

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2010**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Evergreen Catholic Separate Regional Division No. 2

Legal Name of School Jurisdiction

Box 4265 Spruce Grove, AB T7X 3B4

Mailing Address

780-962-5627 780-962-4664

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Evergreen Catholic Separate Regional Division No. 2
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for
their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance
with generally accepted accounting principles and follow format prescribed by Alberta Education.

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

Board of Trustees Responsibility

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

External Auditors

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

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position
and results of operations and cash flows for the year in accordance with generally accepted accounting principles and
follow the financial reporting requirements prescribed by Alberta Education.

BOARD CHAIR	
<p style="text-align: center;">Mr. Robert Vasseur Name</p>	<p style="text-align: center;">"ORIGINAL SIGNED" Signature</p>
SUPERINTENDENT	
<p style="text-align: center;">Dr. Cindi Vaselenak Name</p>	<p style="text-align: center;">"ORIGINAL SIGNED" Signature</p>
SECRETARY TREASURER OR TREASURER	
<p style="text-align: center;">Mrs. Jacqueline Gilbert Name</p>	<p style="text-align: center;">"ORIGINAL SIGNED" Signature</p>

8-Nov-10
Board-approved Release Date

TABLE OF CONTENTS

	Page
AUDITORS' REPORT INSERT	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF REVENUES AND EXPENSES	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGES IN NET ASSETS	7
STATEMENT OF CAPITAL ALLOCATIONS	8
NOTES TO THE FINANCIAL STATEMENTS INSERT	9

Hawkings Epp Dumont LLP

Chartered Accountants

Mayfield Square I
10476 Mayfield Road
Edmonton, Alberta
T5P 4P4

Telephone: 780-489-9606
Toll Free: 1-877-489-9606
Fax: 780-484-9689
Email: hed@hed-edm.com

AUDITORS' REPORT

To the Board of Trustees
Evergreen Catholic Separate Regional Division No. 2
Spruce Grove, Alberta

We have audited the statement of financial position of the Evergreen Catholic Separate Regional Division No. 2 (the "Division") as at August 31, 2010 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an audit 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 plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2010 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.



Edmonton, Alberta
October 19, 2010

HAWKINGS EPP DUMONT LLP
Chartered Accountants

Stony Plain Office
Suite 101, 5300 - 50 Street
PO Box 3188 Stn Main
Stony Plain, Alberta T7Z 1T8

Telephone: 780-963-2727
Fax: 780-963-1294
Email: email@hawkings.com

STATEMENT OF FINANCIAL POSITION

as at August 31, 2010

(in dollars)

	2010	2009 (Note)
ASSETS		
Current assets		
Cash and temporary investments (Note 3)	\$5,388,685	\$6,022,484
Accounts receivable (net after allowances) (Note 4)	\$900,847	\$1,121,142
Prepaid expenses (Note 1)	\$149,528	\$295,103
Other current assets	\$0	\$0
Total current assets	\$6,439,060	\$7,438,729
School generated assets		
Trust assets (Note 9)	\$461,140	\$404,192
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets (Note 5)		
Land	\$1,109,249	\$1,109,249
Construction in Progress	\$0	\$0
Buildings	\$54,979,993	
Less: accumulated amortization	(\$18,587,446)	\$37,980,781
Equipment	\$6,323,679	
Less: accumulated amortization	(\$4,743,116)	\$1,699,809
Vehicles	\$93,219	
Less: accumulated amortization	(\$45,002)	\$67,704
Total capital assets	\$39,130,576	\$40,857,543
TOTAL ASSETS	\$46,215,310	\$48,845,471
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities (Note 7)	\$1,708,131	\$1,899,508
Deferred revenue (Note 8)	\$577,384	\$564,883
Deferred capital allocations (Note 11)	\$13,584	\$0
Current portion of long term debt	\$300,846	\$338,605
Total current liabilities	\$2,599,945	\$2,802,996
School generated liabilities		
Trust liabilities (Note 9)	\$461,140	\$404,192
Employee future benefit liabilities	\$0	\$0
Long term debt (Note 10)		
Supported: Debentures and other supported debt	\$2,182,479	\$2,521,084
Less: Current portion	(\$300,846)	(\$338,605)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations (Note 12)	\$34,229,688	\$35,643,741
Total long term liabilities	\$36,756,995	\$38,375,419
TOTAL LIABILITIES	\$39,356,940	\$41,178,415
NET ASSETS		
Unrestricted net assets	\$395,006	\$492,154
Operating Reserves	\$3,668,122	\$4,442,850
Accumulated Operating Surplus (Deficit)	\$4,063,128	\$4,935,004
Investment in capital assets	\$2,718,417	\$2,692,727
Capital Reserves	\$76,825	\$39,325
Total Capital Funds	\$2,795,242	\$2,732,052
Total net assets	\$6,858,370	\$7,667,056
TOTAL LIABILITIES AND NET ASSETS	\$46,215,310	\$48,845,471

Note: Please input "(Restated)" in 2009 column heading where comparatives are not taken from the finalized 2008-2009 Audited Financial Statements filed with Alberta Education.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2010
(in dollars)

	Actual 2010	Budget 2010 (Note)	Actual 2009 (Note)
REVENUES			
Government of Alberta	\$29,129,466	\$28,754,324	\$27,859,584
Federal Government and First Nations	\$42,446	\$43,520	\$48,378
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$376,514	\$236,000	\$467,765
Transportation fees	\$0	\$0	\$0
Other sales and services	\$217,150	\$203,477	\$481,976
Investment income	\$31,121	\$72,000	\$75,280
Gifts and donations	\$2,640	\$0	\$861
Rental of facilities	\$0	\$0	\$0
Gross school generated funds	\$1,441,675	\$115,000	\$226,168
Gains on disposal of capital assets	\$2,500	\$0	\$0
Amortization of capital allocations	\$2,134,572	\$2,139,382	\$2,139,382
Other revenue	\$0	\$0	\$0
Total Revenues	\$33,378,084	\$31,563,703	\$31,299,394
EXPENSES			
Certificated salaries (Note x)	\$17,991,866	\$17,529,550	\$16,486,420
Certificated benefits (Note x)	\$1,995,839	\$2,390,393	\$1,896,012
Non-certificated salaries and wages (Note x)	\$4,128,536	\$3,938,377	\$3,770,395
Non-certificated benefits (Note x)	\$879,286	\$1,110,824	\$778,343
Services, contracts and supplies	\$4,924,978	\$5,385,961	\$4,923,384
Gross school generated funds	\$1,441,675	\$115,000	\$226,168
Capital and debt services			
Amortization of capital assets			
Supported	\$2,134,572	\$2,139,382	\$2,139,382
Unsupported	\$468,936	\$375,322	\$392,197
Total Amortization of capital assets	\$2,603,508	\$2,514,704	\$2,531,579
Interest on capital debt			
Supported	\$221,082	\$221,083	\$260,607
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$221,082	\$221,083	\$260,607
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$34,186,770	\$33,205,892	\$30,872,908
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	(\$808,686)	(\$1,642,189)	\$426,486
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$808,686)	(\$1,642,189)	\$426,486

Note: Please input "(Restated)" where Actual 2009 comparatives are not as presented in the finalized 2008-2009 Audited Financial Statements filed with Alberta Education. Budget 2010 comparatives presented are final budget amounts formally approved by the Board.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2010

(in dollars)

	2010	2009 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	(\$808,686)	\$426,486
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,134,572)	(\$2,139,382)
Total amortization expense	\$2,603,508	\$2,531,579
Gains on disposal of capital assets	(\$2,500)	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	\$220,295	\$280,676
Prepays and other current assets	\$145,575	\$3,637
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	(\$191,377)	\$631,157
Deferred revenue	\$12,501	(\$384,547)
Employee future benefit liabilities	\$0	\$0
Other (describe) Adjusting for Capital Allocation receivable - now unsumm	(\$33,166)	\$0
Total cash flows from Operations	(\$188,422)	\$1,349,606
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$406,619)	(\$1,182,913)
Equipment	(\$469,922)	(\$459,092)
Vehicles	\$0	(\$36,229)
Net proceeds from disposal of capital assets	\$2,500	\$0
Other (describe)		
Total cash flows from Investing activities	(\$874,041)	(\$1,678,234)
C. FINANCING ACTIVITIES		
Capital allocations	\$428,664	\$1,144,002
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$338,605)	(\$479,606)
Add back: supported portion	\$338,605	\$479,606
Other (describe)		
Total cash flows from financing activities	\$428,664	\$1,144,002
Net cash flows from during the year	(\$633,799)	\$815,374
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$6,022,484	\$5,207,110
Cash and temporary investments, net of bank indebtedness, at Aug. 31/10	\$5,388,685	\$6,022,484

Note: Please input "(Restated)" where Actual 2009 comparatives are not as presented in the finalized 2008-2009 Audited Financial Statement filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2010**

School Jurisdiction Code: 0048

(in dollars)

	(1) TOTAL NET ASSETS Cols. 2+3+4+5	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS	(4) TOTAL OPERATING RESERVES Cols. 6+8+10+12+14 7+9+11+13+15	(5) INTERNALLY RESTRICTED NET ASSETS						(15) Capital Reserves			
					(6) School & Instruction Related		(7) Operations & Maintenance		(8) Board & System Admin.			(9) Transportation		(10) 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, 2009	\$7,667,056	\$2,692,727	\$492,154	\$4,442,850	\$2,493,103	\$0	\$927,213	\$39,325	\$0	\$0	\$0	\$0	\$0	\$0
Prior period adjustments (Describe)														
	\$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, 2009	\$7,667,056	\$2,692,727	\$492,154	\$4,442,850	\$2,493,103	\$0	\$927,213	\$39,325	\$0	\$0	\$0	\$0	\$0	\$0
Excess (deficiency) of revenues over expenses	(\$808,686)		(\$808,686)											
Board funded capital additions		\$494,626	(\$494,626)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Disposal of unsupported capital assets	\$0	\$0	(\$2,500)	\$2,500				\$2,500						\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0										\$0
Direct credits to net assets	\$0	\$0	\$0											\$0
Amortization of capital assets		(\$2,603,508)	\$2,603,508											
Amortization of capital allocations		\$2,134,572	(\$2,134,572)											
Debt principal repayments (unsupported)		\$0	\$0											
Net transfers to operating reserves			(\$1,243,197)	\$1,243,197	\$1,166,197		\$0	\$75,000			\$0		\$0	\$0
Net transfers from operating reserves			\$2,017,925	(\$2,017,925)	(\$1,842,925)		\$0	(\$175,000)			\$0		\$0	\$0
Net transfers to capital reserves			(\$35,000)	\$35,000				\$35,000						\$0
Net transfers from capital reserves			\$0	\$0				\$0						\$0
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2010	\$6,858,370	\$2,718,417	\$395,006	\$3,868,122	\$1,818,375	\$0	\$927,213	\$76,825	\$0	\$0	\$0	\$0	\$0	\$0

**STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2010
(in dollars)**

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2009	\$0	\$35,643,741
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2009	\$0	\$35,643,741
Add:		
Restricted capital allocations from: Alberta Education including school and modular projects	\$428,662	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$2	
Other capital grants and donations	\$0	
Net proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$338,605
Expended capital allocations - current year	(\$415,080)	\$415,080
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$33,166
Capital allocations amortized to revenue		\$2,134,572
Balance at August 31, 2010	\$13,584	\$34,229,688

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

1. AUTHORITY AND PURPOSE

Evergreen Catholic Separate Regional Division No. 2 (the "Division") delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Division is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

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.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles	20%
Equipment & Furnishings	20%

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense (see Note 11).

Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) 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 Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

The Division participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$ 209,229 for the year ended August 31, 2010 (2009 - \$162,350). At December 31, 2009, the Local Authorities Pension Plan reported a deficiency of \$3,998,614,000 (2008, a deficiency of \$4,413,971,000).

f) Prepaid Expenses

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

g) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h) Financial Instruments

These consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 (2) (d) of the *School Act*.

i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the Division, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

3. CASH AND TEMPORARY INVESTMENTS

	Average Effective (Market) Yield	2010		Average Effective (Market) Yield	2009	
		Cost	Fair Value		Cost	Fair Value
Cash and cash equivalents	-	\$5,388,685	\$5,388,685	-	\$6,022,484	\$6,022,484
Fixed-income securities						
Government of Canada, direct and guaranteed	%	0	0	%	0	0
Provincial, direct and guaranteed	%	0	0	%	0	0
Corporate	%	0	0	%	0	0
Municipal	%	0	0	%	0	0
Pooled investment funds	%	0	0	%	0	0
Total fixed-income securities	%	0	0	%	0	0
Total cash and temporary investments	%	<u>\$5,388,685</u>	<u>\$5,388,685</u>	%	<u>\$6,022,484</u>	<u>\$6,022,484</u>

4. ACCOUNTS RECEIVABLE

	2010	2009
Alberta Education	\$0	\$73,008
Alberta Finance	116,277	133,087
Federal Government	86,811	126,418
First Nations	0	0
Other Alberta School Division s	0	0
Foundations	0	0
Other	697,759	788,629
Total	<u>\$900,847</u>	<u>\$1,121,142</u>

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

5. CAPITAL ASSETS

	Land	Constructio n In Progress - Buildings	Buildings	Equipment - Computer Hardware & Software	Other Equipment	Vehicles	Total Aug. 31, 2010	Total Aug. 31, 2009
Estimated Useful life			25-40 Years	5 Years	5 Years	5 Years		
Historical cost								
September 1, 2009	\$1,109,249	\$0	\$54,573,375	\$5,853,758	\$0	\$108,554	\$61,644,936	\$61,644,936
Additions	-	-	406,619	469,922	-	-	876,541	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	-	(15,336)	(15,336)	-
August 31, 2010	<u>\$1,109,249</u>	<u>\$0</u>	<u>\$54,979,994</u>	<u>\$6,323,680</u>	<u>\$0</u>	<u>\$93,218</u>	<u>\$62,506,141</u>	<u>\$61,644,936</u>
Accumulated amortization								
September 1, 2009	-	-	\$16,592,594	\$4,153,949	\$0	\$40,850	\$20,787,393	\$20,787,393
Amortization expense	-	-	1,994,853	589,168	-	19,487	2,603,508	-
Transfers in (out)	-	-	-	-	-	-	-	-
Effect of disposals	-	-	-	-	-	(15,336)	(15,336)	-
August 31, 2010	-	-	<u>\$18,587,447</u>	<u>\$4,743,117</u>	<u>\$0</u>	<u>\$45,001</u>	<u>\$23,375,565</u>	<u>\$20,787,393</u>
Net Book Value at August 31, 2010	<u>\$1,109,249</u>	<u>\$0</u>	<u>\$36,392,547</u>	<u>\$1,580,563</u>	<u>\$0</u>	<u>\$48,217</u>	<u>\$39,130,576</u>	<u>\$40,857,543</u>

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

6. OPERATING LINE OF CREDIT

The Division has negotiated a line of credit in the amount of \$500,000 that bears interest at the bank prime rate plus 0.25%. This line of credit is secured by a borrowing bylaw and a security agreement. There was no balance outstanding on the line of credit at August 31, 2010.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2010	2009
Alberta Education	\$675,818	\$679,443
Alberta Finance	116,277	133,087
Federal Government	384,201	(1,354)
First Nations	0	0
Other Alberta School Division s	0	13,037
Other Trade Payables and Accrued Liabilities	531,835	1,075,295
Total	\$1,708,131	\$1,899,508

8. DEFERRED REVENUE

	as at Aug. 31, 2009	Received/ Receivable	Expended (Paid / Payable)	or Returned Funds	as at Aug. 31, 2010
Alberta Education Restricted Operational Funding:	\$0	\$0	\$0	\$0	\$0
Alberta Initiative for School Improvement	\$0	\$0	\$0	\$0	\$0
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0	\$0
Infrastructure Maintenance Renewal	\$226,536	\$518,692	(\$445,148)	\$0	\$300,080
Institutional Education Programs	\$0	\$0	\$0	\$0	\$0
Portable/Modular Unit Relocation	\$0	\$0	\$0	\$0	\$0
Regional Consortium	\$0	\$0	\$0	\$0	\$0
Regional Educational Consulting Services	\$0	\$0	\$0	\$0	\$0
Small Class Size Initiative	\$0	\$0	\$0	\$0	\$0
Student Health Initiative (School Authorities)	\$0	\$0	\$0	\$0	\$0
SuperNet Service	\$0	\$0	\$0	\$0	\$0
Other Alberta Education deferred revenue		\$0	\$0	\$0	\$0
Other Government of Alberta Restricted Funding:	\$288,985	\$215,931	(\$289,417)	\$0	\$215,499
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Other Deferred Revenue:	\$0	\$0	\$0	\$0	\$0
Instruction material fees	\$44,425	\$393,894	(\$376,514)	\$0	\$61,805
	\$4,937	\$0	(\$4,937)	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Total	\$564,883	\$1,128,517	(\$1,116,016)	\$0	\$577,384

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

9. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the Division for the following:

	2010	2009
Deferred Salary Leave Plan	\$0	\$0
Scholarship Trusts	0	0
Student Health Initiative Trust (SHI Banker Board)	157,444	116,742
Children and Youth with Complex Needs (Banker Board)	0	0
Alberta School Boards Association Zone 2/3	27,090	28,265
Total	\$184,534	\$145,007

10. LONG TERM DEBT

The debenture are held with Alberta Capital Finance Authority, bear interest at rates varying between 7.625% and 11.75%, and are fully supported by Alberta Finance.

Debenture payments due over the next five years and beyond are:

	Principal	Interest	Total
2010-2011	\$300,846	\$204,817	\$505,663
2011-2012	300,846	176,179	477,025
2012-2013	300,846	147,542	448,388
2013-2014	294,096	118,910	413,006
2014-2015	291,846	91,025	382,871
2015 to maturity	693,999	117,909	811,908
Total	\$2,182,479	\$856,382	\$3,038,861

11. DEFERRED CAPITAL ALLOCATIONS

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

12. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

13. COMMITMENTS

- a) The Division is committed to an office lease agreement with the Catholic Archdiocese of Edmonton which expires June 30, 2012. Annual lease payments of \$29,200 are required during the term of the lease.
- b) The Division has entered into an agreement with Enmax Energy for the provision of electricity services until December 31, 2010. Under the terms of the agreement the Division pays 5.4 cents per kilowatt for electricity delivered to each Division site that is equal to, or below, the maximum quantity allowed under the terms of the agreement.

14. CONTINGENCIES

The Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

15. RELATED PARTY TRANSACTIONS

The Division is controlled by the Government of Alberta. Related party transaction with the Government of Alberta are as follows:

	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
2009-2010				
Government of Alberta:				
Education	\$0	\$675,818	\$28,905,241	\$0
Infrastructure & Transportation	0	0	0	0
Finance	116,277	116,277	221,082	221,082
Health & Wellness	0	0	0	0
Human Resources/Employment	0	0	0	0
Other Gov't of Alberta departments	0	0	3,143	0
Other:				
Health authorities	0	0	0	0
Post-secondary institutions	0	0	0	0
Other Alberta school Division s	0	0	0	0
Other related parties	0	0	0	0
TOTAL 2009-2010	<u>\$116,277</u>	<u>\$792,095</u>	<u>\$29,129,466</u>	<u>\$221,082</u>
TOTAL 2008-2009	<u>\$847,955</u>	<u>\$812,530</u>	<u>\$27,859,584</u>	<u>\$260,607</u>

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2010

18. ECONOMIC DEPENDENCE

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

19. REMUNERATION AND MONETARY INCENTIVES

Disclosure of remuneration and benefits as required by paragraph 148(1) of *The School Act* is as follows:

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair Bernakevitch	1.0	\$16,612	\$84	\$0			\$8,021
Trustee MacLellan	1.0	\$12,006	\$0	\$0			\$4,093
Trustee McBride	1.0	\$11,025	\$266	\$0			\$3,483
Trustee McKay	1.0	\$14,315	\$359	\$0			\$8,235
Trustee Mueller	1.0	\$17,230	\$453	\$0			\$8,129
Trustee Vasseur	1.0	\$10,050	\$218	\$0			\$3,911
Trustee Walshe	1.0	\$9,975	\$216	\$0			\$1,975
Trustee Yaceyko	1.0	\$10,650	\$238	\$0			\$3,858
	0.0	\$0	\$0	\$0			\$0
Subtotal	8.0	\$101,863	\$1,834	\$0			\$41,705
Superintendent - Malowany	0.5	\$117,843	\$6,037	\$33,944	\$0	\$0	\$3,917
Superintendent - Vaselenak	0.5	\$75,000	\$8,063	\$0	\$0	\$0	\$3,683
Secretary/Treasurer - Fehr	0.8	\$105,677	\$20,426	\$0	\$0	\$0	\$4,444
Secretary/Treasurer - Gilbert	0.1	\$10,461	\$3,108	\$0	\$0	\$0	\$78
Board Secretary (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Teachers	212.7	\$17,765,079	\$1,981,739	\$0	\$0	\$0	
Non-certificated - Other	99.6	\$3,910,535	\$853,918	\$0	\$0	\$0	
TOTALS		\$22,086,458	\$2,875,125	\$33,944	\$0	\$0	

20. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees on November 21, 2009. It is presented for information purposes only and has not been audited.

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2
SCHEDULE OF SERVICES, CONTRACTS, AND SUPPLIES EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2010

	<u>2010</u> (Budget) (Note 20)	<u>2010</u> (Actual)	<u>2009</u> (Actual)
Contracted and professional services	\$ 1,117,000	\$ 1,158,640	\$ 818,742
Utilities	669,200	639,494	679,644
Supplies and materials	750,000	623,634	639,927
Maintenance and repairs	749,400	611,164	928,519
Furniture and equipment	426,000	541,605	373,624
Professional development	301,000	216,738	193,307
Textbooks	355,000	183,966	259,238
Rentals	171,000	151,425	160,164
Memberships and fees	103,000	141,940	184,292
Student transportation	131,500	103,193	132,258
Insurance	97,000	95,400	94,616
Other schools - tuition	100,000	80,674	48,748
Library and media materials	82,800	74,776	92,725
Telephone services	77,600	64,332	61,287
Staff/community relations	57,000	52,866	55,482
Software support	50,000	50,576	63,258
Travel and subsistence	63,000	41,989	43,406
Advertising	20,000	28,920	27,233
Postage fees	24,000	21,890	21,609
Printing and binding services	17,600	21,535	18,905
Vehicle operating costs	12,000	12,126	9,077
Correspondence courses	8,500	4,186	13,723
Bank charges	<u>3,361</u>	<u>3,909</u>	<u>3,600</u>
	<u>\$ 5,385,961</u>	<u>\$ 4,924,978</u>	<u>\$ 4,923,384</u>