

November 26, 2014
Board Meeting
Attachments

Agenda Item	Motion No.
1. Audited Financial Statements	23752/14

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

Northland School Division No. 61

Legal Name of School Jurisdiction

Bag 1400, 9809 - 77 Avenue, Peace River, AB. T8S 1V2

Mailing Address

(780) 624-2060 (Telephone); (780) 624-5914 (Fax)

Telephone & Fax Numbers, and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Northland School Division No. 61 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

Dr. Colin J. Kelly

Name

Signature

SUPERINTENDENT

Dr. Donna S. Barrett

Name

Signature

SECRETARY-TREASURER OR TREASURER

Trudy Rasmuson, C.M.A.

Name

Signature

November 26, 2014

Board-approved Release Date

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

		2014	2013 (restated)
FINANCIAL ASSETS			
Cash and cash equivalents		\$ 3,609,465	\$ 2,338,658
Accounts receivable (net after allowances)	(Note 3)	\$ 3,639,016	\$ 4,314,487
Portfolio investments		\$ -	\$ -
Other financial assets	(Note 4)	\$ 68,250	\$ 68,250
Total financial assets		\$ 7,316,731	\$ 6,721,395
LIABILITIES			
Bank indebtedness	(Note 6)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 5)	\$ 2,035,899	\$ 2,545,923
Deferred revenue	(Note 8)	\$ 69,002,120	\$ 63,344,901
Employee future benefit liabilities	(Note 9)	\$ 50,702	\$ 61,636
Other liabilities		\$ -	\$ -
Debt	(Note 11)		
Supported: Debentures and other supported debt		\$ -	\$ 127,422
Unsupported: Debentures and capital loans		\$ -	\$ 1,925
Capital leases		\$ -	\$ -
Mortgages		\$ -	\$ -
Total liabilities		\$ 71,088,721	\$ 66,081,807
Net financial assets (debt)		\$ (63,771,990)	\$ (59,360,412)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Note 7)		
Land		\$ 549,310	\$ 524,977
Construction in progress		\$ 10,016,369	\$ 2,021,476
Buildings	\$ 128,250,469		
Less: Accumulated amortization	\$ (70,871,118)	\$ 57,379,351	\$ 61,380,855
Equipment	\$ 6,838,909		
Less: Accumulated amortization	\$ (5,968,238)	\$ 870,671	\$ 696,733
Vehicles	\$ 8,148,795		
Less: Accumulated amortization	\$ (5,879,737)	\$ 2,269,058	\$ 2,067,266
Computer Equipment	\$ 4,911,843		
Less: Accumulated amortization	\$ (3,018,593)	\$ 1,893,250	\$ 2,276,280
Total tangible capital assets		\$ 72,978,009	\$ 68,967,587
Prepaid expenses		\$ 517,174	\$ 405,686
Other non-financial assets		\$ 39,267	\$ 39,267
Total non-financial assets		\$ 73,534,450	\$ 69,412,540
Accumulated surplus	(Note 14)	\$ 9,762,460	\$ 10,052,128
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 9,762,460	\$ 10,052,128
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 9,762,460	\$ 10,052,128
Contractual obligations	(Note 12)		
Contingent liabilities	(Note 20)		

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	Actual 2014	Actual 2013
REVENUES			
Alberta Education	\$ 35,920,528	\$ 38,136,250	\$ 37,200,087
Other - Government of Alberta	\$ -	\$ 774,716	\$ 966,929
Federal Government and First Nations	\$ 21,459,628	\$ 20,838,515	\$ 20,862,392
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees	\$ -	\$ -	\$ -
Other sales and services	\$ 1,730,185	\$ 1,162,953	\$ 656,887
Investment income	\$ 10,000	\$ 67,600	\$ 10,292
Gifts and donations	\$ 247,964	\$ 801,935	\$ 665,555
Rental of facilities	\$ 1,052,648	\$ 832,865	\$ 973,522
Fundraising	\$ 450,000	\$ 394,866	\$ 251,134
Gains on disposal of capital assets	\$ -	\$ 200	\$ 156,458
Other revenue	\$ -	\$ -	\$ -
Total revenues	\$ 60,870,953	\$ 63,009,900	\$ 61,743,256
EXPENSES			
Instruction (ECS - Grade 12)	\$ 38,500,963	\$ 39,307,283	\$ 39,872,808
Plant operations and maintenance	\$ 8,952,563	\$ 11,647,020	\$ 9,696,288
Transportation	\$ 3,801,463	\$ 3,741,924	\$ 3,721,237
Board & system administration	\$ 3,706,302	\$ 3,510,503	\$ 3,233,159
External services	\$ 5,607,039	\$ 5,092,838	\$ 5,172,372
Total expenses	\$ 60,568,330	\$ 63,299,568	\$ 61,695,864
Operating surplus (deficit)	\$ 302,623	\$ (289,668)	\$ 47,392

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

School Jurisdiction Code: 1280		
STATEMENT OF CASH FLOWS For the Year Ended August 31, 2014 (in dollars)		
	2014	2013
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ (289,668)	\$ 47,392
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 5,769,549	\$ 4,802,415
Gains on disposal of tangible capital assets	\$ (200)	\$ (156,458)
Losses on disposal of tangible capital assets	\$ 41,142	\$ 67,735
Expended deferred capital revenue recognition	\$ (3,526,233)	\$ (3,192,543)
Deferred capital revenue write-off	\$ 65,376	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 675,471	\$ 1,222,681
Prepays	\$ (111,488)	\$ (27,599)
Other financial assets	\$ -	\$ 500
Non-financial assets	\$ -	\$ -
Accounts payable and accrued liabilities	\$ (510,024)	\$ (297,363)
Deferred revenue (excluding EDCR)	\$ 1,188,559	\$ 1,512,567
Employee future benefit liabilities	\$ (10,934)	\$ 55,689
Other (describe)	\$ -	\$ -
Total cash flows from operating transactions	\$ 3,291,550	\$ 4,035,016
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ (24,333)	\$ -
Buildings	\$ (299,097)	\$ (2,348,644)
Equipment	\$ (328,179)	\$ (500,938)
Vehicles	\$ (777,541)	\$ (418,118)
Computer equipment	\$ (463,763)	\$ (242,411)
Net proceeds from disposal of unsupported capital assets	\$ 1,517	\$ 176,342
Other (describe)		
Total cash flows from capital transactions	\$ (1,891,396)	\$ (3,333,769)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ -	\$ -
Dispositions of portfolio investments	\$ -	\$ -
Remeasurement gains (losses) reclassified to the statement of operations	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ -	\$ -
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (129,347)	\$ (129,345)
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ (129,347)	\$ (129,345)
Increase (decrease) in cash and cash equivalents	\$ 1,270,807	\$ 571,902
Cash and cash equivalents, at beginning of year	\$ 2,338,658	\$ 1,766,756
Cash and cash equivalents, at end of year	\$ 3,609,465	\$ 2,338,658

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 (restated)
Operating surplus (deficit)	\$ 302,623	\$ (289,668)	\$ 47,392
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ (1,181,488)	\$ (9,887,806)	\$ (5,542,444)
Amortization of tangible capital assets	\$ 4,026,018	\$ 5,769,549	\$ 4,802,415
Net carrying value of tangible capital assets disposed of	\$ -	\$ 118,693	\$ 146,915
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ -	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ 2,844,530	\$ (3,999,564)	\$ (593,114)
Changes in:			
Prepaid expenses	\$ -	\$ (111,488)	\$ (27,599)
Other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -	\$ -
Endowments	\$ -	\$ -	\$ -
Decrease (increase) in net debt	\$ 3,147,153	\$ (4,400,720)	\$ (573,321)
Net debt at beginning of year	\$ (58,797,949)	\$ (59,371,270)	\$ (58,797,949)
Net debt at end of year	\$ (55,650,796)	\$ (63,771,990)	\$ (59,371,270)

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	\$ -	\$ -
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, 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	\$ 10,052,128	\$ -	\$ 10,052,128	\$ 8,465,499	\$ -	\$ 247,204	\$ -	\$ 1,339,425
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2013	\$ 10,052,128	\$ -	\$ 10,052,128	\$ 8,465,499	\$ -	\$ 247,204	\$ -	\$ 1,339,425
Operating surplus (deficit)	\$ (289,668)		\$ (289,668)			\$ (289,668)		
Board funded tangible capital asset additions				\$ 1,534,802		\$ (1,323,742)	\$ -	\$ (211,060)
Disposal of unsupported tangible capital assets	\$ -		\$ -	\$ (53,317)		\$ 51,802		\$ 1,515
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	\$ -			\$ (5,769,549)		\$ 5,769,549		
Capital revenue recognized	\$ -			\$ 3,526,233		\$ (3,526,233)		
Debt principal repayments (unsupported)	\$ -			\$ 1,925		\$ (1,925)		
Externally imposed endowment restrictions	\$ -				\$ -	\$ -	\$ -	
Net transfers to operating reserves	\$ -					\$ -	\$ -	
Net transfers from operating reserves	\$ -					\$ -	\$ -	
Net transfers to capital reserves	\$ -					\$ -		\$ -
Net transfers from capital reserves	\$ -					\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2014	\$ 9,762,460	\$ -	\$ 9,762,460	\$ 7,705,593	\$ -	\$ 926,987	\$ -	\$ 1,129,880

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
Balance at August 31, 2013	\$ -	\$ -	\$ -	\$ 120,531	\$ -	\$ 16,684	\$ -	\$ 55,810	\$ -	\$ 1,146,400
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2013	\$ -	\$ -	\$ -	\$ 120,531	\$ -	\$ 16,684	\$ -	\$ 55,810	\$ -	\$ 1,146,400
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ (120,531)	\$ -	\$ (16,684)	\$ -	\$ (55,810)	\$ -	\$ (18,035)
Disposal of unsupported tangible capital assets		\$ -		\$ -		\$ -		\$ 1,515		\$ -
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	\$ -		\$ -		\$ -		\$ -		\$ -	
Net transfers from operating reserves	\$ -		\$ -		\$ -		\$ -		\$ -	
Net transfers to capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,515	\$ -	\$ 1,128,365

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	\$ 16,788	\$ -	\$ 24,527	\$ 43,755	\$ 58,468,915
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ 2,021,476
Adjusted balance, August 31, 2013	\$ 16,788	\$ -	\$ 24,527	\$ 43,755	\$ 60,490,391
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 869,866				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ 3,036				
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Other sources <i>(Describe)</i> : Donations	\$ -			\$ 214,100	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ 8,412				
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Other sources: <i>(Describe)</i>	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
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					\$ 7,994,893
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (164,640)	\$ -	\$ -	\$ (214,100)	\$ 378,740
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments (Explain):	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ 65,376
Other adjustments (Explain):	\$ -	\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 3,241,061
Capital revenue recognized - Other Government of Alberta					\$ 127,421
Capital revenue recognized - Other revenue					\$ 157,751
Balance at August 31, 2014	\$ 733,462	\$ -	\$ 24,527	\$ 43,755	\$ 65,272,415
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2014 (A) + (B) + (C) + (D)				\$ 801,744	

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)

REVENUES	2014						2013
	Instruction (ECS- Grade 12)	Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
(1) Alberta Education	\$ 26,007,973	\$ 5,968,108	\$ 2,401,213	\$ 536,036	\$ 3,222,920	\$ 38,136,250	\$ 37,200,087
(2) Other - Government of Alberta	\$ -	\$ 127,498	\$ -	\$ -	\$ 647,218	\$ 774,716	\$ 966,929
(3) Federal Government and First Nations	\$ 11,127,995	\$ 5,454,864	\$ 1,337,564	\$ 2,918,092	\$ -	\$ 20,838,515	\$ 20,862,392
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Other sales and services	\$ 946,687	\$ 84,530	\$ 4,636	\$ 58,948	\$ 68,152	\$ 1,162,953	\$ 656,887
(10) Investment income	\$ 67,600	\$ -	\$ -	\$ -	\$ -	\$ 67,600	\$ 10,292
(11) Gifts and donations	\$ 783,150	\$ 18,785	\$ -	\$ -	\$ -	\$ 801,935	\$ 665,555
(12) Rental of facilities	\$ -	\$ -	\$ -	\$ -	\$ 832,865	\$ 832,865	\$ 973,522
(13) Fundraising	\$ 394,866	\$ -	\$ -	\$ -	\$ -	\$ 394,866	\$ 251,134
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ 200	\$ 156,458
(15) Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(16) TOTAL REVENUES	\$ 39,328,271	\$ 11,653,785	\$ 3,743,613	\$ 3,513,076	\$ 4,771,155	\$ 63,009,900	\$ 61,743,256
EXPENSES							
(17) Certificated salaries	\$ 20,429,560	\$ -	\$ -	\$ 448,553	\$ -	\$ 20,878,113	\$ 21,031,067
(18) Certificated benefits	\$ 4,368,436	\$ -	\$ -	\$ 21,756	\$ -	\$ 4,390,192	\$ 4,092,469
(19) Non-certificated salaries and wages	\$ 5,848,451	\$ 2,852,111	\$ 1,109,883	\$ 1,099,700	\$ 1,673,818	\$ 12,583,963	\$ 13,282,741
(20) Non-certificated benefits	\$ 1,288,338	\$ 638,792	\$ 200,929	\$ 285,970	\$ 390,991	\$ 2,805,020	\$ 2,916,643
(21) SUB - TOTAL	\$ 31,934,785	\$ 3,490,903	\$ 1,310,812	\$ 1,855,979	\$ 2,064,809	\$ 40,657,288	\$ 41,322,920
(22) Services, contracts and supplies	\$ 6,708,723	\$ 3,819,087	\$ 2,202,645	\$ 1,411,338	\$ 2,677,972	\$ 16,819,765	\$ 15,450,160
(23) Amortization of supported tangible capital assets	\$ 267,029	\$ 3,101,210	\$ -	\$ 4,299	\$ 153,695	\$ 3,526,233	\$ 3,192,543
(24) Amortization of unsupported tangible capital assets	\$ 356,289	\$ 1,227,360	\$ 227,782	\$ 236,457	\$ 195,428	\$ 2,243,316	\$ 1,609,872
(25) Supported interest on capital debt	\$ -	\$ 8,460	\$ -	\$ -	\$ 718	\$ 9,178	\$ 23,193
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ 216	\$ 216	\$ 433
(27) Other interest and finance charges	\$ -	\$ -	\$ -	\$ 2,430	\$ -	\$ 2,430	\$ 29,008
(28) Losses on disposal of tangible capital assets	\$ 40,457	\$ -	\$ 685	\$ -	\$ -	\$ 41,142	\$ 67,735
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 39,307,283	\$ 11,647,020	\$ 3,741,924	\$ 3,510,503	\$ 5,092,838	\$ 63,299,568	\$ 61,695,864
(31) OPERATING SURPLUS (DEFICIT)	\$ 20,988	\$ 6,765	\$ 1,689	\$ 2,573	\$ (321,683)	\$ (289,668)	\$ 47,392

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	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	2014 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 1,869,893	\$ 851,171	\$ -	\$ -	\$ 131,047		\$ 2,852,111		\$ 2,852,111
Uncertificated benefits	\$ 437,552	\$ 185,289	\$ -	\$ -	\$ 15,951		\$ 638,792		\$ 638,792
Sub-total Remuneration	\$ 2,307,445	\$ 1,036,460	\$ -	\$ -	\$ 146,998		\$ 3,490,903		\$ 3,490,903
Supplies and services	\$ 163,443	\$ 778,143	\$ -	\$ 685,286	\$ 110,682		\$ 1,737,554		\$ 1,737,554
Electricity			\$ 768,472				\$ 768,472		\$ 768,472
Natural gas/heating fuel			\$ 554,782				\$ 554,782		\$ 554,782
Sewer and water			\$ 90,337				\$ 90,337		\$ 90,337
Telecommunications			\$ 50,006				\$ 50,006		\$ 50,006
Insurance					\$ 162,235		\$ 162,235		\$ 162,235
Amortization of tangible capital assets									
Supported								\$ 3,101,210	\$ 3,101,210
Unsupported						\$ 1,227,360	\$ 1,227,360		\$ 1,227,360
Total Amortization						\$ 1,227,360	\$ 1,227,360	\$ 3,101,210	\$ 4,328,570
Interest on capital debt									
Supported								\$ 8,460	\$ 8,460
Unsupported						\$ -	\$ -		\$ -
Lease payments for facilities				\$ 455,701			\$ 455,701		\$ 455,701
Other interest charges							\$ -		\$ -
Losses on disposal of capital assets						\$ -	\$ -		\$ -
TOTAL EXPENSES	\$ 2,470,888	\$ 1,814,603	\$ 1,463,597	\$ 1,140,987	\$ 419,915	\$ 1,227,360	\$ 8,537,350	\$ 3,109,670	\$ 11,647,020
SQUARE METRES									
School buildings									54,343.9
Non school buildings									1,913.8

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.

Note 1 Authority

Northland School Division No. 61 (the Division) delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3 and also operates under the authority of the *Northland School Division Act*, Chapter N-5, Revised Statutes of Alberta, 2000.

The Division receives instruction and support allocations under Education Grants Regulation AR120/2008. 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.

Note 2 Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with the CPA Canadian Public Sector Accounting Standards (PSAS). These 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:

1. 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.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization rates are based on the estimated useful lives of capital assets. Other significant areas requiring the use of management estimates relate to the potential impairment of assets and estimated employee future benefits.

2. Tangible Capital Assets

The following criteria applies:

- a) 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.
- b) 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.
- c) Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.

- d) Sites and buildings are written down to residual value when conditions indicated they no longer contribute to the ability of the 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.
- e) Buildings that are demolished or destroyed are written-off.
- f) Tangible capital assets with costs in excess of \$5,000 are capitalized.
- g) Tangible assets are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings	10 - 40 years
Vehicles	7 - 12 years
Equipment	5 years
Computer Hardware and Software	5 years
Land Improvements	20 years

3. *Asset Retirement Obligations*

The 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 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.

4. *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 Trustee. 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.

5. *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.

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; or
- Expended Deferred Capital Revenue.

6. *Contributed Services*

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

7. *Pensions*

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

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 jurisdiction is included in both revenues and expenses.

8. *Deferred Revenue*

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per Public Sector Accounting Standard (PSAS) PS 3200. 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:

a) 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 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 PS 3200 when expended.

b) 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 Division to use the asset in a prescribed manner over the life of the associated asset.

9. *Employee Future Benefits*

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

The Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include accumulating sick leave, post-employment benefit continuation, and vacation. The future benefits cost is determined using management's best estimate of expected cost rates and benefit usage.

10. *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

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

11. *Program Reporting*

The Division's operations have been segmented as follows:

- a) **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.
- b) **Plant Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.
- c) **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facilities.

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

12. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with maturities of three months or less from the date of acquisition. Included in this balance are the School Generated Fund bank balances totaling \$729,551 (2013 - \$669,468).

13. 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, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Division is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

Financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items in the cost or amortized cost upon initial recognition. The gain or loss arising from de-recognition of a financial instrument is recognized in the Statement of Operations. Impairment losses, such as write-downs or write-offs, are reported in the Statement of Operations.

14. Liability for Contaminated Sites

In June 2010, the Public Sector Accounting Board (PSAB) issued PS 3260 Liability for Contaminated Sites to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, and provides the related financial statement presentation and disclosure requirements.

PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The Division does not expect the adoption of the new section to have a material impact on its financial statements.

Note 3 Accounts Receivable (Net after Allowance)

		2014		2013
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education – Grants	\$89,028		\$89,028	\$54,627
Alberta Education – Capital	110,781		110,781	2,323,443
Supported Debentures	0		0	127,421
Other Alberta School Jurisdictions	13,044		13,044	13,044
Treasury Board & Finance – Accrued Interest	0		0	5,271
Alberta Health Services	20,080		20,080	67,072
Post-secondary Institutions	0		0	17,124
Federal Government	345,625	(61,333)	284,292	222,545
First Nations	2,948,122	(42,893)	2,905,229	1,264,998
Other	216,562		216,562	218,942
Total	\$3,743,242	\$(104,226)	\$3,639,016	\$4,314,487

Note 4 Other Financial Assets

Other financial assets consist of advances to Hot Lunch Programs totaling \$68,250 (2013 - \$68,250).

Note 5 Accounts Payable and Accrued Liabilities

	2014	2013 (restated)
Alberta Education	\$100,911	\$220,965
Alberta Capital Finance Authority (Interest on long-term debt)	0	5,271
Alberta Health Services	690	0
First Nations	0	416,230
Federal Government	3,989	3,989
Other Alberta School Jurisdictions	107,212	0
Post-secondary Institutions	6,410	0
Accrued Vacation Pay Liability	377,353	350,005
Other Salaries & Benefit Costs	246,964	75,985
Other Trade Payables and Accrued Liabilities	1,192,370	1,473,478
Total	\$2,035,899	\$2,545,923

Note 6 Bank Indebtedness

The Division has negotiated a line of credit in the amount of \$3,000,000 (2013 - \$3,000,000) that bears interest at the bank prime rate. The line of credit is secured by a security agreement, covering all revenue of the Division. There was no balance outstanding on the line of credit at August 31, 2014.

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2014

Note 7 Tangible Capital Assets

	August 31, 2014						2013
	Land	Construction In Progress (Buildings)	Buildings	Equipment	Vehicles	Computer Hardware & Software	
Estimated useful life			10 - 40 Years	5 Years	7 – 12 Years	5 Years	
Beginning of year	\$524,977	\$2,021,476	\$127,951,372	\$8,752,172	\$7,504,317	\$6,464,155	\$149,143,601
Additions	24,333	7,994,893	299,097	328,179	777,541	463,763	5,266,513
Transfers in (out)							
Less disposals including write-offs				(2,241,442)	(133,063)	(2,016,075)	(1,191,645)
Total	\$549,310	\$10,016,369	\$128,250,469	\$6,838,909	\$8,148,795	\$4,911,843	\$153,218,469
Beginning of year	\$0	\$0	\$66,570,517	\$8,055,439	\$5,437,051	\$4,187,875	\$80,493,197
Additions			4,300,601	154,239	573,749	740,960	4,802,414
Transfers in (out)							
Less disposals including write-offs				(2,241,440)	(131,063)	(1,910,242)	(1,044,729)
Total	\$0	\$0	\$70,871,118	\$5,968,238	\$5,879,737	\$3,018,593	\$84,250,882
Net Book Value at End of Year	\$549,310	\$10,016,369	\$57,379,351	\$870,671	\$2,269,058	\$1,893,250	\$68,967,587

Note 8 Deferred Revenue

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug.31, 2013 (restated)	ADD:	DEDUCT:	ADD	DEFERRED REVENUE as at Aug.31, 2014
		2013/2014 Restricted Funds Received/ Receivable	2013/2014 Restricted Funds Expended (Paid/Payable)	(DEDUCT): 2013/2014 Adjustments For Returned Funds	
Unexpended Deferred Operating Revenue					
Alberta Education:					
Alberta Initiative for School Improvement	\$53,288		(\$53,288)		\$0
Infrastructure Maintenance Renewal	695,059	320,947	(392,539)		623,467
Regional Collaborative Service Delivery	23,770	47,880	(19,895)		51,755
Other Alberta Education Deferred Revenue	582,677	1,241,000	(745,825)		1,077,852
Other Deferred Revenue:					
School Generated Funds	57,856	36,682	(41,288)		53,250
Donations	1,355,590	637,538	(871,491)		1,121,637
Rent	1,200		(1,200)		0
Total Unexpended Deferred Operating	\$2,769,440	\$2,284,047	(\$2,125,526)		\$2,927,961
Unexpended Deferred Capital Revenue	85,070	1,095,414	(378,740)		801,744
Expended Deferred Capital Revenue	60,490,391	8,373,633	(3,591,609)		65,272,415
Total	\$63,344,901	\$11,753,094	(\$6,095,875)		69,002,120

Note 9 Employee Future Benefit Liabilities

Employee future benefit liabilities consist of the following:

	2014	2013 (restated)
Accumulated Sick Pay Liability	\$10,000	\$10,000
Post-employment Benefits	40,702	51,636
Totals	\$50,702	\$61,636

Note 10 Pension Costs

The Division participates in a multi-employer pension plan, the Local Authorities Pension Plan and does not report on any unfunded liabilities. Pension costs included in these financial statements comprise the cost of employer and Provincial contributions for current service of employees during the year. The pension expense recorded for the Local Authorities Pension Plan is equivalent to the Division's annual contributions paid of \$790,659 for the year ended August 31, 2014 (2013 - \$824,091). For the year ended August 31, 2014, the amount contributed to the Teachers' Retirement Fund by the Province was \$2,447,683 (2013 - \$2,107,554).

As of December 31, 2013 the Local Authorities Pension Plan reported an actuarial deficit of \$4,861,516,000 (2012 - \$4,977,303,000). At August 31, 2013 the Teachers' Retirement Fund reported an actuarial deficit of \$825,590,000 (2012 - \$1,909,313,000).

Note 11 Debt

The Division had issued the following debentures to the Alberta Capital Finance Authority (A.C.F.A.) to finance purchase of land, school buildings and some residences. The interest rates on these debentures ranged from 10.125% to 11.25%.

	2014	2013
Debentures owing to A.C.F.A - Supported	\$0	\$127,422
Debentures owing to A.C.F.A - Unsupported	0	1,925
Total	\$0	\$129,347

All debentures were paid in full at August 31, 2014.

Note 12 Contractual Obligations

Estimated payment requirements for each of the next five years are as follows:

	Building Leases	Service Providers	Equipment Leases
2014-15	214,741	32,233	114,014
2015-16	32,701	32,234	98,951
2016-17			76,328
2017-18			71,349
2018-19			24,449
Total	\$247,442	\$64,467	\$385,091

Note 13 School Generated Funds

	2014	2013
Unexpended School Generated Funds, Opening Balance August 31	\$691,003	\$802,744
Current Year Activities – Gross Receipts:		
Fundraising	390,259	301,293
Gifts and donations	489,717	375,874
Other sales and services		
Total gross receipts	879,976	677,167
Current Year Activities – Uses of Funds		
Equipment and Supplies	77,384	68,283
Extra-Curricular Activities	485,669	545,084
Field Trips	141,854	101,710
Fundraising (Direct Costs)	110,652	73,831
Other Activities		
Total Uses of Funds	815,559	788,908
Unexpended School Generated Funds, Closing Balance August 31	\$755,420	\$691,003
Balance included in Deferred Revenue	53,250	57,856
Balance included in Accumulated Surplus	702,170	633,147
Total	\$755,420	\$691,003

Note 14 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	\$926,987	\$247,204
Operating reserves		
Accumulated surplus (deficit) from operations		
Investment in tangible capital assets	7,705,593	8,465,499
Capital reserves	1,129,880	1,339,425
Accumulated re-measurement gains (losses)		
Accumulated surplus (deficit)	\$9,762,460	\$10,052,128

Accumulated surplus from operations (ASO) include school generated funds of \$702,170. These funds are raised at school level and are not available to spend at board level. The Division's adjusted surplus from operations is calculated as follows:

	2014	2013 (restated)
Accumulated surplus (deficit) from operations	\$9,762,460	\$10,052,127
School Generated funds included in accumulated surplus (Note 13)	(702,170)	(633,147)
Adjusted accumulated surplus (deficit)	\$9,060,290	\$9,418,980

Adjusted accumulated surplus represents unspent funding available to support the Division's operations for the 2014-2015 year.

Note 15 Tuition Fees

Pursuant to agreements, the Minister of Indian and Northern Affairs and certain Indian Bands have agreed to pay to the Board of the Division a per capita share of the annual net operating costs of the Board for each Indian Student enrolled. The calculation of the amount recoverable from the Minister and the Bands is subject to possible future adjustments since all components of the net operating costs must be mutually agreed upon by the Minister or Bands and the Board, as required under the agreements. Included in Federal Government and First Nations revenue is \$20,838,515 for tuition fees (2013 - \$20,862,392).

Note 16 Related Party Transactions

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions 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	\$199,809	\$100,911		
Prepaid expenses/Deferred revenue		1,753,074		
Unexpended deferred capital revenue		733,173		
Expended deferred capital revenue		64,455,714	\$3,241,061	
Grant revenues and expenses			34,895,189	\$115,083
Other revenues and expenses				
Other Related Parties:				
Other Alberta school jurisdictions	13,044	107,212		694,218
Treasury Board and Finance (Expended Deferred Capital Revenue)			127,422	
Treasury Board and Finance (Accrued interest)			9,394	
Alberta Agriculture and Rural Development			22,959	1,008
Alberta Health Services	20,080	690	638,117	690
Other Government of Alberta ministries				253
Post-secondary institutions		6,410		12,947
Total 2013/2014	\$232,933	\$67,157,184	\$38,934,142	\$824,199
Total 2012/2013	\$2,608,005	\$1,726,877	\$38,167,016	\$955,526

Note 17 Remuneration and Monetary Incentives

Northland School Division has paid or accrued expenses for the year ended August 31, 2014 to or on behalf of the following positions and persons in groups as follows:

	FTEs	Remuneration	Benefits	ERIP's / Other	Expenses
Trustee:					
Kelly, Colin – contract	1.00	\$171,500	\$3,724		\$54,051
Superintendent:					
Barrett, Donna	1.00	177,718	9,142		28,096
Secretary/Treasurer:					
Walsh, Dennis	1.00	135,000	26,743		8,008
Other:					
Certificated Salaries	223	20,700,395	4,381,050		
Non-certificated Salaries	291	12,448,963	2,778,277		
Total	517	\$33,633,576	\$7,198,936		\$90,155

Note 18 Change in Estimate

During the year, the Division prospectively adopted new amortization rates on its property located at Gift Lake to reflect the new estimated useful life of the property. The rates were changed from 3 years straight-line to 1 year straight-line. The effect in the current year of this change in estimate was to increase accumulated amortization by \$318,495, decrease deferred revenue by \$279,034 and to decrease current year earnings by \$39,461. The effect of this change in estimate is that the property has been fully amortized by August 31, 2014.

Note 19 Economic Dependence on Related Third Party

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

Note 20 Contingent Liabilities

Residential Schools

A number of claims have been filed against the Government of Canada. The Division has been named as a third party with the Government in these claims in regards to programs offered by the Division from the early 1960's to the early 1970's. In one of the claims the Division has been named as a defendant. The Division has entered into an indemnity agreement in which the Province of Alberta has agreed to indemnify Northland School Division for these claims and related costs incurred.

Note 21 Budget Amounts

The budget was prepared by the Division's management with Board of Trustees approval given on May 28, 2013.

Note 22 Comparative Balances

The 2013 comparative balances have been adjusted to reflect the financial statement presentation adopted for 2014 where the vacation payable liability is included with Accounts payable and accrued liabilities.

Note 23 Correction of an Error

As of August 31, 2013, contributions by Alberta Education under the Alberta Schools Alternative Procurement Program totaling \$2,021,476 were made toward the construction of a new school. The comparative balances for Construction in Progress and Expended Deferred Capital Revenue have been increased accordingly. There was an additional adjustment in the amount of \$10,860 to the acquisition of tangible capital assets on the Statement of Change in Net Debt. There is no impact to the Statement of Operations or the Accumulated Surplus.

Note 24 Approval of Financial Statements

These financial statements were prepared by management and approved by the Official Trustee on November 26, 2014.

NORTHLAND SCHOOL DIVISION NO. 61

ATHABASCA DELTA COMMUNITY SCHOOL

SCHEDULES OF NET OPERATING COSTS

YEAR ENDED AUGUST 31, 2014

NORTHLAND SCHOOL DIVISION NO. 61

ATHABASCA DELTA COMMUNITY SCHOOL

SCHEDULE OF NET OPERATING COSTS - REGULAR

YEAR ENDED AUGUST 31, 2014

	<u>2014</u>	<u>2013</u>
Direct costs	\$ 3,482,277	\$ 3,223,629
Add (deduct)		
ECS - direct costs	(151,309)	(123,686)
ECS - transportation costs	-	(11,551)
School Food Service - direct costs	(204,207)	-
Teacherage expenditures	(208,051)	(168,277)
Teacherage deficit	72,000	32,356
Alberta Mental Health Project	(2,564)	(42,603)
Liaison officer - salary & benefits	(23,676)	(29,888)
Debenture interest	(1,650)	(4,316)
Amortization	(46,777)	(48,825)
Depreciation - Equipment	14,135	16,204
Share of net unallocated costs	<u>1,333,132</u>	<u>1,376,699</u>
Net operating costs	<u>\$ 4,263,310</u>	<u>\$ 4,219,743</u>

The accompanying notes are part of these financial statements.

NORTHLAND SCHOOL DIVISION NO. 61
ATHABASCA DELTA COMMUNITY SCHOOL
SCHEDULE OF NET OPERATING COSTS - ECS
YEAR ENDED AUGUST 31, 2014

	<u>2014</u>	<u>2013</u>
Direct costs	\$ 151,309	\$ 123,686
ECS transportation costs	-	11,551
Share of net unallocated costs	<u>663</u>	<u>1,583</u>
Net operating costs	<u>\$ 151,972</u>	<u>\$ 136,820</u>

The accompanying notes are part of these financial statements.