

Financial Statements

**The Board of Trustees of Elk Island Public Schools
Regional Division No. 14**

August 31, 2015



Building a better
working world

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

Legal Name of School Jurisdiction

683 Wye Road Sherwood Park AB T8B 1N2

Mailing Address

(780) 464-3477 (780) 417-8181 candace.cole@eips.ca

Telephone & Fax Numbers, and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of The Board of Trustees of Elk Island Public Schools Regional Division No. 14 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

Trina Boymook
Name


Signature

SUPERINTENDENT

Mark Liguori
Name


Signature

SECRETARY-TREASURER OR TREASURER

Candace Cole
Name


Signature

November 26, 2015

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
The Board of Trustees of Elk Island Public Schools Regional Division No. 14

We have audited the accompanying financial statements of **The Board of Trustees of Elk Island Public Schools Regional Division No. 14**, which comprise the statement of financial position as at August 31, 2015, and the statements of operations, cash flows, change in net debt and remeasurement gains and losses 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.

Auditors' 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 auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained 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 Board of Trustees of Elk Island Public Schools Regional Division No. 14** as at August 31, 2015 and the results of its operations, its change in net debt and its cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

Edmonton, Canada
November 26, 2015

Ernst & Young LLP

Chartered Accountants



STATEMENT OF FINANCIAL POSITION
As at August 31, 2015 (in dollars)

		2015	2014
FINANCIAL ASSETS			
Cash and cash equivalents		\$ 15,092,792	\$ 11,401,744
Accounts receivable (net after allowances)	(Note 3)	\$ 3,100,513	\$ 2,733,964
Portfolio investments	(Note 4)	\$ 15,707,541	\$ 12,619,925
Other financial assets		\$ 7,534	\$ 9,415
Total financial assets		\$ 33,908,380	\$ 26,765,048
LIABILITIES			
Bank indebtedness	(Note 5)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 6)	\$ 8,681,409	\$ 7,867,916
Deferred revenue	(Note 7)	\$ 60,287,432	\$ 45,336,489
Employee future benefit liabilities		\$ 31,961	\$ 109,596
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt	(Note 8)		
Supported: Debentures and other supported debt		\$ 335,428	\$ 483,217
Unsupported: Debentures and capital loans		\$ 697,600	\$ 784,800
Mortgages		\$ -	\$ -
Capital leases	(Note 9)	\$ 883,795	\$ -
Total liabilities		\$ 70,917,625	\$ 54,582,018
Net debt		\$ (37,009,245)	\$ (27,816,970)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Note 10)		
Land		\$ 1,475,856	\$ 1,475,856
Construction in progress		\$ 1,880,560	\$ 155,509
Buildings		\$ 138,368,896	
Less: Accumulated amortization		\$ (87,682,493)	\$ 44,428,991
Equipment		\$ 4,553,739	
Less: Accumulated amortization		\$ (2,990,597)	\$ 829,869
Vehicles		\$ 2,574,894	
Less: Accumulated amortization		\$ (1,801,525)	\$ 931,154
Computer Equipment		\$ 4,435,700	
Less: Accumulated amortization		\$ (3,107,659)	\$ 802,496
Total tangible capital assets		\$ 57,707,371	\$ 48,623,875
Prepaid expenses		\$ 1,313,798	\$ 655,095
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 59,021,169	\$ 49,278,970
Accumulated surplus	(Note 11)	\$ 22,011,924	\$ 21,462,000
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 22,011,924	\$ 21,462,000
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 22,011,924	\$ 21,462,000
Contractual obligations	(Note 12)		
Contingent liabilities	(Note 13)		

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2015 (in dollars)

	Budget 2015	Actual 2015	Actual 2014
REVENUES			
Alberta Education	\$ 172,736,531	\$ 175,540,413	\$ 170,213,446
Other - Government of Alberta	\$ 1,080,388	\$ 1,098,465	\$ 1,243,551
Federal Government and First Nations	\$ -	\$ -	\$ -
Other Alberta school authorities	\$ 223,396	\$ 278,559	\$ 280,781
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees	\$ 6,672,071	\$ 6,358,747	\$ 6,150,942
Other sales and services	\$ 3,614,505	\$ 3,709,339	\$ 3,757,068
Investment income	\$ 304,787	\$ 326,879	\$ 434,506
Gifts and donations	\$ 632,022	\$ 902,794	\$ 770,084
Rental of facilities	\$ 323,239	\$ 311,117	\$ 317,692
Fundraising	\$ 676,840	\$ 641,063	\$ 617,288
Gains on disposal of capital assets	\$ -	\$ -	\$ 5,238
Other revenue	\$ -	\$ -	\$ -
Total revenues	\$ 186,263,779	\$ 189,167,376	\$ 183,790,596
EXPENSES			
Instruction - ECS	\$ 9,089,696	\$ 9,393,133	\$ 9,314,638
Instruction - Grades 1 - 12	\$ 144,597,645	\$ 140,877,822	\$ 136,988,552
Plant operations and maintenance	\$ 19,537,180	\$ 20,035,232	\$ 19,016,022
Transportation	\$ 10,644,981	\$ 10,390,909	\$ 10,988,968
Board & system administration	\$ 6,357,091	\$ 6,761,249	\$ 6,620,276
External services	\$ 948,185	\$ 1,159,107	\$ 1,045,070
Total expenses	\$ 191,174,778	\$ 188,617,452	\$ 183,973,526
Operating surplus (deficit)	\$ (4,910,999)	\$ 549,924	\$ (182,930)

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2015 (in dollars)

	2015	2014
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 549,924	\$ (182,930)
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 3,575,412	\$ 3,470,556
Gains on disposal of tangible capital assets	\$ -	\$ (5,238)
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (2,263,488)	\$ (2,414,799)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ (366,549)	\$ 806,153
Prepays	\$ (658,703)	\$ 117,219
Other financial assets	\$ 1,881	\$ 789
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ 813,493	\$ (1,123,853)
Deferred revenue (excluding EDCR)	\$ 9,159,530	\$ 182,350
Employee future benefit liabilities	\$ (77,635)	\$ 39,596
Other (describe)	\$ -	\$ -
Total cash flows from operating transactions	\$ 10,733,865	\$ 889,843
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (2,444,400)	\$ (657,675)
Equipment	\$ (1,053,681)	\$ (352,326)
Vehicles	\$ (81,276)	\$ (88,711)
Computer equipment	\$ (140,855)	\$ (281,315)
Net proceeds from disposal of unsupported capital assets		\$ 5,238
Other (describe)	\$ -	\$ -
Total cash flows from capital transactions	\$ (3,720,212)	\$ (1,374,789)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (11,131,664)	\$ (8,366,820)
Dispositions of portfolio investments	\$ 8,044,048	\$ 7,152,008
Remeasurement gains (losses) reclassified to the statement of operations	\$ -	\$ -
Change in endowments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ (3,087,616)	\$ (1,214,812)
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (234,989)	\$ (803,308)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other factors affecting capital leases (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ (234,989)	\$ (803,308)
Increase (decrease) in cash and cash equivalents	\$ 3,691,048	\$ (2,503,066)
Cash and cash equivalents, at beginning of year	\$ 11,401,744	\$ 13,904,810
Cash and cash equivalents, at end of year	\$ 15,092,792	\$ 11,401,744

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

STATEMENT OF CHANGE IN NET DEBT
For the Year Ended August 31, 2015 (in dollars)

	Budget 2015	2015	2014
Operating surplus (deficit)	\$ (4,910,999)	\$ 549,924	\$ (182,930)
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ (1,785,000)	\$ (12,658,908)	\$ (1,380,027)
Amortization of tangible capital assets	\$ 3,510,375	\$ 3,575,412	\$ 3,470,556
Net carrying value of tangible capital assets disposed of	\$ -	\$ -	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ -	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ 1,725,375	\$ (9,083,496)	\$ 2,090,529
Changes in:			
Prepaid expenses	\$ -	\$ (658,703)	\$ 117,219
Other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -	\$ -
Endowments	\$ -	\$ -	\$ -
Decrease (increase) in net debt	\$ (3,185,624)	\$ (9,192,275)	\$ 2,024,818
Net debt at beginning of year	\$ (27,816,970)	\$ (27,816,970)	\$ (29,841,788)
Net debt at end of year	\$ (31,002,594)	\$ (37,009,245)	\$ (27,816,970)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended August 31, 2015 (in dollars)

	2015	2014
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
Accumulated remeasurement gains (losses) at end of year	\$ -	\$ -

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

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2015 (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, 2014	\$ 21,462,000	\$ -	\$ 21,462,000	\$ 4,790,458	\$ -	\$ -	\$ 16,195,538	\$ 476,004
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2014	\$ 21,462,000	\$ -	\$ 21,462,000	\$ 4,790,458	\$ -	\$ -	\$ 16,195,538	\$ 476,004
Operating surplus (deficit)	\$ 549,924		\$ 549,924			\$ 549,924		
Board funded tangible capital asset additions				\$ 1,864,426		\$ (1,764,426)	\$ -	\$ (100,000)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Investment income & realized capital gains on endowments	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (3,575,412)		\$ 3,575,412		
Capital revenue recognized	\$ -			\$ 2,263,488		\$ (2,263,488)		
Debt principal repayments (unsupported)	\$ -			\$ 87,200		\$ (87,200)		
Additional capital debt or capital leases	\$ -			\$ (883,795)		\$ 883,795		
Net transfers to operating reserves	\$ -					\$ (1,041,344)	\$ 1,041,344	
Net transfers from operating reserves	\$ -					\$ 1,147,327	\$ (1,147,327)	
Net transfers to capital reserves	\$ -					\$ (1,000,000)		\$ 1,000,000
Net transfers from capital reserves	\$ -					\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2015	\$ 22,011,924	\$ -	\$ 22,011,924	\$ 4,546,365	\$ -	\$ 0	\$ 16,089,555	\$ 1,376,004

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2015 (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
Balance at August 31, 2014	\$ 15,878,314	\$ 392,288	\$ 334,072	\$ 83,716	\$ 276,099	\$ -	\$ (284,750)	\$ -	\$ (8,197)	\$ -
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2014	\$ 15,878,314	\$ 392,288	\$ 334,072	\$ 83,716	\$ 276,099	\$ -	\$ (284,750)	\$ -	\$ (8,197)	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (100,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year										
Endowment expenses & disbursements										
Endowment contributions										
Investment income & realized capital gains on endowments										
Direct credits to accumulated surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ -		\$ -		\$ 523,989		\$ 503,933		\$ 13,422	
Net transfers from operating reserves	\$ (1,054,980)		\$ (92,347)		\$ -		\$ -		\$ -	
Net transfers to capital reserves		\$ 1,000,000		\$ -		\$ -		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Other Changes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2015	\$ 14,823,334	\$ 1,292,288	\$ 241,725	\$ 83,716	\$ 800,088	\$ -	\$ 219,183	\$ -	\$ 5,225	\$ -

SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2015 (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, 2014	\$ 342,700	\$ -	\$ -	\$ -	\$ 43,048,617
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2014	\$ 342,700	\$ -	\$ -	\$ -	\$ 43,048,617
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 6,475,349				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Other sources <i>(Describe)</i> :	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ 300,749				
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ 32,397	\$ -	\$ -	\$ -	
Other unexpended capital revenue: <i>(Describe)</i>				\$ -	
Net proceeds on disposal of supported tangible capital assets			\$ -	\$ -	
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					\$ 8,054,901
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (2,739,580)	\$ -	\$ -	\$ -	\$ 2,739,580
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					\$ 1,503,375
Capital revenue recognized - Other Government of Alberta					\$ 760,113
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2015	\$ 4,411,615	\$ -	\$ -	\$ -	\$ 51,579,610
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2015 (A) + (B) + (C) + (D)					\$ 4,411,615

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, 2015 (in dollars)

REVENUES	2015							2014
	Instruction		Plant Operations and	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12	Maintenance					
(1) Alberta Education	\$ 9,660,147	\$ 129,780,569	\$ 19,483,329	\$ 9,827,407	\$ 6,546,065	\$ 242,896	\$ 175,540,413	\$ 170,213,446
(2) Other - Government of Alberta	\$ -	\$ 290,629	\$ 807,836	\$ -	\$ -	\$ -	\$ 1,098,465	\$ 1,243,551
(3) Federal Government and First Nations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(4) Other Alberta school authorities	\$ -	\$ 44,209	\$ 96,378	\$ 64,490	\$ 14,998	\$ 58,484	\$ 278,559	\$ 280,781
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 42,551	\$ 5,275,495	\$ -	\$ 995,276	\$ -	\$ 45,425	\$ 6,358,747	\$ 6,150,942
(9) Other sales and services	\$ -	\$ 3,191,997	\$ 4,603	\$ -	\$ 2,197	\$ 510,542	\$ 3,709,339	\$ 3,757,068
(10) Investment income	\$ -	\$ 324,097	\$ -	\$ -	\$ -	\$ 2,782	\$ 326,879	\$ 434,506
(11) Gifts and donations	\$ -	\$ 902,794	\$ -	\$ -	\$ -	\$ -	\$ 902,794	\$ 770,084
(12) Rental of facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 311,117	\$ 311,117	\$ 317,692
(13) Fundraising	\$ -	\$ 641,063	\$ -	\$ -	\$ -	\$ -	\$ 641,063	\$ 617,288
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,238
(15) Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(16) TOTAL REVENUES	\$ 9,702,698	\$ 140,450,853	\$ 20,392,146	\$ 10,887,173	\$ 6,563,260	\$ 1,171,246	\$ 189,167,376	\$ 183,790,596
EXPENSES								
(17) Certificated salaries	\$ 4,221,443	\$ 81,037,140	\$ -	\$ -	\$ 962,887	\$ 149,276	\$ 86,370,746	\$ 84,837,040
(18) Certificated benefits	\$ 928,617	\$ 18,766,624	\$ -	\$ -	\$ 155,131	\$ 33,396	\$ 19,883,768	\$ 19,542,154
(19) Non-certificated salaries and wages	\$ 2,452,772	\$ 19,358,500	\$ 2,774,568	\$ 876,546	\$ 3,655,053	\$ 207,190	\$ 29,324,629	\$ 27,207,160
(20) Non-certificated benefits	\$ 549,725	\$ 5,249,280	\$ 629,995	\$ 178,307	\$ 763,084	\$ 35,887	\$ 7,406,278	\$ 7,003,602
(21) SUB - TOTAL	\$ 8,152,557	\$ 124,411,544	\$ 3,404,563	\$ 1,054,853	\$ 5,536,155	\$ 425,749	\$ 142,985,421	\$ 138,589,956
(22) Services, contracts and supplies	\$ 1,181,096	\$ 15,577,198	\$ 14,059,486	\$ 9,322,954	\$ 1,099,835	\$ 733,358	\$ 41,973,927	\$ 41,801,177
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 2,263,488	\$ -	\$ -	\$ -	\$ 2,263,488	\$ 2,414,799
(24) Amortization of unsupported tangible capital assets	\$ 59,480	\$ 889,080	\$ 270,162	\$ 13,102	\$ 80,100	\$ -	\$ 1,311,924	\$ 1,055,757
(25) Supported interest on capital debt	\$ -	\$ -	\$ 37,533	\$ -	\$ -	\$ -	\$ 37,533	\$ 52,027
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ 44,643	\$ -	\$ 44,643	\$ 59,385
(27) Other interest and finance charges	\$ -	\$ -	\$ -	\$ -	\$ 516	\$ -	\$ 516	\$ 425
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 9,393,133	\$ 140,877,822	\$ 20,035,232	\$ 10,390,909	\$ 6,761,249	\$ 1,159,107	\$ 188,617,452	\$ 183,973,526
(31) OPERATING SURPLUS (DEFICIT)	\$ 309,565	\$ (426,969)	\$ 356,914	\$ 496,264	\$ (197,989)	\$ 12,139	\$ 549,924	\$ (182,930)

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2015 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	2015 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ -	\$ 1,812,627	\$ -	\$ -	\$ 961,941		\$ 2,774,568		\$ 2,774,568
Uncertificated benefits	\$ -	\$ 433,338	\$ -	\$ -	\$ 196,657		\$ 629,995		\$ 629,995
Sub-total Remuneration	\$ -	\$ 2,245,965	\$ -	\$ -	\$ 1,158,598		\$ 3,404,563		\$ 3,404,563
Supplies and services	\$ 4,927,624	\$ 1,676,693		\$ 3,024,710	\$ (84,589)		\$ 9,544,438		\$ 9,544,438
Electricity			\$ 1,441,914				\$ 1,441,914		\$ 1,441,914
Natural gas/heating fuel			\$ 961,307				\$ 961,307		\$ 961,307
Sewer and water			\$ 291,788				\$ 291,788		\$ 291,788
Telecommunications			\$ 98,550				\$ 98,550		\$ 98,550
Insurance					\$ 519,781		\$ 519,781		\$ 519,781
ASAP maintenance & renewal payments								\$ -	\$ -
Amortization of tangible capital assets									
Supported								\$ 2,263,488	\$ 2,263,488
Unsupported						\$ 270,162	\$ 270,162		\$ 270,162
Total Amortization						\$ 270,162	\$ 270,162	\$ 2,263,488	\$ 2,533,650
Interest on capital debt									
Supported								\$ 37,533	\$ 37,533
Unsupported						\$ -	\$ -		\$ -
Lease payments for facilities				\$ 1,201,708			\$ 1,201,708		\$ 1,201,708
Other interest charges						\$ -	\$ -		\$ -
Losses on disposal of capital assets						\$ -	\$ -		\$ -
TOTAL EXPENSES	\$ 4,927,624	\$ 3,922,658	\$ 2,793,559	\$ 4,226,418	\$ 1,593,790	\$ 270,162	\$ 17,734,211	\$ 2,301,021	\$ 20,035,232

SQUARE METRES									
School buildings									198,292.0
Non school buildings									4,857.0

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.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

UNAUDITED SCHEDULE OF FEE REVENUE
for the Year Ending August 31, 2015 (in dollars)

	Actual 2014/2015	Actual 2013/2014
<u>FEES</u>		
Transportation fees	\$995,276	\$945,617
Basic instruction supplies (text books, including lost or replacement fees, course materials)	\$1,204,001	\$1,062,886
Technology user fees	\$0	\$0
Alternative program fees	\$0	\$0
Fees for optional courses (band, art, etc.)	\$1,236,511	\$1,138,103
Fees for students from other boards	\$0	\$0
Tuition fees (international & out of province)	\$0	\$0
Kindergarten & preschool	\$0	\$0
Extracurricular fees (sports teams and clubs)	\$737,111	\$707,258
Field trips (related to curriculum)	\$1,133,116	\$1,301,399
Lunch supervision fees (Mandatory)	\$691,142	\$638,730
Locker rental; locks; student ID; uniforms; library, student union, and fitness fees	\$213,734	\$222,985
Other (describe)* Graduation	\$97,654	\$77,992
Other (describe)* Tuition Fees from Charitable Organizations	\$50,202	\$55,972
Other (describe)*	\$0	\$0
TOTAL FEES	\$6,358,747	\$6,150,942

*PLEASE DO NOT USE "SCHOOL GENERATED FUNDS" AS A CATEGORY

Please disclose amounts paid by parents of students that are recorded as "Other sales and services" or "Other revenue" (rather than fee revenue):	Actual 2014/2015	Actual 2013/2014
Cafeteria sales, hot lunch, milk programs	\$1,017,571	\$1,006,740
Special events, graduation, tickets	\$530,020	\$592,984
Student travel (international, recognition trips, non-curricular)	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$233,549	\$294,186
Adult education revenue	\$0	\$0
Child care & before and after school care	\$79,405	\$71,891
Other (describe) Student Council / Leadership	\$38,753	\$33,527
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
TOTAL	\$1,899,298	\$1,999,328

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2015 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	684	209	294		
REVENUES					
Alberta Education allocated funding	\$ 777,546	\$ 3,984,392	\$ 346,361	\$ 9,809,008	\$ 912,609
Other funding allocated by the board to the program	\$ -	\$ 302,007	\$ 14,725	\$ 2,392,250	\$ 6,266,407
TOTAL REVENUES	\$ 777,546	\$ 4,286,399	\$ 361,086	\$ 12,201,258	\$ 7,179,016
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 320,483	\$ 1,217,645	\$ 90,272	\$ 5,723,015	
Instructional non-certificated salaries & benefits	\$ 57,825	\$ 2,782,500	\$ 180,542	\$ 10,700,127	
SUB TOTAL	\$ 378,308	\$ 4,000,145	\$ 270,814	\$ 16,423,142	
Supplies, contracts and services	\$ 338,831	\$ 286,802	\$ 90,272	\$ 287,321	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 717,139	\$ 4,286,947	\$ 361,086	\$ 16,710,463	
NET FUNDING SURPLUS (SHORTFALL)	\$ 60,407	\$ (548)	\$ -	\$ (4,509,205)	

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2015 (in dollars)								
EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
1 Office of the superintendent	\$ 396,785	\$ 168,620	\$ -	\$ 565,405	\$ 131,966	\$ 38,399	\$ -	\$ 735,770
2 Educational administration (excluding superintendent)	\$ 385,060	\$ 5,673	\$ -	\$ 390,733	\$ 81,619	\$ 162,981	\$ -	\$ 635,333
3 Business administration	\$ 1,211,863	\$ 96,133	\$ -	\$ 1,307,996	\$ 340,386	\$ 330,893	\$ -	\$ 1,979,275
4 Board governance (Board of Trustees)	\$ 344,717	\$ 198,525	\$ -	\$ 543,242	\$ -	\$ -	\$ -	\$ 543,242
5 Information technology	\$ 525,192	\$ 13,346	\$ -	\$ 538,538	\$ 1,757,965	\$ 1,650,760	\$ 3,618	\$ 3,950,881
6 Human resources	\$ 1,472,267	\$ 169,314	\$ -	\$ 1,641,581	\$ 2,959,524	\$ 311,261	\$ -	\$ 4,912,366
7 Central purchasing, communications, marketing	\$ 820,470	\$ 84,576	\$ -	\$ 905,046	\$ -	\$ 2,578	\$ -	\$ 907,624
8 Payroll	\$ 302,241	\$ 21,569	\$ -	\$ 323,810	\$ -	\$ -	\$ -	\$ 323,810
9 Administration - insurance			\$ 9,593	\$ 9,593				\$ 9,593
10 Administration - amortization			\$ 80,100	\$ 80,100				\$ 80,100
11 Administration - other (admin building, interest)			\$ 45,159	\$ 45,159				\$ 45,159
12 Administration - facility services	\$ 77,559	\$ 332,487	\$ -	\$ 410,046				\$ 410,046
13				\$ -				\$ -
14				\$ -				\$ -
TOTAL EXPENSES	\$ 5,536,154	\$ 1,090,243	\$ 134,852	\$ 6,761,249	\$ 5,271,460	\$ 2,496,872	\$ 3,618	\$ 14,533,199

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

1. AUTHORITY AND PURPOSE

The Board of Trustees of Elk Island Public Schools Regional Division No. 14 [the “Division”] was established under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3, to provide education programs in the counties of Strathcona No. 20, Lamont No. 30, the western portion of Minburn No. 27, and the City of Fort Saskatchewan.

The Division receives allocations under Education Grants Regulation (AR 120/2008) from the Government of Alberta. The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administrative expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and use of estimates

These financial statements have been prepared in accordance with the Chartered Professional Accountants of Canada Public Sector Accounting Standards. 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 which have been made using careful judgment. Significant areas requiring the use of estimates include accrued liabilities and the useful lives of tangible capital assets. Actual results could differ from those estimates. The financial statements have been prepared within the framework of the significant accounting policies summarized below.

Financial instruments

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

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

Financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items upon initial recognition.

Cash and cash equivalents

Cash and cash equivalents include cash and investments with maturity dates of three months or less.

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

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
[CONTINUED]**

Portfolio investments

Portfolio investments consist of guaranteed investment certificates with initial maturity dates in excess of 90 days.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the operating surplus (deficit), provides the change in net financial assets (debt) for the year.

Tangible capital assets

Tangible capital assets acquired or constructed are recorded at cost, including amounts directly related to the acquisition, design, construction, development, 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.

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 Division 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. The discount rate used to determine the present value of the lease payments is the lower of the Division's rate for incremental borrowing or the interest rate implicit in the lease.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
[CONTINUED]**

Tangible capital assets are amortized over their estimated useful lives on a straight-line basis as follows:

Buildings	25 to 50 years
Other equipment and furnishings	5 to 10 years
Vehicles and buses	5 to 10 years
Computer hardware and software	3 to 5 years

Only tangible capital assets with costs in excess of \$5,000 are capitalized.

Amortization is not recorded on assets under construction. A full year of amortization is recorded on all tangible capital asset additions in the year the asset is acquired, or in the year construction is completed and the asset is ready for its productive use.

Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the Division to provide services or when the value of future economic benefits associated with the assets are less than their net book value. For supported assets, the write-downs are accounted for as reductions to expended deferred capital revenue.

Deferred revenue

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per Public Sector Accounting Standards Section PS 3200 - Liabilities. These contributions are recognized by the 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 represents externally restricted supported capital funds provided for a specific capital purpose received or receivable by the 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 Section PS 3200 when expended.

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

- Expended deferred capital revenue represents externally restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related tangible capital asset. Amortization over the useful life of the related tangible capital asset is due to certain stipulations related to the contributions that require the Division to use the asset in a prescribed manner over the life of the associated asset.

Operating and capital reserves

Operating reserves are established to provide for the costs of future operating expenses. Capital reserves are established to provide for future replacement or upgrading of tangible capital assets. These reserves are established and expended in accordance with policies established by the Board of Trustees or external restrictions specified by the Government of Alberta.

Pensions

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

The Division participates in the multi-employer Local Authorities Pension Plan, which is accounted for as a defined contribution plan with the cost of the pension benefits recognized as contributions are payable. Annual contributions expensed for the year ended August 31, 2015 were \$2,788,188 [2014 - \$2,677,433]. At December 31, 2014, the Local Authorities Pension Plan reported a deficiency of \$2,454,636,000 [2013 - \$4,861,516,000].

Teachers' Retirement Fund contributions by the Government of Alberta for current service are a component part of education system costs and are formally recognized in the accounts of the school jurisdictions, even though the jurisdictions have no legal obligation to pay these costs. Current service contributions have been recognized as revenue from the Government of Alberta and as certificated benefits expense. Annual contributions by the Government of Alberta for the year ended August 31, 2015 were \$10,447,892 [2014 - \$10,319,071]. At August 31, 2014, the Teachers' Retirement Fund reported a surplus of \$526,201,000 [2013 – deficiency of \$825,317,000].

Revenue recognition

Instruction grants and fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered. Rental and other sales and services are recognized as revenue as sales and services are provided. Investment income is recognized as revenue on the accrual basis.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
[CONTINUED]**

Eligibility criteria are criteria that the Division has to meet in order to receive certain contributions. Stipulations describe what the 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 Section PS 3200. Such liabilities are recorded as deferred revenue. The following items fall under this category:

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

Expenses

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

Allocation of expenses

- 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.

Program reporting

The Division's operations have been segmented as follows:

ECS Instruction: The provision of Early Childhood Services education instructional services that fall under the basic public education mandate.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
[CONTINUED]**

Grade 1-12 Instruction: The provision of 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 and 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.

Contributed services

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

Trusts under administration

The Division administers funds under trust agreements on behalf of various beneficiaries. Trusts under administration are disclosed in note 15 and excluded from the financial reporting of the Division.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

3. ACCOUNTS RECEIVABLE

	2015	2014
	\$	\$
Alberta Education – grants	1,817,997	1,120,232
Alberta Education – capital	326,098	292,266
Alberta Treasury Board and Finance	354,883	511,690
Government of Canada – Goods and Services Tax	365,591	364,679
Insurance claims	—	28,724
Other	235,944	416,373
	3,100,513	2,733,964

4. PORTFOLIO INVESTMENTS

The Division's portfolio investments of \$15,707,541 [2014 - \$12,619,925] consist of guaranteed investment certificates with interest rates ranging from 0.05% to 2.75% [2014 - 0.80% to 2.33%] and maturity dates ranging from September 2, 2015 to May 22, 2018.

5. BANK INDEBTEDNESS

The Division has a \$5,000,000 revolving credit facility available for operations which bears interest at prime less 0.5% and is due on demand. At August 31, 2015, nil [2014 - nil] was drawn on the facility.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2015	2014
	\$	\$
Accrued vacation pay liabilities	581,503	568,196
Other employee-related accrued liabilities	5,182,701	4,572,948
Trade accounts payable and accrued liabilities	2,917,205	2,726,772
	8,681,409	7,867,916

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

7. DEFERRED REVENUE

	2015			
	Beginning balance	Amounts received	Amounts recognized as revenue	Ending balance
	\$	\$	\$	\$
Alberta Education				
Alberta Education - funding	4,461	375,579	(354,655)	25,385
Edmonton Complex Needs	26,566	—	—	26,566
Educational programming	93,052	60,261	(153,313)	—
Infrastructure Maintenance Renewal	518,255	5,616,771	(3,024,710)	3,110,316
SuperNet Services	52,216	403,200	(444,719)	10,697
Other Alberta Education	166,510	58,093	(109,536)	115,067
Other Government of Alberta				
Career Corners	11,896	—	(11,896)	—
Expecting Respect	3,295	6,140	(6,018)	3,417
Other Deferred Revenue				
School Generated Funds	118,360	76,443	(72,411)	122,392
Fees - Continuing Education	15,469	27,665	(15,492)	27,642
Fees - Transportation	892,237	824,909	(892,237)	824,909
Other	42,855	39,179	(52,218)	29,816
Total Unexpended Deferred Operating Revenue	1,945,172	7,488,240	(5,137,205)	4,296,207
Unexpended Deferred Capital Revenue	342,700	6,808,495	(2,739,580)	4,411,615
Expended Deferred Capital Revenue	43,048,617	10,794,481	(2,263,488)	51,579,610
	45,336,489	25,091,216	(10,140,273)	60,287,432

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

7. DEFERRED REVENUE [CONTINUED]

	2014			
	Beginning balance	Amounts received	Amounts recognized as revenue	Ending balance
	\$	\$	\$	\$
Alberta Education				
Alberta Education - funding	71,945	30,053,299	(30,120,783)	4,461
Edmonton Complex Needs	48,566	—	(22,000)	26,566
Educational programming	90,620	61,600	(59,168)	93,052
Infrastructure Maintenance Renewal	596,254	2,176,025	(2,254,024)	518,255
SuperNet Services	24,794	403,200	(375,778)	52,216
Other Alberta Education	260,999	17,683	(112,172)	166,510
Other Government of Alberta				
Career Corners	29,485	—	(17,589)	11,896
Expecting Respect	2,195	4,400	(3,300)	3,295
Other Deferred Revenue				
School Generated Funds	216,258	259,865	(357,763)	118,360
Fees - Continuing Education	10,980	15,385	(10,896)	15,469
Fees - Transportation	815,765	892,237	(815,765)	892,237
Other	19,180	74,703	(51,028)	42,855
Total Unexpended Deferred Operating Revenue	2,187,041	33,958,397	(34,200,266)	1,945,172
Unexpended Deferred Capital Revenue	436,587	424,219	(518,106)	342,700
Expended Deferred Capital Revenue	44,945,310	518,106	(2,414,799)	43,048,617
	47,568,938	34,900,722	(37,133,171)	45,336,489

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

8. DEBT

	2015	2014
	\$	\$
Supported		
Debentures, interest rates ranging from 8.125% to 11.5% and maturity dates ranging from 2016 to 2019	335,428	483,217
Unsupported		
Debenture, monthly principal payments of \$3,633 plus interest, 5.875% interest rate, due June 2023	348,800	392,400
Debenture, monthly principal payments of \$3,633 plus interest, 5.75% interest rate, due July 2023	348,800	392,400
	697,600	784,800

Debenture Debt - Supported

Payments due over the next four years are as follows:

	Principal	Interest	Total
	\$	\$	\$
2016	147,788	32,067	179,855
2017	139,013	17,582	156,595
2018	34,733	4,107	38,840
2019	13,894	1,129	15,023
	335,428	54,885	390,313

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

8. DEBT [CONTINUED]

Debenture Debt - Unsupported

Payments due over the next five years and thereafter are as follows:

	Principal \$	Interest \$	Total \$
2016	87,200	40,548	127,748
2017	87,200	35,480	122,680
2018	87,200	30,411	117,611
2019	87,200	25,343	112,543
2020	87,200	20,274	107,474
Thereafter	261,600	30,411	292,011
	697,600	182,467	880,067

9. OBLIGATION UNDER CAPITAL LEASE

During the year the Division entered into an obligation under capital lease totaling \$883,795 [2014 - nil], for computer hardware and software related to the Voice Over Internet Protocol (VOIP) phone system. The lease is non-interest bearing and requires monthly payments of \$36,825 until August 2017.

10. TANGIBLE CAPITAL ASSETS

	Land \$	Construction In Progress – Buildings \$	Buildings \$	Other Equipment and Furnishings \$	Vehicles and Buses \$	Computer Hardware and Software \$	Total 2015 \$
			25 - 50 Years	5 - 10 Years	5 - 10 Years	3 - 5 Years	
Estimated useful lives							
Historical costs							
Opening	1,475,856	155,509	130,080,243	4,239,152	2,519,540	3,635,300	142,105,600
Additions	—	2,372,340	8,286,827	893,815	81,276	1,024,650	12,658,908
Transfers in (out)	—	(647,289)	487,423	159,866	—	—	—
Effect of disposals	—	—	(485,597)	(739,094)	(25,922)	(224,250)	(1,474,863)
Closing	1,475,856	1,880,560	138,368,896	4,553,739	2,574,894	4,435,700	153,289,645
Accumulated amortization							
Opening	—	—	85,651,252	3,409,283	1,588,386	2,832,804	93,481,725
Amortization expense	—	—	2,516,838	320,408	239,061	499,105	3,575,412
Effect of disposals	—	—	(485,597)	(739,094)	(25,922)	(224,250)	(1,474,863)
Closing	—	—	87,682,493	2,990,597	1,801,525	3,107,659	95,582,274
Net book value at							
August 31, 2015	1,475,856	1,880,560	50,686,403	1,563,142	773,369	1,328,041	57,707,371

Computer hardware and software includes assets under capital lease with a cost of \$883,795 [2014 - nil] and accumulated amortization of \$176,759 [2014 - nil] at August 31, 2015.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

10. TANGIBLE CAPITAL ASSETS [CONTINUED]

Buildings includes costs of \$1,122,265 [2014 – nil] related to assets not available for use and not yet subject to amortization.

	Land \$	Construction In Progress – Buildings \$	Buildings \$	Other Equipment and Furnishings \$	Vehicles and Buses \$	Computer Hardware and Software \$	Total 2014 \$
Estimated useful lives			25 - 50 Years	5 - 10 Years	5 - 10 Years	3 - 5 Years	
Historical costs							
Opening	1,475,856	159,572	129,418,505	3,923,097	2,456,680	3,353,985	140,787,695
Additions	—	642,374	15,301	352,326	88,711	281,315	1,380,027
Transfers in (out)	—	(646,437)	646,437	—	—	—	—
Effect of disposals	—	—	—	(36,271)	(25,851)	—	(62,122)
Closing	1,475,856	155,509	130,080,243	4,239,152	2,519,540	3,635,300	142,105,600
Accumulated amortization							
Opening	—	—	82,985,097	3,202,688	1,356,803	2,528,703	90,073,291
Amortization expense	—	—	2,666,155	242,866	257,434	304,101	3,470,556
Effect of disposals	—	—	—	(36,271)	(25,851)	—	(62,122)
Closing	—	—	85,651,252	3,409,283	1,588,386	2,832,804	93,481,725
Net book value at August 31, 2014	1,475,856	155,509	44,428,991	829,869	931,154	802,496	48,623,875

11. ACCUMULATED SURPLUS

	2015 \$	2014 \$
Reserves for operations	14,159,460	14,280,959
School Generated Funds	1,930,095	1,914,579
Total operating reserves	16,089,555	16,195,538
Investment in tangible capital assets	4,546,365	4,790,458
Capital reserves	1,376,004	476,004
Accumulated surplus	22,011,924	21,462,000

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

12. CONTRACTUAL OBLIGATIONS

The Division has contractual obligations and other commitments as follows:

	Building leases \$	Other \$	Total \$
2016	686,328	198,962	885,290
2017	261,364	21,000	282,364
2018	205,064	21,000	226,064
2019	213,620	21,000	234,620
2020	203,008	21,000	224,008
Thereafter	—	68,250	68,250
	<u>1,569,384</u>	<u>351,212</u>	<u>1,920,596</u>

In addition, the Division has lease commitments in place for two schools. These commitments consist of a fixed annual commitment of \$445,920 [2014 - \$445,920] plus variable annual commitments currently totaling \$715,969 [2014 - \$755,789]. The lease agreements expire in 2032.

13. CONTINGENT LIABILITIES

In the ordinary course of operations various claims and lawsuits are brought against the Division. The ultimate settlement of such matters is not expected to be significant to the overall financial position of the Division. Administration has not recorded any liabilities in respect of the Division's current claims and lawsuits. The resolution of such matters and the amount of loss, if any, will be accounted for in the period of determination.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

14. SCHOOL GENERATED FUNDS

	2015	2014
	\$	\$
Beginning balance	2,032,939	2,164,424
Fees	2,956,448	3,218,502
Fundraising	641,063	617,288
Gifts and donations	905,849	740,084
Grants to schools	—	38,100
Other sales and services	2,547,370	2,651,350
	7,050,730	7,265,324
Uses of funds	(4,651,938)	(4,860,126)
Total direct cost of goods sold to raise funds	(2,379,244)	(2,536,683)
	(7,031,182)	(7,396,809)
Ending balance	2,052,487	2,032,939
Balance included in deferred revenue	122,392	118,360
Balance included in accumulated surplus	1,930,095	1,914,579
	2,052,487	2,032,939

15. TRUSTS UNDER ADMINISTRATION

The following trust balances represent assets that are held in trust by the Division but not recorded in the financial statements of the Division.

	2015	2014
	\$	\$
Regional Collaborative Services Delivery ["RCSD"]	1,438,691	1,288,546
Deferred salary leave plan	272	98,441
Scholarship trust funds	158,123	161,613
Staff funds	28,722	35,292
External charity funds	14,849	18,923
Other trusts	8,116	8,116
	1,648,773	1,610,931

The Division administers funds on behalf of the RCSD and, accordingly, amounts held at year end are restricted in their use. The RCSD is controlled by Government of Alberta departments. During the year, the Division received \$56,204 [2014 - \$43,446] for its fund management services.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

16. ELK ISLAND PUBLIC SCHOOLS PARTNERS IN EDUCATION FOUNDATION

Elk Island Public Schools Partners in Education Foundation [the “Foundation”] was established under the authority of The Societies Act (Alberta) to assist the Division in improving the efficiency with which it carries out its charitable objectives. The Foundation is not a controlled entity and has therefore not been consolidated with the Division’s financial information.

17. STATEMENT OF CASH FLOWS

Supplementary disclosures in respect of the statement of cash flows are as follows:

	2015	2014
	\$	\$
Interest received	368,263	335,136
Interest paid		
Supported	46,551	61,035
Unsupported	45,616	62,735
	92,167	123,770

18. RELATED PARTY TRANSACTIONS

The Division’s primary source of revenue is from the Government of Alberta through its related departments. The Division’s ability to continue its operations is dependent on this funding.

Related parties are departments controlled by the Government of Alberta and entities controlled by those departments. The amounts due to and from related parties bear no interest and are unsecured, with no stated terms of repayment. Revenues and expenses are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

18. RELATED PARTY TRANSACTIONS [CONTINUED]

	Balances		Transactions	
	Financial			
	Assets	Liabilities	Revenues	Expenses
	\$	\$	\$	\$
Government of Alberta				
Alberta Education				
Receivables / payables	2,144,095	—	—	—
Deferred revenue	—	3,288,031	—	—
Unexpended deferred capital revenue	—	4,411,615	—	—
Expended deferred capital revenue	—	47,883,715	—	—
Revenues / expenses	—	—	175,540,413	64,315
Other Alberta school jurisdictions	31,105	(1,992)	278,559	109,173
Treasury Board and Finance	—	—	—	—
Debt principal	335,428	—	—	—
Debt interest	19,455	—	37,533	82,176
Amortization of supported tangible capital assets	—	—	760,113	—
Expended deferred capital revenue	—	3,695,895	—	—
Services, contracts and supplies	—	—	—	1,533
Alberta Health Services	—	3,417	275,192	100
Post-secondary institutions	—	—	—	67,500
Human Services	—	—	15,437	—
Office of the Chief Electoral Officer	—	—	10,190	—
Agriculture and rural development	—	—	—	8,952
Other Related Parties				
Alberta Pension Services Corporation	—	99,757	—	2,788,188
Alberta Capital Finance Authority	—	1,060,082	—	—
Total 2014-2015	2,530,083	60,440,520	176,917,437	3,121,937
Total 2013-2014	1,926,621	45,683,049	171,737,778	3,038,469

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

19. REMUNERATION AND MONETARY INCENTIVES

Remuneration paid or accrued on behalf of the following positions and persons in groups for the year ended August 31, 2015 was as follows:

	2015					2014	
	FTE #	Remuneration \$	Benefits ¹ \$	Allowances ² \$	ERIP's/ Other \$	Total \$	Total \$
Board Members:							
Chair Trina Boymook	1.00	42,073	1,349	4,049	—	47,471	39,559
Lisa Brower	—	—	—	—	—	—	5,861
William Gordon	1.00	31,357	—	4,049	—	35,406	35,406
Colleen Holowaychuk	1.00	36,715	1,290	7,620	—	45,625	45,625
Pat McLauchlan	—	—	—	—	—	—	6,067
Barb McNeill	1.00	31,357	—	2,858	—	34,215	36,200
Lynn Patterson	1.00	31,357	—	2,858	—	34,215	34,215
Jim Seutter	1.00	31,357	—	4,049	—	35,406	29,505
Harvey Stadnick	1.00	31,357	995	4,049	—	36,401	36,401
Lori Tootoosis-Friesen	—	—	—	—	—	—	6,067
Heather Wall	1.00	31,357	995	4,049	—	36,401	30,334
Raymond Welsh	1.00	31,357	1,093	7,025	—	39,475	39,475
	9.00	298,287	5,722	40,606	—	344,615	344,715
Superintendent							
Mark Liguori ³	0.59	121,947	19,163	—	5,833	146,943	—
Karla Satchwell ³ (Acting)	0.08	17,083	3,464	—	546	21,093	—
Bruce Believeau ³	0.33	86,348	12,469	—	48,995	147,812	275,689
Secretary/Treasurer							
Scott McFadyen ⁴	0.83	166,849	29,408	—	104,539	300,796	215,483
Shirley Hagen ⁴ (Acting)	0.15	21,847	4,533	—	—	26,380	—
Treasurer							
Candace Cole ⁴	0.02	2,923	161	—	—	3,084	—
Corporate Secretary							
Dennis Dykau ⁴	0.02	3,250	660	—	—	3,910	—
Certificated teachers							
	892.31	85,685,304	19,848,012	35,495	365,945	105,934,756	104,103,505
Non-certificated - Other							
	471.15	28,266,217	7,366,454	—	423,361	36,056,032	33,650,564
Total	1374.48	114,670,055	27,290,046	76,101	949,219	142,985,421	138,589,956

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

19. REMUNERATION AND MONETARY INCENTIVES [CONTINUED]

- ¹. Benefits include contributions for pension plans, statutory benefits, group benefits and a health spending account.
- ². Allowances include sabbaticals and non-collective agreement allowances for travel.
- ³. Superintendent Bruce Beliveau retired from the Division January 2, 2015.
Karla Satchwell was appointed Acting Superintendent from January 3, 2015 to February 1, 2015.
Mark Liguori was appointed Superintendent February 2, 2015.
- ⁴. Secretary/Treasurer Scott McFadyen left the Division June 29, 2015.
Shirley Hagen was appointed Acting Secretary/Treasurer June 30, 2015 to August 25, 2015.
Dennis Dykau was appointed Corporate Secretary August 25, 2015.
Candace Cole was appointed Treasurer August 26, 2015.

The Board of Trustees of Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

19. REMUNERATION AND MONETARY INCENTIVES [CONTINUED]

Expenses including those for items such as the reimbursement of travel, subsistence, moving costs, professional development and conference fees paid or accrued on behalf of the following persons in performing their responsibilities for the year ended August 31 were as follows:

	2015	2014
	\$	\$
Board Members:		
Chair Trina Boymook	3,477	3,444
Lisa Brower	—	—
William Gordon	760	629
Colleen Holowaychuk	2,638	3,257
Pat McLauchlan	—	—
Barb McNeill	2,198	2,479
Lynn Patterson	76	—
Jim Seutter	881	770
Harvey Stadnick	1,979	1,902
Lori Tootoosis-Friesen	—	—
Heather Wall	1,368	2,024
Raymond Welsh	4,091	1,954
	<u>17,468</u>	<u>16,459</u>
Superintendent Bruce Beliveau	3,200	13,507
Acting Superintendent Karla Satchwell	61	—
Superintendent Mark Liguori	2,918	—
Secretary/Treasurer Scott McFadyen	9,713	7,124
Acting Secretary/Treasurer Shirley Hagen	—	—
Corporate Secretary Dennis Dykau	—	—
Treasurer Candace Cole	—	—
	<u>33,360</u>	<u>37,090</u>

20. UNAUDITED INFORMATION

The Unaudited Schedule of Fee Revenue, Unaudited Schedule of Differential Funding and Unaudited Schedule of Central Administration Expenses were prepared by Division administration and approved by the Board of Trustees. Amounts in these schedules are presented for information purposes only and have not been audited.

21. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

