLVAIN & DORAN

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AUDITORS' REPORT

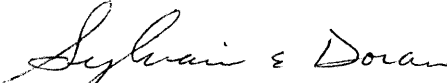
To the Board of Trustees,
REGIONAL AUTHORITY OF THE NORTHWEST
FRANCOPHONE EDUCATION REGION NO. 1

We have audited the statement of financial position of the Regional Authority of THE NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1 as at August 31, 2010 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2010 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Falher, Alberta
November 5, 2010


CERTIFIED GENERAL ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
as at August 31, 2010

(in dollars)

	2010	2009 (Note)
ASSETS		
Current assets		
Cash and temporary investments (Note 3)	\$2,258,178	\$2,960,704
Accounts receivable (net after allowances) (Note 4)	\$729,816	\$377,097
Prepaid expenses	\$68,460	\$101,303
Other current assets	\$29,003	\$25,291
Total current assets	\$3,085,457	\$3,464,395
School generated assets	\$82,010	\$70,644
Trust assets (Note 10)	\$107,576	\$58,706
Long term accounts receivable	\$0	\$0
Long term investments (Note 5)	\$17,926	\$17,913
Capital assets (Note 6)		
Land	\$150,000	\$175,000
Construction in Progress	\$0	\$86,527
Buildings	\$20,039,455	
Less: accumulated amortization	(\$2,867,468)	\$16,937,988
Equipment	\$131,553	
Less: accumulated amortization	(\$80,342)	\$51,211
Vehicles	\$273,090	
Less: accumulated amortization	(\$185,482)	\$87,608
Total capital assets	\$17,460,806	\$17,343,086
TOTAL ASSETS	\$20,753,775	\$20,954,744
LIABILITIES		
Current liabilities		
Bank indebtedness (Note 7)	\$0	\$0
Accounts payable and accrued liabilities (Note 8)	\$183,440	\$184,463
Deferred revenue (Note 9)	\$320,110	\$251,093
Deferred capital allocations (Note 12)	\$540,759	\$683,229
Current portion of long term debt	\$0	(\$13,133)
Total current liabilities	\$1,044,309	\$1,105,652
School generated liabilities	\$82,010	\$70,644
Trust liabilities (Note 10)	\$107,576	\$58,706
Employee future benefit liabilities	\$0	\$0
Long term debt (Note 11)		
Supported: Debentures and other supported debt	\$0	\$13,133
Less: Current portion	\$0	\$13,133
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations (Note 13)	\$16,952,418	\$16,773,083
Total long term liabilities	\$17,142,004	\$16,928,699
TOTAL LIABILITIES	\$18,186,313	\$18,034,351
NET ASSETS		
Unrestricted net assets	\$447,656	\$485,510
Operating Reserves (Note 14)	\$1,393,075	\$1,636,798
Accumulated Operating Surplus (Deficit)	\$1,840,731	\$2,122,308
Investment in capital assets	\$508,388	\$556,870
Capital Reserves (Note 14)	\$218,343	\$241,214
Total Capital Funds	\$726,731	\$798,084
Total net assets	\$2,567,462	\$2,920,392
TOTAL LIABILITIES AND NET ASSETS	\$20,753,775	\$20,954,743

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) 18	Actual 2009 (Note) Restated 19
REVENUES			
Government of Alberta	\$5,632,476	\$5,930,133	\$5,476,345
Federal Government and First Nations	\$205,373	\$155,627	\$193,233
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$14,675	\$17,155	\$14,933
Transportation fees	\$0	\$0	\$0
Other sales and services	\$7,414	\$0	\$8,221
Investment income	\$47,033	\$90,000	\$93,679
Gifts and donations	\$0	\$0	\$0
Rental of facilities	\$16,006	\$0	\$3,793
Gross school generated funds	\$207,189	\$0	\$169,183
Gains on disposal of capital assets	\$500	\$0	\$0
Amortization of capital allocations	\$572,235	\$261,348	\$470,344
Other revenue	\$0	\$0	\$0
Total Revenues	\$6,702,901	\$6,454,263	\$6,429,731
EXPENSES			
Certificated salaries (Note 20)	\$2,811,533	\$2,763,547	\$2,521,506
Certificated benefits (Note 20)	\$327,259	\$386,896	\$294,244
Non-certificated salaries and wages (Note 20)	\$821,774	\$735,675	\$794,093
Non-certificated benefits (Note 20)	\$152,643	\$90,662	\$151,181
Services, contracts and supplies	\$2,089,553	\$2,246,260	\$1,991,372
Gross school generated funds	\$207,189	\$0	\$169,183
Capital and debt services			
Amortization of capital assets			
Supported	\$572,235	\$261,348	\$470,344
Unsupported	\$39,911	\$5,479	\$26,696
Total Amortization of capital assets	\$612,146	\$266,827	\$497,040
Interest on capital debt			
Supported	\$1,527		\$4,544
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$1,527	\$0	\$4,544
Other interest and charges	\$765	\$0	\$1,580
Losses on disposal of capital assets	\$6,442	\$0	\$15,797
Other expense	\$0	\$0	\$0
Total Expenses	\$7,030,831	\$6,489,867	\$6,440,540
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$327,930)	(\$35,604)	(\$10,809)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$327,930)	(\$35,604)	(\$10,809)

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	(\$327,930)	(\$10,809)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$572,235)	(\$470,344)
Total amortization expense	\$612,146	\$497,040
Gains on disposal of capital assets	(\$500)	\$0
Losses on disposal of capital assets	\$6,442	\$15,797
Changes in:		
Accounts receivable	(\$352,719)	\$105,821
Prepays and other current assets	\$29,131	(\$45,827)
Long term accounts receivable	\$0	\$0
Long term investments	(\$13)	(\$217)
Accounts payable and accrued liabilities	(\$1,023)	(\$489,693)
Deferred revenue	\$69,017	\$30,678
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from Operations	(\$537,684)	(\$367,554)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$971,158)	(\$2,410,156)
Equipment	(\$31,716)	(\$19,843)
Vehicles	\$0	(\$105,638)
Net proceeds from disposal of capital assets	\$500	\$16,300
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$1,002,374)	(\$2,519,337)
C. FINANCING ACTIVITIES		
Capital allocations	\$837,532	\$1,051,221
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$13,133)	(\$26,382)
Add back: supported portion	\$13,133	\$26,382
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$837,532	\$1,051,221
Net cash flows from during the year	(\$702,526)	(\$1,835,670)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$2,960,704	\$4,796,374
Cash and temporary investments, net of bank indebtedness, at Aug. 31/10	\$2,258,178	\$2,960,704

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: 8050

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
	TOTAL NET ASSETS Cols. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	School & Instruction Related		Operations & Maintenance		Board & System Admin.		Transportation		External Services		
						Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	
Balance at August 31, 2009	\$2,920,392	\$556,870	\$485,510	\$1,636,798	\$241,214	\$1,115,987	\$112,508	\$142,000	\$0	\$0	\$0	\$360,000	\$128,706	\$18,811	\$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
Adjusted Balance, Aug. 31, 2009	\$2,920,392	\$556,870	\$485,510	\$1,636,798	\$241,214	\$1,115,987	\$112,508	\$142,000	\$0	\$0	\$0	\$360,000	\$128,706	\$18,811	\$0	
Excess (deficiency) of revenues over expenses	(\$327,930)		(\$327,930)													
Board funded capital additions		\$22,871	\$0	\$0	(\$22,871)	\$0	(\$22,871)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported capital assets	\$0	(\$6,442)	\$6,442		\$0		\$0		\$0		\$0		\$0		\$0	\$0
Disposal of supported capital assets (board funded portion)	\$0	(\$25,000)	\$0		\$0		\$0		\$0		\$0		\$0		\$0	\$0
Direct credits to net assets	\$0	\$0	\$0													
Amortization of capital assets		(\$612,146)	\$612,146													
Amortization of capital allocations		\$572,235	(\$572,235)													
Debt principal repayments (unsupported)		\$0	\$0													
Net transfers to operating reserves			(\$9,699)	\$9,699		\$0				\$9,699		\$0		\$0		\$0
Net transfers from operating reserves			\$253,422	(\$253,422)		(\$253,422)				\$0		\$0		\$0		\$0
Net transfers to capital reserves			\$0		\$0						\$0		\$0		\$0	\$0
Net transfers from capital reserves			\$0		\$0						\$0		\$0		\$0	\$0
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2010	\$2,592,462	\$508,388	\$447,656	\$1,393,075	\$218,343	\$862,565	\$89,637	\$142,000	\$0	\$9,699	\$0	\$360,000	\$128,706	\$18,811	\$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	\$683,229	\$16,773,083
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2009	\$683,229	\$16,773,083
Add:		
Restricted capital allocations from:		
Alberta Education including school and modular projects	\$296,774	
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	\$540,758	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$13,133
Expended capital allocations - current year	(\$980,002)	\$980,002
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$241,565
Capital allocations amortized to revenue		\$572,235
Balance at August 31, 2010	\$540,759	\$16,952,418

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

REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS
For the year ended August 31, 2010

1. AUTHORITY AND PURPOSE

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Revenue Recognition

Revenue is recognized as follows:

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

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

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

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

**REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**
For the year ended August 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - con't

b) Capital Assets

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

Buildings - masonry and cement	2.5%
- wood frame or renovations	4.0%
Building site improvements	5.0%
Vehicles & buses	10.0%
Equipment	20.0%

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) School Generated Funds

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

d) Vacation Pay

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

e) Pensions

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 Regional Authority of the Northwest Francophone Education Region No. 1 does not make pension contributions for certificated staff.

f) Inventories

Inventories are recorded at the lower of cost or net realizable value on a first in first out basis.

g) 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 fall into this category.

**REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**

For the year ended August 31, 2010

h) 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.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 (2) (d) of the School Act.

j) Operating and Capital Reserves

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

k) Investments

Long-term investments in co-operatives (member's equity) are not held for trading and do not trade in an active market and are, therefore, measured at cost.

Held for trading investments are recognized in the balance sheet at fair value. The fair values of the recognized investments are determined based on available market information. Realized investment income and unrealized gain and losses are reported in the Statement of Revenues and Expenses.

l) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

**REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**

For the year ended August 31, 2010

3. CASH AND TEMPORARY INVESTMENTS

	2010		2009	
	Cost	Fair Value	Cost	Fair Value
	\$	\$	\$	\$
Cash on hand	1,200	1,200	1,200	1,200
Cash in bank - current	953,820	953,820	986,593	986,593
- savings	-	-	2,265	2,265
Short-term deposits in bank	1,303,158	1,303,158	1,970,646	1,970,646
Cash and cash equivalents	2,258,178	2,258,178	2,960,704	2,960,704
Fixed income securities	-	-	-	-
Total cash and temporary investments	2,258,178	2,258,178	2,960,704	2,960,704

4. ACCOUNTS RECEIVABLE

	2010	2009
	\$	\$
Alberta Education	494,860	205,694
Province of Alberta - federal language program	143,681	68,317
Federal government	41,697	40,679
Alberta municipalities	-	-
Other Alberta school jurisdictions	8,350	-
Other	41,228	62,407
	729,816	377,097

5. LONG TERM INVESTMENTS

	2010		2009	
	Cost	Fair Value	Cost	Fair Value
	\$	\$	\$	\$
A.A.M.D.&C. equity	358	358	355	355
Horizon Credit Union equity	10,000	10,000	10,000	10,000
Girouxville Co-op equity	516	516	516	516
St. Isidore Co-op equity	7,052	7,052	7,042	7,042
	17,926	17,926	17,913	17,913

The above investments are all equity in a co-operative and thus have no expected market yield. Patronage dividends based on purchases will vary from year to year.

**REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**
For the year ended August 31, 2010

6. CAPITAL ASSETS AND ACCUMULATED AMORTIZATION

	2009			2010
	\$ Cost	\$ Additions	\$ Disposals	\$ Cost
CAPITAL ASSETS				
Land	175,000	-	25,000	150,000
Buildings	19,460,760	971,158	392,463	20,039,455
Equipment	149,559	31,716	49,722	131,553
Vehicles	327,187	-	54,097	273,090
	<u>20,112,506</u>	<u>1,002,874</u>	<u>521,282</u>	<u>20,594,098</u>
ACCUMULATED AMORTIZATION	Balance	Additions	Deductions	Balance
Buildings	2,436,245	582,121	150,898	2,867,468
Equipment	107,561	16,061	43,280	80,342
Vehicles	225,614	13,965	54,097	185,482
	<u>2,769,420</u>	<u>612,147</u>	<u>248,275</u>	<u>3,133,292</u>
Net book value	<u>17,343,086</u>			<u>17,460,806</u>

The cost of buildings above includes construction in progress as follows:

	2010	2009
	\$	\$
September 1 balance	86,527	8,241,158
Current year construction costs	971,157	2,410,156
Transfers out (building now in use)	(1,057,684)	(10,564,787)
August 31 balance	<u>-</u>	<u>86,527</u>

7. BANK INDEBTEDNESS

The jurisdiction has negotiated an overdraft protection agreement in the amount of \$140,000 that bears interest at the bank prime rate + 1.0%. This overdraft agreement is secured by funds held in term deposits. There was no balance outstanding on the overdraft agreement at August 31, 2010.

8. ACCOUNTS PAYABLE AND LIABILITIES

	2010	2009
	\$	\$
Province of Alberta	9,934	-
Federal government	-	-
Alberta municipalities	-	-
Other Alberta school jurisdictions	13,812	2,464
Other trade payables and accrued liabilities	159,694	181,999
	<u>183,440</u>	<u>184,463</u>

**REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**
For the year ended August 31, 2010

9. DEFFERED REVENUE

GRANT - SOURCE AND TYPE	2009		2010	
	\$ Aug. 31	\$ Received	\$ Expended	\$ Aug. 31
Alta Education Operational				
Alta Initiative for School Imp.	3,371	41,529	28,122	16,778
Infrastructure Maintenance Ren.	238,860	80,802	30,176	289,486
Small Class Size Initiative	-	51,893	44,104	7,789
School Bus Safety	4,000	-	4,000	-
SuperNet Service	-	19,216	19,216	-
	246,231	193,440	125,618	314,053
Other deferred revenue				
Interest earned on IMR advances	4,862	1,195	-	6,057
Total	251,093	194,635	125,618	320,110

10. TRUST ASSET AND LIABILITIES

Beginning in September of 2006, this jurisdiction has assumed administrative duties of C.E.F.F.A. (Conseil Pour l'Education de la Foi Catholique Chez les Francophones de l'Alberta), a non-profit organization. The end of year balance represents cash that is held in trust by the jurisdiction.

	2010	2009
	\$	\$
Balance, beginning of year	58,706	61,520
Add: transfer from previous sponsoring jurisdiction	-	-
received from member organizations	128,211	72,245
Less: disbursements	(79,341)	(75,059)
Balance, end of year	107,576	58,706

11. LONG TERM DEBT

a) Debenture debt - supported

The debenture debt bore interest at a rate of 11.625%. The debenture debt was fully supported by Alberta Finance and was fully repaid in the April of 2010.

b) Capital leases - unsupported

Currently, there are no capital leases held by the jurisdiction.

REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS
For the year ended August 31, 2010

12. DEFERRED CAPITAL ALLOCATIONS

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

13. 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.

14. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

	2009			2010
	Balance	Appropriated	Utilized	Balance
	\$	\$	\$	\$
Operating				
School - instruction	1,115,987	-	253,422	862,565
School - operation and maintenance	142,000	-	-	142,000
System administration	-	9,699	-	9,699
Transportation	360,000	-	-	360,000
External services	18,811	-	-	18,811
	<u>1,636,798</u>	<u>9,699</u>	<u>253,422</u>	<u>1,393,075</u>
Capital				
Land	-	-	-	-
Buildings	-	-	-	-
Equipment	112,508	-	22,871	89,637
Vehicles	128,706	-	-	128,706
	<u>241,214</u>	<u>-</u>	<u>22,871</u>	<u>218,343</u>
	<u>1,878,012</u>	<u>9,699</u>	<u>276,293</u>	<u>1,611,418</u>

**REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**

For the year ended August 31, 2010

15. COMMITMENTS

- a) An operating lease agreement for a Aficio MP 400B photocopier was signed in June 2009. The quarterly lease payments of \$996.36 plus G.S.T. total \$19,927.2 over a sixty month period (last payment due April, 2014).
- b) An operating lease agreement for office space was signed in October, 2008. The annual lease payments of \$16,000 total \$48,000 over a three year period (lease in effect to August 31, 2011).
- c) The jurisdiction is committed to further capital expenditures for the completion of the furnishing and construction of a new school in Grande Prairie for approximately \$210,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.
- d) The jurisdiction is committed to further capital expenditures for the completion of the modernisation of Ecole Heritage school in Falher for approximately \$97,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Regional Authority of the Northwest Francophone Education Region No. 1 primary source of income is from the Alberta Government. The Regional Authority's ability to continue viable operations is dependent on this funding.

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 other school jurisdictions of Alberta.

2009-2010	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Government of Alberta:				
Education	494,860	9,934	5,630,949	-
Finance	-	-	1,527	-
Other Alta Gov't Depts.	-	-	-	-
Other related parties	8,350	13,812	-	-
TOTAL 2009-2010	503,210	23,746	5,632,476	-
TOTAL 2008-2009	274,011	2,464	5,476,345	-

**REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**
For the year ended August 31, 2010

18. BUDGET AMOUNTS

The revised budget was prepared by the school jurisdiction management with Board of Trustees approval on October 28, 2009. It is presented for information purposes only and has not been audited.

19. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to actual 2010 presentation. School generated funds revenues and expenditures for 2009 have been restated at the gross amount. In the previous year statement they had stated at an amount net of related costs.

**REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE
EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**
For the year ended August 31, 2010

20. RENUMERATION AND MONETARY INCENTIVES

The Regional Authority of Northwest Francophone Education Region No. 1 had paid or accrued expenses for the year ended August 31, 2010 to or on behalf of the following positions and persons in groups as follows:

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's /Other	Total	Expenses
Chairperson:								
Chantal Monfette	1.0	\$10,925		\$0			\$10,925	\$7,150
Other Members:								
Claire Anctil	1.0	\$6,750	\$2,925	\$0			\$9,675	\$5,026
Marc Tardif	1.0	\$3,940	\$2,925	\$0			\$6,865	\$3,745
Mario Paradis	1.0	\$5,015		\$0			\$5,015	\$4,991
Kay Glenn	1.0	\$3,622		\$0			\$3,622	\$2,003
Subtotal	5.0	\$30,252	\$5,850	\$0			\$36,102	\$22,915
Superintendent								
Superintendent	1.0	\$100,368	\$11,887	\$0	\$0	\$0	\$112,255	\$24,308
Secretary/Treasurer								
Secretary/Treasurer	1.0	\$85,312	\$8,078	\$0	\$0	\$0	\$93,390	\$2,022
Board Secretary								
Board Secretary	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer								
Board Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Salaries								
Certificated Salaries	33.3	\$2,711,165	\$315,372	\$0	\$0	\$0	\$3,026,537	
Uncertificated Salaries								
Uncertificated Salaries	19.1	\$706,210	\$138,715	\$0	\$0	\$0	\$844,925	
TOTALS								
		\$3,633,307	\$479,902	\$0	\$0	\$0	\$4,113,209	

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

CONSEIL SCOLAIRE DU NORD-OUEST No.1

Legal Name of School Jurisdiction

C.P. 1220, ST. ISIDORE, ALBERTA T0H 3B0

Mailing Address

(780)624-8855 (780)624-8554

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

CHANTAL COTE

Name

"ORIGINAL SIGNED"

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

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SCHEDULE A

School Jurisdiction Code: 8050

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	\$146,163	\$3,406,185	\$825,467	\$791,540	\$461,594	\$0	\$5,630,949
(2) Other - Government of Alberta	\$0	\$0	\$1,527	\$0	\$0	\$0	\$1,527
(3) Federal Government and First Nations	\$98,648	\$106,725	\$0	\$0	\$0	\$0	\$205,373
(4) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) Instruction resource fees	\$0	\$14,675	\$0	\$0	\$0	\$0	\$14,675
(8) Transportation fees-ECS				\$0			\$0
(9) Transportation fees-Grades 1-12				\$0			\$0
(10) Other sales and services	\$0	\$0	\$1,152	\$6,262	\$0	\$0	\$7,414
(11) Investment income	\$0	\$47,033	\$0	\$0	\$0	\$0	\$47,033
(12) Gifts and donations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) Rental of facilities	\$0	\$0	\$16,006	\$0	\$0	\$0	\$16,006
(14) Gross school generated funds	\$0	\$207,189	\$0	\$0	\$0	\$0	\$207,189
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$500	\$0	\$0	\$500
(16) Amortization of capital allocations	\$0	\$0	\$572,235	\$0	\$0	\$0	\$572,235
(17) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$244,811	\$3,781,807	\$1,416,387	\$798,302	\$461,594	\$0	\$6,702,901
EXPENSES							
(19) Certificated salaries	\$204,710	\$2,506,455			\$100,368	\$0	\$2,811,533
(20) Certificated benefits	\$18,871	\$296,501			\$11,887	\$0	\$327,259
(21) Non-certificated salaries and wages	\$54,207	\$552,613	\$33,970	\$36,023	\$144,961	\$0	\$821,774
(22) Non-certificated benefits	\$9,786	\$105,586	\$5,293	\$5,588	\$26,390	\$0	\$152,643
(23) SUB - TOTAL	\$287,574	\$3,461,155	\$39,263	\$41,611	\$283,606	\$0	\$4,113,209
(24) Services, contracts and supplies	\$10,308	\$559,887	\$625,649	\$727,581	\$166,128	\$0	\$2,089,553
(25) Gross school generated funds	\$0	\$207,189					\$207,189
(26) Amortization of capital assets	\$0	\$11,597	\$585,189	\$13,964	\$1,396	\$0	\$612,146
(27) Interest and charges	\$0	\$0	\$1,527	\$0	\$765	\$0	\$2,292
(28) Losses on disposal of capital assets	\$0	\$6,442	\$0	\$0	\$0	\$0	\$6,442
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$297,862	\$4,246,270	\$1,251,628	\$783,156	\$451,895	\$0	\$7,030,831
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$53,071)	(\$464,463)	\$164,759	\$15,146	\$9,699	\$0	(\$327,930)

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

Unexpended SGF - Opening Balance August 31, 2009 (Note 1)			\$70,644
Sources of School Generated Funds:			
	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$112,981	\$97,020	\$15,961
Student fees (Non-Instructional) (Note 1)	\$70,295	\$0	\$70,295
Donations and grants to schools	\$35,279	\$0	\$35,279
Other (describe):	\$0	\$0	\$0
Net Additions to SGF	\$218,555	\$97,020	\$121,535
Net SGF Available			\$192,179
Uses of Net School Generated Funds:			
Extra-curricular activities			\$40,725
Field Trips			\$24,297
Other (describe): School beautification, family literacy, equipment			\$45,147
Total Uses of Net SGF (Note 2)			\$110,169
Unexpended SGF - Closing Balance August 31, 2010 (Note 3)			\$82,010

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	\$0	\$0	\$0	\$33,970		\$33,970		\$33,970
Uncertificated benefits	\$0	\$0	\$0	\$0	\$5,293		\$5,293		\$5,293
Sub-total Remuneration	\$0	\$0	\$0	\$0	\$39,263		\$39,263		\$39,263
Supplies and services	\$301,267	\$116,041	\$0	\$27,407	\$6,500		\$451,215		\$451,215
Electricity			\$78,313				\$78,313		\$78,313
Natural Gas/Heating Fuel			\$65,231				\$65,231		\$65,231
Sewer and Water			\$20,238				\$20,238		\$20,238
Telecommunications			\$0				\$0		\$0
Insurance					\$10,652		\$10,652		\$10,652
Amortization of capital assets									
Supported								\$572,235	\$572,235
Unsupported						\$12,954	\$12,954		\$12,954
Total Amortization						\$12,954	\$12,954	\$572,235	\$585,189
Interest on capital debt									
Supported								\$1,527	\$1,527
Unsupported									
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$301,267	\$116,041	\$163,782	\$27,407	\$56,415	\$12,954	\$677,866	\$573,762	\$1,251,628
SQUARE METRES									
School Buildings									10,831.0
Non School Buildings									0.0

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.