

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

The St. Thomas Aquinas Roman Catholic Regional School Division No. 38

Legal Name of School Jurisdiction

4906 - 50 Avenue, Leduc, Alberta, T9E 6W9

Mailing Address

Tel. 780-986-2500 / Fax. 780-986-8620

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of The St. Thomas Aquinas Roman Catholic Regional School Division No. 38 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

Karen Richert (Vice Chair)

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Jamie McNamara

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Jeanne Fontaine

Name

"ORIGINAL SIGNED"

Signature

29-Nov-10

Board-approved Release Date

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Auditors' Report

To the Board of Trustees,
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38

We have audited the statement of financial position of **St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38** 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.

King + Company

Edmonton, AB
November 17, 2010

KING & COMPANY,
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 4)	\$3,153,257	\$3,323,895
Accounts receivable (net after allowances) (Note 5)	\$758,711	\$1,921,304
Prepaid expenses	\$148,002	\$466,294
Other current assets	\$57,601	\$64,662
Total current assets	\$4,117,571	\$5,776,155
School generated assets		
Trust assets (Note 10)	\$100,357	\$82,942
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets (Note 6)		
Land	\$1,201,406	\$891,406
Construction in Progress	\$0	\$0
Buildings	\$52,995,945	
Less: accumulated amortization	(\$17,132,399)	\$35,843,604
Equipment	\$1,118,142	
Less: accumulated amortization	(\$382,848)	\$555,704
Vehicles	\$325,859	
Less: accumulated amortization	(\$186,185)	\$110,341
Total capital assets	\$37,939,920	\$37,401,055
TOTAL ASSETS	\$42,405,885	\$43,464,047
LIABILITIES		
Current liabilities		
Bank indebtedness (Note 7)	\$0	\$0
Accounts payable and accrued liabilities (Note 8)	\$1,024,687	\$1,022,146
Deferred revenue (Note 9)	\$2,265,268	\$2,345,952
Deferred capital allocations (Note 11)	\$32,988	\$73,311
Current portion of long term debt	\$484,513	\$439,513
Total current liabilities	\$3,807,456	\$3,880,922
School generated liabilities		
Trust liabilities (Note 10)	\$100,357	\$82,942
Employee future benefit liabilities	\$0	\$0
Long term debt (Note 12)		
Supported: Debentures and other supported debt	\$1,932,647	\$2,372,159
Less: Current portion	(\$439,513)	(\$439,513)
Unsupported: Debentures and Capital Loans	\$416,250	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	(\$45,000)	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations (Note 13)	\$32,412,595	\$33,216,888
Total long term liabilities	\$34,625,373	\$35,436,371
TOTAL LIABILITIES	\$38,432,829	\$39,317,293
NET ASSETS		
Unrestricted net assets	\$269,108	\$94,013
Operating Reserves	\$525,700	\$1,840,734
Accumulated Operating Surplus (Deficit)	\$794,808	\$1,934,747
Investment in capital assets	\$3,178,248	\$1,812,007
Capital Reserves	\$0	\$400,000
Total Capital Funds	\$3,178,248	\$2,212,007
Total net assets	\$3,973,056	\$4,146,754
TOTAL LIABILITIES AND NET ASSETS	\$42,405,885	\$43,464,047

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) Restated
REVENUES			
Government of Alberta	\$24,334,851	\$24,489,798	\$23,823,701
Federal Government and First Nations	\$1,395,950	\$1,270,071	\$1,250,558
Other Alberta school authorities	\$66,863	\$73,150	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$185,026	\$149,889	\$198,098
Transportation fees	\$30,671	\$25,000	\$35,321
Other sales and services	\$797,053	\$280,560	\$449,571
Investment income	\$32,940	\$55,000	\$111,108
Gifts and donations	\$45,636	\$0	\$8,791
Rental of facilities	\$49,135	\$55,500	\$61,528
Gross school generated funds	\$561,135	\$150,000	\$32,722
Gains on disposal of capital assets	\$180	\$0	\$8,700
Amortization of capital allocations	\$2,099,098	\$1,912,225	\$1,894,062
Other revenue	\$0	\$0	\$0
Total Revenues	\$29,598,538	\$28,461,193	\$27,874,160
EXPENSES			
Certificated salaries (Note 20)	\$12,469,735	\$12,708,824	\$11,668,542
Certificated benefits (Note 20)	\$1,381,912	\$1,491,573	\$1,310,649
Non-certificated salaries and wages (Note 20)	\$4,824,555	\$4,399,199	\$4,478,221
Non-certificated benefits (Note 20)	\$1,016,877	\$926,113	\$926,844
Services, contracts and supplies	\$7,076,617	\$7,317,840	\$7,637,441
Gross school generated funds	\$561,135	\$150,000	\$32,722
Capital and debt services			
Amortization of capital assets			
Supported	\$2,099,098	\$1,912,224	\$1,894,062
Unsupported	\$118,012	\$143,753	\$123,417
Total Amortization of capital assets	\$2,217,110	\$2,055,977	\$2,017,479
Interest on capital debt			
Supported	\$212,991	\$283,109	\$254,184
Unsupported	\$9,154	\$0	\$0
Total Interest on capital debt	\$222,145	\$283,109	\$254,184
Other interest and charges	\$2,150	\$0	\$1,326
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$29,772,236	\$29,332,635	\$28,327,408
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$173,698)	(\$871,442)	(\$453,248)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$173,698)	(\$871,442)	(\$453,248)

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) Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	(\$173,698)	(\$453,248)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,099,098)	(\$1,894,062)
Total amortization expense	\$2,217,110	\$2,017,479
Gains on disposal of capital assets	(\$180)	(\$8,700)
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	\$1,162,593	(\$427,709)
Prepays and other current assets	\$325,353	\$63,301
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$2,541	(\$1,210,304)
Deferred revenue	(\$80,684)	\$1,180,798
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from Operations	\$1,353,937	(\$732,445)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	(\$310,000)	\$0
Buildings	(\$2,062,214)	(\$5,839,510)
Equipment	(\$311,742)	(\$505,770)
Vehicles	(\$72,019)	(\$64,332)
Net proceeds from disposal of capital assets	\$180	\$8,700
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$2,755,795)	(\$6,400,912)
C. FINANCING ACTIVITIES		
Capital allocations	\$814,969	\$3,819,944
Issue of long term debt	\$450,000	\$0
Repayment of long term debt	(\$473,262)	(\$479,374)
Add back: supported portion	\$439,513	\$479,374
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$1,231,220	\$3,819,944
Net cash flows from during the year	(\$170,638)	(\$3,313,413)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$3,323,895	\$6,637,308
Cash and temporary investments, net of bank indebtedness, at Aug. 31/10	\$3,153,257	\$3,323,895

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: 20

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)-(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	\$4,401,921	\$1,812,007	\$349,180	\$1,840,734	\$400,000	\$1,246,318	\$0	\$461,943	\$0	\$100,000	\$400,000	\$32,473	\$0	\$0	\$0
Prior period adjustments (describe)															
IMR use denied (Note 2)	(\$255,167)	\$0	(\$255,167)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2009	\$4,146,754	\$1,812,007	\$94,013	\$1,840,734	\$400,000	\$1,246,318	\$0	\$461,943	\$0	\$100,000	\$400,000	\$32,473	\$0	\$0	\$0
Excess (deficiency) of revenues over expenses	(\$173,698)		(\$173,698)												
Board funded capital additions		\$1,450,503	(\$1,050,503)	\$0	(\$400,000)	\$0	\$0	\$0	\$0	\$0	(\$400,000)	\$0	\$0	\$0	\$0
Disposal of unsupported capital assets	\$0	\$0	(\$180)		\$180				\$0		\$180		\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0				\$0		\$0		\$0		\$0
Direct credits to net assets	\$0	\$0	\$0												
Amortization of capital assets		(\$2,217,110)	\$2,217,110												
Amortization of capital allocations		\$2,099,098	(\$2,099,098)												
Debt principal repayments (unsupported)		\$33,750	(\$33,750)												
Net transfers to operating reserves			\$0	\$0		\$0	\$0	\$0		\$0		\$0	\$0	\$0	\$0
Net transfers from operating reserves			\$1,315,034	(\$1,315,034)		(\$720,618)	(\$461,943)		(\$100,000)			(\$32,473)			
Net transfers to capital reserves			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net transfers from capital reserves			\$180	(\$180)							(\$180)				
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2010	\$3,973,056	\$3,178,248	\$269,108	\$525,700	\$0	\$525,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2009	\$73,311	\$33,216,888
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2009	\$73,311	\$33,216,888
Add:		
Restricted capital allocations from: Alberta Education including school and modular projects	\$600,601	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$214,368	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$439,513
Expended capital allocations - current year	(\$855,292)	\$855,292
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$2,099,098
Balance at August 31, 2010	\$32,988	\$32,412,595

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

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

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. This jurisdiction is exempt from payment of income tax and is a registered charity under the Income Tax Act.

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. ACCOUNTING ERROR

During the year, Alberta Education determined that revenue recognized from infrastructure maintenance renewal in the August 31, 2009 year end was not for an approved purpose. As a result, at August 31, 2009, unrestricted net assets were overstated by \$255,167 and deferred revenue was understated by \$255,167 and revenue from the Government of Alberta for the period ending August 31, 2009 was overstated by \$255,167. The correction of this error has been applied retrospectively and prior periods have been restated.

3. ACCOUNTING POLICIES

These financial statements are 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:

Revenue Recognition

The school jurisdiction follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

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.

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.

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements For the Year Ended August 31, 2010

3. ACCOUNTING POLICIES (Continued)

Capital Assets

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

Buildings	2.5% to 4%
Vehicles and buses	20%
Equipment and furnishings	20% and 33%
Leasehold improvements	10%

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.

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.).

Vacation Pay

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

Pensions

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

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions from active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the school jurisdiction does not make pension contributions for certificated staff.

The school jurisdiction maintains a defined contribution plan under which amounts are contributed to employees' RRSP accounts. Expense for this plan is equal to the school jurisdiction's required contribution for the year.

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.

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements For the Year Ended August 31, 2010

3. ACCOUNTING POLICIES (Continued)

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.

Operating and Capital Reserves

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

Financial Instruments

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

The board classified its financial instruments as follows:

Instrument	Designation
Cash and temporary investments	Available-for-sale
Accounts receivable	Loans and receivables
Accounts payable and accrued liabilities	Other liabilities
Long-term debt	Other liabilities

Financial assets classified as "available-for-sale" are re-measured at fair value each period. Changes in fair value are reported as a component of net assets until the financial asset is disposed of or becomes impaired, at which time the cumulative gain or loss is recognized in the excess (deficiency) of revenue over expenses.

Financial assets and financial liabilities classified as "loans and receivables" and "other liabilities" are subsequently measured at amortized cost.

**ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE
REGIONAL DIVISION NO. 38**

**Notes to the Financial Statements
For the Year Ended August 31, 2010**

4. CASH AND TEMPORARY INVESTMENTS

	2010			2009		
	Average Effective (Market) Yield	Cost	Fair Value	Average Effective (Market) Yield	Cost	Fair Value
Cash and cash equivalents	0%	\$2,453,257	\$2,453,257	0%	\$1,523,895	\$1,523,895
Guaranteed investment certificates	1.4%	\$700,000	\$700,000	1.4%	\$1,800,000	\$1,800,000
Total cash and temporary investments	1.4%	\$3,153,257	\$3,153,257	1.4%	\$3,323,895	\$3,323,895

Cash and temporary investments include \$1,703,346 (2009 - \$1,795,927) externally restricted for the Edmonton Regional Learning Consortium.

5. ACCOUNTS RECEIVABLE

	2010	2009
Province of Alberta	\$506,321	\$1,084,859
Federal government	130,691	622,715
Other	121,699	83,082
Alberta Municipalities	-	130,648
	<u>\$758,711</u>	<u>\$1,921,304</u>

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements
For the Year Ended August 31, 2010

6. CAPITAL ASSETS

	Land	Construction In Progress - New Building	Buildings 25-40 Years	Equipment - Computer Hardware, Software & Other 3 - 5 Years	Vehicles & Buses 5 Years	Total Aug. 31, 2010	Total Aug. 31, 2009
Estimated Useful life			25-40 Years	3 - 5 Years	5 Years		
Historical cost							
September 1, 2009	\$891,406	-	\$50,933,731	\$2,354,695	\$263,532	\$54,443,364	\$48,078,937
Additions	\$310,000	-	\$2,062,214	\$311,742	\$72,019	\$2,755,975	\$6,409,612
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(\$1,548,295)	(\$9,692)	(\$1,557,987)	(\$45,185)
August 31, 2010	\$1,201,406	-	\$52,995,945	\$1,118,142	\$325,859	\$55,641,352	\$54,443,364
Accumulated amortization							
September 1, 2009	-	-	\$15,090,127	\$1,798,991	\$153,191	\$17,042,309	\$15,070,015
Amortization expense	-	-	\$2,042,272	\$132,152	\$42,686	\$2,217,110	\$2,017,479
Transfers in (out)	-	-	-	-	-	-	-
Effect of disposals	-	-	-	(\$1,548,295)	(\$9,692)	(\$1,557,987)	(\$45,185)
August 31, 2010	-	-	\$17,132,399	\$382,848	\$186,185	\$17,701,432	\$17,042,309
Net Book Value at August 31, 2010	\$1,201,406	-	\$35,863,546	\$735,294	\$139,674	\$37,839,920	\$37,401,055

7. BANK INDEBTEDNESS

The school jurisdiction has negotiated a line of credit in the amount of \$416,250 that bears interest at the bank prime rate less 0.25%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the school jurisdiction. There was no balance outstanding on the line of credit at August 31, 2010.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2010	2009
Other trade payables and accrued liabilities	\$ 740,415	\$872,169
Province of Alberta	<u>284,272</u>	<u>149,977</u>
	<u>\$1,024,687</u>	<u>\$1,022,146</u>

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements For the Year Ended August 31, 2010

9. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2009	ADD: 2009/2010 Restricted Funds Received/ Receivable	DEDUCT: 2009/2010 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2009/2010 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2010
Alberta Education Restricted Operational Funding:					
Alberta Initiative for School Improvement	\$0	\$341,669	(\$341,669)	\$0	\$0
Infrastructure Maintenance Renewal	\$319,241	\$404,209	(\$313,201)	\$0	\$410,249
Other Alberta Education deferred revenue	\$216,475	\$211,833	(\$411,747)	\$0	\$16,561
Edmonton Regional Learning Consortium	\$1,512,659	\$1,614,964	(\$1,603,429)	(\$54,864)	\$1,469,330
Other Deferred Revenue:					
Lease incentive	\$11,100	\$0	(\$5,550)	\$0	\$5,550
Other	\$283,268	\$148,708	(\$283,268)	\$211,761	\$360,469
School fees	\$0	\$0	\$0	\$0	\$0
Third party grants	\$3,209	\$0	(\$100)	\$0	\$3,109
Total	\$2,345,952	\$2,721,383	(\$2,958,964)	\$156,897	\$2,265,266

10. TRUST ASSETS AND LIABILITIES

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

	2010	2009
Taylor J. Bourque Memorial Fund	\$ 45,652	\$ 42,494
Deferred Salary Leave Plan	34,628	16,855
Knieval Trust Fund	<u>20,077</u>	<u>23,593</u>
	\$100,357	\$ 82,942

11. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdiction, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements For the Year Ended August 31, 2010

12. LONG-TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 8% 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
2011	\$ 439,513	\$192,273	\$ 631,786
2012	439,513	148,875	588,388
2013	343,951	105,477	449,428
2014	231,567	71,635	303,202
2015	222,974	48,153	271,127
2016 to maturity	<u>255,129</u>	<u>54,656</u>	<u>309,785</u>
	<u>\$1,932,647</u>	<u>\$621,069</u>	<u>\$2,553,716</u>

Capital Loan - Unsupported

The school jurisdiction entered into a capital loan during the year in the amount of \$450,000. The capital loan bears interest at prime plus 0.40% per annum and expires on November 30, 2014. The following is a summary of principal and interest payments on related long-term debt outstanding at August 31, 2010:

	Principal	Interest	Total
2011	\$ 45,000	\$ 10,484	\$ 55,484
2012	45,000	9,292	54,292
2013	45,000	8,099	53,099
2014	45,000	6,907	51,907
2015	<u>236,250</u>	<u>1,540</u>	<u>237,790</u>
	<u>\$416,250</u>	<u>\$ 36,322</u>	<u>\$452,572</u>

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.

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements
For the Year Ended August 31, 2010

14. RESTRICTIONS ON NET ASSETS

The Board of Trustees have internally restricted unrestricted net assets for internal activities which are expected to be carried on by the Education Region itself. These internally restricted amounts are not available for other purposes without the approval of the Board of Trustees.

15. COMMITMENTS

Operating Leases

The school jurisdiction is committed to April 2013 under operating leases for premises to annual rent plus occupancy expenses as defined in the leases and equipment leases as follows:

	Premises	Equipment
2011	\$403,860	\$ 43,821
2012	381,000	35,774
2013	335,280	34,440
2014	-	1,298

It is anticipated that \$990,000 of the above expenditures will be funded by capital allocations from Alberta Education.

16. CONTINGENCIES

The school jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims.

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements
For the Year Ended August 31, 2010

17. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The related party transactions are recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amounts of consideration agreed upon between the related parties as follows:

2009-2010	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$159,501	\$2,112,131	\$24,153,994	\$751
Infrastructure & Transportation				
Finance	\$105,508		\$212,991	\$3,955
Health & Wellness			\$66,863	
Human Resources/Employment				
Other Gov't of Alberta departments	\$8,785	\$116,954	\$22,729	\$265,597
Other:				
Health authorities				
Post-secondary institutions				
Other Alberta school jurisdictions	\$257,945	\$45,110		\$91,697
Other related parties				
TOTAL 2009-2010	\$531,739	\$2,274,195	\$24,456,577	\$362,000
TOTAL 2008-2009	\$1,136,835	\$1,995,952	\$24,098,472	\$558,548

18. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements For the Year Ended August 31, 2010

19. TARGETED FUNDING FOR PROVINCIAL INITIATIVES EXPENSES

TARGETED FUNDING FOR PROVINCIAL INITIATIVES	Certificated Remuneration	Non-Certificated Remuneration	Supplies & Services	Other Expenses
Alberta Initiative for School Improvement	\$247,562	\$6,219	\$87,888	\$0
Small Class Size Initiative	\$789,923	\$0	\$0	\$0
Student Health Initiative	\$12,570	\$0	\$4,663	\$0
SuperNet Service	\$0	\$0	\$84,289	\$0

20. REMUNERATION AND MONETARY INCENTIVES

The school jurisdiction 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 described in the attached schedule.

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair							
Maria Lentz	1.0	\$17,665	\$450				\$9,731
Other members							
Sandra Bannard	1.0	\$12,620	\$285				\$4,290
Angela Greenidge	1.0	\$16,976	\$428				\$8,793
Arlene Hamilton	1.0	\$12,220	\$271				\$2,139
Jack Kelly	1.0	\$13,409	\$310				\$3,736
Reuben Konnik	1.0	\$12,000	\$268				\$3,945
Karen Richert	1.0	\$10,620	\$218				\$1,564
Charles Swap	1.0	\$11,900	\$260				\$2,311
Kelly Whalen	1.0	\$12,686	\$286				\$3,220
Subtotal	9.0	\$120,096	\$2,776	\$0			\$39,729
Superintendent (1)	1.0	\$164,360	\$10,981	\$0	\$0	\$0	\$15,611
Secretary/Treasurer (1)	1.0	\$130,874	\$24,531	\$0	\$0	\$0	\$25,433
Certificated Teachers	152.0	\$12,305,375	\$1,370,931	\$0	\$0	\$0	
Non-certificated - Other	170.0	\$4,573,585	\$989,570	\$0	\$0	\$0	
TOTALS		\$17,294,290	\$2,398,789	\$0	\$0	\$0	

ST. THOMAS AQUINAS ROMAN CATHOLIC SEPARATE REGIONAL DIVISION NO. 38

Notes to the Financial Statements For the Year Ended August 31, 2010

21. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on February 24, 2010. It is presented for information purposes only and has not been audited.

22. CAPITAL DISCLOSURES

The school jurisdiction defines capital as the sum of unrestricted net assets, operating reserves, net assets invested in capital assets and capital reserves. The jurisdiction is not subject to externally imposed requirements on capital.

The school jurisdiction's objectives when managing capital is to safeguard the jurisdiction's ability to continue to deliver primary and secondary education programs. The school jurisdiction minimizes its exposure to external financial obligations and holds cash to ensure sufficient liquidity.

23. COMPARATIVE FIGURES

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

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

The St. Thomas Aquinas Roman Catholic Regional School Division No. 38

Legal Name of School Jurisdiction

4906 - 50th Avenue, Leduc, Alberta, T9E 6W9

Mailing Address

Tel. 780-986-2500/ Fax.780-986-8620

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

Jeanne Fontaine
Name

"DATED AND SIGNED ELECTRONICALLY"
Signature

29-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: _____

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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	\$618,920	\$16,737,034	\$2,997,040	\$406,895	\$1,547,588	\$1,791,653	\$24,099,130
(2) Other - Government of Alberta	\$0	\$17,179	\$212,991	\$0	\$5,550	\$66,863	\$302,583
(3) Federal Government and First Nations	\$0	\$1,298,233	\$13,960	\$0	\$83,757	\$0	\$1,395,950
(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	\$185,026					\$185,026
(8) Transportation fees-ECS				\$0			\$0
(9) Transportation fees-Grades 1-12				\$30,671			\$30,671
(10) Other sales and services	\$0	\$0	\$0	\$0	\$0	\$25,000	\$25,000
(11) Investment income	\$0	\$0	\$0	\$0	\$5,649	\$27,291	\$32,940
(12) Gifts and donations	\$0	\$24,252	\$0	\$0	\$0	\$21,384	\$45,636
(13) Rental of facilities	\$0	\$0	\$49,135	\$0	\$0	\$0	\$49,135
(14) Gross school generated funds	\$0	\$561,135	\$0	\$0	\$0	\$0	\$561,135
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$180	\$0	\$180
(16) Amortization of capital allocations	\$0	\$0	\$2,099,098	\$0	\$0	\$0	\$2,099,098
(17) Other revenue	\$0	\$10,898	\$285	\$0	\$6,432	\$754,438	\$772,053
(18) TOTAL REVENUES	\$618,920	\$18,833,757	\$5,372,509	\$437,566	\$1,649,156	\$2,686,629	\$29,598,537
EXPENSES							
(19) Certificated salaries	\$379,676	\$11,794,456			\$295,603	\$0	\$12,469,735
(20) Certificated benefits	\$48,448	\$1,312,019			\$21,445	\$0	\$1,381,912
(21) Non-certificated salaries and wages	\$1,855	\$2,641,950	\$1,032,189	\$10,266	\$561,968	\$576,326	\$4,824,554
(22) Non-certificated benefits	\$567	\$555,528	\$238,201	\$1,589	\$89,290	\$131,702	\$1,016,877
(23) SUB - TOTAL	\$430,546	\$16,303,953	\$1,270,390	\$11,855	\$968,306	\$708,028	\$19,693,078
(24) Services, contracts and supplies	\$211,167	\$2,046,167	\$1,608,177	\$564,242	\$668,264	\$1,978,601	\$7,076,618
(25) Gross school generated funds	\$0	\$561,135					\$561,135
(26) Amortization of capital assets	\$0	\$61,163	\$2,144,686	\$0	\$11,261	\$0	\$2,217,110
(27) Interest and charges	\$0	\$9,979	\$212,991	\$0	\$1,325	\$0	\$224,295
(28) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$641,713	\$18,982,397	\$5,236,244	\$576,097	\$1,649,156	\$2,686,629	\$29,772,236
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$22,793)	(\$148,640)	\$136,265	(\$138,531)	\$0	\$0	(\$173,699)

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

Unexpended SGF - Opening Balance August 31, 2009 (Note 1)			\$203,896
Sources of School Generated Funds:	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$227,664	\$214,170	\$13,494
Student fees (Non-Instructional) (Note 1)	\$375,345	\$347,791	\$27,554
Donations and grants to schools	\$1,674	\$5,564	(\$3,890)
Other (describe):	\$593	(\$6,390)	\$6,983
Net Additions to SGF	\$605,276	\$561,135	\$44,141
Net SGF Available			\$248,037
Uses of Net School Generated Funds:			
Extra-curricular activities			\$0
Field Trips			\$0
Other (describe):			\$0
Total Uses of Net SGF (Note 2)			\$0
Unexpended SGF - Closing Balance August 31, 2010 (Note 3)			\$248,037

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	\$916,145	\$0	\$0	\$0	\$116,044		\$1,032,189		\$1,032,189
Uncertificated benefits	\$160,462	\$0	\$0	\$0	\$77,739		\$238,201		\$238,201
Sub-total Remuneration	\$1,076,607	\$0	\$0	\$0	\$193,783		\$1,270,390		\$1,270,390
Supplies and services	\$354,997	\$0	\$0	\$501,888	\$56,356		\$913,241		\$913,241
Electricity			\$287,519				\$287,519		\$287,519
Natural Gas/Heating Fuel			\$249,322				\$249,322		\$249,322
Sewer and Water			\$54,169				\$54,169		\$54,169
Telecommunications			\$63,420				\$63,420		\$63,420
Insurance					\$40,506		\$40,506		\$40,506
Amortization of capital assets									
Supported								\$2,099,098	\$2,099,098
Unsupported							\$45,588		\$45,588
Total Amortization							\$45,588	\$2,099,098	\$2,144,686
Interest on capital debt									
Supported								\$212,991	\$212,991
Unsupported							\$0	\$0	\$0
Other interest charges							\$0	\$0	\$0
Losses on disposal of capital assets							\$0	\$0	\$0
TOTAL EXPENSES	\$1,431,604	\$0	\$654,430	\$501,888	\$290,645		\$2,924,155	\$2,312,089	\$5,236,244
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.