

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

The Board of Trustees of the Red Deer Public School District No. 104

Legal Name of School Jurisdiction

4747 53rd Street, Red Deer, Alberta, T4N 2E6

Mailing Address

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of The Board of Trustees of the Red Deer Public School District No. 104 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

Mr. L. Lee

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Mr. P Langstraat

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

M. C. McClintock

Name

"ORIGINAL SIGNED"

Signature

24-Nov-10

Board-approved Release Date

TABLE OF CONTENTS

	Page
AUDITORS' REPORT INSERT	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF REVENUES AND EXPENSES	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGES IN NET ASSETS	7
STATEMENT OF CAPITAL ALLOCATIONS	8
NOTES TO THE FINANCIAL STATEMENTS INSERT	9

AUDITORS' REPORT

To the Board of Trustees of Red Deer Public School District No. 104

We have audited the statement of financial position of the Board of Trustees of the Red Deer Public School District No. 104 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 an audit to obtain reasonable assurance 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.

Red Deer, Alberta
November 1, 2010

Collins Barrow
Red Deer LLP
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
as at August 31, 2010

(in dollars)

	2010	2009 (Note) Restated
ASSETS		
Current assets		
Cash and temporary investments (Note x)	\$12,800,532	\$14,638,071
Accounts receivable (net after allowances) (Note x)	\$1,564,519	\$3,234,296
Prepaid expenses (Note x)	\$203,917	\$248,939
Other current assets (Note x)	\$429,790	\$409,825
Total current assets	\$14,998,757	\$18,531,131
School generated assets		
Trust assets (Note x)	\$319,959	\$370,660
Long term accounts receivable (Note x)	\$0	\$0
Long term investments (Note x)	\$87,201	\$49,227
Capital assets (Note x)		
Land	\$1,416,015	\$1,416,015
Construction in Progress	\$0	\$0
Buildings	\$122,238,702	
Less: accumulated amortization	(\$53,709,777)	\$65,920,105
Equipment	\$15,475,836	
Less: accumulated amortization	(\$11,727,746)	\$3,448,810
Vehicles	\$1,642,618	
Less: accumulated amortization	(\$785,554)	\$620,887
Total capital assets	\$74,550,093	\$71,405,817
TOTAL ASSETS	\$91,381,302	\$91,708,227
LIABILITIES		
Current liabilities		
Bank indebtedness (Note x)	\$0	\$0
Accounts payable and accrued liabilities (Note x)	\$3,177,566	\$4,694,133
Deferred revenue (Note x)	\$2,772,304	\$3,924,789
Deferred capital allocations (Note x)	\$662,103	\$1,332,978
Current portion of long term debt	\$1,426,733	\$1,576,963
Total current liabilities	\$8,038,706	\$11,528,863
School generated liabilities		
Trust liabilities (Note x)	\$319,959	\$370,660
Employee future benefit liabilities (Note x)		\$87,000
Long term debt (Note x)		
Supported: Debentures and other supported debt	\$5,021,689	\$6,598,652
Less: Current portion	(\$1,426,733)	(\$1,576,963)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities (Note x)	\$0	\$0
Unamortized capital allocations (Note x)	\$60,106,364	\$57,069,092
Total long term liabilities	\$65,446,572	\$63,899,833
TOTAL LIABILITIES	\$73,485,277	\$75,428,696
NET ASSETS		
Unrestricted net assets	\$1,850,111	\$1,891,994
Operating Reserves	\$6,275,258	\$6,021,074
Accumulated Operating Surplus (Deficit)	\$8,125,369	\$7,913,068
Investment in capital assets	\$9,422,040	\$7,738,074
Capital Reserves	\$348,615	\$628,389
Total Capital Funds	\$9,770,655	\$8,366,463
Total net assets	\$17,896,024	\$16,279,531
TOTAL LIABILITIES AND NET ASSETS	\$91,381,302	\$91,708,227

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 (Note)
REVENUES			
Government of Alberta	\$88,069,411	\$92,772,443	\$84,169,781
Federal Government and First Nations	\$122,197	\$118,261	\$143,773
Other Alberta school authorities	\$182,370	\$346,364	\$201,530
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$1,484,582	\$1,440,045	\$1,656,808
Transportation fees	\$231,415	\$192,750	\$238,837
Other sales and services	\$2,637,920	\$1,235,592	\$2,579,151
Investment income	\$101,041	\$80,000	\$246,350
Gifts and donations	\$40,833	\$0	\$109,627
Rental of facilities	\$111,039	\$44,000	\$107,184
Gross school generated funds	\$2,757,966	\$1,152,560	\$568,844
Gains on disposal of capital assets	\$5,819	\$0	\$0
Amortization of capital allocations	\$3,549,075	\$0	\$3,408,500
Other revenue	\$82,324	\$0	\$0
Total Revenues	\$99,375,993	\$97,382,015	\$93,430,385
EXPENSES			
Certificated salaries (Note x)	\$47,821,008	\$47,126,266	\$45,891,210
Certificated benefits (Note x)	\$7,083,765	\$6,905,567	\$6,950,986
Non-certificated salaries and wages (Note x)	\$14,545,271	\$14,858,398	\$14,352,643
Non-certificated benefits (Note x)	\$2,488,455	\$3,714,600	\$2,327,438
Services, contracts and supplies	\$17,614,562	\$21,592,287	\$18,135,614
Gross school generated funds	\$2,757,966	\$1,152,560	\$568,844
Capital and debt services			
Amortization of capital assets			
Supported	\$3,549,075	\$0	\$3,408,500
Unsupported	\$1,274,169	\$1,291,718	\$1,032,153
Total Amortization of capital assets	\$4,823,244	\$1,291,718	\$4,440,653
Interest on capital debt			
Supported	\$524,949	\$1,576,963	\$676,898
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$524,949	\$1,576,963	\$676,898
Other interest and charges	\$22,653	\$15,150	\$14,225
Losses on disposal of capital assets	\$77,627	\$0	\$8,903
Other expense	\$0	\$0	\$0
Total Expenses	\$97,759,500	\$98,233,509	\$93,367,414
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$1,616,493	(\$851,494)	\$62,971
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,616,493	(\$851,494)	\$62,971

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	\$1,616,493	\$62,971
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$3,549,075)	(\$3,408,500)
Total amortization expense	\$4,823,244	\$4,440,653
Gains on disposal of capital assets	(\$5,819)	\$0
Losses on disposal of capital assets	\$77,627	\$8,903
Changes in:		
Accounts receivable	\$1,669,777	(\$1,684,470)
Prepays and other current assets	\$25,058	\$170,789
Long term accounts receivable	\$0	\$0
Long term investments	(\$37,974)	(\$20,591)
Accounts payable and accrued liabilities	(\$1,516,567)	\$2,151,280
Deferred revenue	(\$1,152,485)	(\$386,758)
Employee future benefit liabilities	(\$87,000)	\$60,700
Other (describe)	\$0	
Total cash flows from Operations	\$1,863,279	\$1,394,977
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$6,553,491)	(\$7,907,975)
Equipment	(\$1,294,651)	(\$1,260,767)
Vehicles	(\$401,740)	(\$322,439)
Net proceeds from disposal of capital assets	\$81,001	\$178,924
Other (describe)		\$0
Total cash flows from Investing activities	(\$8,168,882)	(\$9,312,257)
C. FINANCING ACTIVITIES		
Capital allocations	\$4,468,064	\$9,094,845
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$1,576,963)	(\$1,652,231)
Add back: supported portion	\$1,576,963	\$1,652,230
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$4,468,064	\$9,094,844
Net cash flows from during the year	(\$1,837,539)	\$1,177,564
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$14,638,071	\$13,460,507
Cash and temporary investments, net of bank indebtedness, at Aug. 31/10	\$12,800,532	\$14,638,071

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: 3070

(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	\$16,279,531	\$7,738,074	\$2,070,916	\$6,021,074	\$449,467	\$0	\$1,644,725	\$70,467	\$2,450,843	\$47,000	\$300,000	\$332,000	\$0	\$0	
Prior period adjustments (describe)															
Reallocation of disposal of unsupported capital assets	\$0		(\$178,922)	\$0	\$178,922	\$0	\$0	\$178,922	\$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	\$16,279,531	\$7,738,074	\$1,891,994	\$6,021,074	\$628,389	\$0	\$1,644,725	\$249,389	\$2,450,843	\$47,000	\$300,000	\$332,000	\$0	\$0	
Excess (deficiency) of revenues over expenses	\$1,616,493		\$1,616,493												
Board funded capital additions		\$3,110,943	(\$1,598,891)	(\$1,132,052)	(\$380,000)	\$0	(\$220,044)	(\$200,000)	(\$912,008)	\$0		(\$180,000)	\$0	\$0	
Disposal of unsupported capital assets	\$0	(\$152,809)	\$71,808		\$81,001	\$0		\$81,001		\$0		\$0		\$0	
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0		\$0		\$0		\$0		\$0	
Direct credits to net assets	\$0	\$0	\$0												
Amortization of capital assets		(\$4,823,244)	\$4,823,244												
Amortization of capital allocations		\$3,549,075	(\$3,549,075)												
Debt principal repayments (unsupported)		\$0	\$0												
Net transfers to operating reserves			(\$3,011,743)	\$3,011,743		\$2,155,368	\$656,375				\$0		\$0		
Net transfers from operating reserves			\$1,625,507	(\$1,625,507)		(\$1,625,507)			\$0		\$0		\$0		
Net transfers to capital reserves			(\$19,225)		\$19,225	\$0		\$12,250		\$6,975				\$0	
Net transfers from capital reserves			\$0		\$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	
Balance at August 31, 2010	\$17,896,024	\$9,422,040	\$1,850,111	\$6,275,258	\$348,615	\$0	\$2,281,056	\$142,640	\$1,538,835	\$53,975	\$300,000	\$152,000	\$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	\$1,332,978	\$57,069,092
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2009	\$1,332,978	\$57,069,092
Add:		
Restricted capital allocations from: Alberta Education including school and modular projects	\$2,764,095	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$1,597,325	
Interest earned on provincial government capital allocations	\$9,143	
Other capital grants and donations	\$97,500	
Net proceeds on disposal of supported capital assets	\$0	
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		\$1,576,963
Expended capital allocations - current year	(\$5,138,939)	\$5,138,939
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$129,554
Capital allocations amortized to revenue		\$3,549,075
Balance at August 31, 2010	\$662,103	\$60,106,364

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

**THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104**
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010

1. AUTHORITY AND PURPOSE

The Board of Trustees of the Red Deer Public School District No. 104 ("the 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 jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). 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:

Revenue Recognition

The jurisdiction recognizes revenue using the deferral method in which revenue is recognized as follows:

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

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

Capital allocations represent externally restricted supported capital funds and are recorded as deferred capital allocations until the amount is invested in capital assets. Amounts invested in capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded. The related portion of amortization expense and the deferred capital contribution revenues are matched to indicate that the related amortization expense has been funded.

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 funds to be retained as net assets are recorded as direct increases to trust assets and liabilities.

Measurement Uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of estimates include: obligation under the Supplemental Executive Retirement Plan (SERP), amortization of capital assets and unamortized capital allocations. Actual results may differ from management's best estimates as additional information becomes available in the future.

Cash and Cash Equivalents

Cash and temporary investments includes cash and temporary investments with maturities of three months or less and bank indebtedness that is utilized periodically for day to day operations.

THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL DISTRICT NO. 104

NOTES TO THE FINANCIAL STATEMENTS

August 31, 2010

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 fall into this category.

Inventories (Included in other current assets)

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a standard cost basis.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the jurisdiction. These are funds in the community, which come under the control and responsibility of the school principals and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level.

Capital Assets

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

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Capital assets with costs in excess of \$5,000 are capitalized. No amortization is taken in the year of acquisition. Amortization is taken for the months that the asset is in use during the year of disposal.

Vacation Pay

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

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 for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Contributed Services

Volunteers assist schools operated by the School District in carrying out certain activities. Because of the difficulty in determining fair value and the fact such assistance is not otherwise purchased; contributed services are not recognized in the financial statements.

**THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee Future Benefits

The jurisdiction participates in the Local Authorities Pension Plan (LAPP). This pension plan is a multi-employer defined benefit pension plan that provides pensions for the jurisdiction's participating employees, based on years of service and earnings. The jurisdiction's portion of LAPP's deficit is not recorded.

The jurisdiction also participates in a Supplemental Executive Retirement Plan (SERP) for certain employees of the jurisdiction. The plan supplements the benefits received under the LAPP in Alberta. The plan is a defined benefit plan, and consists of a registered and non-registered component. Both components provide benefits based on years of service and earnings. The registered component of the plan is responsible for any plan deficits. The unregistered component is unfunded and the liability is determined by an actuarial valuation using estimates described in note 10.

Pension costs are disclosed as a part of the certified and uncertified benefits and are comprised of the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the LAPP and SERP.

Financial Instruments

The Jurisdiction has chose to apply CICA Handbook Section 3861 "Financial Instruments - Disclosures and Presentations" in place of section 3862 "Financial Instruments - Disclosures" and section 3863 "Financial Instruments - Presentations".

The Jurisdiction has classified its significant financial assets and liabilities as follows:

- Cash, temporary and long-term investments are classified as held for trading which are measured at fair value;
- Accounts receivable is classified as loans and receivables, which is measured initially at fair value and subsequently at amortized cost;
- Accounts payable and accrued liabilities and long term debt are classified as other liabilities which are measured initially at fair value and subsequently at amortized cost.

3. CASH

Included in cash is \$1,730,007 (2009 - \$1,874,076) restricted to be used for the Central Alberta Regional Consortium, \$150,000 restricted to be used for the Invention services special project and \$271,326 (2009 - \$1,672,446) unutilized Alberta Infrastructure Maintenance Renewal (IMR) funding.

4. ACCOUNTS RECEIVABLE

	2010	2009
Province of Alberta	\$ 926,914	\$ 1,320,800
Federal Government	215,872	262,901
Alberta Municipalities	243,392	1,502,675
Other	178,341	147,920
	\$ 1,564,519	\$ 3,234,296

**THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010**

5. TRUST ASSETS

	2010	2009
Deferred salary leave plan	\$ 313,088	\$ 363,313
Deferred salary retirement plan	6,871	7,347
	\$ 319,959	\$ 370,660

6. CAPITAL ASSETS

	Land	Buildings	Equipment	Vehicles	Total Aug. 31, 2010	Total Aug. 31, 2009
Cost						
September 1, 2009	1,416,015	116,757,681	14,181,185	1,339,604	133,694,485	124,417,336
Additions	-	6,553,491	1,294,651	401,740	8,249,882	9,491,179
Less disposals including write-offs	-	(1,072,470)	-	(98,728)	(1,171,198)	(214,030)
August 31, 2010	1,416,015	122,238,702	15,475,836	1,642,616	140,773,169	133,694,485
Accumulated amortization						
September 1, 2009	-	50,837,576	10,732,375	718,717	62,288,668	57,874,220
Amortization expense	-	3,741,832	995,371	86,041	4,823,244	4,440,653
Effect of disposals	-	(869,631)	-	(19,204)	(888,835)	(26,205)
August 31, 2010	-	53,709,777	11,727,746	785,554	66,223,077	62,288,668
Net Book Value at August 31, 2010	1,416,015	68,528,925	3,748,090	857,062	74,550,092	71,405,817

7. BANK INDEBTEDNESS

The School District maintains an undrawn revolving credit facility with an authorized limit of \$4,000,000 bearing interest at bank prime rate (currently 3%) less 0.5%. Collateral is provided by a general assignment of book debts.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2010	2009
Province of Alberta	\$ 284,507	\$ 550,851
Federal Government	112,343	-
Alberta Municipalities	15,397	-
Other Alberta School Jurisdictions	-	38,850
Other trade payables and accrued liabilities	2,765,319	4,104,432
	\$ 3,177,566	\$ 4,694,133

**THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010**

9. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2009	2009/2010 Restricted Funds Received/ Receivable	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:					
Infrastructure Maintenance Renewal	1,672,448	1,625,403	(3,026,525)	-	271,326
Regional Consortium	1,874,076	188,223	(332,292)	-	1,730,007
Intervention Services - Special Projects	-	150,000	-	-	150,000
Other Deferred Revenue:					
Family School Wellness Program	30,510	227,992	(218,215)	-	40,287
Other	347,755	780,399	(547,468)	-	580,686
	\$3,924,789	\$2,972,017	(\$4,124,500)	\$ -	\$2,772,306

10. EMPLOYEE FUTURE BENEFITS

The pension expense recorded in these financial statements for the Local Authorities Pension Plan is equivalent to the jurisdiction's annual contributions of \$1,210,701 for the year ended August 31, 2010 (2009 - \$1,088,623).

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 Jurisdiction is required to make current service contributions to the plan of 9.06% of the pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 12.53% for the excess. Employees of the Jurisdiction are required to make current service contributions 8.06% of pensionable salary up to the year's maximum pensionable salary and 11.53% on pensionable salary above this amount.

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 jurisdiction does not make pension contributions for certificated staff.

The pension expense recorded in these financial statements for the Supplemental Executive Retirement Plan (SERP) is \$69,211 (2009 - \$54,807).

The accrued benefit obligation (asset) for the non-registered component of SERP at August 31, 2010 is (\$4,400) (2009 - \$87,000). The asset has been recorded in these financial statements as part of prepaid expenses. The benefit was calculated using the projected accrued benefit cost method with pro-ration on service.

**THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010**

10. EMPLOYEE FUTURE BENEFITS (continued)

The actuarial assumptions used in calculating this benefit are as follows:

Expected average remaining service life	11 years
Assumed discount rate on liabilities	6.0%
Weighted average expected increase in salaries	4.0%
Retirement age	60 years

Yearly Maximum Pensionable Earnings of \$47,200 for 2010 (2009 - \$46,300) is estimated to increase by 3.25% per year.

The plan is a defined benefit plan. Yearly benefits will be calculated as 1.4% of the participant's final average earnings up to the average yearly maximum pensionable earnings, plus 2.0% of the participant's final average earnings in excess of the average yearly maximum pensionable earnings adjusted for early retirement and pensionable service time.

The retirement benefit cost to the district for 2010 is \$49,700 (2009 - \$60,700).

11. LONG-TERM DEBT

	2010	2009
Supported debentures with initial terms of 20 years maturing 2011 to 2015, with interest rates varying between 7 1/2% and 12% repayable in annual installments of principal and interest. The debenture debt is fully supported by Alberta Finance.	\$ 5,021,689	\$ 6,598,652
Less amount due within one year	1,426,733	1,576,963
	\$ 3,954,956	\$ 5,021,689

Principal repayments estimated for the next five years are as follows:

2011	1,426,733
2012	1,326,717
2013	1,228,117
2014	592,311
2015	447,811
	\$ 5,021,689

THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010

12. FINANCIAL RISK MANAGEMENT

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, long-term investment, accounts payable and accrued liabilities, and long-term debt. The fair value of these financial instruments approximates their carrying value, unless otherwise noted. It is management's opinion that the jurisdiction is not exposed to significant price, credit, liquidity or cash flow risks arising from these financial instruments except as follows:

Credit risk

The school jurisdiction is exposed to credit risk as it grants credit to its customers/parents in the normal course of business. To mitigate this risk the jurisdiction regularly reviews its accounts receivable list.

Interest rate risk

The school jurisdiction is exposed to interest rate price risk as the long-term debt bears interest at fixed rates. This risk is mitigated as the long-term debt is fully supported by Alberta Education.

Fair value

Fair value of long-term debt is not disclosed since the repayment of principal and interest is supported by Alberta Education.

Capital

The components of the Jurisdiction's net assets are described below. As legislated under the Alberta School Act and Income Tax Act the Jurisdiction's capital is restricted in that it may not be distributed to its parents, students or other stakeholders. The jurisdiction's capital is also restricted as described below. During the year the jurisdiction was in compliance with the restrictions on the use of its capital.

(a) Accumulated Operating Surplus

As at August 31, 2010, the Jurisdiction has accumulated unrestricted and internally restricted net assets of \$8,125,370 (2009 - \$7,913,068) comprised of the following:

(i) Unrestricted Net Assets

Unrestricted net assets represent the aggregation of successive years' annual operating surpluses available to the Jurisdictions Board of Trustee's and management in maintaining the organizations daily operations.

During the 2010 fiscal year the jurisdiction utilized \$270,804 (2009 - \$131,391) of its accumulated unrestricted net assets and, as at August 31, 2010, the Jurisdiction has unrestricted net assets of \$1,850,112 (2009 – \$2,070,916).

THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010

12. FINANCIAL RISK MANAGEMENT (continued)

(ii) Designated Operating Funds and Operating Reserves

Where certain instructional initiatives are planned or in progress, and consistent with prior years, the Jurisdiction has designated or restricted operating funds for specific purposes. Also, operating reserves have been established for specific program requirements, to stabilize annual fee rates or to offset the cost of programs and services in future years. These fund designations and reserves have been established consistent with Provincial legislation and by Board of Trustees' resolution and will be applied to finance future expenses in accordance with the specific requirements of each of these resolutions. Designated operating funds and operating reserves are as disclosed in the statement of net assets as internally restricted net assets.

(b) Capital Reserves and Designated Capital Funds

The Jurisdiction's capital reserves and designated capital funds are established by Board of Trustees' resolution and in accordance with Provincial regulation, and are funded from proceeds on disposals of capital assets, provision from operating funds, or from lease revenues. Capital reserves and designated capital funds have been disclosed in the statement of net assets.

These reserves and designated funds are to be applied to finance future capital expenditures in accordance with the specific requirements of each Board resolution. Funds may be committed from these reserves or designated amounts by the Board of Trustees from time to time to permit the completion of approved capital projects. Capital reserves are restricted in that the Board of Trustees must obtain Ministerial approval before these funds are used for operational purposes.

(c) Investment in Capital Assets

Investment in capital assets represents the jurisdiction's net investment of operating funds that have been used from time to time to purchase building improvements, capital equipment and technology infrastructure to support the general operating activities of the Jurisdiction. As of August 31, 2010, the jurisdiction has \$9,422,038 invested in capital assets (2009 - \$7,738,074).

13. STATEMENT OF CASH FLOWS

Included in cash flows from operations is \$608,561 (2009 - \$763,787) paid for interest on capital debt to Alberta Finance. This interest paid was fully supported by funding received from Alberta Education.

14. CONTINGENCY

The jurisdiction is a member of Urban Schools Insurance Consortium. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims.

**THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010**

15. COMMITMENTS

Deferred Revenue

Included in deferred revenue at August 31, 2010 was \$271,326 of Infrastructure Maintenance Renewal funding that has been set aside for various District projects.

Leases

The jurisdiction is committed to payments on photocopier leases and a storage server, expiring between November 2010 and January 2013. The estimated lease obligation payments for the next year are \$67,643.

Utility Commitments

The jurisdiction has entered into an electrical contract in order to manage its exposure to volatility in the electrical industry. Under the contract, the jurisdiction is paying a fixed rate of 5.409 cents per kilowatt-hour until December 2010.

16. RELATED PARTY TRANSACTIONS

School jurisdictions are related with the Government of Alberta. All transactions between the jurisdiction and the Government of Alberta are disclosed in these financial statements as follows:

	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Education	\$ 926,914	\$ 12,901	\$ 86,924,352	\$ 320,745
Infrastructure & Transportation	-	-	-	-
Finance	-	5,293,296	524,949	3,215
Health & Wellness	-	-	-	-
Other Government of Alberta departments	-	-	620,110	-
Health Authorities	-	-	-	99,793
Post secondary institutions	-	-	-	77,987
Other Alberta School Jurisdictions	130,948	41,814	180,165	738,645
Other related parties	-	-	2,205	53,462
Total 2009-2010	\$ 1,057,862	\$ 5,348,011	\$ 88,251,781	\$ 1,293,847
Total 2008-2009	\$ 1,496,867	\$ 7,188,352	\$ 84,371,311	\$ 1,335,369

Asset balances included above are included in accounts receivable. Liabilities consist of \$326,322 included in accounts payable and \$5,021,689 in debenture debt. Principal and interest charges for the year are fully supported by Alberta Education.

Revenue and expense transactions were incurred in the normal course of operations and are recorded at the exchange amount which is the amount agreed to and paid by the related parties.

**THE BOARD OF TRUSTEES OF THE RED DEER PUBLIC SCHOOL
DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2010**

17. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Red Deer Public School District's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

18. BUDGET

The Board of Trustees approved the final 2009/2010 budget on November 25, 2009. It is presented for informative purposes only and has not been audited.

19. REMUNERATION AND MONETARY INCENTIVES

The Red Deer Public School District had paid or accrued expenses for the year ended August 31, 2010 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Expenses
B. Stuebing, Chair	1.0	\$18,954	\$5,098	\$0			\$3,455
G. Holland	1.0	\$14,009	\$2,381	\$0			\$4,356
L. Lee	1.0	\$13,971	\$4,790	\$0			\$3,392
B. Manning	1.0	\$15,810	\$4,905	\$0			\$2,238
J. Watters	1.0	\$16,321	\$4,790	\$0			\$3,416
C. Peacocke	1.0	\$15,489	\$4,790	\$0			\$5,672
M. Macaulay	1.0	\$16,998	\$4,790	\$0			\$5,131
Subtotal	7.0	\$111,552	\$31,544	\$0			\$27,660
Superintendent	1.0	\$168,057	\$25,702	\$0	\$0	\$0	\$0
Secretary/Treasurer	0.0	\$144,611	\$29,642	\$0	\$0	\$0	\$0
Certificated Teachers	544.9	\$47,652,951	\$6,898,787	\$0	\$0	\$0	
Non-certificated - Other	365.2	\$14,314,344	\$2,586,545	\$0	\$0	\$0	
TOTALS		\$62,391,515	\$9,572,220	\$0	\$0	\$0	

(1) Remuneration includes salaries and per diem amounts.

20. APPROVAL OF FINANCIAL STATEMENTS

The Board of Trustees approved these financial statements on November 24, 2010.

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

The Board of Trustees of the Red Deer Public School District No. 104

Legal Name of School Jurisdiction

4747 53rd Street, Red Deer, Alberta, T4N 2E6

Mailing Address

Ph. 403-343-1405 Fax 403-343-3780

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

M. C. McClintock
Name

"ORIGINAL SIGNED"
Signature

24-Nov-10

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Wang@gov.ab.ca
PHONE: (780) 644-5672 FAX: (780) 422-6996

TABLE OF CONTENTS

		Page
SCHEDULE A	Allocation of Revenues and Expenses to Programs	3
SCHEDULE B	School Generated Funds (SGF)	4
SCHEDULE C	Operations and Maintenance Program Expenses	5

SCHEDULE A

School Jurisdiction Code: 3070

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	\$3,998,345	\$66,873,983	\$9,962,990	\$2,692,443	\$2,545,539	\$851,052	\$86,924,352
(2) Other - Government of Alberta	\$0	\$139,973	\$524,949	\$0	\$0	\$480,137	\$1,145,059
(3) Federal Government and First Nations	\$0	\$122,197	\$0	\$0	\$0	\$0	\$122,197
(4) Other Alberta school authorities	\$1,000	\$100,540	\$0	\$0	\$0	\$80,830	\$182,370
(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	\$1,460	\$1,483,122					\$1,484,582
(8) Transportation fees-ECS				\$0			\$0
(9) Transportation fees-Grades 1-12				\$231,415			\$231,415
(10) Other sales and services	\$0	\$1,842,079	\$0	\$0	\$0	\$795,841	\$2,637,920
(11) Investment income	\$0	\$96,999	\$0	\$0	\$4,042	\$0	\$101,041
(12) Gifts and donations	\$0	\$40,833	\$0	\$0	\$0	\$0	\$40,833
(13) Rental of facilities	\$0	\$106,597	\$0	\$0	\$4,442	\$0	\$111,039
(14) Gross school generated funds	\$0	\$2,757,966	\$0	\$0	\$0	\$0	\$2,757,966
(15) Gains on disposal of capital assets	\$0	\$0	\$5,819	\$0	\$0	\$0	\$5,819
(16) Amortization of capital allocations	\$0	\$0	\$3,549,075	\$0	\$0	\$0	\$3,549,075
(17) Other revenue	\$0	\$40,404	\$0	\$0	\$0	\$41,921	\$82,325
(18) TOTAL REVENUES	\$4,000,805	\$73,604,693	\$14,042,833	\$2,923,858	\$2,554,023	\$2,249,781	\$99,375,993
EXPENSES							
(19) Certificated salaries	\$2,359,880	\$44,848,463			\$557,644	\$55,021	\$47,821,008
(20) Certificated benefits	\$89,362	\$6,870,882			\$112,761	\$10,760	\$7,083,765
(21) Non-certificated salaries and wages	\$930,379	\$8,682,008	\$3,109,753	\$83,193	\$1,035,880	\$704,058	\$14,545,271
(22) Non-certificated benefits	\$183,229	\$1,240,921	\$698,942	\$18,214	\$209,464	\$137,685	\$2,488,455
(23) SUB - TOTAL	\$3,562,850	\$61,642,275	\$3,808,695	\$101,407	\$1,915,748	\$907,524	\$71,938,499
(24) Services, contracts and supplies	\$34,920	\$8,044,168	\$4,954,070	\$2,691,890	\$547,257	\$1,342,257	\$17,614,562
(25) Gross school generated funds	\$0	\$2,757,966					\$2,757,966
(26) Amortization of capital assets	\$0	\$986,142	\$3,821,117	\$0	\$15,985	\$0	\$4,823,244
(27) Interest and charges	\$0	\$21,280	\$524,949	\$0	\$1,373	\$0	\$547,602
(28) Losses on disposal of capital assets	\$0	\$0	\$77,627	\$0	\$0	\$0	\$77,627
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$3,597,770	\$73,451,831	\$13,186,459	\$2,793,297	\$2,480,363	\$2,249,781	\$97,759,500
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$403,035	\$152,862	\$856,375	\$130,562	\$73,660	\$0	\$1,616,493

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

Unexpended SGF - Opening Balance August 31, 2009 (Note 1)			\$1,351,392
Sources of School Generated Funds:	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$515,801	\$492,684	\$23,117
Student fees (Non-Instructional) (Note 1)	\$414,014	\$535,875	(\$121,861)
Donations and grants to schools	\$182,264	\$0	\$182,264
Other (describe):	\$1,719,788	\$1,244,116	\$475,672
Net Additions to SGF	\$2,831,867	\$2,272,675	\$559,192
Net SGF Available			\$1,910,584
Uses of Net School Generated Funds:			
Extra-curricular activities			\$0
Field Trips			\$0
Other (describe):			\$485,291
Total Uses of Net SGF (Note 2)			\$485,291
Unexpended SGF - Closing Balance August 31, 2010 (Note 3)			\$1,425,293

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	\$2,196,356	\$618,969	\$0	\$0	\$294,428		\$3,109,753		\$3,109,753
Uncertificated benefits	\$493,649	\$139,118	\$0	\$0	\$66,175		\$698,942		\$698,942
Sub-total Remuneration	\$2,690,005	\$758,087	\$0	\$0	\$360,603		\$3,808,695		\$3,808,695
Supplies and services	\$426,625	\$1,895,059	\$0	\$758,949	\$22,317		\$3,102,950		\$3,102,950
Electricity			\$890,124				\$890,124		\$890,124
Natural Gas/Heating Fuel			\$634,007				\$634,007		\$634,007
Sewer and Water			\$161,229				\$161,229		\$161,229
Telecommunications			\$12,237				\$12,237		\$12,237
Insurance					\$153,523		\$153,523		\$153,523
Amortization of capital assets									
Supported								\$3,549,075	\$3,549,075
Unsupported						\$272,042	\$272,042		\$272,042
Total Amortization						\$272,042	\$272,042	\$3,549,075	\$3,821,117
Interest on capital debt									
Supported								\$524,949	\$524,949
Unsupported						\$0	\$0		\$0
Other interest charges						\$0	\$0		\$0
Losses on disposal of capital assets						\$77,627	\$77,627		\$77,627
TOTAL EXPENSES	\$3,116,630	\$2,653,146	\$1,697,597	\$758,949	\$536,443	\$349,669	\$9,112,434	\$4,074,024	\$13,186,458
SQUARE METRES									
School Buildings									0.0
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.