

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2014**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Aspen View Public School Division No. 78

Legal Name of School Jurisdiction

3600 48 Ave Athabasca, Alberta T9S 1M8

Mailing Address

T:780-675-7080 F:780-675-3660 info@aspensview.org

Telephone & Fax Numbers, and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of The Aspen View Public School Division No. 78 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 Chair

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

Dennis MacNeil

Name

Signature

SUPERINTENDENT

Mark Francis

Name

Signature

SECRETARY-TREASURER OR TREASURER

Rodney Boyko

Name

Signature

November 20, 2014

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

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Independent Auditor's Report

To the Board of Trustees,
The Aspen View Public School Division No. 78

We have audited the accompanying financial statements of The Aspen View Public School Division No. 78 which comprise the statement of financial position as at August 31, 2014, the statements of operations, cash flows, change in net debt, remeasurement gains and losses, the schedules of changes in accumulated surplus, capital revenue, program operations and plant operations and maintenance expenses 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 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.

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 The Aspen View Public School Division No. 78 as at August 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

King + Company

STATEMENT OF FINANCIAL POSITION
As at August 31, 2014 (in dollars)

		2014	2013
FINANCIAL ASSETS			
Cash and cash equivalents	(Note 3)	\$ 2,243,699	\$ 2,641,877
Accounts receivable (net after allowances)	(Note 4)	\$ 1,531,207	\$ 1,643,841
Portfolio investments	(Note 5)	\$ 4,088,286	\$ 3,823,328
Other financial assets		\$ -	\$ -
Total financial assets		\$ 7,863,192	\$ 8,108,846
LIABILITIES			
Bank indebtedness	(Note 6)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 7)	\$ 1,121,108	\$ 1,722,978
Deferred revenue	(Note 8)	\$ 21,486,088	\$ 22,010,511
Employee future benefit liabilities	(Note 9)	\$ 654,100	\$ 538,551
Other liabilities		\$ -	\$ -
Debt	(Note 10)		
Supported: Debentures and other supported debt		\$ 128,671	\$ 366,574
Unsupported: Debentures and capital loans		\$ -	\$ -
Capital leases		\$ -	\$ 495,915
Mortgages		\$ -	\$ -
Total liabilities		\$ 23,389,967	\$ 25,134,529
Net financial assets (debt)		\$ (15,526,775)	\$ (17,025,683)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Note 11)		
Land		\$ 330,335	\$ 330,335
Construction in progress		\$ -	\$ -
Buildings		\$ 46,071,058	
Less: Accumulated amortization		\$ (23,311,334)	\$ 23,453,112
Equipment		\$ 1,355,594	
Less: Accumulated amortization		\$ (614,491)	\$ 798,188
Vehicles		\$ 1,453,017	
Less: Accumulated amortization		\$ (952,278)	\$ 453,894
Computer Equipment		\$ 178,110	
Less: Accumulated amortization		\$ (128,757)	\$ 36,691
Total tangible capital assets		\$ 24,381,254	\$ 25,072,220
Prepaid expenses		\$ 53,969	\$ 90,746
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 24,435,223	\$ 25,162,966
Accumulated surplus	(Note 12)	\$ 8,908,448	\$ 8,137,283
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 8,717,028	\$ 8,272,783
Accumulated remeasurement gains (losses)		\$ 191,420	\$ (135,500)
		\$ 8,908,448	\$ 8,137,283
Contractual obligations	(Note 13)		
Contingent liabilities	(Note 14)		

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2014 (in dollars)

	Budget 2014 (Unaudited)	Actual 2014	Actual 2013 (Restated)
REVENUES			
Alberta Education	\$ 35,765,527	\$ 37,562,578	\$ 37,386,762
Other - Government of Alberta	\$ -	\$ 15,782	\$ 82,827
Federal Government and First Nations	\$ 444,626	\$ 1,394,034	\$ 2,145,713
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Note 15)	\$ 184,000	\$ 183,118	\$ 190,406
Other sales and services	\$ 164,090	\$ 902,696	\$ 908,025
Investment income	\$ 200,000	\$ 133,760	\$ 162,229
Gifts and donations	\$ -	\$ 8,300	\$ -
Rental of facilities	\$ 54,400	\$ 35,170	\$ 35,530
Fundraising	\$ 2,000,000	\$ 2,500,461	\$ 2,379,549
Gains on disposal of capital assets	\$ -	\$ 78,497	\$ -
Other revenue	\$ 1,011,531	\$ -	\$ -
Total revenues	\$ 39,824,174	\$ 42,814,396	\$ 43,291,041
EXPENSES			
Instruction (ECS - Grade 12)	\$ 27,892,092	\$ 28,122,979	\$ 27,669,227
Plant operations and maintenance	\$ 7,019,037	\$ 5,506,287	\$ 5,580,557
Transportation	\$ 4,044,080	\$ 4,020,456	\$ 4,031,322
Board & system administration	\$ 2,074,974	\$ 1,927,994	\$ 1,917,599
External services	\$ -	\$ 2,792,435	\$ 2,580,188
Total expenses	\$ 41,030,183	\$ 42,370,151	\$ 41,758,893
Operating surplus (deficit)	\$ (1,206,009)	\$ 444,245	\$ 1,532,148

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2014 (in dollars)

	2014	2013 (Restated)
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 444,245	\$ 1,532,148
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 981,935	\$ 1,037,334
Gains on disposal of tangible capital assets	\$ (78,497)	\$ -
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (664,423)	\$ (695,020)
Deferred capital revenue write-off	\$ -	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 112,434	\$ (559,475)
Prepays	\$ 36,777	\$ (5,391)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable and accrued liabilities	\$ (601,870)	\$ (498,161)
Deferred revenue (excluding EDCR)	\$ 140,000	\$ 765,378
Employee future benefit liabilities	\$ 115,549	\$ (57,165)
Other (describe) Tangible capital asset holdbacks included in accounts payable	\$ (191,637)	\$ (437,785)
Total cash flows from operating transactions	\$ 294,513	\$ 1,081,863
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets:		
Land	\$ -	\$ -
Buildings	\$ (34,156)	\$ (3,863,331)
Equipment	\$ (362,500)	\$ -
Vehicles	\$ (131,228)	\$ -
Computer equipment	\$ (20,000)	\$ -
Net proceeds from disposal of unsupported capital assets	\$ -	\$ -
Other (describe) Tangible capital asset holdbacks included in accounts payable	\$ 191,637	\$ 437,785
Total cash flows from capital transactions	\$ (356,247)	\$ (3,425,546)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ 8,064	\$ (57,856)
Dispositions of portfolio investments	\$ -	\$ -
Remeasurement gains (losses) reclassified to the statement of operations	\$ 53,898	\$ 56,545
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ 61,962	\$ (1,311)
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (398,406)	\$ (396,215)
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ (398,406)	\$ (396,215)
Increase (decrease) in cash and cash equivalents	\$ (398,178)	\$ (2,741,209)
Cash and cash equivalents, at beginning of year	\$ 2,641,877	\$ 5,383,086
Cash and cash equivalents, at end of year	\$ 2,243,699	\$ 2,641,877

The accompanying notes and schedules are part of these financial statements

STATEMENT OF CHANGE IN NET DEBT
For the Year Ended August 31, 2014

	Budget 2014	2014	2013
Operating surplus (deficit)	\$ (1,208,009)	\$ 444,245	\$ 1,532,148
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ 130,000	\$ (547,884)	\$ (3,863,331)
Amortization of tangible capital assets	\$ (1,009,687)	\$ 981,935	\$ 1,037,334
Net carrying value of tangible capital assets disposed of	\$ -	\$ 256,915	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ -	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ (879,687)	\$ 690,966	\$ (2,825,997)
Changes in:			
Prepaid expenses	\$ -	\$ 36,777	\$ (5,391)
Other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ 326,920	\$ (197,772)
Endowments	\$ -	\$ -	\$ -
Decrease (Increase) in net debt	\$ (2,085,696)	\$ 1,498,908	\$ (1,487,012)
Net debt at beginning of year	\$ (17,025,683)	\$ (17,025,683)	\$ (15,538,671)
Net debt at end of year	\$ (19,111,379)	\$ (15,526,775)	\$ (17,025,683)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended August 31, 2014 (in dollars)

	2014	2013
Accumulated remeasurement gains (losses) at beginning of year	\$ (135,500)	\$ 52,272
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ 273,022	\$ (244,317)
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ 53,898	\$ 56,545
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ 326,920	\$ (187,772)
Accumulated remeasurement gains (losses) at end of year	\$ 191,420	\$ (135,500)

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

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2014 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2013	\$ 8,137,283	\$ (135,500)	\$ 8,272,783	\$ 2,690,796	\$ -	\$ 3,110,700	\$ 1,909,870	\$ 561,417
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2013	\$ 8,137,283	\$ (135,500)	\$ 8,272,783	\$ 2,690,796	\$ -	\$ 3,110,700	\$ 1,909,870	\$ 561,417
Operating surplus (deficit)	\$ 444,245		\$ 444,245			\$ 444,245		
Board funded tangible capital asset additions				\$ 356,247		\$ (356,247)		
Disposal of unsupported tangible capital assets	\$ -		\$ -	\$ (256,915)		\$ 256,915		
Disposal of supported tangible capital assets (board funded portion)	\$ -		\$ -	\$ -		\$ -		
Write-down of unsupported tangible capital assets	\$ -		\$ -	\$ -		\$ -		
Write-down of supported tangible capital assets (board funded portion)	\$ -		\$ -	\$ -		\$ -		
Net remeasurement gains (losses) for the year	\$ 326,920	\$ 326,920						
Endowment expenses	\$ -		\$ -		\$ -			
Direct credits to accumulated surplus	\$ -		\$ -		\$ -			
Amortization of tangible capital assets	\$ -			\$ (981,935)		\$ 981,935		
Capital revenue recognized	\$ -			\$ 664,423		\$ (664,423)		
Debt principal repayments (unsupported)	\$ -			\$ 160,503		\$ (160,503)		
Externally imposed endowment restrictions	\$ -				\$ -			
Net transfers to operating reserves	\$ -						\$ 358,850	
Net transfers from operating reserves	\$ -						\$ -	
Net transfers to capital reserves	\$ -							\$ -
Net transfers from capital reserves	\$ -							\$ -
Disposal of unsupported debt	\$ -		\$ -	\$ 335,412		\$ (335,412)		\$ -
Balance at August 31, 2014	\$ 8,908,448	\$ 191,420	\$ 8,717,028	\$ 2,968,531	\$ -	\$ 2,918,360	\$ 2,268,720	\$ 561,417

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2014 (in dollars)

	INTERNALLY RESTRICTED RESERVES BY PROGRAM											
	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, 2013	\$ 775,139	\$ 561,417	\$ -	\$ -	\$ -	\$ -	\$ 305,054	\$ -	\$ 829,677	\$ -	\$ -	\$ -
Prior period adjustments:												
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2013	\$ 775,139	\$ 561,417	\$ -	\$ -	\$ -	\$ -	\$ 305,054	\$ -	\$ 829,677	\$ -	\$ -	\$ -
Operating surplus (deficit)												
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets												
Disposal of supported tangible capital assets (board funded portion)												
Write-down of unsupported tangible capital assets												
Write-down of supported tangible capital assets (board funded portion)												
Net remeasurement gains (losses) for the year												
Endowment expenses												
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets												
Capital revenue recognized												
Debt principal repayments (unsupported)												
Externally imposed endowment restrictions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to operating reserves	\$ 290,002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,848	\$ -	\$ -	\$ -
Net transfers from operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Disposal of unsupported debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2014	\$ 1,065,141	\$ 561,417	\$ -	\$ -	\$ -	\$ -	\$ 305,054	\$ -	\$ 898,525	\$ -	\$ -	\$ -

**SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2014 (in dollars)**

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2013	\$ -	\$ -	\$ 125,000	\$ -	\$ 21,885,511
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2013	\$ -	\$ -	\$ 125,000	\$ -	\$ 21,885,511
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$ -				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources (Describe)	\$ -			\$ -	
Other sources (Describe)	\$ -			\$ -	
Unexpended capital revenue receivable from:					
Alberta Education school building & modular (excl. IMR)	\$ -				
Other sources (Describe)	\$ -			\$ -	
Other sources (Describe)	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
Other unexpended capital revenue (Describe)	\$ -			\$ -	
Net proceeds on disposal of supported tangible capital assets			\$ 140,000	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets (Explain)					\$ -
Alberta Schools Alternative Program (ASAP), Building Alberta School Construction Program (BASCP) and other Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ -	\$ -	\$ -	\$ -	\$ -
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments (Explain)	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ -
Other adjustments (Explain)	\$ -	\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 664,423
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2014	\$ -	\$ -	\$ 265,000	\$ -	\$ 21,221,088
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2014 (A) + (B) + (C) + (D)				\$ 265,000	

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 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, 2014 (in dollars)

	2014						2013
	Instruction (ECS-Grade 12)	Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
REVENUES							
(1) Alberta Education	\$ 29,847,173	\$ 3,964,799	\$ 3,750,606	\$ -	\$ -	\$ 37,562,578	\$ 37,366,782
(2) Other - Government of Alberta	\$ -	\$ 15,782	\$ -	\$ -	\$ -	\$ 15,782	\$ 82,827
(3) Federal Government and First Nations	\$ 1,394,034	\$ -	\$ -	\$ -	\$ -	\$ 1,394,034	\$ 2,145,713
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 183,118	\$ -	\$ -	\$ -	\$ -	\$ 183,118	\$ 190,406
(9) Other sales and services	\$ 393,347	\$ 63,839	\$ 1,604	\$ 22,489	\$ 421,417	\$ 902,696	\$ 908,025
(10) Investment income	\$ -	\$ -	\$ -	\$ 133,760	\$ -	\$ 133,760	\$ 182,229
(11) Gifts and donations	\$ -	\$ -	\$ -	\$ 8,300	\$ -	\$ 8,300	\$ -
(12) Rental of facilities	\$ -	\$ 35,170	\$ -	\$ -	\$ -	\$ 35,170	\$ 35,530
(13) Fundraising	\$ 60,595	\$ -	\$ -	\$ -	\$ 2,439,866	\$ 2,500,461	\$ 2,379,549
(14) Gains on disposal of tangible capital assets	\$ 78,497	\$ -	\$ -	\$ -	\$ -	\$ 78,497	\$ -
(15) Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 31,956,764	\$ 4,079,590	\$ 3,752,210	\$ 164,549	\$ 2,861,283	\$ 42,814,396	\$ 43,291,041
EXPENSES							
(17) Certificated salaries	\$ 15,827,415	\$ -	\$ -	\$ 430,180	\$ -	\$ 16,257,595	\$ 16,382,549
(18) Certificated benefits	\$ 3,705,311	\$ -	\$ -	\$ 39,082	\$ -	\$ 3,744,393	\$ 3,542,976
(19) Non-certificated salaries and wages	\$ 4,374,611	\$ 1,786,103	\$ 107,472	\$ 496,557	\$ -	\$ 6,764,743	\$ 6,838,978
(20) Non-certificated benefits	\$ 1,079,976	\$ 451,346	\$ 27,111	\$ 146,909	\$ -	\$ 1,705,342	\$ 1,656,181
(21) SUB - TOTAL	\$ 24,987,313	\$ 2,237,449	\$ 134,583	\$ 1,112,728	\$ -	\$ 28,472,073	\$ 28,420,684
(22) Services, contracts and supplies	\$ 2,945,399	\$ 2,507,458	\$ 3,876,913	\$ 727,468	\$ 2,792,435	\$ 12,849,673	\$ 12,163,209
(23) Amortization of supported tangible capital assets	\$ -	\$ 664,423	\$ -	\$ -	\$ -	\$ 664,423	\$ 695,020
(24) Amortization of unsupported tangible capital assets	\$ 182,317	\$ 81,175	\$ 8,392	\$ 45,628	\$ -	\$ 317,512	\$ 342,314
(25) Supported interest on capital debt	\$ -	\$ 15,782	\$ -	\$ -	\$ -	\$ 15,782	\$ 82,827
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Other interest and finance charges	\$ 7,950	\$ -	\$ 568	\$ 42,170	\$ -	\$ 50,688	\$ 54,839
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 28,122,979	\$ 5,506,287	\$ 4,020,456	\$ 1,927,994	\$ 2,792,435	\$ 42,370,151	\$ 41,758,893
OPERATING SURPLUS (DEFICIT)	\$ 3,833,785	\$ (1,426,697)	\$ (268,246)	\$ (1,763,445)	\$ 68,848	\$ 444,245	\$ 1,532,148

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2014 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unamortized Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	2014 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 1,180,947	\$ 464,142	\$ -	\$ -	\$ 141,014		\$ 1,786,103		\$ 1,786,103
Uncertificated benefits	\$ 294,512	\$ 119,656	\$ -	\$ -	\$ 36,978		\$ 451,346		\$ 451,346
Sub-total Remuneration	\$ 1,475,459	\$ 583,998	\$ -	\$ -	\$ 177,992		\$ 2,237,449		\$ 2,237,449
Supplies and services	\$ 114,013	\$ 403,739	\$ -	\$ 609,574	\$ 93,789		\$ 1,191,115		\$ 1,191,115
Electricity			\$ 481,813				\$ 481,813		\$ 481,813
Natural gas/heating fuel			\$ 330,603				\$ 330,603		\$ 330,603
Sewer and water			\$ 135,110				\$ 135,110		\$ 135,110
Telecommunications			\$ 199,518				\$ 199,518		\$ 199,518
Insurance					\$ 189,299		\$ 189,299		\$ 189,299
Amortization of tangible capital assets									
Supported								\$ 664,423	\$ 664,423
Unamortized						\$ 81,175	\$ 81,175		\$ 81,175
Total Amortization						\$ 81,175	\$ 81,175	\$ 664,423	\$ 745,598
Interest on capital debt									
Supported								\$ 15,782	\$ 15,782
Unamortized									
Lease payments for facilities				\$ -					
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$ 1,589,472	\$ 687,737	\$ 1,127,044	\$ 609,574	\$ 431,080	\$ 81,175	\$ 4,826,082	\$ 680,205	\$ 5,506,287
SQUARE METRES									
School buildings									48,696.7
Non school buildings									1,600.0

Note:

- Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
- Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
- Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
- Expensed IMR & Modular Unit Relocation & Lease Pmts:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities & contractors, school facility planning & project administration (but not limited to) contract administration, clerical functions, negotiations, supervision of employees codes and government regulations
- Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project administration, administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards.
- Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

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 have been prepared in accordance with the Canadian public sector accounting standards (PSAS). 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.

c) Portfolio Investments

The School Division has investments in GIC's, fixed income securities and equity instruments that have no maturity dates or have a maturity of greater than 3 months. GIC's not quoted in an active market are reported at cost or amortized cost.

Portfolio investments in fixed income securities and equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are derecognized. Upon derecognition, the accumulated remeasurement gains or losses associated with the derecognized portfolio investments are reversed and reclassified to the Statement of Operations.

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. A subsequent increase in value would be recognized on the Statement of Remeasurement Gains and Losses and realized on the Statement of Operations only when sold.

Detailed information regarding portfolio investments is disclosed in Note 5.

d) Tangible Capital Assets

The following criteria applies:

- Tangible capital assets acquired or constructed 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.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the School Division to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. For supported assets, the write-downs are accounted for as reductions to Expended Deferred Capital Revenue.
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the Board are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School Division's rate for incremental borrowing or the interest rate implicit in the lease.

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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

Buildings	2.5% to 5%
Vehicles & Buses	10% to 20%
Computer Hardware & Software	20% to 25%
Other Equipment & Furnishings	5% to 20%

e) **Deferred Revenue**

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per *PSAS PS 3200*. These contributions are recognized by the School Division once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

Deferred revenue also includes contributions for capital expenditures, unexpended and expended:

- **Unexpended Deferred Capital Revenue**

Unexpended Deferred Capital Revenue represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the School Division, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per *PSAS PS 3200* when expended.

- **Expended Deferred Capital Revenue**

Expended Deferred Capital Revenue 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. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require that the School Division to use the asset in a prescribed manner over the life of the associated asset.

f) **Employee Future Benefits**

The School Division provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include defined-benefit retirement plans, vested and accumulating sick leave and early retirement. The future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, benefit usage, termination and retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements

For the Year Ended August 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

g) Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs are capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included on the Statement of Operations.

The School Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be discharged in the future by funding through the Alberta Government. The School Division believes that there is insufficient information to estimate the fair value of the asset retirement obligation because the settlement date or the range of potential settlement dates has not been determined and information is not available to apply an expected present value technique.

h) 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.

i) 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 Division has to meet in order to receive certain contributions. *Stipulations* describe what the School Division 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 *PSAS PS 3200*. Such liabilities are recorded as deferred revenue. The following items fall under this category.

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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

j) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Allocation of Costs

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

k) Pensions

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

The current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by 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 Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the School Division is included in both revenues and expenses. For the school year ended August 31, 2014, the amount contributed by the Government was \$1,957,707 (2013 - \$1,733,312).

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 \$714,053 for the year ended August 31, 2014 (2013 - \$651,110). At December 31, 2013, the Local Authorities Pension Plan reported an actuarial deficiency of \$4,861,516 (2012 deficiency of \$4,977,303).

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

l) Program Reporting

The School 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.

m) 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 School 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, accounts payable and accrued liabilities, debt and other liabilities. Unless otherwise noted, it is management's opinion that the School 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 derecognition 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.

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

n) Measurement Uncertainty

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. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits.

3. CASH AND CASH EQUIVALENTS

	2014			2013
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 2,243,699	\$ 2,243,699	\$ 2,641,877
Cash equivalents		-	-	-
Total cash and cash equivalents		<u>\$ 2,243,699</u>	<u>\$ 2,243,699</u>	<u>\$ 2,641,877</u>

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

4. ACCOUNTS RECEIVABLE

	2014			2013
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Capital	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 1,000,000
Alberta Education - Instruction	30,064	-	30,064	41,052
Treasury Board and Finance - Supported debenture principal	128,671	-	128,671	366,574
Treasury Board and Finance - Accrued interest on supported debentures	10,353	-	10,353	28,007
Federal government	147,397	-	147,397	175,679
Other	214,722	-	214,722	32,329
Total	<u>\$ 1,531,207</u>	<u>\$ -</u>	<u>\$ 1,531,207</u>	<u>\$ 1,643,641</u>

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

5. PORTFOLIO INVESTMENTS

	2014				
	Average Effective (Market) Yield	Cost	Fair Value	Balance	2013
Guaranteed interest certificates	1.04%	\$ 236,824	\$ 236,824	\$ 236,824	\$ 271,290
Fixed income securities - Pooled investment funds		<u>2,618,947</u>	<u>2,723,659</u>	<u>2,723,659</u>	<u>2,575,042</u>
Equities					
Canadian		617,689	665,660	665,660	577,492
Foreign		423,406	462,143	462,143	399,504
Total equities		<u>1,041,095</u>	<u>1,127,803</u>	<u>1,127,803</u>	<u>976,996</u>
Total portfolio investments		<u>\$3,896,866</u>	<u>\$4,088,286</u>	<u>\$4,088,286</u>	<u>\$3,823,328</u>

All guaranteed interest certificates and fixed income securities mature between 3 months to 5 years (2013 – All 3 months to 5 years). It is management's opinion that there has been no impairment during the year.

6. BANK INDEBTEDNESS

The School Division has negotiated a line of credit in the amount of \$800,000 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, 2014 (2013 – nil).

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2014	2013
Other Alberta school jurisdictions	\$ -	\$ 1,875
Alberta Capital Finance Authority (Interest on long-term debt - Supported)	10,353	28,007
Other interest on long-term debt	-	14,692
Accrued vacation pay	165,337	194,986
Salaries & benefit costs	457,686	404,623
Other trade payables and accrued liabilities	487,732	1,078,795
Total	\$ 1,121,108	\$ 1,722,978

8. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2013	ADD: 2013/2014 Restricted Funds Received/ Receivable	DEDUCT: 2013/2014 Restricted Funds Expended (Paid / Payable)	DEFERRED REVENUE as at Aug. 31, 2014
Unexpended deferred operating revenue				
Alberta Education:				
Infrastructure Maintenance Renew al	\$ -	\$ 477,813	\$ (477,813)	\$ -
Total unexpended deferred operating revenue	\$ -	\$ 477,813	\$ (477,813)	\$ -
Unexpended deferred capital revenue	125,000	140,000	-	265,000
Expended deferred capital revenue	21,885,511	-	(664,423)	21,221,088
Total	\$ 22,010,511	\$ 617,813	\$ (1,142,236)	\$ 21,486,088

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

9. EMPLOYEE FUTURE BENEFIT LIABILITIES

Employee future benefit liabilities consist of the following:

	2014	2013
Defined benefit pension plan liability	\$ 116,065	\$ 103,344
Accumulated sick pay liability	398,035	405,207
Retirement allowances	140,000	30,000
Total	<u>\$ 654,100</u>	<u>\$ 538,551</u>

10. DEBT

	2014	2013
Debentures outstanding at August 31, 2014. The terms of the debentures are 20 years, payments made annually.	\$ 128,671	\$ 366,574
Capital leases	-	495,915
Total	<u>\$ 128,671</u>	<u>\$ 862,489</u>

Debenture Debt – Supported

The debenture debt bears interest at rates varying between 9.5% and 9.63%. The debenture debt is fully supported by Alberta Finance. Debentures mature in 2015 and the payments due over the next year are as follows:

	Principal	Interest	Total
2014-2015	\$ 128,671	\$ 12,356	\$ 141,027

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

11. TANGIBLE CAPITAL ASSETS

	August 31, 2014					
	Land	Buildings	Equipment	Vehicles & Buses	Computer Hardware & Software	Total
Estimated useful life		10-40 Years	5-10 Years	3-10 Years	3-5 Years	
Historical cost						
Beginning of year	\$ 330,335	\$ 47,289,823	\$ 2,132,364	\$ 1,332,840	\$ 158,110	\$ 51,243,472
Additions	-	34,156	362,500	131,228	20,000	547,884
Transfers in (out)	-	-	-	-	-	-
Less disposals including write-offs	-	(1,252,921)	(1,139,270)	(11,051)	-	(2,403,242)
	<u>330,335</u>	<u>46,071,058</u>	<u>1,355,594</u>	<u>1,453,017</u>	<u>178,110</u>	<u>49,388,114</u>
Accumulated amortization						
Beginning of year	-	23,836,711	1,334,176	878,946	121,419	26,171,252
Additions	-	727,544	162,670	84,383	7,338	981,935
Transfers in (out)	-	-	-	-	-	-
Less disposals including write-offs	-	(1,252,921)	(882,355)	(11,051)	-	(2,146,327)
	-	<u>23,311,334</u>	<u>614,491</u>	<u>952,278</u>	<u>128,757</u>	<u>25,006,860</u>
Net Book Value at End of Year	<u>\$ 330,335</u>	<u>\$ 22,759,724</u>	<u>\$ 741,103</u>	<u>\$ 500,739</u>	<u>\$ 49,353</u>	<u>\$ 24,381,254</u>

	August 31, 2013					
	Land	Buildings	Equipment	Vehicles & Buses	Computer Hardware & Software	Total
Estimated useful life		10-40 Years	5-10 Years	3-10 Years	3-5 Years	
Historical cost						
Beginning of year	\$ 330,335	\$ 43,426,492	\$ 2,132,364	\$ 1,332,840	\$ 158,110	\$ 47,380,141
Additions	-	3,863,331	-	-	-	3,863,331
Transfers in (out)	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	-	-
	<u>330,335</u>	<u>47,289,823</u>	<u>2,132,364</u>	<u>1,332,840</u>	<u>158,110</u>	<u>51,243,472</u>
Accumulated amortization						
Beginning of year	-	23,090,619	1,171,506	757,714	114,079	25,133,918
Additions	-	746,092	162,670	121,232	7,340	1,037,334
Transfers in (out)	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	-	-
	-	<u>23,836,711</u>	<u>1,334,176</u>	<u>878,946</u>	<u>121,419</u>	<u>26,171,252</u>
Net Book Value at End of Year	<u>\$ 330,335</u>	<u>\$ 23,453,112</u>	<u>\$ 798,188</u>	<u>\$ 453,894</u>	<u>\$ 36,691</u>	<u>\$ 25,072,220</u>

The cost of equipment under capital lease is nil (2013 - \$1,139,270) with a total amortization of nil (2013 - \$753,697).

Buildings includes modernization in progress of a school for nil (2013 - \$5,495,599) which has not been amortized. The modernization was completed in September 2013 and amortization will start being recorded in the year-ended August 31, 2015.

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

12. 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:

	2014	2013
Unrestricted surplus	\$ 2,918,360	\$ 3,110,700
Operating reserves	<u>2,268,720</u>	<u>1,909,870</u>
Accumulated surplus from operations	5,187,080	5,020,570
Investment in tangible capital assets	2,968,531	2,690,796
Capital reserves	561,417	561,417
Accumulated remeasurement gains (losses)	191,420	(135,500)
Accumulated surplus	<u>\$ 8,908,448</u>	<u>\$ 8,137,283</u>

The School Division has recorded a provision for employee post-employment benefits and compensated balances that vest and accumulate in accordance with *PSAS PS 3255.19*. Since this provision reflects estimated future obligations, it is not required to be funded from current operations. Accumulated surplus may be adjusted as follows:

	2014	2013
Accumulated surplus from operations	\$ 5,187,080	\$ 5,020,570
Vesting, accumulating employee future benefits	<u>398,035</u>	<u>405,207</u>
Adjusted accumulated surplus ⁽¹⁾	<u>\$ 5,585,115</u>	<u>\$ 5,425,777</u>

(1) Adjusted accumulated surplus represents unspent funding available to support the School Division's operations subsequent to the 2013-2014 year.

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

13. CONTRACTUAL OBLIGATIONS

Operating Lease

The School Division's current operating lease on office premises expires on June 30, 2024. The annual lease cost incurred in 2013-2014 was \$65,000. 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.

Photocopier Lease

The School Division's current lease on photocopier equipment expires on August 31, 2019. The minimum annual lease charge is \$251,447 plus GST for each year of the contract.

14. CONTINGENT LIABILITIES

The School Division has been named in one (2013 – nil) claim, one (2013 – nil) of which the outcome is not determinable. This indeterminable claim has a specified amount of \$63,567 plus interest and additional costs. An accrual has not been made because the likelihood of loss cannot be determined. The resolution of this claim may result in a liability, if any, that may be significantly lower than the claim amount.

15. FEES

	2014	2013
Fees charged for instruction material and supplies ⁽¹⁾	\$ 183,118	\$ 190,406

⁽¹⁾ Charged under School Act, Section 60 (2) (j)

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

16. SCHOOL GENERATED FUNDS

	2014	2013
School Generated Revenue, Beginning of Year	\$ 829,677	\$ 673,883
Gross Receipts:		
Fees	220,405	163,416
Fundraising	2,170,743	2,152,615
Gifts and donations	48,718	63,519
Other sales and services	421,417	399,953
Total gross receipts	2,861,283	2,779,503
Total Related Expenses and Uses of Funds	297,520	419,435
Total Direct Costs Including Cost of Goods Sold to Raise Funds	2,494,915	2,204,274
School Generated Revenues, End of Year	<u>\$ 898,525</u>	<u>\$ 829,677</u>
Balance included in Accumulated Surplus (Operating Reserves)	<u>\$ 898,525</u>	<u>\$ 829,677</u>

17. RELATED PARTY TRANSACTIONS

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school divisions. These include government departments, health authorities, post-secondary institutions and other school divisions in Alberta.

	Balances		Transactions	
	Financial Assets (at cost or net realizable)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):				
Education				
Accounts receivable / Accounts payable	\$1,030,064	\$ -	\$ -	\$ -
Expended deferred capital revenue	-	21,221,088	-	-
Grant revenue & expenses	-	-	37,562,578	-
Treasury Board and Finance (Principal)	128,671	128,671	-	-
Treasury Board and Finance (Interest)	10,353	10,353	15,782	15,782
TOTAL 2013/2014	<u>\$1,169,088</u>	<u>\$ 21,360,112</u>	<u>\$ 37,578,360</u>	<u>\$ 15,782</u>
TOTAL 2012/2013	<u>\$1,415,967</u>	<u>\$ 22,281,967</u>	<u>\$ 37,469,859</u>	<u>\$ 82,827</u>

THE ASPEN VIEW PUBLIC SCHOOL DIVISION NO. 78

Notes to the Financial Statements For the Year Ended August 31, 2014

18. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School Division's primary source of income is from the Government of Alberta. The School 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, 2014 to or on behalf of the following positions and persons in groups as described as follows:

Board Members:	FTE	Remuneration	Benefits	Expenses
Chair				
Paul Ponich	1.0	\$19,491	\$20	\$13,951
Other members				
Penny Fehr	1.0	\$787	\$619	\$359
Dennis MacNeil	1.0	\$11,941	\$3,931	\$9,699
Lewis Semashkewich	1.0	\$2,965	\$3,084	\$1,904
Trevor Yeaman	1.0	\$11,098	\$1,648	\$10,045
Elohne Chizawsky	1.0	\$15,054	\$3,421	\$12,083
Donna Cherniwchan	1.0	\$10,633	\$3,286	\$6,439
Pat Pederson	1.0	\$13,946	\$3,378	\$12,751
Wes Kowalchuk	1.0	\$2,250	\$67	\$970
Brian Bittorf	1.0	\$2,257	\$617	\$1,043
Robert Rohatynchuk	1.0	\$362	\$249	\$519
Randy Uglanica	1.0	\$3,339	\$698	\$1,459
Subtotal	12.0	\$94,123	\$21,018	\$71,222
Superintendent	1.0	\$164,177	\$35,091	\$8,618
Secretary/Treasurer	1.0	\$120,625	\$29,258	\$4,736
Certificated teachers	180.4	\$16,093,418	\$3,709,302	
Non-certificated - other	160.2	\$6,644,118	\$1,676,084	
TOTALS		\$23,116,461	\$5,470,753	

20. BUDGET AMOUNTS

The budget was prepared by the School Division and approved by the Board of Trustees on May 16, 2013. It is presented for information purposes only and has not been audited.

21. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the current year's presentation.