

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED AUGUST 31, 2012 and AUGUST 31, 2013**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Palliser Regional Division No. 26**

Legal Name of School Jurisdiction

**101, 3305 18 Avenue North, Lethbridge, AB T1H 5S1**

Mailing Address

**Telephone: 403-328-4111; Fax: 403-380-6890**

Telephone & Fax Numbers, and Email Address

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

The financial statements of Palliser Regional Division No. 26 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 Canadian Public Sector Accounting Standards 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, results of operations and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

BOARD CHAIR

Colleen Deitz

Name

Signature

SUPERINTENDENT

Kevin Gietz

Name

Signature

SECRETARY-TREASURER OR TREASURER

Name

Signature

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
EMAIL: sarah.brennan@gov.ab.ca  
PHONE: (780) 422-0312 (Toll free 310-0000) FAX: (780) 422-6996

**TABLE OF CONTENTS**

	<b>Page</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>3</b>
<b>STATEMENTS OF FINANCIAL POSITION</b>	<b>4</b>
<b>STATEMENTS OF OPERATIONS</b>	<b>5</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>6</b>
<b>STATEMENTS OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)</b>	<b>7</b>
<b>STATEMENT OF REMEASUREMENT GAINS AND LOSSES</b>	<b>8</b>
<b>SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS (2012 - 2013)</b>	<b>9</b>
<b>SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS (2011 - 2012)</b>	<b>11</b>
<b>SCHEDULE OF CAPITAL REVENUE (2012 - 2013)</b>	<b>13</b>
<b>SCHEDULE OF CAPITAL REVENUE (2011 - 2012)</b>	<b>14</b>
<b>SCHEDULE OF PROGRAM OPERATIONS</b>	<b>15</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>16</b>



**KPMG LLP**  
500 Lethbridge Centre Tower  
400 - 4th Avenue South  
Lethbridge AB T1J 4E1  
Canada

Telephone (403) 380-5700  
Fax (403) 380-5760  
Internet [www.kpmg.ca](http://www.kpmg.ca)

## Independent Auditors' Report

To the Board of Trustees of Palliser Regional Division No. 26

### *Report on the Financial Statements*

We audited the accompanying financial statements of Palliser Regional Division No. 26, which comprise the statements of financial position as at August 31, 2013, August 31, 2012 and September 1, 2011 and the statements of operations, remeasurement gains and losses and cash flows for the years ended August 31, 2013 and August 31, 2012, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits, we conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Palliser Regional Division No. 26 as at August 31, 2013, August 31, 2012 and September 1, 2011 and the results of its operations, remeasurement gains and losses, and its cash flows for the years ended August 31, 2013 and August 31, 2012 in accordance with Canadian public sector accounting standards.

Chartered Accountants

December 10, 2013  
Lethbridge, Canada

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

**STATEMENTS OF FINANCIAL POSITION**  
As at (in dollars)

		August 31		September 1
		2013	2012	2011
			(Restated)	(Restated)
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents	(Note 4)	\$5,665,012	\$10,715,150	\$6,882,870
Accounts receivable (net after allowances)	(Note 5)	\$2,387,480	\$2,583,419	\$3,172,527
Portfolio investments		\$74,324	\$55,602	\$58,597
Other financial assets		\$0	\$0	\$0
<b>Total financial assets</b>		<b>\$8,126,816</b>	<b>\$13,354,171</b>	<b>\$10,113,994</b>
<b>LIABILITIES</b>				
Bank indebtedness	(Note 6)	\$0	\$0	\$0
Accounts payable and accrued liabilities		\$3,225,599	\$4,137,955	\$1,242,506
Deferred revenue	(Note 7)	\$36,773,346	\$35,362,242	\$29,637,255
Employee future benefit liabilities	(Note 8)	\$258,400	\$97,300	\$141,500
Other liabilities		\$0	\$0	\$0
Debt	(Note 9)			
Supported: Debentures and other supported debt		\$1,258,861	\$1,579,072	\$1,935,434
Unsupported: Debentures and capital loans		\$0	\$0	\$0
Capital leases		\$0	\$0	\$0
Mortgages		\$0	\$0	\$0
<b>Total liabilities</b>		<b>\$41,516,206</b>	<b>\$41,176,569</b>	<b>\$32,956,695</b>
<b>Net financial assets (debt)</b>		<b>(\$33,389,390)</b>	<b>(\$27,822,398)</b>	<b>(\$22,842,701)</b>
<b>NON-FINANCIAL ASSETS</b>				
Tangible capital assets	(Note 10)			
Land		\$340,000	\$340,000	\$340,000
Construction in progress		\$636,028	\$10,866,022	\$4,551,359
Buildings		\$60,813,179		
Less: Accumulated amortization		(\$25,039,614)	\$35,773,565	\$21,718,456
Equipment		\$2,832,819		
Less: Accumulated amortization		(\$2,363,214)	\$469,605	\$124,544
Vehicles		\$7,749,774		
Less: Accumulated amortization		(\$5,535,667)	\$2,214,107	\$1,906,715
Computer Equipment		\$1,390,223		
Less: Accumulated amortization		(\$977,320)	\$412,903	\$285,090
<b>Total tangible capital assets</b>		<b>\$39,846,208</b>	<b>\$34,468,281</b>	<b>\$29,146,776</b>
Prepaid expenses		\$469,650	\$175,749	\$108,104
Other non-financial assets		\$8,593	\$5,580	\$5,097
<b>Total non-financial assets</b>		<b>\$40,324,451</b>	<b>\$34,649,610</b>	<b>\$29,259,977</b>
<b>Accumulated surplus</b>	(Note 11)	<b>\$6,935,061</b>	<b>\$6,827,212</b>	<b>\$6,417,276</b>
Accumulating surplus / (deficit) is comprised of:				
Accumulated operating surplus (deficit)		\$6,935,061	\$6,827,212	\$6,417,276
Accumulated remeasurement gains (losses)		\$0	\$0	\$0
		\$6,935,061	\$6,827,212	\$6,417,276
<b>Contractual obligations</b>	(Note 12)			
<b>Contingent liabilities</b>	(Note 13)			

The accompanying notes and schedules are part of these financial statements.

**STATEMENTS OF OPERATIONS**  
For the Years Ended August 31 (in dollars)

		Budget 2013	Actual 2013	Actual 2012
<b>REVENUES</b>				
Alberta Education		\$79,281,024	\$77,287,364	\$71,532,091
Other - Government of Alberta		\$0	\$294,937	\$331,484
Federal Government and First Nations		\$368,665	\$390,709	\$218,450
Other Alberta school authorities		\$50,000	\$0	\$0
Out of province authorities		\$0	\$0	\$0
Alberta Municipalities-special tax levies		\$0	\$0	\$0
Property taxes		\$0	\$0	\$0
Fees	(Note 14)	\$646,047	\$1,383,832	\$1,183,283
Other sales and services		\$27,559	\$270,415	\$403,202
Investment income		\$65,000	\$69,067	\$76,025
Gifts and donations		\$0	\$184,141	\$147,809
Rental of facilities		\$368,939	\$308,820	\$357,173
Fundraising		\$1,000,000	\$707,805	\$1,301,529
Gains (losses) on disposal of capital assets		\$0	\$2,244	\$13,000
Other revenue		\$1,457,866	\$1,614,191	\$2,035,218
<b>Total revenues</b>		<b>\$83,265,100</b>	<b>\$82,513,525</b>	<b>\$77,599,264</b>
<b>EXPENSES</b>				
Instruction		\$67,188,550	\$66,604,827	\$61,732,992
Plant operations and maintenance		\$9,030,899	\$8,600,541	\$9,086,676
Transportation		\$3,873,113	\$3,627,256	\$3,555,928
Administration		\$2,672,730	\$3,063,843	\$2,327,477
External services		\$486,132	\$509,209	\$486,255
<b>Total expenses</b>		<b>\$83,251,424</b>	<b>\$82,405,676</b>	<b>\$77,189,328</b>
<b>Operating surplus (deficit)</b>		<b>\$13,676</b>	<b>\$107,849</b>	<b>\$409,936</b>

The accompanying notes and schedules are part of these financial statements.

**STATEMENTS OF CASH FLOWS**  
For the Years Ended August 31 (in dollars)

	2013	2012
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Operating surplus (deficit)	\$107,849	\$409,936
Add (Deduct) items not affecting cash:		
Total amortization expense	\$1,955,774	\$1,594,261
Gains on disposal of tangible capital assets	(\$2,244)	(\$13,000)
Losses on disposal of tangible capital assets	\$0	\$92,654
Changes in:		
Accounts receivable	\$195,939	\$589,109
Prepays	(\$293,901)	(\$67,645)
Other financial assets	\$0	\$0
Non-financial assets	(\$3,013)	(\$483)
Accounts payable and accrued liabilities	(\$912,356)	\$2,895,449
Deferred revenue (Excluding EDCR)	\$1,411,104	\$5,724,987
Employee future benefit liabilities	\$161,100	(\$44,200)
Other (describe)	\$0	\$0
<b>Total cash flows from operating transactions</b>	<b>\$2,620,252</b>	<b>\$11,181,068</b>
<b>B. CAPITAL TRANSACTIONS</b>		
Purchases of tangible capital assets		
Land	\$0	\$0
Buildings	(\$6,176,153)	(\$6,518,396)
Equipment	(\$170,577)	(\$22,604)
Vehicles	(\$726,552)	(\$538,536)
Computer equipment	(\$317,397)	\$0
Net proceeds from disposal of unsupported capital assets	\$59,222	\$84,115
Other (describe)	\$0	\$0
<b>Total cash flows from capital transactions</b>	<b>(\$7,331,457)</b>	<b>(\$6,995,421)</b>
<b>C. INVESTING TRANSACTIONS</b>		
Changes in portfolio investments	(\$18,722)	\$2,995
Remeasurement gains (losses) reclassified to the statement of operations	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from investing transactions</b>	<b>(\$18,722)</b>	<b>\$2,995</b>
<b>D. FINANCING TRANSACTIONS</b>		
Issue of debt	\$0	\$0
Repayment of debt	(\$320,211)	(\$356,362)
Other (describe)	\$0	\$0
<b>Total cash flows from financing transactions</b>	<b>(\$320,211)</b>	<b>(\$356,362)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(\$5,050,138)</b>	<b>\$3,832,280</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>\$10,715,150</b>	<b>\$6,882,870</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$5,665,012</b>	<b>\$10,715,150</b>

The accompanying notes and schedules are part of these financial statements.



**STATEMENTS OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)**

For the Years Ended August 31 (in dollars)

	2013	2012
Operating surplus (deficit)	\$107,849	\$409,936
Effect of changes in tangible capital assets		
Aquisition of tangible capital assets	(\$7,390,679)	(\$7,079,536)
Amortization of tangible capital assets	\$1,955,774	\$1,594,261
Net carrying value of tangible capital assets disposed of	\$56,978	\$130,054
Write-down carrying value of tangible capital assets	\$0	\$33,716
<b>Total effect of changes in tangible capital assets</b>	<b>(\$5,377,927)</b>	<b>(\$5,321,505)</b>
Changes in:		
Prepaid expenses	(\$293,901)	(\$67,645)
Other non-financial assets	(\$3,013)	(\$483)
Net remeasurement gains and (losses)	\$0	\$0
Endowments	\$0	\$0
<b>Increase (decrease) in net financial assets (net debt)</b>	<b>(\$5,566,992)</b>	<b>(\$4,979,697)</b>
<b>Net financial assets (net debt) at beginning of year</b>	<b>(\$27,822,398)</b>	<b>(\$22,842,701)</b>
<b>Net financial assets (net debt) at end of year</b>	<b>(\$33,389,390)</b>	<b>(\$27,822,398)</b>

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
**For the Year Ended August 31, 2013** (in dollars)

	2013
<b>Opening accumulated remeasurement gains and (losses) upon adoption on September 1, 2012</b>	\$0
Unrealized gains (losses) attributable to:	
Portfolio investments	\$0
Other	\$0
Amounts reclassified to the statement of operations:	
Portfolio investments	
Other	\$0
Net remeasurement gains (losses) for the year	\$0
<b>Accumulated remeasurement gains (losses) at end of year</b>	\$0

The accompanying notes and schedules are part of these financial statements.



School Jurisdiction Code: 2255

School Jurisdiction Code: 2255

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
for the Year Ended August 31, 2013 (in dollars)

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
for the Year Ended August 31, 2013 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED		INTERNALLY RESTRICTED RESERVES BY PROGRAM									
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES	School & Instruction Related		Operations & Maintenance		Board & System Administration		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, 2012	\$6,741,692	\$0	\$6,741,692	\$4,457,378	\$0	\$1,281,557	\$1,002,757	\$0	\$1,002,757	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prior period adjustments:																		
To adjust for Endowments	\$85,520	\$0	\$85,520	\$0	\$85,520	\$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	\$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	\$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	\$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, 2012	\$6,827,212	\$0	\$6,827,212	\$4,457,378	\$85,520	\$1,281,557	\$1,002,757	\$0	\$1,002,757	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating surplus (deficit)	\$107,849		\$107,849			\$107,849												
Board funded tangible capital asset additions				\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported tangible capita assets	\$0		\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0
Disposal of supported tangible capital assets (board funded portion)	\$0		\$0	(\$56,978)		\$56,978		\$0		\$0		\$0		\$0		\$0		\$0
Write-down of unsupported tangible capital assets	\$0		\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0
Write-down of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0
Net remeasurement gains (losses) for the year	\$0	\$0																
Endowment expenses	\$0		\$0		\$0													
Direct credits to accumulated surplus	\$0		\$0		\$0	\$0												
Amortization of tangible capital assets	\$0			(\$1,955,774)		\$1,955,774												
Capital revenue recognized	\$0			\$1,151,003		(\$1,151,003)												
Debt principal repayments (unsupported)	\$0			\$0		\$0												
Externally imposed endowment restrictions	\$0				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net transfers to operating reserves	\$0					(\$33,192)	\$33,192		\$33,192		\$0		\$0		\$0		\$0	
Net transfers from operating reserves	\$0					\$0	\$0		\$0		\$0		\$0		\$0		\$0	
Net transfers to capital reserves	\$0					\$0		\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net transfers from capital reserves	\$0					\$0		\$0		\$0		\$0		\$0		\$0		\$0
Assumption/transfer of other operations' surplus	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2013	\$6,935,061	\$0	\$6,935,061	\$3,595,629	\$85,520	\$2,217,963	\$1,035,949	\$0	\$1,035,949	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

School Jurisdiction Code: 2255

School Jurisdiction Code: 2255

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
for the Year Ended August 31, 2012 (in dollars)

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
for the Year Ended August 31, 2012 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED		INTERNALLY RESTRICTED RESERVES BY PROGRAM									
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES	School & Instruction Related		Operations & Maintenance		Board & System Administration		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, 2011	\$6,331,756	\$0	\$6,331,756	\$4,759,279	\$0	\$594,634	\$977,843	\$0	\$886,071	\$0	\$0	\$0	\$0	\$91,772	\$0	\$0	\$0	\$0
Prior period adjustments:																		
To adjust for Endowments	\$85,520	\$0	\$85,520	\$0	\$85,520	\$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	\$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	\$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	\$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, 2011	\$6,417,276	\$0	\$6,417,276	\$4,759,279	\$85,520	\$594,634	\$977,843	\$0	\$886,071	\$0	\$0	\$0	\$91,772	\$0	\$0	\$0	\$0	\$0
Operating surplus (deficit)	\$409,936		\$409,936			\$409,936												
Board funded tangible capital asset additions				\$561,140		(\$561,140)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported tangible capital assets	\$0		\$0	(\$130,054)		\$130,054		\$0		\$0		\$0		\$0		\$0		\$0
Disposal of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0
Write-down of unsupported tangible capital assets	\$0		\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0
Write-down of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0
Net remeasurement gains (losses) for the year	\$0	\$0																
Endowment expenses	\$0		\$0		\$0													
Direct credits to accumulated surplus	\$0		\$0		\$0	\$0												
Amortization of tangible capital assets	\$0			(\$1,594,261)		\$1,594,261												
Capital revenue recognized	\$0			\$861,274		(\$861,274)												
Debt principal repayments (unsupported)	\$0			\$0		\$0												
Externally imposed endowment restrictions	\$0				\$0	\$0	\$0		\$0		\$0		\$0		\$0		\$0	
Net transfers to operating reserves	\$0					(\$340,503)	\$340,503		\$340,503		\$0		\$0		\$0		\$0	
Net transfers from operating reserves	\$0					\$315,589	(\$315,589)		(\$315,589)		\$0		\$0		\$0		\$0	
Net transfers to capital reserves	\$0					(\$43,000)		\$43,000		\$0		\$0		\$0		\$43,000		\$0
Net transfers from capital reserves	\$0					\$43,000		(\$43,000)		\$0		\$0		\$0		(\$43,000)		\$0
Assumption/transfer of other operations' surplus	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$91,772	\$0	\$0	\$0	(\$91,772)	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2012	\$6,827,212	\$0	\$6,827,212	\$4,457,378	\$85,520	\$1,281,557	\$1,002,757	\$0	\$1,002,757	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**SCHEDULE OF CAPITAL REVENUE**  
**(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)**  
for the Year Ended August 31, 2013 (in dollars)

	Unexpended Deferred Capital Revenue				
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	Expended Deferred Capital Revenue
<b>Balance at August 31, 2012</b>	\$2,066,272	\$0	\$0	\$1,301,422	\$30,010,905
Prior period adjustments	\$0	\$0	\$0	\$0	\$0
Adjusted balance, August 31, 2012	\$2,066,272	\$0	\$0	\$1,301,422	\$30,010,905
<b>Add:</b>					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$0				
Infrastructure Maintenance & Renewal capital related to school facilities	\$640,386				
Other Government of Alberta	\$0				
Federal Government and First Nations				\$0	
Other sources				\$58,430	
Unexpended capital revenue receivable from					
Alberta Education school building & modular	\$0				
Unexpended capital revenue receivable from other than Alberta Education	\$0			\$0	
Interest earned on unexpended capital revenue	\$21,496	\$0	\$0	\$0	
Other unexpended capital revenue and donations				\$2,272,085	
Net proceeds on disposal of supported tangible capital assets			\$0	\$0	
Insurance proceeds (and related interest)			\$0	\$0	
Donated tangible capital assets (amortizable, @ fair market value)					\$0
Public Private Partnership (P3), other Alberta Schools Alternative Program (ASAP) Initiative and Alberta Infrastructure managed projects					\$0
Transferred in tangible capital assets (amortizable, @ net book value)					\$0
Expended capital revenue - current year	(\$2,598,519)	\$0	\$0	(\$3,631,937)	\$6,230,456
Surplus funds approved for future project(s)	\$0	\$0			
<b>Deduct:</b>					
Net book value of supported tangible capital dispositions, write-offs, or transfers	\$0	\$0	\$0	\$0	\$0
Capital revenue recognized					\$1,151,003
<b>Balance at August 31, 2013</b>	\$129,635	\$0	\$0	\$0	\$35,090,358
	(A)	(B)	(C)	(D)	
<b>Balance of Unexpended Deferred Capital Revenue at August 31, 2013 (A) + (B) + (C) + (D)</b>				\$129,635	

**Unexpended Deferred Capital Revenue**

(A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only.

(B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.

(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved tangible capital assets per 10 (2) (a) of Disposition of Property Reg. 181/2010

(D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

**SCHEDULE OF CAPITAL REVENUE**  
**(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)**  
for the Year Ended August 31, 2012 (in dollars)

	Unexpended Deferred Capital Revenue				
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	Expended Deferred Capital Revenue
<b>Balance at August 31, 2011</b>	\$3,057,020	\$0	\$0	\$0	\$24,387,499
Prior period adjustments	\$0	\$0	\$0	\$0	\$0
Adjusted balance, August 31, 2011	\$3,057,020	\$0	\$0	\$0	\$24,387,499
<b>Add:</b>					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$0				
Infrastructure Maintenance & Renewal capital related to school facilities	\$0				
Other Government of Alberta	\$0				
Federal Government and First Nations				\$0	
Other sources				\$0	
Unexpended capital revenue receivable from					
Alberta Education school building & modular	\$5,494,432				
Unexpended capital revenue receivable from other than Alberta Education	\$0			\$0	
Interest earned on unexpended capital revenue	\$33,216	\$0	\$0	\$0	
Other unexpended capital revenue and donations				\$1,301,422	
Net proceeds on disposal of supported tangible capital assets			\$0	\$0	
Insurance proceeds (and related interest)			\$0	\$0	
Donated tangible capital assets (amortizable, @ fair market value)					\$0
Public Private Partnership (P3), other Alberta Schools Alternative Program (ASAP) Initiative and Alberta Infrastructure managed projects					\$0
Transferred in tangible capital assets (amortizable, @ net book value)					\$0
Expended capital revenue - current year	(\$6,518,396)	\$0	\$0	\$0	\$6,518,396
Surplus funds approved for future project(s)	\$0	\$0			
<b>Deduct:</b>					
Net book value of supported tangible capital dispositions, write-offs, or transfers	\$0	\$0	\$0	\$0	\$33,716
Capital revenue recognition					\$861,274
<b>Balance at August 31, 2012</b>	\$2,066,272	\$0	\$0	\$1,301,422	\$30,010,905
	(A)	(B)	(C)	(D)	
<b>Balance of Unexpended Deferred Capital Revenue at August 31, 2012 (A) + (B) + (C) + (D)</b>				\$3,367,694	

**Unexpended Deferred Capital Revenue**

(A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only.

(B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.

(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved tangible capital assets per 10 (2) (a) of Disposition of Property Reg. 181/2010

(D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

**SCHEDULE OF PROGRAM OPERATIONS**  
for the Year Ended August 31, 2013 (in dollars)

REVENUES	2013						2012
	Instruction (ECS- Grade 12)	Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
(1) Alberta Education	\$62,243,619	\$9,054,356	\$3,321,958	\$2,667,431	\$0	\$77,287,364	\$71,532,091
(2) Other - Government of Alberta	\$145,818	\$149,119	\$0	\$0	\$0	\$294,937	\$331,484
(3) Federal Government and First Nations	\$390,709	\$0	\$0	\$0	\$0	\$390,709	\$218,450
(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) Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(8) Fees	\$1,220,376		\$163,456		\$0	\$1,383,832	\$1,183,283
(9) Other sales and services	\$15,905	\$0	\$83,255	\$0	\$171,255	\$270,415	\$403,202
(10) Investment income	\$62	\$0	\$0	\$69,005	\$0	\$69,067	\$76,025
(11) Gifts and donations	\$129,893	\$0	\$0	\$54,248	\$0	\$184,141	\$147,809
(12) Rental of facilities	\$315	\$0	\$0	\$0	\$308,505	\$308,820	\$357,173
(13) Fundraising	\$700,418	\$7,387	\$0	\$0	\$0	\$707,805	\$1,301,529
(14) Gains on disposal of tangible capital assets	\$0	\$0	\$2,244	\$0	\$0	\$2,244	\$13,000
(15) Other revenue	\$1,312,372	\$25,187	\$2,534	\$274,098	\$0	\$1,614,191	\$2,035,218
(16) TOTAL REVENUES	\$66,159,487	\$9,236,049	\$3,573,447	\$3,064,782	\$479,760	\$82,513,525	\$77,599,264
<b>EXPENSES</b>							
(17) Certificated salaries	\$40,307,328			\$459,477	\$0	\$40,766,805	\$37,479,177
(18) Certificated benefits	\$8,721,429			\$244,056	\$0	\$8,965,485	\$7,908,306
(19) Non-certificated salaries and wages	\$8,733,503	\$1,583,934	\$1,730,614	\$1,039,133	\$132,328	\$13,219,512	\$12,382,167
(20) Non-certificated benefits	\$2,166,644	\$426,048	\$223,315	\$226,970	\$15,824	\$3,058,801	\$2,854,486
(21) SUB - TOTAL	\$59,928,904	\$2,009,982	\$1,953,929	\$1,969,636	\$148,152	\$66,010,603	\$60,624,136
(22) Services, contracts and supplies	\$6,369,926	\$5,264,591	\$1,296,095	\$1,078,862	\$279,768	\$14,289,242	\$14,693,152
(23) Amortization of supported tangible capital assets	\$0	\$1,151,003	\$0	\$0	\$0	\$1,151,003	\$861,274
(24) Amortization of unsupported tangible capital assets	\$305,997	\$25,846	\$376,294	\$15,345	\$81,289	\$804,771	\$732,987
(25) Supported interest on capital debt	\$0	\$149,119	\$938	\$0	\$0	\$150,057	\$184,237
(26) Unsupported interest on capital debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(27) Other interest and finance charges	\$0	\$0	\$0	\$0	\$0	\$0	\$888
(28) Losses on disposal of tangible capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$92,654
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$66,604,827	\$8,600,541	\$3,627,256	\$3,063,843	\$509,209	\$82,405,676	\$77,189,328
(31) OPERATING SURPLUS (DEFICIT)	(\$445,340)	\$635,508	(\$53,809)	\$939	(\$29,449)	\$107,849	\$409,936

**SCHEDULE OF TRANSITION TO PUBLIC SECTOR ACCOUNTING STANDARDS**  
**For the Year Ended August 31, 2013 (in dollars)**

	September 1, 2011 Not-for-Profit	Adjustment	September 1, 2011 PSAS
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents / Cash and temporary investments	\$6,682,393	\$200,477	\$6,882,870
Accounts receivable (net after allowances)	\$1,237,093	\$1,935,434	\$3,172,527
Portfolio investments / Long term investments	\$58,597	\$0	\$58,597
Other financial assets		\$0	\$0
Other current assets	\$5,097	(\$5,097)	
Trust assets	\$1,027,842	(\$1,027,842)	
Long term accounts receivable	\$0	\$0	
<b>Total financial assets</b>	<b>\$9,011,022</b>	<b>\$1,102,972</b>	<b>\$10,113,994</b>
<b>LIABILITIES</b>			
Bank indebtedness	\$0	\$0	\$0
Accounts payable and accrued liabilities	\$1,242,506	\$0	\$1,242,506
Deferred revenue	\$2,077,779	\$27,559,476	\$29,637,255
Deferred capital allocations	\$3,057,020	(\$3,057,020)	
Trust liabilities	\$1,027,842	(\$1,027,842)	
Employee future benefit liabilities	\$141,500	\$0	\$141,500
Other liabilities		\$0	\$0
Long term debt			
Supported: Debentures and other supported debt	\$1,935,434	\$0	\$1,935,434
Unsupported: Debentures and capital loans	\$0	\$0	\$0
Capital leases	\$0	\$0	\$0
Mortgages	\$0	\$0	\$0
Other long-term liabilities	\$0	\$0	
Unamortized capital allocations	\$22,452,065	(\$22,452,065)	
<b>Total liabilities</b>	<b>\$31,934,146</b>	<b>\$1,022,549</b>	<b>\$32,956,695</b>
<b>Net Debt</b>	<b>(\$22,923,124)</b>	<b>\$80,423</b>	<b>(\$22,842,701)</b>
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets			
Land	\$340,000	\$0	\$340,000
Construction in progress	\$4,551,359	\$0	\$4,551,359
Buildings	\$45,137,213	\$0	\$45,137,213
Less: Accumulated amortization	(\$23,418,757)	\$0	(\$23,418,757)
Equipment	\$3,963,221	\$0	\$3,963,221
Less: Accumulated amortization	(\$3,265,170)	\$0	(\$3,265,170)
Vehicles	\$7,644,318	\$0	\$7,644,318
Less: Accumulated amortization	(\$5,805,408)	\$0	(\$5,805,408)
Computer Equipment		\$0	\$0
Less: Accumulated amortization		\$0	\$0
Total tangible capital assets	\$29,146,776	\$0	\$29,146,776
Prepaid expenses	\$108,104	\$0	\$108,104
Other non-financial assets		\$5,097	\$5,097
<b>Total non-financial assets</b>	<b>\$29,254,880</b>	<b>\$5,097</b>	<b>\$29,259,977</b>
<b>Total accumulated surplus</b>	<b>\$6,331,756</b>	<b>\$85,520</b>	<b>\$6,417,276</b>

## SCHEDULE OF TRANSITION TO PUBLIC SECTOR ACCOUNTING STANDARDS

For the Year Ended August 31, 2013 (in dollars)

	August 31, 2012 Not-for-Profit	Adjustment	Adjustment	August 31, 2012 PSAS
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents / Cash and temporary investments	\$10,514,737	\$0	\$200,413	\$10,715,150
Accounts receivable (net after allowances)	\$1,004,347	\$0	\$1,579,072	\$2,583,419
Portfolio investments / Long term investments	\$55,602	\$0	\$0	\$55,602
Other financial assets		\$0	\$0	\$0
Other current assets	\$5,580	\$0	(\$5,580)	
Trust assets	\$1,297,720	\$0	\$0	
Long term accounts receivable	\$0	\$0	\$0	
<b>Total financial assets</b>	<b>\$12,877,986</b>	<b>\$0</b>	<b>\$1,773,905</b>	<b>\$13,354,171</b>
<b>LIABILITIES</b>				
Bank indebtedness	\$0	\$0	\$0	\$0
Accounts payable and accrued liabilities	\$4,137,955	\$0	\$0	\$4,137,955
Deferred revenue	\$1,868,750	\$0	\$33,493,492	\$35,362,242
Deferred capital allocations	\$3,367,694	\$0	(\$3,367,694)	
Trust liabilities	\$1,297,720	\$0	\$0	
Employee future benefit liabilities	\$97,300	\$0	\$0	\$97,300
Other liabilities		\$0	\$0	\$0
Long term debt				
Supported: Debentures and other supported debt	\$1,579,072	\$0	\$0	\$1,579,072
Unsupported: Debentures and capital loans	\$0	\$0	\$0	\$0
Capital leases	\$0	\$0	\$0	\$0
Mortgages	\$0	\$0	\$0	\$0
Other long-term liabilities	\$0	\$0	\$0	
Unamortized capital allocations	\$28,431,833	\$0	(\$28,431,833)	
<b>Total liabilities</b>	<b>\$40,780,324</b>	<b>\$0</b>	<b>\$1,693,965</b>	<b>\$41,176,569</b>
<b>Net Debt</b>	<b>(\$27,902,338)</b>	<b>\$0</b>	<b>\$79,940</b>	<b>(\$27,822,398)</b>
<b>NON-FINANCIAL ASSETS</b>				
Tangible capital assets				
Land	\$340,000	\$0	\$0	\$340,000
Construction in progress	\$10,866,022	\$0	\$0	\$10,866,022
Buildings	\$44,753,235	\$0	\$0	\$44,753,235
Less: Accumulated amortization	(\$23,807,325)	\$0	\$0	(\$23,807,325)
Equipment	\$3,421,157	\$0	\$0	\$3,421,157
Less: Accumulated amortization	(\$3,011,523)	\$0	\$0	(\$3,011,523)
Vehicles	\$7,425,601	\$0	\$0	\$7,425,601
Less: Accumulated amortization	(\$5,518,886)	\$0	\$0	(\$5,518,886)
Computer Equipment		\$0	\$0	\$0
Less: Accumulated amortization		\$0	\$0	\$0
Total tangible capital assets	\$34,468,281	\$0	\$0	\$34,468,281
Prepaid expenses	\$175,749	\$0	\$0	\$175,749
Other non-financial assets		\$0	\$5,580	\$5,580
<b>Total non-financial assets</b>	<b>\$34,644,030</b>	<b>\$0</b>	<b>\$5,580</b>	<b>\$34,649,610</b>
<b>Total accumulated surplus</b>	<b>\$6,741,692</b>	<b>\$0</b>	<b>\$85,520</b>	<b>\$6,827,212</b>



## SCHEDULE OF TRANSITION TO PUBLIC ACCOUNTING STANDARDS

For the Years Ended August 31, 2012 (in dollars)

	August 31, 2012 Not-for-Profit	Adjustment	August 31, 2012 PSAS
<b>REVENUES</b>			
Alberta Education	\$71,532,091	\$861,274	\$72,393,365
Other - Government of Alberta	\$331,484	\$0	\$331,484
Federal Government and First Nations	\$218,450	\$0	\$218,450
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Property taxes	\$0	\$0	\$0
Fees		\$0	\$1,183,283
Other sales and services	\$403,202	\$0	\$403,202
Investment income	\$76,025	\$0	\$76,025
Gifts and donations	\$147,809	\$0	\$147,809
Rental of facilities	\$357,173	\$0	\$357,173
Fundraising	\$1,301,529	\$0	\$1,301,529
Gains (losses) on disposal of capital assets	\$13,000	\$0	\$13,000
Amortization of capital contributions	\$861,274	(\$861,274)	
Other revenue	\$1,173,944	\$0	\$1,173,944
<b>Total Revenues</b>	<b>\$77,599,264</b>	<b>\$0</b>	<b>\$77,599,264</b>
<b>EXPENSES</b>			
Instruction	\$61,732,992	\$0	\$61,732,992
Plant operations and maintenance	\$9,086,676	\$0	\$9,086,676
Transportation	\$3,555,928	\$0	\$3,555,928
Administration	\$2,327,477	\$0	\$2,327,477
External services	\$486,255	\$0	\$486,255
<b>Total Expenses</b>	<b>\$77,189,328</b>	<b>\$0</b>	<b>\$77,189,328</b>
<b>Operating surplus (deficit)</b>	<b>\$409,936</b>	<b>\$0</b>	<b>\$409,936</b>

**SCHEDULE OF TRANSITION TO PUBLIC SECTOR ACCOUNTING STANDARDS**

**for the Year Ended August 31, 2013 (in dollars)**

<b>EXPENSES</b>	<b>August 31, 2012 Not-for-Profit</b>	<b>Adjustments</b>	<b>August 31, 2012 PSAS</b>
<b>Certificated salaries</b>	\$37,479,177	\$0	\$37,479,177
<b>Certificated benefits</b>	\$7,908,306	\$0	\$7,908,306
<b>Non-certificated salaries and wages</b>	\$12,382,167	\$0	\$12,382,167
<b>Non-certificated benefits</b>	\$2,854,486	\$0	\$2,854,486
<b>SUB - TOTAL</b>	\$60,624,136	\$0	\$60,624,136
<b>Services, contracts and supplies</b>	\$14,693,152	\$0	\$14,693,152
<b>Amortization of supported tangible capital assets</b>	\$861,274	\$0	\$861,274
<b>Amortization of unsupported tangible capital assets</b>	\$732,987	\$0	\$732,987
<b>Supported interest on capital debt</b>	\$184,237	\$0	\$184,237
<b>Unsupported interest on capital debt</b>		\$0	\$0
<b>Other interest and finance charges</b>	\$888	\$0	\$888
<b>Losses on disposal of tangible capital assets</b>	\$92,654	\$0	\$92,654

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

---

### 1. Authority and purpose:

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

The School Division receives instruction and support allocations under Education Grants Regulation (AR 120/2008). The regulation allows for setting of conditions and use of grant monies. The School Division is limited on certain funding allocations and administration expenses.

### 2. Conversion to Public Sector Accounting Standards:

Commencing with the 2013 fiscal year, the School Division has adopted Canadian Public Sector Accounting Standards ("PSAS") without not-for-profit provisions. These financial statements are the first financial statements for which the School Division has applied PSAS with retroactive application. The impact of the conversion to PSAS is presented in Schedule 1.

In accordance with the requirements of PSAS Handbook Section 2125, the accounting policies set out in note 3 have been consistently applied to all years presented. Adjustments resulting from the adoption of PSAS have been applied retrospectively excluding cases where optional exemptions available under Section 2125 have been applied. The School Division has elected to adopt the exemptions available under Section 2125 for prospective application of the tangible capital assets impairment rules.

### 3. Summary of significant accounting policies:

These financial statements have been prepared in accordance with the CICA Canadian public sector accounting standards. 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) Cash and cash equivalents:

Cash and cash equivalents include cash and investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

#### b) Accounts receivable:

Accounts receivable are shown net of allowance for doubtful accounts.

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

---

### 3. Summary of significant accounting policies (continued):

#### c) Portfolio investments:

The School Division has investments in GIC's that have a maturity of greater than 3 months. GIC's and other investments not quoted in an active market are reported at cost or amortized cost.

#### d) Tangible capital assets:

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset. Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.

Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion, and is not amortized until after the project is complete and the asset is in service.

Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

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

Equipment	5 years
Vehicles	6 -10 years
Buildings	25 - 40 years

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

---

### 3. Summary of significant accounting policies (continued):

#### e) Employee future benefits:

The Division participates in the Local Authorities Pension Plan. This is a multi-employer defined benefit plan that provides pensions for the Division's participating employees, based on years of service and earnings. Defined contribution plan accounting is applied to a multi-employer defined benefit plan for which the Division has insufficient information to apply defined benefit plan accounting. Pension costs included in these financial statements include 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 pension plan. The Division's portion of this pension plans' deficit or surplus is not recorded by the Division.

The Division participates in the Alberta Teachers' Retirement Fund. This is a multi-employer defined benefit plan that provides pensions for the Division's participating employees, based on years of service and earnings. Defined contribution plan accounting is applied for this multi-employer defined benefit plan. Pension costs included in these financial statements include 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 pension plan. The Division's portion of this pension plans' deficit or surplus is not recorded by the Division.

For the Alberta Teachers' Retirement fund pension costs include the Provincial contributions made on behalf of the Division for current service employees during the year.

The Division provides a defined benefit Senior Executive Retirement Plan to certain senior employees. Costs of these benefits are actuarially determined using the projected benefit method prorated on service, an interest rate based on the Division's cost of borrowing and management's best estimate of expected costs and benefit coverage period. Net actuarial recoveries and deficiencies of the benefit obligation are amortized over the expected average remaining service life of the employees. Current service costs in the actuarial present value of the benefits earned in the fiscal period and applicable adjustments to prior year due to changes in the underlying assumptions. The Plan is unfunded.

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

---

### 3. Summary of significant accounting policies (continued):

f) Operating and capital reserves:

Certain amounts are internally or externally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Changes in Accumulated Surplus.

g) Revenue recognition:

Revenues are recorded on an accrual basis. 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.

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. Contributed services are not recognized in the financial statements.

Eligibility criteria are criteria that the School District has to meet in order to receive certain contributions. Stipulations describe what the School District must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with stipulations are recognized as revenue in the period the stipulations are met, except when and to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *Section PS 3200*. Such liabilities are recorded as deferred revenue. The following items fall under this category:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the period the stipulated related expenses are incurred;
- Unexpended Deferred Capital Revenue; or
- Expended Deferred Capital Revenue, with ongoing stipulations.

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

---

### 3. Summary of significant accounting policies (continued):

#### h) Financial instruments:

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Division recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank indebtedness, accounts payable and accrued liabilities, debt and other liabilities. Unless otherwise noted, it is management's opinion that the Division is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

Portfolio investments in equity instruments quoted in an active market and derivatives are recorded at fair value. All other financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items in the cost or amortized cost upon initial recognition. The gain or loss arising from de-recognition of a financial instrument is recognized in the Statement of Operations. Impairment losses such as write-downs or write-offs are reported in the Statement of Operations.

Recognition, de-recognition and measurement policies followed in the financial statements for periods prior to the effective date of September 1, 2012 specified are not reversed and, therefore, the financial statements of prior periods, including the comparative information, have not been restated.



# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

---

### 3. Summary of significant accounting policies (continued):

i) Program reporting:

The Division's operations have been segmented as follows:

**ECS-Grade 12 Instruction:** The provision of Early Childhood Services education and grades 1 - 12 instructional services that fall under the basic public education mandate.

**Plant Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.

**Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facilities.

**Board & System Administration:** The provision of board governance and system-based / central office administration.

**External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenues and expenses are reported by program, source, and object on the Schedule of Program Operations.

j) Scholarship endowment funds:

Contributions to scholarship endowment funds must be held in perpetuity in accordance with the agreement with the donor.

Contributions of endowment principal represent a direct increase to accumulated surplus. The income earned on endowment principal is recognized as deferred revenue or as revenue in the year to the extent that stipulations have been met.

Unrealized gains and losses associated with the endowment are recorded in the Statement of Remeasurement Gains and Losses.

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

### 4. Cash and temporary investments:

		August 31, 2013	August 31, 2012	September 1, 2011
	Average effective (market) yield	Cost	Amortized cost	Amortized cost
Cash and cash equivalents	1.11%	\$ 5,665,012	\$ 5,665,012	\$ 10,715,150
				\$ 6,882,870

Cash and cash equivalents includes school generated funds on hand of \$1,076,178 (2012 - \$1,158,616).

### 5. Accounts receivable:

	August 31, 2013	August 31, 2012	September 1, 2011
Alberta Education	\$ 99,450	\$ 153,813	\$ 24,466
Alberta Finance	1,258,861	1,579,072	1,935,434
Federal Government	113,365	231,643	61,312
First Nations	--	257	212,087
Other	915,804	618,634	939,228
	\$ 2,387,480	\$ 2,583,419	\$ 3,172,527

### 6. Bank indebtedness:

The Division has negotiated a line of credit with RBC in the amount of \$600,000 that bears interest at the bank's prime rate plus 0.3%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the Division. There was no balance outstanding on the line of credit at August 31, 2013 (2012 - nil; 2011 - nil). Prime rate at August 31, 2013 was 3.0% (2012 - 3.0%; 2011 - 3.0%).

# PALLISER REGIONAL DIVISION No. 26

Notes to Financial Statements

Year ended August 31, 2013

## 7. Deferred revenue:

	Deferred revenue as at August 31, 2012	Add 2012/2013 restricted funds received/receivable	Deduct 2012/2013 restricted funds expended (paid/payable)	Add/deduct 2012/2013 adjustments for returned funds	Deferred revenue as at August 31, 2013
<b>Unexpected deferred operating revenue:</b>					
Alberta Education:					
Alberta Initiative for School Improvement	\$ 297,819	\$ 264,283	\$ (562,102)	\$ --	\$ --
Infrastructure Maintenance Renewal	305,725	1,024,887	(1,030,238)	--	300,374
Other Government of Alberta:					
Technology	4,110	--	--	--	4,110
Modernization funds	6,102	--	--	--	6,102
Other deferred revenue:					
School generated funds	1,158,616	1,969,982	(2,052,420)	--	1,076,178
Other Arrowwood School donation	8,460	--	--	--	8,460
Other	202,811	--	(44,682)	--	158,129
Total unexpended deferred operating revenue	1,983,643	3,259,152	(3,689,442)	--	1,553,353
Unexpended deferred capital revenue	3,367,694	79,927	(3,317,986)	--	129,635
Expended deferred capital revenue	30,010,905	6,230,459	(1,151,006)	--	35,090,358
<b>Total</b>	<b>\$35,362,242</b>	<b>\$ 9,569,538</b>	<b>\$(8,158,434)</b>	<b>\$ --</b>	<b>\$ 36,773,346</b>

# PALLISER REGIONAL DIVISION No. 26

Notes to Financial Statements

Year ended August 31, 2013

## 7. Deferred revenue (continued):

	Deferred revenue as at August 31, 2011	Add 2011/2012 restricted funds received/receivable	Deduct 2011/2012 restricted funds expended (paid/payable)	Add/deduct 2011/2012 adjustments for returned funds	Deferred revenue as at August 31, 2012
<b>Unexpected deferred operating revenue:</b>					
Alberta Education:					
Alberta Initiative for School Improvement	\$ 123,428	\$ 713,598	\$ (539,207)	\$ --	\$ 297,819
Infrastructure Maintenance Renewal	763,539	966,067	(1,423,881)	--	305,725
Other Government of Alberta:					
Technology	4,110	--	--	--	4,110
Modernization funds	6,102	--	--	--	6,102
Other deferred revenue:					
School generated funds	1,172,203	2,057,333	(2,070,920)	--	1,158,616
Other Arrowwood School donation	--	8,460	--	--	8,460
Other	123,354	80,411	(954)	--	202,811
Total unexpended deferred operating revenue	2,192,736	3,825,869	(4,034,962)	--	1,983,643
Unexpended deferred capital revenue	3,057,020	6,829,070	(6,518,396)	--	3,367,694
Expended deferred capital revenue	24,387,499	6,484,680	(861,274)	--	30,010,905
<b>Total</b>	<b>\$29,637,255</b>	<b>\$17,139,619</b>	<b>\$(11,414,632)</b>	<b>\$ --</b>	<b>\$ 35,362,242</b>

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

### 8. Accrued benefit obligation:

The accrued benefit obligation is the obligation related to the Senior Executive Retirement Plan. The obligation has been determined through an actuarial report from Morneau Shepell dated October 4, 2013 using a measurement date of August 31, 2013.

Reconciliation of the funded status of the Benefit Plan to the amounts recorded in the financial statements:

	August 31, 2013	August 31, 2012	September 1, 2011
Accrued benefit obligations	\$ 106,400	\$ 137,200	\$ 191,800
Fair value of plan assets	(74,324)	(55,602)	(58,597)
Funded status – deficit	86,076	81,598	133,203
Balance of unamortized amounts	98,000	(39,900)	(50,300)
Accrued benefit liability	\$ 184,076	\$ 41,698	\$ 82,903
Employee future benefit liabilities	\$ 258,400	\$ 97,300	\$ 141,500
Portfolio investments	(74,324)	(55,602)	(58,597)
Accrued benefit liability	\$ 184,076	\$ 41,698	\$ 82,903

### 9. Long-term debt:

	August 31, 2013	August 31, 2012	September 1, 2011
Supported debenture outstanding at August 31, 2013 have interest rates between 7.500% to 11.625%. The terms of the loan range and are maturing at various dates up to May, 2019, payments made annually are supported by Alberta Education.	\$ 1,258,861	\$ 1,579,072	\$ 1,935,434

The following is a schedule of repayment of debt related to capital lease:

2013 - 2014	\$ 424,257
2014 - 2015	389,148
2015 - 2016	264,716
2016 - 2017	214,550
2017 - 2018	100,835
2018 to maturity	192,444
Total payments	1,585,950
Less amount representing interest	327,089
	\$ 1,258,861

# PALLISER REGIONAL DIVISION No. 26

Notes to Financial Statements

Year ended August 31, 2013

## 10. Tangible capital assets:

August 31, 2013	Construction in progress -			Computer Hardware and			Total
	Land	buildings		Buildings	Equipment	Vehicles	Software
Estimated useful lives			25-40 years	5-10 years	5-10 years	3-5 years	
<b>Historical cost:</b>							
Balance, beginning of year	\$ 340,000	\$10,866,022	\$44,753,235	\$ 2,348,331	\$ 7,425,601	\$ 1,072,826	\$66,806,015
Additions	--	3,263,689	2,912,464	170,577	726,552	317,397	7,390,679
Transfers in (out)	--	(13,493,683)	13,147,480	346,203	--	--	--
Less disposals including write-offs	--	--	--	(32,292)	(402,379)	--	(434,671)
	340,000	636,028	60,813,179	2,832,819	7,749,774	1,390,223	73,762,023
<b>Accumulated amortization:</b>							
Balance, beginning of year	--	--	23,807,325	2,223,787	5,518,886	787,736	32,337,734
Additions	--	--	1,232,289	139,427	394,474	189,584	1,955,774
Transfers in (out)	--	--	--	--	(377,693)	--	(377,693)
Less disposals including write-offs	--	--	--	--	--	--	--
	--	--	25,039,614	2,363,214	5,535,667	977,320	33,915,815
Net book value at end of year	\$ 340,000	\$ 636,028	\$35,773,565	\$ 469,605	\$ 2,214,107	\$ 412,903	\$39,846,208

# PALLISER REGIONAL DIVISION No. 26

Notes to Financial Statements

Year ended August 31, 2013

## 10. Tangible capital assets (continued):

August 31, 2012	Construction in progress -			Computer Hardware and Software			Total
	Land	buildings		Buildings	Equipment	Vehicles	
Estimated useful lives				25-40 years	5-10 years	5-10 years	3-5 years
<b>Historical cost:</b>							
Balance, beginning of year	\$ 340,000	\$ 4,551,359	\$45,137,213	\$ 2,890,395	\$ 7,644,316	\$ 1,072,826	\$61,636,109
Additions	--	6,518,397	203,734	22,604	538,536	--	7,283,271
Transfers in (out)	--	(203,734)	--	--	26,427	--	(177,307)
Less disposals including write-offs	--	--	(587,712)	(564,668)	(783,678)	--	(1,936,058)
	340,000	10,866,022	44,753,235	2,348,331	7,425,601	1,072,826	66,806,015
<b>Accumulated amortization:</b>							
Balance, beginning of year	--	--	23,418,757	2,671,674	5,805,406	593,496	32,489,333
Additions	--	--	942,563	57,255	400,203	194,240	1,594,261
Transfers in (out)	--	--	--	--	26,427	--	26,427
Less disposals including write-offs	--	--	(553,995)	(505,142)	(713,150)	--	(1,772,287)
	--	--	23,807,325	2,223,787	5,518,886	787,736	32,337,734
Net book value at end of year	\$ 340,000	\$10,866,022	\$20,945,910	\$ 124,544	\$ 1,906,715	\$ 285,090	\$34,468,281



# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

### 11. Accumulated surplus:

Detailed information related to accumulated surplus is available on the Schedule of Changes in Accumulated Surplus. Accumulated surplus may be summarized as follows:

	2013	2012
Unrestricted surplus	\$ 2,217,963	\$ 1,281,557
Operating reserves	1,035,949	1,002,757
Investment in tangible capital assets	3,595,629	4,457,378
Endowments	85,520	85,520
Accumulated surplus (deficit)	\$ 6,935,061	\$ 6,827,212

### 12. Contractual obligations:

#### Building Projects:

The Division is committed to further capital expenditures for the modernization at Picture Butte High School, the Coalhurst Elementary School Modular and the Vulcan Daycare of approximately \$104,015. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

#### Equipment Leases:

The jurisdiction is committed to lease photocopiers from Xerox to August 31, 2016. The annual lease payment is \$87,000. The Division is committed to lease computer hardware from Macquarie Equipment Finance. The annual lease payment is \$95,500. The Division is also committed to CSI Leasing for computer hardware in the amount of \$116,640 annually.

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

### 13. Contingent liabilities:

(i) Legal actions:

The Division has been named as a defendant in various legal actions. In the opinion of management, these matters are without substantial merit and no provision has been made in the accounts.

(ii) Asset retirement obligations:

Asset retirement obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. The Division has a legal obligation to remove hazardous material located under the sale of the central office building upon its disposal. A liability, however, has not been recognized because the fair value cannot be reasonably estimated.

### 14. Fees:

	2013	2012
Transportation fees	\$ 163,456	\$ 114,024
Fees charged for instruction material and supplies	1,220,376	980,082
Other fees	--	89,177
	<u>\$ 1,383,832</u>	<u>\$ 1,183,283</u>

Fees are charged under Section 51(3) and Section 60(2)(j) of the School Act.

### 15. Trust assets held on behalf of others:

The division holds assets on behalf of others over which the division has no power of appropriations. Accordingly these funds are not included in the consolidated financial statements.

	August 31, 2013	August 31, 2012	September 1, 2011
Student Health partnership	\$ 70,046	\$ 1,097,307	\$ 827,365

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

### 16. School generated funds:

	2013	2012
Unexpended school generated revenues, opening balance	\$ 1,158,616	\$ 1,172,203
Current year activities - gross receipts:		
Fees	1,103,175	1,728,160
Fundraising	700,418	185,160
Gifts and donations	82,746	20,573
Other sales and services	83,643	123,440
	1,969,982	2,057,333
Current year activities - total direct costs including costs of goods sold to raise funds	789,877	603,755
Current year activities – uses of funds	1,262,543	1,467,165
Unexpended school generated revenues, closing balance	\$ 1,076,178	\$ 1,158,616

### 17. Related party transactions:

School Divisions are controlled by the Government of Alberta. Accordingly, all entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are related parties of the school Division. These include government departments, health authorities, post-secondary institutions and other school Divisions in Alberta.

	Balances		Transactions	
	Financial assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenue	Expenses
Government of Alberta ("GOA"):				
Education:				
Accounts receivable and accounts payable	\$ 99,450	\$ --	\$ --	\$ --
Grant revenue and expenses	--	--	77,287,364	--
Treasury Board and Finance (principal)	1,258,861	1,258,861	--	--
Treasury Board and Finance (accrued interest)	--	--	--	184,237
Other GOA ministries	3,775	--	294,937	--
Total 2012/2013	\$ 1,362,086	\$ 1,258,861	\$ 77,582,301	\$ 184,237
Total 2011/2012	\$ 1,732,885	\$ 1,579,072	\$ 71,863,575	\$ 291,176
September 1, 2011	\$ 1,959,900	\$ 1,579,072	\$ 65,017,923	\$ 331,123

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

### 18. Economic dependence on related third party:

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

### 19. Remuneration and monetary incentives:

The School Division had paid or accrued expenses for the year ended August 31, 2013 to or on behalf of the following positions and persons in groups as follows:

	FTE	Remuneration	Benefits	Negotiated allowances	Expenses
Board members:					
C. Deitz	1.0	\$ 23,320	\$ 1,046	\$ --	\$ 14,109
J. Mrak	1.0	24,940	1,084	--	11,423
R. Strauss	1.0	6,400	444	--	1,922
J. Watson	1.0	22,890	1,058	--	9,265
E. Willms	1.0	22,250	973	--	10,621
D. Zech	1.0	30,510	1,458	--	17,354
	6.0	130,310	6,063	--	64,694

	FTE	Remuneration	Benefits	Negotiated allowances	Expenses
K. Geitz, Superintendent	1.0	190,780	26,039	\$ --	12,538
M. Gibb, Corporate Treasurer	1.0	134,856	22,619	--	6,625
L. Poiries (i), Corporate Secretary	1.0	28,045	6,316	--	--
J. Siljak (ii), Corporate Secretary	1.0	53,321	14,179	--	--
	4.0	407,002	69,153	--	19,163
	10.0	\$ 537,312	\$ 75,216	\$ --	\$ 83,857

Certificated teachers	424.2	\$ 40,576,025	\$ 8,939,446
-----------------------	-------	---------------	--------------

Non-Certificated - Other	322.2	12,872,980	3,009,624
-----------------------------	-------	------------	-----------

Totals		\$53,449,005	\$11,949,070
--------	--	--------------	--------------

(i) Present in the position until December 31, 2012

(ii) Present in the position from January 1, 2013 to August 31, 2013.

# PALLISER REGIONAL DIVISION No. 26

## Notes to Financial Statements

Year ended August 31, 2013

---

### 20. Multi-Employer Pension Plan:

Employees of the Division qualify to belong to one of the following defined – benefit pension plans:

#### a) Local Authorities Pension Plan

Certain employees of the Division participate in the Local Authorities Pension Plan (LAPP) which is one of the plans covered by the Alberta Public Sector Pension Plans Act. The LAPP serves approximately 206,000 people and 421 employers in Alberta. The plan is financed by employer and employee contributions and investment earnings of the LAPP funds.

Total current and past service employer contributions to the LAPP for the year-ended August 31, 2013 was \$597,753 (2012 - \$538,171; 2011 - \$485,879). Total current and past service contributions by employees of the Division for the year-ended August 31, 2013 was \$542,691 (2012 \$486,162; 2011 - \$433,895).

At December 31, 2012 The Local Authorities Pension Plan reported an actuarial deficiency of \$4.6 billion (2011 – deficiency of \$4.6 billion; 2010 - \$4.6 billion).

#### b) Alberta Teachers Retirement Fund

Certain employees of the Division participate in the Alberta Teachers' Retirement Fund (ATRF) which is an independent corporation that administers the pension plan for Alberta teachers. The ATRF serves approximately 73,000 people and 82 employers in Alberta.

Total current and past service employer contributions to the ATRF for the year-ended August 31, 2013 was \$4,234,044 (2012 - \$3,732,244; 2011 - \$3,460,305). Total current and past services contributions by employees of the Division for the year-ended August 31, 2013 was \$4,501,690 (2012 - \$3,930,609; 2011 – \$3,679,937).

At August 31, 2012, the ATRF reported an actuarial deficiency of \$2.88 billion (2011 - \$1.75 billion; 2010 - \$1.93 billion).

### 21. Budget amounts:

The budget was prepared by the School Division and approved by the Board of Trustees on May 29, 2012. It is presented for information purposes only.