

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

Lethbridge School District #51

Legal Name of School Jurisdiction

433 15th Street South, Lethbridge, Alberta T1J 2Z5

Mailing Address

ph: 403-380-5303 fax: 403-320-9117

Telephone & Fax Numbers, and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Lethbridge School District #51 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

Board of Trustees Responsibility

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

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

BOARD CHAIR

Mich Forster

Name

Signature

SUPERINTENDENT

Dr. Cheryl Gilmore

Name

Signature

SECRETARY-TREASURER OR TREASURER

Don Lussier

Name

Signature

November 26th, 2013

Board-approved Release Date

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Independent Auditor's Report

To Board of Trustees of Lethbridge School District No. 51

We have audited the accompanying financial statements of Lethbridge School District No. 51, which comprise the statements of financial position as at August 31, 2013, August 31, 2012 and September 1, 2011, and the statements of operations, cash flows, change in net debt and remeasurement gains and losses for the years ended August 31, 2013 and August 31, 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Lethbridge School District No. 51 as at August 31, 2013, August 31, 2012 and September 1, 2011 and the results of its operations, change in its net debt and its cash flows for the years ended August 31, 2013 and August 31, 2012 in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Accountants

Lethbridge, Alberta
November 26, 2013

STATEMENTS OF FINANCIAL POSITION
As at (in dollars)

		August 31		September 1
		2013	2012 Restated	2011 Restated
FINANCIAL ASSETS				
Cash and cash equivalents	(Note 4)	\$12,989,701	\$9,765,306	\$9,377,699
Accounts receivable (net after allowances)	(Note 5)	\$2,804,850	\$3,000,490	\$3,272,846
Portfolio investments	(Note 6)	\$83,584	\$150,862	\$149,880
Other financial assets	(Note 7)	\$130,545	\$141,274	\$161,909
Total financial assets		\$16,008,680	\$13,057,932	\$12,962,334
LIABILITIES				
Bank indebtedness	(Note 8)	\$0	\$0	\$0
Accounts payable and accrued liabilities	(Note 9)	\$2,869,352	\$2,418,822	\$2,184,743
Deferred revenue	(Note 10)	\$87,566,627	\$89,313,363	\$90,514,484
Employee future benefit liabilities	(Note 11)	\$518,342	\$508,676	\$459,813
Other liabilities		\$0	\$0	\$0
Debt	(Note 12)			
Supported: Debentures and other supported debt		\$899,660	\$1,324,545	\$2,079,790
Unsupported: Debentures and capital loans		\$0	\$0	\$0
Capital leases		\$0	\$0	\$0
Mortgages		\$0	\$0	\$0
Total liabilities		\$91,853,981	\$93,565,406	\$95,238,830
Net financial assets (debt)		(\$75,845,301)	(\$80,507,474)	(\$82,276,496)
NON-FINANCIAL ASSETS				
Tangible capital assets	(Note 13)			
Land		\$1,715,118	\$1,715,118	\$1,715,118
Construction in progress		\$0	\$0	\$0
Buildings	\$127,786,290			
Less: Accumulated amortization	(\$41,445,612)	\$86,340,678	\$87,171,170	\$88,050,326
Equipment	\$4,590,315			
Less: Accumulated amortization	(\$2,493,190)	\$2,097,125	\$2,424,253	\$2,663,436
Vehicles	\$650,323			
Less: Accumulated amortization	(\$280,156)	\$370,167	\$311,722	\$168,660
Computer Equipment	\$300,887			
Less: Accumulated amortization	(\$245,791)	\$55,096	\$110,249	\$47,988
Total tangible capital assets		\$90,578,184	\$91,732,512	\$92,645,528
Prepaid expenses		\$495,164	\$340,947	\$321,219
Other non-financial assets		\$0	\$0	\$0
Total non-financial assets		\$91,073,348	\$92,073,459	\$92,966,747
Accumulated surplus	(Note 14)	\$15,228,047	\$11,565,985	\$10,690,251
Accumulating surplus / (deficit) is comprised of:				
Accumulated operating surplus (deficit)		\$15,228,047	\$11,565,985	\$10,690,251
Accumulated remeasurement gains (losses)		\$0	\$0	\$0
		\$15,228,047	\$11,565,985	\$10,690,251
Contractual obligations	(Note 15)			
Contingent liabilities	(Note 16)			

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

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

	Budget 2013	Actual 2013	Actual 2012 Restated
REVENUES			
Alberta Education	\$90,954,097	\$93,679,657	\$88,803,965
Other - Government of Alberta	\$146,161	\$577,070	\$645,256
Federal Government and First Nations	\$248,595	\$393,702	\$376,564
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities		\$0	\$0
Alberta Municipalities-special tax levies		\$0	\$0
Property taxes		\$0	\$0
Fees (Note 17)	\$1,375,912	\$2,879,254	\$1,717,590
Other sales and services	\$393,193	\$797,656	\$725,281
Investment income	\$90,000	\$117,983	\$113,483
Gifts and donations	\$282,909	\$469,881	\$397,552
Rental of facilities	\$35,900	\$35,954	\$34,704
Fundraising	\$2,549,702	\$2,581,387	\$2,568,652
Gains (losses) on disposal of capital assets	\$0	\$0	\$0
Other revenue	\$0	\$0	\$0
Total revenues	\$96,076,469	\$101,532,544	\$95,383,047
EXPENSES			
Instruction	\$78,062,300	\$79,621,222	\$76,882,287
Plant operations and maintenance	\$12,318,243	\$12,552,084	\$12,250,385
Transportation	\$2,128,121	\$2,161,427	\$2,016,225
Administration	\$3,312,421	\$3,377,468	\$3,181,825
External services	\$178,200	\$158,281	\$94,094
Total expenses	\$95,999,285	\$97,870,482	\$94,424,816
Operating surplus (deficit)	\$77,184	\$3,662,062	\$958,231

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

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

	2013	2012 Restated
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$3,662,062	\$958,231
Add (Deduct) Items not affecting cash:		
Total amortization expense	\$3,546,052	\$3,375,133
Gains on disposal of tangible capital assets	\$0	\$0
Losses on disposal of tangible capital assets	\$0	\$0
Changes in:		
Accounts receivable	\$195,640	\$272,356
Prepays	(\$154,217)	(\$19,728)
Other financial assets	\$10,729	\$20,635
Non-financial assets	\$0	\$0
Accounts payable and accrued liabilities	\$450,530	\$234,079
Deferred revenue (excluding EDCR)	(\$1,746,736)	(\$1,201,121)
Employee future benefit liabilities	\$9,666	\$48,863
Other (describe)	\$0	\$0
Total cash flows from operating transactions	\$5,973,726	\$3,688,448
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$0	\$0
Buildings	(\$2,174,825)	(\$2,139,315)
Equipment	(\$104,981)	(\$277,046)
Vehicles	(\$111,918)	(\$128,253)
Computer equipment	\$0	\$0
Net proceeds from disposal of unsupported capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from capital transactions	(\$2,391,724)	(\$2,544,614)
C. INVESTING TRANSACTIONS		
Changes in portfolio investments	\$67,278	(\$982)
Remeasurement gains (losses) reclassified to the statement of operations	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from investing transactions	\$67,278	(\$982)
D. FINANCING TRANSACTIONS		
Issue of debt	\$0	\$0
Repayment of debt	(\$424,885)	(\$755,245)
Other (describe)	\$0	\$0
Total cash flows from financing transactions	(\$424,885)	(\$755,245)
Increase (decrease) in cash and cash equivalents	\$3,224,395	\$387,607
Cash and cash equivalents, at beginning of year	\$9,765,306	\$9,377,699
Cash and cash equivalents, at end of year	\$12,989,701	\$9,765,306

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

STATEMENTS OF CHANGE IN NET DEBT
For the Years Ended August 31 (in dollars)

	2013	2012
Operating surplus (deficit)	\$3,662,062	\$958,231
Effect of changes in tangible capital assets		
Aquisition of tangible capital assets	(\$2,391,724)	(\$2,544,614)
Amortization of tangible capital assets	\$3,546,052	\$3,375,133
Net carrying value of tangible capital assets disposed of	\$0	\$0
Write-down carrying value of tangible capital assets	\$0	\$0
Total effect of changes in tangible capital assets	\$1,154,328	\$830,519
Changes in:		
Prepaid expenses	(\$154,217)	(\$19,728)
Other non-financial assets	\$0	\$0
Net remeasurement gains and (losses)	\$0	\$0
Change in Endowments	\$0	\$0
Increase (decrease) in net financial assets (net debt)	\$4,662,173	\$1,769,022
Net debt at beginning of year	(\$80,507,474)	(\$82,276,496)
Net debt at end of year	(\$75,845,301)	(\$80,507,474)

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

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

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

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

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

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2012	\$9,640,099	\$0	\$9,640,099	\$4,542,608	\$0	\$726,137	\$3,465,326	\$906,028
Prior period adjustments:								
Record Endowments	\$317,674	\$0	\$317,674	\$0	\$317,674	\$0	\$0	\$0
Non-Deferred School Generated Funds	\$1,608,212	\$0	\$1,608,212	\$0	\$0	\$0	\$1,608,212	\$0
Reclassification to External Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2012	\$11,565,985	\$0	\$11,565,985	\$4,542,608	\$317,674	\$726,137	\$5,073,538	\$906,028
Operating surplus (deficit)	\$3,662,062		\$3,662,062			\$3,662,062		
Board funded tangible capital asset additions				\$172,489		(\$172,489)	\$0	\$0
Disposal of unsupported tangible capital assets	\$0		\$0	\$0		\$0		\$0
Disposal of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0		\$0
Write-down of unsupported tangible capital assets	\$0		\$0	\$0		\$0		\$0
Write-down of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0		\$0
Net remeasurement gains (losses) for the year	\$0	\$0						
Endowment expenses	\$0		\$0		\$0			
Direct credits to accumulated surplus	\$0		\$0		\$0	\$0		
Amortization of tangible capital assets	\$0			(\$3,546,052)		\$3,546,052		
Capital revenue recognized	\$0			\$3,280,397		(\$3,280,397)		
Debt principal repayments (unsupported)	\$0			\$0		\$0		
Externally imposed endowment restrictions	\$0				\$0	\$0	\$0	
Net transfers to operating reserves	\$0					(\$3,438,902)	\$3,438,902	
Net transfers from operating reserves	\$0					\$0	\$0	
Net transfers to capital reserves	\$0					(\$242,551)		\$242,551
Net transfers from capital reserves	\$0					\$0		\$0
Assumption/transfer of other operations' surplus	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2013	\$15,228,047	\$0	\$15,228,047	\$4,449,442	\$317,674	\$799,912	\$8,512,440	\$1,148,579

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2013 (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, 2012	\$1,942,050	\$563,165	\$1,017,156	\$158,222	\$253,289	\$184,641	\$252,831	\$0	\$0	\$0
Prior period adjustments:										
Record Endowments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Deferred School Generated Funds	\$1,608,212	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reclassification to External Services	(\$69,163)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$69,163	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2012	\$3,481,099	\$563,165	\$1,017,156	\$158,222	\$253,289	\$184,641	\$252,831	\$0	\$69,163	\$0
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported tangible capital assets		\$0		\$0		\$0		\$0		\$0
Disposal of supported tangible capital assets (board funded portion)		\$0		\$0		\$0		\$0		\$0
Write-down of unsupported tangible capital assets		\$0		\$0		\$0		\$0		\$0
Write-down of supported tangible capital assets (board funded portion)		\$0		\$0		\$0		\$0		\$0
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	\$0		\$0		\$0		\$0		\$0	
Net transfers to operating reserves	\$2,878,023		\$230,116		\$37,631		\$293,132		\$0	
Net transfers from operating reserves	\$0		\$0		\$0		\$0		\$0	
Net transfers to capital reserves		\$83,127		\$62,337		\$97,087		\$0		\$0
Net transfers from capital reserves		(\$570,974)		\$570,974		\$0		\$0		\$0
Assumption/transfer of other operations surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2013	\$6,359,122	\$75,318	\$1,247,272	\$791,533	\$290,920	\$281,728	\$545,963	\$0	\$69,163	\$0

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

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2011	\$8,872,156	\$0	\$8,872,156	\$4,335,143	\$0	\$486,933	\$3,237,573	\$812,507
Prior period adjustments:								
Record Endowments	\$317,674	\$0	\$317,674	\$0	\$317,674	\$0	\$0	\$0
Non-Deferred School Generated Funds	\$1,500,421	\$0	\$1,500,421	\$0	\$0	\$0	\$1,500,421	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2011	\$10,690,251	\$0	\$10,690,251	\$4,335,143	\$317,674	\$486,933	\$4,737,994	\$812,507
Operating surplus (deficit)	\$958,231		\$958,231			\$958,231		
Board funded tangible capital asset additions				\$463,568		\$0	(\$463,568)	\$0
Disposal of unsupported tangible capital assets	(\$82,497)		(\$82,497)	(\$82,497)		\$0		\$0
Disposal of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0		\$0
Write-down of unsupported tangible capital assets	\$0		\$0	\$0		\$0		\$0
Write-down of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0		\$0
Net remeasurement gains (losses) for the year	\$0	\$0						
Endowment expenses	\$0		\$0		\$0			
Direct credits to accumulated surplus	\$0		\$0		\$0	\$0		
Amortization of tangible capital assets	\$0			(\$3,375,133)		\$3,375,133		
Capital revenue recognized	\$0			\$3,201,527		(\$3,201,527)		
Debt principal repayments (unsupported)	\$0			\$0		\$0		
Externally imposed endowment restrictions	\$0				\$0	\$0	\$0	
Net transfers to operating reserves	\$0					(\$799,112)	\$799,112	
Net transfers from operating reserves	\$0					\$0	\$0	
Net transfers to capital reserves	\$0					(\$93,521)		\$93,521
Net transfers from capital reserves	\$0					\$0		\$0
Assumption/transfer of other operations' surplus	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2012	\$11,565,985	\$0	\$11,565,985	\$4,542,608	\$317,674	\$726,137	\$5,073,538	\$906,028

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2012 (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, 2011	\$1,897,312	\$473,691	\$958,675	\$154,175	\$229,198	\$184,641	\$152,388	\$0	\$0	\$0
Prior period adjustments:										
Record Endowments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Deferred School Generated Funds	\$1,500,421	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2011	\$3,397,733	\$473,691	\$958,675	\$154,175	\$229,198	\$184,641	\$152,388	\$0	\$0	\$0
Operating surplus (deficit)										
Board funded tangible capital asset additions	(\$322,667)	\$0	(\$108,076)	\$0	(\$34,825)	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported tangible capital assets		\$0		\$0		\$0		\$0		\$0
Disposal of supported tangible capital assets (board funded portion)		\$0		\$0		\$0		\$0		\$0
Write-down of unsupported tangible capital assets		\$0		\$0		\$0		\$0		\$0
Write-down of supported tangible capital assets (board funded portion)		\$0		\$0		\$0		\$0		\$0
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	\$0		\$0		\$0		\$0		\$0	
Net transfers to operating reserves	\$406,033		\$164,557		\$58,916		\$100,443		\$69,163	
Net transfers from operating reserves	\$0		\$0		\$0		\$0		\$0	
Net transfers to capital reserves		\$89,474		\$4,047		\$0		\$0		\$0
Net transfers from capital reserves		\$0		\$0		\$0		\$0		\$0
Assumption/transfer of other operations' surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2012	\$3,481,099	\$563,165	\$1,017,156	\$158,222	\$253,289	\$184,641	\$252,831	\$0	\$69,163	\$0

SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2013 (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, 2012	\$461,417	\$0	\$0	\$0	\$87,189,904
Prior period adjustments	\$0	\$0	\$0	\$0	\$0
Adjusted balance, August 31, 2012	\$461,417	\$0	\$0	\$0	\$87,189,904
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$910,559				
Infrastructure Maintenance & Renewal capital related to school facilities	\$0				
Other Government of Alberta	\$0				
Federal Government and First Nations				\$0	
Other sources				\$0	
Unexpended capital revenue receivable from					
Alberta Education school building & modular	\$1,253,454				
Unexpended capital revenue receivable from other than Alberta Education	\$0			\$0	
Interest earned on unexpended capital revenue	\$0	\$0	\$0	\$0	
Other unexpended capital revenue and donations				\$0	
Net proceeds on disposal of supported tangible capital assets			\$0	\$0	
Insurance proceeds (and related interest)			\$0	\$0	
Donated tangible capital assets (amortizable, @ fair market value)					\$0
Public Private Partnership (P3), other Alberta Schools Alternative Program (ASAP) Initiative and Alberta Infrastructure managed projects					\$0
Transferred in tangible capital assets (amortizable, @ net book value)					\$0
Expended capital revenue - current year	(\$2,219,235)	\$0	\$0	\$0	\$2,219,235
Surplus funds approved for future project(s)	\$0	\$0			
Deduct:					
Net book value of supported tangible capital dispositions, write-offs, or transfers	\$0	\$0	\$0	\$0	\$0
Capital revenue recognized					\$3,280,397
Balance at August 31, 2013	\$406,195	\$0	\$0	\$0	\$86,128,742
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2013 (A) + (B) + (C) + (D)	\$406,195				

Unexpended Deferred Capital Revenue

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

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

(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved tangible capital assets per 10 (2) (a) of Disposition of Property Reg. 181/201C

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

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

	Unexpended Deferred Capital Revenue				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, 2011	\$115,416	\$0	\$0	\$0	\$88,310,384
Prior period adjustments	\$0	\$0	\$0	\$0	\$0
Adjusted balance, August 31, 2011	\$115,416	\$0	\$0	\$0	\$88,310,384
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$1,616,182				
Infrastructure Maintenance & Renewal capital related to school facilities	\$0				
Other Government of Alberta	\$0				
Federal Government and First Nations				\$0	
Other sources				\$0	
Unexpended capital revenue receivable from					
Alberta Education school building & modular	\$728,369				
Unexpended capital revenue receivable from other than Alberta Education	\$0			\$0	
Interest earned on unexpended capital revenue	\$0	\$0	\$0	\$0	
Other unexpended capital revenue and donations				\$0	
Net proceeds on disposal of supported tangible capital assets			\$0	\$0	
Insurance proceeds (and related interest)			\$0	\$0	
Donated tangible capital assets (amortizable, @ fair market value)					\$0
Public Private Partnership (P3), other Alberta Schools Alternative Program (ASAP) Initiative and Alberta Infrastructure managed projects					\$0
Transferred in tangible capital assets (amortizable, @ net book value)					\$82,497
Expended capital revenue - current year	(\$1,998,550)	\$0	\$0	\$0	\$1,998,550
Surplus funds approved for future project(s)	\$0	\$0			
Deduct:					
Net book value of supported tangible capital dispositions, write-offs, or transfers	\$0	\$0	\$0	\$0	\$0
Capital revenue recognition					\$3,201,527
Balance at August 31, 2012	\$461,417	\$0	\$0	\$0	\$87,189,904
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2012 (A) + (B) + (C) + (D)				\$461,417	

Unexpended Deferred Capital Revenue

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

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

(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved tangible capital assets per 10 (2) (a) of Disposition of Property Reg. 181/201C

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

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

REVENUES	2013					2012	
	Instruction (ECS- Grade 12)	Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
(1) Alberta Education	\$75,415,995	\$12,554,144	\$2,442,341	\$3,260,147	\$7,030	\$93,679,657	\$88,803,965
(2) Other - Government of Alberta	\$443,602	\$133,468	\$0	\$0	\$0	\$577,070	\$645,256
(3) Federal Government and First Nations	\$377,954	\$0	\$0	\$15,748	\$0	\$393,702	\$376,564
(4) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(8) Fees	\$2,676,863		\$0		\$202,381	\$2,879,254	\$1,717,580
(9) Other sales and services	\$772,880	\$0	\$0	\$24,776	\$0	\$797,656	\$725,281
(10) Investment income	\$45,381	\$56,633	\$11,250	\$4,719	\$0	\$117,983	\$113,483
(11) Gifts and donations	\$454,686	\$0	\$0	\$15,215	\$0	\$469,881	\$397,552
(12) Rental of facilities	\$0	\$33,316	\$0	\$2,638	\$0	\$35,954	\$34,704
(13) Fundraising	\$2,581,387	\$0	\$0	\$0	\$0	\$2,581,387	\$2,568,652
(14) Gains on disposal of tangible capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) TOTAL REVENUES	\$82,769,728	\$12,777,561	\$2,453,591	\$3,323,243	\$208,421	\$101,532,544	\$95,383,047
EXPENSES							
(17) Certificated salaries	\$45,082,125			\$617,409	\$52,822	\$45,752,356	\$44,130,991
(18) Certificated benefits	\$10,461,301			\$134,665	\$11,303	\$10,607,269	\$10,585,962
(19) Non-certificated salaries and wages	\$11,814,522	\$3,320,259	\$74,764	\$1,439,681	\$0	\$16,649,226	\$15,629,573
(20) Non-certificated benefits	\$3,709,887	\$928,056	\$19,457	\$327,617	\$0	\$4,986,017	\$4,534,991
(21) SUB - TOTAL	\$71,087,835	\$4,249,315	\$94,221	\$2,519,372	\$64,125	\$77,994,868	\$74,881,517
(22) Services, contracts and supplies	\$8,449,119	\$4,874,252	\$2,067,206	\$710,048	\$84,156	\$16,194,781	\$15,953,771
(23) Amortization of supported tangible capital assets	\$0	\$3,230,660	\$0	\$49,737	\$0	\$3,280,397	\$3,201,527
(24) Amortization of unsupported tangible capital assets	\$102,955	\$64,389	\$0	\$98,311	\$0	\$265,655	\$175,606
(25) Supported interest on capital debt	\$0	\$133,468	\$0	\$0	\$0	\$133,468	\$211,173
(26) Unsupported interest on capital debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(27) Other interest and finance charges	\$1,313	\$0	\$0	\$0	\$0	\$1,313	\$3,222
(28) Losses on disposal of tangible capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$79,621,222	\$12,552,084	\$2,161,427	\$3,377,468	\$158,281	\$97,870,482	\$94,424,816
(31) OPERATING SURPLUS (DEFICIT)	\$3,147,506	\$225,477	\$292,164	(\$54,225)	\$51,140	\$3,662,062	\$958,231

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

1. AUTHORITY AND PURPOSE

Lethbridge School District No. 51 delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

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

2. CONVERSION TO PUBLIC SECTOR ACCOUNTING STANDARDS

Commencing with the 2012/13 fiscal year, the School District has adopted Canadian Public Sector Accounting Standards (PSAS) without not-for-profit provisions. These financial statements are the first financial statements for which the School District has applied PSA standards with retroactive application.

Key adjustments to the School Division's financial statements resulting from the adoption of these accounting standards are as follows:

- Previously, the School District deferred recognition of revenue of school generated funds until the funds were spent. Under PSAS, in the absence of agreements with external parties regarding how certain fees and contributions will be spent, the School District is required to recognize the revenue and restrict its use utilizing operating reserves. Accumulated surplus has been increased by \$1,500,421 at September 1, 2011. Fundraising revenue and accumulated surplus have increased by an additional \$107,791 as at August 31, 2012. Deferred revenue has decreased by these same amounts.
- Previously, endowments were recorded as part of trust assets and trust liabilities. Under PSAS, trust assets and liabilities are no longer to be reported on the Statement of Financial Position. However, the endowments portion has been recognized as a direct increase to accumulated surplus, as these contributions will never be available to meet expenses associated with the School District's service delivery activities. As a result, cash and accumulated surplus have been increased by \$317,674 at September 1, 2011.

As a result of the adoption of Public Sector Accounting Standards, comparative information has been restated as follows:

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

a) Reconciliation of opening Statement of Financial Position

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

	September 1, 2011 Not-for-Profit	Adjustment	September 1, 2011 PSAS
FINANCIAL ASSETS			
Cash and cash equivalents / Cash and temporary investments	\$9,175,585	\$202,114	\$9,377,699
Accounts receivable (net after allowances)	\$1,193,056	\$2,079,790	\$3,272,846
Portfolio investments / Long term investments	\$0	\$149,880	\$149,880
Other financial assets		\$161,909	\$161,909
Other current assets	\$161,909	(\$161,909)	
Trust assets	\$623,939	(\$623,939)	
Long term accounts receivable	\$0	\$0	
Total financial assets	\$11,154,489	\$1,807,845	\$12,962,334
LIABILITIES			
Bank indebtedness	\$0	\$0	\$0
Accounts payable and accrued liabilities	\$2,644,556	(\$459,813)	\$2,184,743
Deferred revenue	\$9,554,785	\$86,959,699	\$90,514,484
Deferred capital allocations	\$115,416	(\$115,416)	
Trust liabilities	\$623,939	(\$623,939)	
Employee future benefit liabilities	\$0	\$459,813	\$459,813
Other liabilities		\$0	\$0
Long term debt			
Supported: Debentures and other supported debt	\$2,079,790	\$0	\$2,079,790
Unsupported: Debentures and capital loans	\$0	\$0	\$0
Capital leases	\$0	\$0	\$0
Mortgages	\$0	\$0	\$0
Other long-term liabilities	\$0	\$0	
Unamortized capital allocations	\$86,230,594	(\$86,230,594)	
Total liabilities	\$95,249,080	(\$10,250)	\$95,238,830
Net Debt	(\$84,094,591)	\$1,818,095	(\$82,276,496)
NON-FINANCIAL ASSETS			
Tangible capital assets			
Land	\$1,715,118	\$0	\$1,715,118
Construction in progress		\$0	\$0
Buildings	\$123,554,632	\$0	\$123,554,632
Less: Accumulated amortization	(\$35,504,306)	\$0	(\$35,504,306)
Equipment	\$4,538,774	(\$194,402)	\$4,344,372
Less: Accumulated amortization	(\$1,827,350)	(\$146,424)	(\$1,973,774)
Vehicles	\$410,153	\$0	\$410,153
Less: Accumulated amortization	(\$241,493)	\$0	(\$241,493)
Computer Equipment		\$194,402	\$194,402
Less: Accumulated amortization		\$146,424	\$146,424
Total tangible capital assets	\$92,645,528	\$0	\$92,645,528
Prepaid expenses	\$321,219	\$0	\$321,219
Other non-financial assets		\$0	\$0
Total non-financial assets	\$92,966,747	\$0	\$92,966,747
Total accumulated surplus	\$8,872,156	\$1,818,095	\$10,690,251
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)	\$8,872,156	\$1,818,095	\$10,690,251
Accumulated remeasurement gains (losses)		\$0	\$0
	\$8,872,156	\$1,818,095	\$10,690,251

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

b) Reconciliation of Statement of Financial Position

	August 31, 2012 Not-for-Profit	Adjustment	Adjustment	August 31, 2012 PSAS
FINANCIAL ASSETS				
Cash and cash equivalents / Cash and temporary investments	\$9,564,265	\$201,041	\$0	\$9,765,306
Accounts receivable (net after allowances)	\$1,675,945	\$1,324,545	\$0	\$3,000,490
Portfolio investments / Long term investments	\$0	\$150,862	\$0	\$150,862
Other financial assets		\$0	\$141,274	\$141,274
Other current assets	\$141,274	\$0	(\$141,274)	
Trust assets	\$557,890	(\$557,890)	\$0	
Long term accounts receivable	\$0	\$0	\$0	
Total financial assets	\$11,939,374	\$1,118,558	\$0	\$13,057,932
LIABILITIES				
Bank indebtedness	\$0	\$0	\$0	\$0
Accounts payable and accrued liabilities	\$2,927,498	\$0	(\$508,676)	\$2,418,822
Deferred revenue	\$9,236,025	(\$1,573,983)	\$87,651,321	\$89,313,363
Deferred capital allocations	\$461,417	\$0	(\$461,417)	
Trust liabilities	\$557,890	(\$557,890)	\$0	
Employee future benefit liabilities	\$0	\$0	\$508,676	\$508,676
Other liabilities		\$0	\$0	\$0
Long term debt				
Supported: Debentures and other supported debt	\$1,324,545	\$0	\$0	\$1,324,545
Unsupported: Debentures and capital loans	\$0	\$0	\$0	\$0
Capital leases	\$0	\$0	\$0	\$0
Mortgages	\$0	\$0	\$0	\$0
Other long-term liabilities	\$0	\$0	\$0	
Unamortized capital allocations	\$85,865,359	\$0	(\$85,865,359)	
Total liabilities	\$94,372,734	(\$2,131,873)	\$1,324,545	\$93,565,406
Net Debt	(\$82,433,360)	\$3,250,431	(\$1,324,545)	(\$80,507,474)
NON-FINANCIAL ASSETS				
Tangible capital assets				
Land	\$1,715,118	\$0	\$0	\$1,715,118
Construction in progress	\$0	\$0	\$0	\$0
Buildings	\$125,611,464	\$0	\$0	\$125,611,464
Less: Accumulated amortization	(\$38,440,294)	\$0	\$0	(\$38,440,294)
Equipment	\$4,815,819	(\$312,795)	\$0	\$4,503,024
Less: Accumulated amortization	(\$2,281,317)	(\$202,555)	\$0	(\$2,483,872)
Vehicles	\$538,406	\$0	\$0	\$538,406
Less: Accumulated amortization	(\$226,684)	\$0	\$0	(\$226,684)
Computer Equipment		\$312,795	\$0	\$312,795
Less: Accumulated amortization		\$202,555	\$0	\$202,555
Total tangible capital assets	\$91,732,512	\$0	\$0	\$91,732,512
Prepaid expenses	\$340,947	\$0	\$0	\$340,947
Other non-financial assets		\$0	\$0	\$0
Total non-financial assets	\$92,073,459	\$0	\$0	\$92,073,459
Total accumulated surplus	\$9,640,099	\$3,250,431	(\$1,324,545)	\$11,565,985
Accumulating surplus / (deficit) is comprised of:				
Accumulated operating surplus (deficit)	\$9,640,099	\$3,250,431	(\$1,324,545)	\$11,565,985
Accumulated remeasurement gains (losses)		\$0	\$0	\$0
	\$9,640,099	\$3,250,431	(\$1,324,545)	\$11,565,985

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

c) Reconciliation of Statement of Operations

SCHEDULE OF TRANSITION TO PUBLIC ACCOUNTING STANDARDS

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

	August 31, 2012 Not-for-Profit	Adjustment	August 31, 2012 PSAS
REVENUES			
Alberta Education	\$85,611,433	\$3,192,532	\$88,803,965
Other - Government of Alberta	\$705,350	(\$60,094)	\$645,256
Federal Government and First Nations	\$376,564	\$0	\$376,564
Other Alberta school authorities	\$87,675	(\$87,675)	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Property taxes	\$0	\$0	\$0
Fees	\$1,717,590	\$0	\$1,717,590
Other sales and services	\$836,878	(\$111,597)	\$725,281
Investment income	\$113,483	\$0	\$113,483
Gifts and donations	\$414,120	(\$16,568)	\$397,552
Rental of facilities	\$34,704	\$0	\$34,704
Fundraising	\$2,460,861	\$107,791	\$2,568,652
Gains (losses) on disposal of capital assets	\$0	\$0	\$0
Amortization of capital contributions	\$3,201,527	(\$3,201,527)	\$0
Other revenue	\$0	\$0	\$0
Total Revenues	\$95,560,185	(\$177,138)	\$95,383,047
EXPENSES			
Instruction	\$76,976,381	(\$94,094)	\$76,882,287
Plant operations and maintenance	\$12,250,385	\$0	\$12,250,385
Transportation	\$2,016,225	\$0	\$2,016,225
Administration	\$3,181,825	\$0	\$3,181,825
External services	\$284,929	(\$190,835)	\$94,094
Total Expenses	\$94,709,745	(\$284,929)	\$94,424,816
Operating surplus (deficit)	\$850,440	\$107,791	\$958,231

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

d) Reconciliation of the Schedule of Expenses by Object

SCHEDULE OF TRANSITION TO PUBLIC SECTOR ACCOUNTING STANDARDS

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

EXPENSES	August 31, 2012 Not-for-Profit	Adjustments	August 31, 2012 PSAS
Certificated salaries	\$44,220,051	(\$89,060)	\$44,130,991
Certificated benefits	\$10,604,754	(\$18,792)	\$10,585,962
Non-certificated salaries and wages	\$15,728,319	(\$98,748)	\$15,629,573
Non-certificated benefits	\$4,564,773	(\$29,782)	\$4,534,991
SUB - TOTAL	\$75,117,897	(\$236,380)	\$74,881,517
Services, contracts and supplies	\$16,002,320	(\$48,549)	\$15,953,771
Amortization of supported tangible capital assets	\$3,201,527	\$0	\$3,201,527
Amortization of unsupported tangible capital assets	\$173,606	\$0	\$173,606
Supported interest on capital debt	\$211,173	\$0	\$211,173
Unsupported interest on capital debt	\$0	\$0	\$0
Other interest and finance charges	\$3,222	\$0	\$3,222
Losses on disposal of tangible capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
TOTAL EXPENSES	\$94,709,745	(\$284,929)	\$94,424,816

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the CICA Canadian public sector accounting standards (PSAS). The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Cash and Cash Equivalents

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

b) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

c) Portfolio Investments

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

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. The loss is not reversed if there is a subsequent increase in value.

Detailed information regarding portfolio investments is disclosed in Note 6.

d) Tangible Capital Assets

The following criteria apply:

- Capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated 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 capital assets from related parties are recorded at original cost less accumulated amortization.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the School District 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 Unamortized Deferred Capital Contributions.
- Buildings that are demolished or destroyed are written-off.
- Capital assets with costs in excess of \$5,000 are capitalized.
- Capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	20 to 40 years
Vehicles	5 to 10 years
Computer Hardware & Software	3 to 5 years
Other Equipment & Furnishings	3 to 10 years

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

e) Deferred Revenue

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

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

- **Unexpended Deferred Capital Revenue**
Unexpended Deferred Capital Revenue represents externally restricted supported capital funds provided for a specific capital purposes received or receivable by the jurisdiction, 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.
- **Expended Deferred Capital Revenue**
Expended Deferred Capital Revenue represent externally restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require that the school jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

f) Employee Future Benefits

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vacation, banked time and various qualifying compensated absences.

g) Operating and Capital Reserves

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

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

h) Revenue Recognition

Revenues are recorded on an accrual basis. Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Contributed services are not recognized in the financial statements.

Eligibility criteria are criteria that the School District has to meet in order to receive the contributions. *Stipulations* describe how the School District must use the contributions or the actions it 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 or without eligibility criteria but 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

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

i) Expenses

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

Allocation of Costs

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

j) Pensions

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

The current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, Lethbridge School District No. 51 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. For the school year ended August 31, 2013, the amount contributed by the Government was \$4.7 million (2012 \$4.4 million).

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$1.336 million for the year ended August 31, 2013 (2012 \$1.287 million). At December 31, 2012, the Local Authorities Pension Plan reported an actuarial deficiency of \$4.977 billion (2011 deficiency of \$4.639 billion).

k) Program Reporting

The District's operations have been segmented as follows:

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

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

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

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

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

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

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

l) Scholarship Endowment Funds

Contributions to scholarship endowment funds must be held in perpetuity in accordance with the agreement with the donor. The residual may be disbursed for the purposes of the scholarship.

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

m) Trusts Under Administration

The School District has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The District holds title to the property for the benefit of the beneficiary.

Trusts under administration have been excluded from the financial reporting of the District. Trust balances can be found in Note 18.

n) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District 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 long term debt. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

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

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

o) 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 judgement. Actual results could differ from those estimates. Significant areas requiring the use management estimates relate to the potential impairment of assets, and rates for amortization.

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

4. CASH AND CASH EQUIVELENTS

	2013			2012	2011
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost	Amortized Cost
Cash		\$ 12,989,701	\$12,989,701	\$ 9,765,306	\$ 9,377,699
Cash equivalents	-	\$ -	\$ -	\$ -	\$ -
Temporary investments					
Government of Canada, direct	%	-	-	-	-
Provincial, direct and guaranteed	%	-	-	-	-
Corporate	%	-	-	-	-
Municipal	%	-	-	-	-
Pooled investment funds	%	-	-	-	-
Total fixed-income securities	%	-	-	-	-
Total cash and cash equivalents		<u>\$ 12,989,701</u>	<u>\$12,989,701</u>	<u>\$ 9,765,306</u>	<u>\$ 9,377,699</u>

5. ACCOUNTS RECEIVABLE

	2013			2012	2011
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 43,859	\$ -	\$ 43,859	\$ 286,990	\$ 113,361
Alberta Education - Capital	1,253,453	-	1,253,453	707,564	64,030
Alberta Education - IMR	-	-	-	-	-
Alberta Education - Supported	953,658	-	953,658	1,402,993	2,201,313
Other Alberta school jurisdictions	-	-	-	9,354	-
Treasury Board and Finance	-	-	-	-	-
Alberta Health & Wellness	-	-	-	11,566	13,170
Alberta Health Services	-	-	-	-	-
Enterprise & Advanced Education	-	-	-	-	-
Post-secondary institutions	-	-	-	-	-
Other Government of Alberta ministries	8,261	-	8,261	9,240	9,240
Federal government	292,354	-	292,354	365,941	269,831
Municipalities	-	-	-	-	-
First nations	-	-	-	-	-
Foundations	-	-	-	-	-
Other	253,265	-	253,265	206,842	601,901
Total	<u>\$2,804,850</u>	<u>\$ -</u>	<u>\$2,804,850</u>	<u>\$3,000,490</u>	<u>\$3,272,846</u>

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

6. PORTFOLIO INVESTMENTS

	2013				
	Average Effective (Market) Yield	Cost	Fair Value	Balance	2012 Balance
Long term deposits	1%	\$ 83,584	\$ 83,584	\$ 83,584	\$ 150,862
Guaranteed interest certificates	%	-	-	-	-
Fixed income securities					
Government of Canada, direct and guaranteed	%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	%	-	-	-	-
Municipal	%	-	-	-	-
Corporate	%	-	-	-	-
Pooled investment funds	%	-	-	-	-
Total fixed income securities	%	-	-	-	-
Equities					
Canadian	%	-	-	-	-
Foreign	%	-	-	-	-
Real estate	%	-	-	-	-
Total equities	%	-	-	-	-
Supplemental Integrated Pension Plan Assets	%	-	-	-	-
Restricted long-term investments	%	-	-	-	-
Other (Specify)	%	-	-	-	-
Other (Specify)	%	-	-	-	-
Other (Specify)	%	-	-	-	-
Total portfolio investments	%	\$ 83,584	\$ 83,584	\$ 83,584	\$ 150,862

	2012			
	Average Effective (Market) Yield	Cost	Fair Value	Balance
Long term deposits	1%	\$ 150,862	\$ 150,862	\$ 150,862
Guaranteed interest certificates	%	-	-	-
Fixed income securities				
Government of Canada, direct and guaranteed	%	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	%	-	-	-
Municipal	%	-	-	-
Corporate	%	-	-	-
Pooled investment funds	%	-	-	-
Total fixed income securities	%	-	-	-
Equities				
Canadian	%	\$ -	\$ -	\$ -
Foreign	%	-	-	-
Real estate	%	-	-	-
Total equities	%	-	-	-
Supplemental Integrated Pension Plan Assets	%	\$ -	\$ -	\$ -
Restricted long-term investments	%	-	-	-
Other (Specify)	%	-	-	-
Other (Specify)	%	-	-	-
Other (Specify)	%	-	-	-
Total portfolio investments	%	\$ 150,862	\$ 150,862	\$ 150,862

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

6. PORTFOLIO INVESTMENTS (continued)

	2011			
	Average Effective (Market) Yield	Cost	Fair Value	Balance
Long term deposits	1%	\$ 149,880	\$ 149,880	\$ 149,880
Guaranteed interest certificates	%	-	-	-
Fixed income securities				
Government of Canada, direct and guaranteed	%	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	%	-	-	-
Municipal	%	-	-	-
Corporate	%	-	-	-
Pooled investment funds	%	-	-	-
Total fixed income securities	%	-	-	-
Equities				
Canadian	%	\$ -	\$ -	\$ -
Foreign	%	-	-	-
Real estate	%	-	-	-
Total equities	%	-	-	-
Supplemental Integrated Pension Plan Assets	%	\$ -	\$ -	\$ -
Restricted long-term investments	%	-	-	-
Other (Specify)	%	-	-	-
Other (Specify)	%	-	-	-
Other (Specify)	%	-	-	-
Total portfolio investments	%	\$ 149,880	\$ 149,880	\$ 149,880

Portfolio Investments: Maturity Structure for fixed income securities based on principal amount.

	2013	2012	2011
1 to 5 years	100.0%	100.0%	100.0%
6 to 10 years	0.0%	0.0%	0.0%
11 to 20 years	0.0%	0.0%	0.0%
Over 20 years	0.0%	0.0%	0.0%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

It is management's opinion that there has been no impairment during the year.

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

7. OTHER FINANCIAL ASSETS

Other Financial Assets consists of the following:

	2013	2012	2011
Inventory	\$ 130,545	\$ 141,274	\$ 161,909
Other (specify if significant)	-	-	-
Other	-	-	-
Total	\$ 130,545	\$ 141,274	\$ 161,909

8. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit with the Royal Bank of Canada in the amount of \$500,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing resolution and a security agreement, covering all revenue of the jurisdiction. There is no outstanding line of credit balance at August 31, 2013.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2013	2012	2011
Alberta Education	\$ 10,000	\$ 10,000	\$ 10,000
Other Alberta school jurisdictions	-	-	-
Alberta Capital Finance Authority (Interest on long-term debt)	53,998	78,448	121,523
Alberta Health & Wellness	-	-	-
Alberta Health Services	-	-	-
Enterprise & Advanced Education	-	-	-
Post-secondary institutions	-	-	-
Other Government of Alberta ministries	-	-	-
Federal government	887,597	877,918	836,881
First nations	-	-	-
Other interest on long-term debt	-	-	-
Other bank charges, fees, and interest	-	-	-
Salaries & benefit costs	-	-	-
Other trade payables and accrued liabilities	1,917,757	1,452,456	1,216,339
Total	\$ 2,869,352	\$ 2,418,822	\$ 2,184,743

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

10. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2012	ADD: 2012/2013 Restricted Funds Received/ Receivable	DEDUCT: 2012/2013 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2012/2013 Adjustments for Returned Funds	DEFERRED REVENUE as at Aug. 31, 2013
Unexpended deferred operating revenue					
Alberta Education:					
Alberta Initiative for School Improvement	\$ 71,948	\$ 342,888	\$ (414,836)	\$ -	\$ -
Infrastructure Maintenance Renewal	841,588	1,628,685	(2,124,877)	-	345,396
Other Alberta Education deferred revenue	50,000	105,000	(50,000)	-	105,000
Other Government of Alberta:					
Southwest Child and Family Services	19,643	89,018	(74,323)	-	34,338
(Specify)	-	-	-	-	-
Other Deferred Revenue:					
School Generated Funds	380,824	4,833,190	(4,942,567)	-	271,447
Fees	129,172	486,711	(438,781)	-	177,102
Donations	17,003	-	(17,003)	-	-
Endowment Revenue	34,229	1,127	-	-	35,356
Program Grants	117,635	86,250	(140,832)	-	63,053
Other	-	-	-	-	-
Total unexpended deferred operating revenue	\$ 1,662,042	\$ 7,572,869	\$ (8,203,219)	\$ -	\$ 1,031,692
Unexpended deferred capital revenue	461,417	2,164,012	(2,219,235)	-	406,194
Expended deferred capital revenue	87,189,904	2,219,234	(3,280,397)	-	86,128,741
Total	\$ 89,313,363	\$ 11,956,115	\$ (13,702,851)	\$ -	\$ 87,566,627

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2011	ADD: 2011/2012 Restricted Funds Received/ Receivable	DEDUCT: 2011/2012 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2011/2012 Adjustments for Returned Funds	DEFERRED REVENUE as at Aug. 31, 2012
Unexpended deferred operating revenue					
Alberta Education:					
Alberta Initiative for School Improvement	\$ 168,444	\$ 562,793	\$ (659,289)	\$ -	\$ 71,948
Infrastructure Maintenance Renewal	1,242,038	1,556,023	(1,956,473)	-	841,588
Other Alberta Education deferred revenue	75,604	50,000	(75,604)	-	50,000
Other Government of Alberta:					
Southwest Child and Family Services	6,348	92,599	(79,304)	-	19,643
(Specify)	-	-	-	-	-
Other Deferred Revenue:					
School Generated Funds	189,481	4,242,541	(4,051,198)	-	380,824
Fees	283,437	214,390	(368,655)	-	129,172
Donations	60,403	-	(43,400)	-	17,003
Endowment Revenue	34,320	34,229	(34,320)	-	34,229
Program Grants	28,609	173,095	(84,069)	-	117,635
Other	-	-	-	-	-
Total unexpended deferred operating revenue	\$ 2,088,684	\$ 6,925,670	\$ (7,352,312)	\$ -	\$ 1,662,042
Unexpended deferred capital revenue	115,416	2,344,551	(1,998,550)	-	461,417
Expended deferred capital revenue	88,310,384	2,081,047	(3,201,527)	-	87,189,904
Total	\$ 90,514,484	\$ 11,351,268	\$ (12,552,389)	\$ -	\$ 89,313,363

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

11. EMPLOYEE FUTURE BENEFIT LIABILITY

Employee future benefit liabilities consist of the following:

	2013	2012	2011
Accumulated sick pay liability	-	-	-
Vacation accrual liability	506,461	467,098	459,813
Other compensated absences	11,881	41,578	-
Other employee future benefits	-	-	-
Total	\$ 518,342	\$ 508,676	\$ 459,813

12. DEBT

	2013	2012	2011
Debentures outstanding at August 31, 2013 have interest rates between 8% to 12%. The terms of the Loan range between 20 and 25 years, payments made annually supported by Alberta Education	\$ 899,660	\$ 1,324,545	\$ 2,079,790

Debenture Debt --Supported

The debenture debt bears interest at rates varying between 8% and 11.62%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are:

	Principal	Interest	Total
2013-2014	\$254,327	\$89,584	\$343,911
2014-2015	204,934	64,306	269,240
2015-2016	196,773	43,771	240,544
2016-2017	196,773	24,053	220,826
2017-2018	46,853	4,334	51,187
2018 to maturity	-	-	-
Total	\$ 899,660	\$ 226,048	\$1,125,708

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

13. TANGIBLE CAPITAL ASSETS

	August 31, 2013					
	Land	Construction - In Progress - Buildings	Buildings 25-40 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years
Estimated useful life						
Historical cost						
Beginning of year	\$ 1,715,118	\$ -	\$ 125,611,464	\$ 4,503,023	\$ 538,406	\$ 312,796
Additions	-	-	2,174,826	104,981	111,917	-
Transfers in (out)	-	-	-	(17,689)	-	(11,909)
Less disposals including write-offs	-	-	-	-	-	-
	\$ 1,715,118	\$ -	\$ 127,786,290	\$ 4,590,315	\$ 650,323	\$ 300,887
Accumulated amortization						
Beginning of year	\$ -	\$ -	\$ 38,440,294	\$ 2,078,770	\$ 226,684	\$ 202,547
Additions	-	-	3,005,318	432,109	53,472	55,153
Transfers in (out)	-	-	-	(17,689)	-	(11,909)
Less disposals including write-offs	-	-	-	-	-	-
	\$ -	\$ -	\$ 41,445,612	\$ 2,493,190	\$ 280,156	\$ 245,791
Net Book Value at End of Year	\$ 1,715,118	\$ -	\$ 86,340,678	\$ 2,097,125	\$ 370,167	\$ 55,096

	August 31, 2012					
	Land	Construction - In Progress - Buildings	Buildings 25-40 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years
Estimated useful life						
Historical cost						
Beginning of year	\$ 1,715,118	\$ -	\$ 123,554,632	\$ 4,344,370	\$ 410,153	\$ 194,404
Additions	-	-	2,056,832	158,653	128,253	118,392
Transfers in (out)	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	-	-
	\$ 1,715,118	\$ -	\$ 125,611,464	\$ 4,503,023	\$ 538,406	\$ 312,796
Accumulated amortization						
Beginning of year	\$ -	\$ -	\$ 35,504,306	\$ 1,680,934	\$ 241,493	\$ 146,416
Additions	-	-	2,935,988	397,836	(14,809)	56,131
Transfers in (out)	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	-	-
	\$ -	\$ -	\$ 38,440,294	\$ 2,078,770	\$ 226,684	\$ 202,547
Net Book Value at End of Year	\$ 1,715,118	\$ -	\$ 87,171,170	\$ 2,424,253	\$ 311,722	\$ 110,249

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

14. ACCUMULATED SURPLUS

The School jurisdiction's accumulated surplus is summarized as follows:

	2013	2012	2011
Unrestricted surplus	\$ 799,912	\$ 726,137	\$ 486,933
Operating reserves	8,512,440	5,073,538	4,737,994
Accumulated surplus (deficit) from operations	9,312,352	5,799,675	5,224,927
Investment in tangible capital assets	4,449,442	4,542,608	4,335,143
Capital reserves	1,148,579	906,028	812,507
Endowments ⁽¹⁾	317,674	317,674	317,674
Accumulated remeasurement gains (losses)	-	-	-
Accumulated surplus (deficit)	\$ 15,228,047	\$ 11,565,985	\$ 10,690,251

The school jurisdiction has recorded a provision for employee future benefits. Since this provision is not required to be funded by current operations, accumulated surplus (deficit) is adjusted as follows:

	2013	2012	2011
Accumulated surplus (deficit) from operations	\$ 9,312,352	\$ 5,799,675	\$ 5,224,927
Employee future benefits	518,342	508,676	459,813
Adjusted accumulated surplus (deficit) ⁽²⁾	\$ 9,830,694	\$ 6,308,351	\$ 5,684,740

(1) Terms of the endowments stipulate that the principal balance be maintained permanently.

Investment income of \$35,356 (2012 - \$34,209) is externally restricted for scholarships and is included in deferred revenue. Investment income of \$117,983 (2012) - \$113,483) is unrestricted.

(2) Adjusted accumulated surplus represents unspent funding available to support the school jurisdiction's operations for the 2013-2014 year.

15. CONTRACTUAL OBLIGATIONS

	2013	2012
Building Projects ⁽¹⁾	\$ 852,100	\$ 1,392,000
Building Leases ⁽²⁾	-	-
Service Providers ⁽³⁾	-	-
Other (Specify)	-	-
Other	-	-
Total	\$ 852,100	\$ 1,392,000

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

15. CONTRACTUAL OBLIGATIONS (continued)

(1) Building Projects: The jurisdiction is committed to further capital expenditures for the installation of modular facilities of approximately \$852,100. Alberta Education will fund \$406,200 of these costs through capital contributions with the jurisdiction contributing the remaining installation costs through capital reserves.

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

	Building Projects	Building Leases	Service Providers	Other
2013-14	\$ 852,100	\$ -	\$ -	\$ -
2014-15	-	-	-	-
2015-16	-	-	-	-
2016-17	-	-	-	-
2017-18	-	-	-	-
Thereafter	-	-	-	-
	\$ 852,100	\$ -	\$ -	\$ -

16. CONTINGENT LIABILITIES

- The jurisdiction is a member of Urban Schools Insurance Consortium (USIC). Under the terms of its membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. The jurisdiction's share of the pool as at August 31, 2013 is \$103,964 (2012 - \$118,640).
- The jurisdiction has been named as a respondent in a human rights complaint. As the likelihood of the outcome of this claim is not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with this claim.

17. FEES

	2013	2012
Transportation fees	\$ -	\$ -
Fees charged for instruction material and supplies ⁽¹⁾	244,113	257,704
International Student Fees	202,391	170,547
Early Education Fees	175,962	170,627
Other fees	2,256,788	1,118,712
Total	<u>\$ 2,879,254</u>	<u>\$ 1,717,590</u>

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

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

18. TRUSTS UNDER ADMINISTRATION

These balances represent assets that are held in trust by the jurisdiction. They are not recorded on the statements of the District.

	2013	2012
Scholarship trusts	\$188,667	\$183,364
Regional Learning Consortium (Banker board)	199,367	420,769
Chinook Regional Foundation for Career Transitions	94,695	51,449
Total	<u>\$ 482,729</u>	<u>\$ 655,582</u>

19. SCHOOL GENERATED FUNDS

	2013	2012
Deferred School Generated Revenue, Beginning of Year	\$ 1,989,036	\$ 1,689,902
Gross Receipts:		
Fees	1,781,031	1,287,331
Fundraising	2,581,387	2,568,652
Gifts and donations	414,608	360,526
Grants to schools	-	-
Other sales and services	265,942	133,823
Total gross receipts	5,042,968	4,350,332
Total Related Expenses and Uses of Funds	2,514,153	1,970,089
Total Direct Costs Including Cost of Goods Sold to Raise Funds	2,428,414	2,081,109
Deferred School Generated Revenues, End of Year	<u>\$ 2,089,437</u>	<u>\$ 1,989,036</u>
Balance included in Deferred Revenue	\$ 271,447	\$ 380,824
Balance included in Accumulated Surplus	\$ 1,817,990	\$ 1,608,212

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

20. 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	\$ -	\$ -	\$ 93,803,298	\$ -
Accounts receivable / Accounts payable	953,658	-	-	-
Prepaid expenses / Deferred revenue	-	450,396	-	-
Unexpended deferred capital revenue	-	406,194	-	-
Expended deferred capital revenue	1,253,453	86,128,742	3,280,397	3,280,397
Other assets & liabilities	-	-	-	-
Grant revenue & expenses	167,500	10,000	-	-
Other revenues & expenses	-	-	-	180,593
Other Alberta school jurisdictions	-	-	-	27,408
Treasury Board and Finance (Principal)	-	899,660	-	-
Treasury Board and Finance (Accrued interest)	-	53,998	133,468	133,468
Alberta Health	8,261	-	369,279	-
Alberta Health Services	-	-	-	26,485
Enterprise and Advanced Education	-	-	-	-
Post-secondary institutions	-	-	330,139	41,250
Alberta Infrastructure	-	-	-	-
Human Services	-	-	-	-
Southwest Child and Family Services	-	34,338	74,323	-
Other GOA ministry (Specify)	-	-	-	-
Other GOA ministries	-	-	-	-
Other:				
Other Related Parties	-	-	-	-
TOTAL 2012/2013	\$2,382,872	\$ 87,983,328	\$ 97,990,904	\$3,689,601
TOTAL 2011/2012	\$2,458,829	\$ 90,047,493	\$ 89,809,590	\$3,621,602

21. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2013

22. REMUNERATION AND MONETARY INCENTIVES

Lethbridge School District No. 51 had paid or accrued expenses for the year ended August 31, 2013 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Expenses
Mich Forster - Chair	1.0	\$19,160	\$1,324	\$500			\$6,107
Brooke Culley	1.0	\$17,323	\$1,365	\$500			\$4,048
Gary Bartlett	1.0	\$15,650	\$935	\$500			\$2,735
Jan Foster	1.0	\$16,029	\$938	\$500			\$709
Keith Fowler	1.0	\$15,327	\$1,283	\$500			\$1,862
Lola Major	1.0	\$15,879	\$937	\$500			\$6,794
	0.0	\$0	\$0	\$0			\$0
Subtotal	6.0	\$99,368	\$6,782	\$3,000			\$22,255
Barry Litun, Superintendent	0.9	\$178,442	\$17,058	\$4,795	\$0	\$0	\$8,099
Cheryl Gilmore, Superintendent	0.1	\$15,506	\$3,744	\$417	\$0	\$0	\$145
Don Lussier, Secretary Treasurer	1.0	\$183,069	\$32,176	\$5,000	\$0	\$0	\$9,459
Certificated teachers	479.0	\$45,558,408	\$10,533,409	\$47,846	\$0	\$0	
Non-certificated - other	352.0	\$16,363,789	\$4,887,785	\$54,274	\$0	\$0	
TOTALS		\$62,398,582	\$15,480,954	\$115,332	\$0	\$0	

23. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on May 29th, 2012. It is presented for information purposes only and has not been audited.

24. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2012-2013 presentation.