

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

ASPEN VIEW REGIONAL DIVISION NO. 19

Legal Name of School Jurisdiction

3600 - 48 AVENUE, ATHABASCA, ALBERTA T9S 1M8

Mailing Address

Phone: (780) 675-7080; FAX: (780) 675-3660

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of ASPEN VIEW REGIONAL DIVISION NO. 19 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



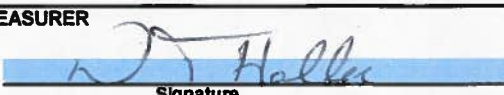
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

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	
Brian Bittorf <small>Name</small>	 <small>Signature</small>
SUPERINTENDENT	
Brian LeMessurier <small>Name</small>	 <small>Signature</small>
SECRETARY TREASURER OR TREASURER	
Dave Holler <small>Name</small>	 <small>Signature</small>

15-Nov-12
Board-approved Release Date

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Independent Auditor's Report

To the Board of Trustees,
Aspen View Regional Division No. 19

We have audited the accompanying financial statements of Aspen View Regional Division No. 19, which comprise the statement of financial position as at August 31, 2012, and the statements of revenue and expenses, changes in net assets, cash flows and capital allocations for the year then ended, 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 generally accepted accounting principles, 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.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers 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 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 Aspen View Regional Division No. 19 at August 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Other Matters

The financial statements of Aspen View Regional Division No. 19 for the year ended August 31, 2011 were audited by another auditor who expressed an unqualified opinion on November 17, 2011.

King + Company

Edmonton, AB
November 15, 2012

STATEMENT OF FINANCIAL POSITION
as at August 31, 2012

(in dollars)

	2012	2011 (Restated)
ASSETS		
Current assets		
Cash and temporary investments (Note 3)	\$9,392,879	\$6,015,147
Accounts receivable (net after allowances) (Note 4)	\$477,263	\$1,218,978
Prepaid expenses	\$85,355	\$75,109
Other current assets	\$0	\$0
Total current assets	\$9,955,497	\$7,309,234
Trust assets		
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets (Note 5)		
Land	\$330,335	\$330,335
Construction in progress	\$0	\$0
Buildings	\$43,426,492	
Less: accumulated amortization	(\$23,090,619)	\$19,046,253
Equipment	\$2,290,475	
Less: accumulated amortization	(\$1,285,584)	\$1,056,810
Vehicles	\$1,332,840	
Less: accumulated amortization	(\$757,714)	\$600,746
Total capital assets	\$22,246,225	\$21,034,144
TOTAL ASSETS	\$32,201,722	\$28,343,378
LIABILITIES		
Current liabilities		
Bank indebtedness (Note 6)	\$0	\$0
Accounts payable and accrued liabilities (Note 7)	\$2,382,204	\$2,515,238
Deferred revenue (Note 8)	\$1,264,400	\$954,457
Deferred capital allocations (Note 9)	\$2,563,332	\$191,025
Current portion of long term debt	\$396,215	\$468,188
Total current liabilities	\$6,606,151	\$4,128,908
Trust liabilities		
Employee future benefit liabilities	\$434,516	\$421,000
Long term debt (Note 10)		
Supported: Debentures and other supported debt	\$606,903	\$899,898
Less: Current portion	(\$240,330)	(\$292,993)
Unsupported: Debentures and capital loans	\$651,800	\$826,995
Capital leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	(\$155,885)	(\$175,195)
Other long term liabilities	\$0	\$0
Unamortized capital allocations (Note 11)	\$18,592,243	\$17,138,350
Total long term liabilities	\$19,889,247	\$18,818,055
TOTAL LIABILITIES	\$26,495,398	\$22,946,963
NET ASSETS		
Unrestricted net assets	\$1,912,963	\$1,829,432
Operating reserves	\$902,690	\$902,690
Accumulated operating surplus (deficit)	\$2,815,653	\$2,732,122
Investment in capital assets	\$2,395,279	\$2,168,901
Capital reserves	\$495,392	\$495,392
Total capital funds	\$2,890,671	\$2,664,293
Total net assets	\$5,706,324	\$5,396,415
TOTAL LIABILITIES AND NET ASSETS	\$32,201,722	\$28,343,378

Note: Please input "(Restated)" in 2011 column heading where comparatives are not taken from the finalized 2010/2011 Audited Financial Statements filed with Alberta Education.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2012
(in dollars)

	Actual 2012	Budget 2012	Actual 2011 (Restated)
REVENUES			
Government of Alberta	\$36,323,240	\$34,707,871	\$36,347,849
Federal Government and/or First Nations	\$2,155,066	\$1,240,650	\$1,343,817
Other Alberta school authorities	\$115,673	\$0	\$112,597
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Fees	\$193,351	\$194,500	\$169,165
Other sales and services	\$902,676	\$0	\$739,838
Investment income	\$156,010	\$220,000	\$356,460
Gifts and donations	\$69,732	\$7,500	\$13,965
Fundraising	\$1,924,401	\$600,000	\$1,807,778
Rental of facilities	\$33,105	\$54,400	\$59,075
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$471,367	\$471,367	\$606,080
Other revenue	\$0	\$442,820	\$0
Total Revenues	\$42,344,621	\$37,939,108	\$41,556,624
EXPENSES			
Certificated salaries (Note 19)	\$16,648,573	\$15,508,130	\$17,300,567
Certificated benefits (Note 19)	\$3,389,055	\$3,200,771	\$3,571,742
Non-certificated salaries and wages (Note 19)	\$7,503,788	\$6,675,839	\$7,442,413
Non-certificated benefits (Note 19)	\$1,813,437	\$1,602,201	\$1,848,003
Services, contracts and supplies	\$11,737,961	\$11,449,151	\$11,958,742
Capital and debt services			
Amortization of capital assets			
Supported	\$471,367	\$471,367	\$606,080
Unsupported	\$421,066	\$285,290	\$272,487
Total Amortization of capital assets	\$892,433	\$756,657	\$878,567
Interest on capital debt			
Supported	\$59,858	\$374,301	\$118,865
Unsupported	\$55,667	\$16,104	\$35,376
Total Interest on capital debt	\$115,525	\$390,405	\$154,241
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$42,100,772	\$39,583,154	\$43,154,275
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$243,849	(\$1,644,046)	(\$1,597,651)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$243,849	(\$1,644,046)	(\$1,597,651)

Note: Please input "(Restated)" where Actual 2011 comparatives are not as presented in the finalized 2010/2011 Audited Financial Statements filed with Alberta Education. Budget 2012 comparatives presented are final budget amounts formally approved by the Board.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2012

(in dollars)

	2012	2011 (Restated)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	\$243,849	(\$1,597,651)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$471,367)	(\$606,080)
Total amortization expense	\$892,433	\$878,568
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	\$741,715	(\$658,089)
Prepays and other current assets	(\$10,246)	\$310,221
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	(\$133,034)	(\$200,758)
Deferred revenue	\$309,943	\$674,702
Employee future benefit liabilities	\$13,516	\$51,766
Other (describe)	\$66,060	(\$390,229)
Total cash flows from Operations	\$1,652,869	(\$1,537,550)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$1,805,573)	(\$4,124,499)
Equipment	(\$207,756)	(\$784,295)
Vehicles	(\$91,185)	(\$18,769)
Net proceeds from disposal of capital assets		\$0
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$2,104,514)	(\$4,927,563)
C. FINANCING ACTIVITIES		
Capital allocations	\$4,004,575	\$3,881,754
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$468,190)	(\$560,433)
Add back: supported portion	\$292,992	\$389,343
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$3,829,377	\$3,710,664
Net cash flows from during the year	\$3,377,732	(\$2,754,449)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/11	\$6,015,147	\$8,769,596
Cash and temporary investments, net of bank indebtedness, at Aug. 31/12	\$9,392,879	\$6,015,147

Note: Please input "(Restated)" where Actual 2011 comparatives are not as presented in the finalized 2010/2011 Audited Financial Statements filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2012**

School Jurisdiction Code: 2125

(In dollars)

	(1)	(2)	(3)	(4) - (15)											
	TOTAL NET ASSETS Cols. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	INTERNALLY RESTRICTED 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 Administration		Transportation		External Services	
Operating Reserves	Capital Reserves	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	\$4,787,167	\$1,539,653	\$1,829,432	\$902,690	\$495,392	\$597,636	\$495,392	\$0	\$0	\$305,054	\$0	\$0	\$0	\$0	\$0
Prior period adjustments (describe)															
Note 23	\$629,248	\$629,248	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$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	\$5,396,415	\$2,168,901	\$1,829,432	\$902,690	\$495,392	\$597,636	\$495,392	\$0	\$0	\$305,054	\$0	\$0	\$0	\$0	\$0
Excess (deficiency) of revenues over expenses	\$243,849		\$243,849												
Board funded capital additions		\$472,249	(\$472,249)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct credits to net assets	\$66,060	\$0	\$66,060												
Amortization of capital assets		(\$892,433)	\$892,433												
Amortization of capital allocations		\$471,367	(\$471,367)												
Debt principal repayments (unsupported)		\$175,195	(\$175,195)												
Net transfers to operating reserves			\$0	\$0		\$0		\$0		\$0		\$0		\$0	
Net transfers from operating reserves			\$0	\$0		\$0		\$0		\$0		\$0		\$0	
Net transfers to capital reserves			\$0		\$0		\$0		\$0		\$0		\$0		\$0
Net transfers from capital reserves			\$0		\$0		\$0		\$0		\$0		\$0		\$0
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2012	\$5,706,324	\$2,395,279	\$1,912,963	\$902,690	\$495,392	\$597,636	\$495,392	\$0	\$0	\$305,054	\$0	\$0	\$0	\$0	\$0

**STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2012
(in dollars)**

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2011	\$191,025	\$17,767,598
Prior period adjustments	\$0	(\$629,248)
Adjusted balance, August 31, 2011	\$191,025	\$17,138,350
Add:		
Restricted capital allocations from:		
Alberta Education school building and modular projects	\$4,000,000	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$4,575	
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
P3, other ASAP and Alberta Infrastructure managed projects		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current year supported debenture principal repayment		\$292,992
Expended capital allocations - current year	(\$1,632,268)	\$1,632,268
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$471,367
Balance at August 31, 2012	\$2,563,332	\$18,592,243

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

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

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

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

2. SUMMARY OF SIGNIFICANT 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 division 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.

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

2. SUMMARY OF SIGNIFICANT 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 10%
Equipment	10% to 20%
Vehicles and buses	10% to 33.3%
Equipment under capital lease	10% to 20%

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.

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 division does not make pension contributions for certificated staff.

The school division participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$665,846 (2011 - \$651,593). At December 31, 2011, the Local Authorities Pension Plan reported an actuarial deficiency of \$4,639,390,000 (2010 - \$4,635,250,000).

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

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 division to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

Employee Future Benefits

The division accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2012, the recorded obligation is \$434,516 (2011 - \$421,000). The total expense recorded in the financial statements is \$13,516 (2011 - \$51,766).

Financial Instruments

The school division'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 division 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 division has invested surplus funds in accordance with Section 60 (2) of the School Act.

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

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.

Future Accounting Policies

The school board will adopt public sector accounting standards for the year ending August 31, 2013 with retrospective application and restatement of the prior school year. The transition is intended to enhance the public accountability and comparability of the financial reporting of the government controlled entities with those of other government organizations.

3. CASH AND TEMPORARY INVESTMENTS

	2012			2011		
	Average Effective (Market) Yield	Cost	Fair Value	Average Effective (Market) Yield	Cost	Fair Value
Cash	-	\$5,752,092	\$5,752,090	-	\$2,527,011	\$2,527,011
Cash equivalents - trust units	-	\$3,588,517	\$3,640,789	-	\$3,501,924	\$3,488,136
Total cash and temporary investments	-	\$9,340,609	\$9,392,879	-	\$6,028,935	\$6,015,147

Cash includes a restricted amount of \$3,827,733 (2011 - \$1,145,481) received from various sources and held exclusively for school generated funds, capital and operating projects (Note 8/9).

The school division has invested surplus funds in accordance with Section 60(2)(d) of the *School Act*.

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

4. ACCOUNTS RECEIVABLE

	2012	2011
Other	\$207,881	\$ 93,205
Federal government	168,094	166,654
Alberta Education	45,911	891,932
Alberta Finance	45,738	67,187
Other Alberta school jurisdictions	<u>9,639</u>	<u>-</u>
	<u>\$477,263</u>	<u>\$1,218,978</u>

5. CAPITAL ASSETS

	Land	Construction in Progress - Buildings	Buildings 10-40 Years	Equipment 5 - 10 Years	Vehicles & Buses 3 - 10 Years	Equipment Under Capital Lease 5 - 10 Years	Total Aug. 31, 2012	Total Aug. 31, 2011
Estimated Useful life								
Historical cost								
September 1, 2011	\$330,335	-	\$41,620,919	\$943,449	\$1,241,655	\$1,902,361	\$48,038,739	\$40,629,026
Additions	-	-	\$1,805,573	\$207,758	\$91,185	-	\$2,104,514	\$18,000,054
Transfers in (out)	-	-	-	-	-	-	-	(\$12,430,203)
Less disposals including write-offs	-	-	-	-	-	(\$783,111)	(\$783,111)	(\$160,140)
August 31, 2012	<u>\$330,335</u>	<u>-</u>	<u>\$43,426,492</u>	<u>\$1,151,205</u>	<u>\$1,332,840</u>	<u>\$1,139,270</u>	<u>\$47,380,142</u>	<u>\$46,038,739</u>
Accumulated amortization								
September 1, 2011	-	-	\$22,574,666	\$626,325	\$640,909	\$1,160,895	\$25,004,595	\$24,286,188
Amortization expense	-	-	\$515,953	\$31,821	\$116,805	\$227,854	\$892,433	\$876,567
Transfers in (out)	-	-	-	-	-	-	-	-
Effect of disposals	-	-	-	-	-	(\$783,111)	(\$783,111)	(\$160,140)
August 31, 2012	-	-	<u>\$23,090,619</u>	<u>\$660,146</u>	<u>\$757,714</u>	<u>\$625,439</u>	<u>\$25,133,917</u>	<u>\$25,004,595</u>
Net Book Value at August 31, 2012	<u>\$330,335</u>	<u>-</u>	<u>\$20,335,873</u>	<u>\$491,059</u>	<u>\$575,126</u>	<u>\$513,832</u>	<u>\$22,246,225</u>	<u>\$21,034,144</u>

6. BANK INDEBTEDNESS

The school division has a line of credit in the amount of \$1,000,000 that bears interest at bank prime less 0.25%. This line of credit is secured by a borrowing bylaw and a security agreement. There was no balance outstanding on the line of credit at August 31, 2012.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2012	2011
Other trade payables and accrued liabilities	\$2,336,466	\$2,448,051
Alberta Finance	<u>45,738</u>	<u>67,187</u>
	<u>\$2,382,204</u>	<u>\$2,515,238</u>

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

8. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2011	ADD: 2011/2012 Restricted Funds Received/ Receivable	DEDUCT: 2011/2012 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2011/2012 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2012
Alberta Education Restricted Operational Funding:					
Alberta Initiative for School Improvement	\$75,972	\$125,990	(\$75,972)	\$0	\$125,990
Capacity Building Grant	\$0	\$100,646	(\$40,068)	\$20,000	\$80,578
Infrastructure Maintenance Renewal	\$132,340	\$630,464	(\$645,096)	\$0	\$117,708
Other Deferred Revenue:					
Athabasca ECD Community Coalition	\$0	\$44,792	\$0	\$0	\$44,792
CTS Evergreen	\$12,712	\$0	(\$12,712)	\$0	\$0
CTS	\$0	\$136,000	(\$20,833)	\$0	\$115,167
Education Children and Youth Service	\$102,837	\$0	(\$4,181)	(\$20,000)	\$78,656
Joe Shelast Grant	\$51,328	\$0	(\$33,328)	\$0	\$18,000
Moving & Improving	\$8,625	\$0	\$0	\$0	\$8,625
Other	\$2,000	\$0	(\$1,000)	\$0	\$1,000
School Generated Revenues (Note 13)	\$568,643	\$2,495,599	(\$2,390,358)	\$0	\$673,884
Total	\$954,457	\$3,533,491	(\$3,223,548)	\$0	\$1,264,400

9. DEFERRED CAPITAL ALLOCATIONS

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

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

10. LONG-TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 8% and 10.13%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next three years are as follows:

	Principal	Interest	Total
2013	\$ 240,330	\$ 54,820	\$ 295,150
2014	237,902	33,474	271,376
2015	<u>128,671</u>	<u>12,356</u>	<u>141,027</u>
	<u>\$ 606,903</u>	<u>\$ 100,560</u>	<u>\$ 707,553</u>

Capital Lease - Unsupported

During 2011, the school division entered into a four year capital lease obligation with Xerox for the lease of photocopiers which began on September 1, 2011 and expires August 31, 2016. The annual payments of \$253,000 plus GST consists of the following components: annual copy charge of \$77,805 (based on 7,500,000 copies plus 134,000 colour copies) and a blended capital lease payment of \$175,195 bearing interest at 2.96%.

	Principal	Interest	Total
2013	\$ 155,885	\$ 19,310	\$ 175,195
2014	160,503	14,692	175,195
2015	165,258	9,937	175,195
2016	<u>170,154</u>	<u>5,041</u>	<u>175,195</u>
	<u>\$ 651,800</u>	<u>\$ 48,980</u>	<u>\$ 700,780</u>

11. 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.

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

12. FEES

Item	Gross Receipts
Transportation fees *	\$0
Fees charged for instruction material and supplies **	\$157,645
Other fees	\$0
Total	\$157,645

*Charged under *School Act*, Section 51 (3)

**Charged under *School Act* Section 60 (2) (j).

13. SCHOOL GENERATED REVENUES

Unexpended School Generated Revenues, Opening Balance August 31, 2011 (A):	\$ 568,643
Current Year Activities – Gross Receipts:	
Fees (Note 12)	\$157,645
Fundraising	\$1,890,608
Gifts and donations	\$68,346
Grants to schools	\$0
Other sales and services	\$379,000
Total gross receipts (B)	\$2,495,599
Current Year Activities – Total Direct Costs Including Cost of Goods Sold to Raise Funds (C)	\$2,087,185
Current Year Activities –Uses of Funds (D)	\$303,173
Unexpended School Generated Revenues, Closing Balance August 31, 2012 (E)*	\$ 673,884

*E=A+B-C-D

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements

For the Year Ended August 31, 2012

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

Building Projects

The school division committed to further capital expenditures for the modernization of the Thorhild Central High School of approximately \$5,000,000. It is anticipated that these costs will be fully funded by capital allocations received from Alberta Education and interests earned on these allocations. The expenditures to August 31, 2012 are \$1,632,268 (2011 – nil).

Operating Lease

The school division current operating lease on office premises expires in June 30, 2024. The annual lease cost incurred in 2011-2012 was \$67,834. The rent will be adjusted annually (on the first day of July) by an amount equal to the lessee's proportionate share of operating costs of the previous year.

16. CONTINGENCIES

The school division 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.

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

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:

2011-2012	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$41,111	\$0	\$36,244,974	\$0
Finance	\$45,738	\$652,643	\$59,858	\$59,858
Other Gov't of Alberta departments	\$4,800	\$0	\$4,800	\$0
Other:				
Health authorities	\$1,134	\$0	\$13,608	\$0
Other Alberta school jurisdictions	\$9,639	\$0	\$115,673	\$0
TOTAL 2011-2012	\$102,422	\$652,643	\$36,438,913	\$59,858
TOTAL 2010-2011	\$959,119	\$967,065	\$34,601,194	\$103,306

18. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

19. REMUNERATION AND MONETARY INCENTIVES

The school division had paid or accrued expenses for the year ended August 31, 2012 to or on behalf of the following positions and persons in groups as described as follows:

Board Members:	FTE	Remuneration	Benefits *	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair							
Brian Bittorf	1.0	\$18,434	\$3,814				\$10,775
Other members							
Penny Fehr	1.0	\$7,333	\$3,556				\$5,685
Edgar Koehler	1.0	\$11,227	\$3,582				\$10,250
Wes Kowalchuk	1.0	\$18,766	\$568				\$12,996
Tammy Kuefler	1.0	\$3,795	\$1,126				\$2,660
Dennis Macneil	1.0	\$12,746	\$3,574				\$12,621
Paul Ponich	1.0	\$16,257	\$23				\$11,875
Robert Rohatynchuk	1.0	\$12,275	\$1,593				\$7,486
Randy Uglanica	1.0	\$17,238	\$3,590				\$12,542
Subtotal	9.0	\$118,071	\$21,426				\$86,890
Superintendent (1)	1.0	\$149,223	\$13,315				\$6,774
Secretary/Treasurer (1)	1.0	\$108,060	\$19,067				\$2,268
Certificated Teachers	192.3	\$16,499,350	\$3,375,740				
Non-certificated - Other	161.5	\$7,277,657	\$1,772,944				
TOTALS		\$24,152,361	\$5,202,492				

*Benefits include government portion of the current service contribution to the Alberta Teachers Pension Fund on behalf of the school jurisdiction.

20. BUDGET AMOUNTS

The budget was prepared by the school division and approved by the Board of Trustees on June 16, 2011. It is presented for information purposes only and has not been audited.

ASPEN VIEW REGIONAL DIVISION NO. 19

Notes to the Financial Statements For the Year Ended August 31, 2012

21. CAPITAL DISCLOSURES

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

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

22. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2011/2012 presentation.

23. PRIOR PERIOD ADJUSTMENTS

Unamortized capital allocations and investment in capital assets at August 31, 2011 have been restated by \$629,248 to reflect a classification error related to supported capital additions.

Revenue from Government of Alberta and certificated benefit expense for the year ending August 31, 2011 have been restated by \$1,659,252 to reflect retroactive application of inclusion of Government contributions to Alberta Teachers Retirement Fund in the Statement of Revenues and Expenses. There was no change to deficiency of revenues over expenses for that period.