

**EVERGREEN CATHOLIC SEPARATE
REGIONAL DIVISION NO. 2**

Audited Financial Statements

For The Year Ended August 31, 2011

Hawkings Epp Dumont LLP

Chartered Accountants

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011**
[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 FAX: 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.

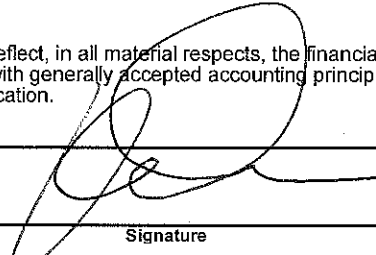

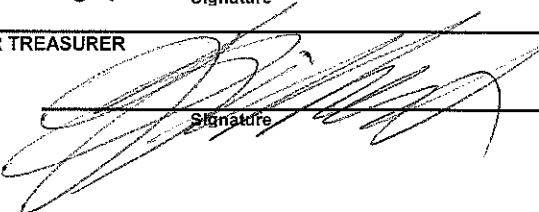
<p>BOARD CHAIR</p> <p>Mr. Robert Vasseur Name</p>	 Signature
<p>SUPERINTENDENT</p> <p>Dr. Cindi Vaselenak Name</p>	 Signature
<p>SECRETARY TREASURER OR TREASURER</p> <p>Mrs. Jacqueline Gilbert Name</p>	 Signature
<p>November 14, 2011 Board-approved Release Date</p>	

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees Evergreen Catholic Separate Regional Division No. 2:

We have audited the statement of financial position of Evergreen Catholic Separate Regional Division No. 2 as at August 31, 2011 and the statements of revenues and expenses, cash flows, changes in net assets, and capital allocations for the year then ended, and a summary of significant accounting policies and other explanatory information.

Managements' Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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, these financial statements present fairly, in all material respects, the financial position of Evergreen Catholic Separate Regional Division No. 2 as at August 31, 2011 and its revenues and expenses, cash flows, changes in its net assets, and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.



Edmonton, Alberta
November 14, 2011

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STATEMENT OF FINANCIAL POSITION
as at August 31, 2011
(in dollars)

		2011	2010
ASSETS			
Current assets			
Cash and temporary investments	(Note 3)	\$5,367,873	\$5,388,665
Accounts receivable (net after allowances)	(Note 4)	\$977,695	\$900,847
Prepaid expenses	(Note 2)	\$212,956	\$149,528
Other current assets		\$0	\$0
Total current assets		\$6,558,524	\$6,439,060
School generated assets			
Trust assets	(Note 9)	\$41,718	\$184,534
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		\$16,349,959	\$0
Buildings	\$54,979,994		
Less: accumulated amortization	(\$20,586,917)	\$34,393,077	\$36,392,547
Equipment	\$6,484,900		
Less: accumulated amortization	(\$5,258,395)	\$1,226,505	\$1,580,563
Vehicles	\$93,219		
Less: accumulated amortization	(\$62,998)	\$30,221	\$48,217
Total capital assets		\$53,109,011	\$39,130,576
TOTAL ASSETS		\$60,171,788	\$46,215,310
LIABILITIES			
Current liabilities			
Bank indebtedness		\$0	\$0
Accounts payable and accrued liabilities	(Note 7)	\$1,588,162	\$1,708,131
Deferred revenue	(Note 8)	\$578,205	\$577,384
Deferred capital allocations	(Note 11)	\$13,584	\$13,584
Current portion of long term debt		\$300,846	\$300,846
Total current liabilities		\$2,480,797	\$2,599,945
School generated liabilities			
Trust liabilities	(Note 9)	\$462,535	\$461,140
Employee future benefit liabilities		\$0	\$0
Long term debt (Note 10)			
Supported: Debentures and other supported debt		\$1,881,633	\$2,182,479
Less: Current portion		(\$300,846)	(\$300,846)
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)	\$48,808,969	\$34,229,688
Total long term liabilities		\$50,894,009	\$36,756,995
TOTAL LIABILITIES		\$53,374,806	\$39,356,940
NET ASSETS			
Unrestricted net assets		\$352,577	\$395,006
Operating reserves		\$3,917,167	\$3,668,122
Accumulated operating surplus (deficit)		\$4,269,744	\$4,063,128
Investment in capital assets		\$2,418,417	\$2,718,417
Capital reserves		\$108,821	\$76,825
Total capital funds		\$2,527,238	\$2,795,242
Total net assets		\$6,796,982	\$6,858,370
TOTAL LIABILITIES AND NET ASSETS		\$60,171,788	\$46,215,310

Note: Please input "(Restated)" in 2010 column heading where comparatives are not taken from the finalized 2009/2010 Audited Financial Statements filed with Alberta Education.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2011
(in dollars)

	Actual 2011	Budget 2011	Actual 2010
REVENUES			
Government of Alberta	\$30,584,890	\$30,787,135	\$29,129,466
Federal Government and First Nations	\$35,565	\$43,520	\$42,446
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	\$373,808	\$230,500	\$376,514
Transportation fees	\$12,055	\$12,600	\$0
Other sales and services	\$255,271	\$194,388	\$217,150
Investment Income	\$73,385	\$36,000	\$31,121
Gifts and donations	\$24,702	\$0	\$2,640
Rental of facilities	\$0	\$0	\$0
Gross school generated funds	\$1,392,481	\$1,300,000	\$1,441,675
Gains on disposal of capital assets	\$0	\$0	\$2,500
Amortization of capital allocations	\$2,071,524	\$2,074,071	\$2,134,572
Other revenue	\$0	\$0	\$0
Total Revenues	\$34,823,681	\$34,678,214	\$33,378,084
EXPENSES			
Certificated salaries (Note 17)	\$18,534,722	\$18,405,145	\$17,991,866
Certificated benefits (Note 17)	\$2,130,034	\$2,078,348	\$1,995,839
Non-certificated salaries and wages (Note 17)	\$4,310,601	\$4,625,727	\$4,128,536
Non-certificated benefits (Note 17)	\$1,085,669	\$947,438	\$879,286
Services, contracts and supplies	\$4,669,538	\$6,319,994	\$4,924,978
Gross school generated funds	\$1,392,481	\$1,300,000	\$1,441,675
Capital and debt services			
Amortization of capital assets			
Supported	\$2,071,525	\$2,074,071	\$2,134,572
Unsupported	\$501,869	\$501,670	\$468,936
Total Amortization of capital assets	\$2,573,394	\$2,575,741	\$2,603,508
Interest on capital debt			
Supported	\$188,630	\$188,630	\$221,082
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$188,630	\$188,630	\$221,082
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$34,885,069	\$36,441,023	\$34,186,770
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$61,388)	(\$1,762,809)	(\$808,686)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$61,388)	(\$1,762,809)	(\$808,686)

Note: Please input "(Restated)" where Actual 2010 comparatives are not as presented in the finalized 2009/2010 Audited Financial Statements filed with Alberta Education. Budget 2011 comparatives presented are final budget amounts formally approved by the Board.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2011

(in dollars)

	2011	2010
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	(\$61,388)	(\$808,686)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$2,071,524)	(\$2,134,572)
Total amortization expense	\$2,573,394	\$2,603,508
Gains on disposal of capital assets	\$0	(\$2,500)
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	(\$76,848)	\$220,295
Prepays and other current assets	(\$63,428)	\$145,575
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	(\$119,969)	(\$191,377)
Deferred revenue	\$821	\$12,501
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	(\$33,166)
Total cash flows from Operations	\$181,058	(\$188,422)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	\$0	(\$406,619)
Equipment	(\$201,870)	(\$469,922)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$2,500
Other (describe)	\$0	\$0
Total cash flows from Investing activities	(\$201,870)	(\$874,041)
C. FINANCING ACTIVITIES		
Capital allocations	\$0	\$428,664
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$300,846)	(\$338,605)
Add back: supported portion	\$300,846	\$338,605
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$0	\$428,664
Net cash flows from during the year	(\$20,812)	(\$633,799)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/10	\$5,388,685	\$6,022,484
Cash and temporary investments, net of bank indebtedness, at Aug. 31/11	\$5,367,873	\$5,388,685

Note: Please input "(Restated)" where Actual 2010 comparatives are not as presented in the finalized 2009/2010 Audited Financial Statements filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2011**

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+6+10+12+14	(5) TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	INTERNALLY RESTRICTED NET ASSETS												(14) External Reserves	(15) Capital Reserves
						(6) School & Instruction Related		(7) Operations & Maintenance		(8) Board & System Administration		(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, 2010	\$6,659,370	\$2,718,417	\$395,006	\$3,668,122	\$76,825	\$1,818,375	\$0	\$927,213	\$76,825	\$0	\$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	\$0	\$0	\$0	\$0			
Adjusted Balance, Aug. 31, 2010	\$6,659,370	\$2,718,417	\$395,006	\$3,668,122	\$76,825	\$1,818,375	\$0	\$927,213	\$76,825	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Excess (deficiency) of revenues over expenses	(\$61,388)		(\$61,388)																
Board funded capital additions		\$201,870	(\$201,870)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Disposal of unsupported capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Direct credits to net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Amortization of capital assets		(\$2,573,394)	\$2,573,394																
Amortization of capital allocations		\$2,071,524	(\$2,071,524)																
Debt principal repayments (unsupported)		\$0	\$0																
Net transfers to operating reserves			(\$1,932,212)	\$1,932,212		\$1,569,212		\$92,000		\$271,000		\$0		\$0		\$0			
Net transfers from operating reserves			\$1,683,167	(\$1,683,167)		(\$1,563,167)		\$0		(\$120,000)		\$0		\$0		\$0			
Net transfers to capital reserves			(\$31,996)		\$31,996				\$31,996										
Net transfers from capital reserves Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Balance at August 31, 2011	\$6,796,982	\$2,418,417	\$352,577	\$3,917,167	\$108,821	\$1,824,420	\$0	\$1,019,213	\$108,821	\$0	\$0	\$0	\$0	\$0	\$0	\$0			

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2011
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2010	\$13,584	\$34,229,688
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2010	\$13,584	\$34,229,688
Add:		
Restricted capital allocations from:		
Alberta Education school building and modular projects		
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
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
P3, other ASAP and Alberta infrastructure managed projects		\$16,349,959
Transferred in capital assets (amortizable, @ net book value)		\$0
Current year supported debenture principal repayment		\$300,846
Expended capital allocations - current year		\$0
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$2,071,524
Balance at August 31, 2011	\$13,584	\$48,808,969

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

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2011

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 120/2008. The regulation allows for the setting of conditions and use of grant monies. The School Division is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with 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:

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.

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 12).

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2011

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.

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.)

Vacation Pay

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

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.

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 \$ 253,127 for the year ended August 31, 2011 (2010 - \$209,229). At December 31, 2010, the Local Authorities Pension Plan reported a deficiency of \$4,635,250,000 (2009, a deficiency of \$3,998,614,000).

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.

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.

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2011

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*.

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.

3. CASH AND TEMPORARY INVESTMENTS

	2011			2010		
	Average Effective (Market) Yield	Cost	Fair Value	Average Effective (Market) Yield	Cost	Fair Value
Cash and cash equivalents	-	\$5,367,873	\$5,367,873	-	\$5,388,685	\$5,388,685
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>\$5,367,873</u>	<u>\$5,367,873</u>	%	<u>\$5,388,685</u>	<u>\$5,388,685</u>

4. ACCOUNTS RECEIVABLE

	2011	2010
Alberta Education	\$0	\$0
Alberta Finance	\$101,938	\$116,277
Federal Government	\$100,847	\$86,811
First Nations	0	0
Other Alberta School Divisions	0	0
Foundations	0	0
Other	\$774,910	\$697,759
Total	<u>\$977,695</u>	<u>\$900,847</u>

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2011

5. CAPITAL ASSETS

	Land	Construct-ion In Progress - Buildings	Buildings	Equipment - Computer Hardware & Software	Other Equipment	Vehicles	Total Aug. 31, 2011	Total Aug. 31, 2010
Estimated Useful life			25-40 Years	5 Years	5 Years	5 Years		
Historical cost								
September 1, 2010	\$1,109,249	\$0	\$54,979,994	\$6,323,680	\$0	\$93,218	\$62,506,141	\$61,644,936
Additions	\$0	\$16,349,959		\$201,870	\$0	\$0	\$16,551,829	\$876,541
Transfers in (out)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less disposals including write-offs	\$0	\$0	\$0	(\$40,650)	\$0		(\$40,650)	(\$15,336)
August 31, 2011	<u>\$1,109,249</u>	<u>\$16,349,959</u>	<u>\$54,979,994</u>	<u>\$6,484,900</u>	<u>\$0</u>	<u>\$93,218</u>	<u>\$79,017,320</u>	<u>\$62,506,141</u>
Accumulated amortization								
September 1, 2010	-	-	\$18,587,447	\$4,743,117	\$0	\$45,001	\$23,375,565	\$20,787,393
Amortization expense	-	-	\$1,999,470	\$555,928	\$0	\$17,996	\$2,573,394	\$2,603,508
Transfers in (out)	-	-	\$0	\$0	\$0	\$0	\$0	\$0
Effect of disposals	-	-	\$0	(\$40,650)	\$0	\$0	(\$40,650)	(\$15,336)
August 31, 2011	-	-	<u>\$20,586,917</u>	<u>\$5,258,395</u>	<u>\$0</u>	<u>\$62,997</u>	<u>\$25,908,309</u>	<u>\$23,375,565</u>
Net Book Value at August 31, 2011	<u>\$1,109,249</u>	<u>\$16,349,959</u>	<u>\$34,393,077</u>	<u>\$1,226,505</u>	<u>\$0</u>	<u>\$30,221</u>	<u>\$53,109,011</u>	<u>\$39,130,576</u>

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, 2011.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2011	2010
Alberta Education	\$745,635	\$675,818
Alberta Finance	100,414	116,277
Federal Government	371,176	384,201
First Nations	0	0
Other Alberta School Division s	0	0
Other Trade Payables and Accrued Liabilities	370,937	531,835
Total	<u>\$1,588,162</u>	<u>\$1,708,131</u>

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2011

8. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2010	ADD: 2010/2011 Restricted Funds Received/ Receivable	DEDUCT: 2010-2011 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2010-2011 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2011
Alberta Education Restricted Operational Funding:					
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	\$300,080	\$537,710	(\$272,291)	\$0	\$565,499
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 Authority)	\$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:	\$215,499	\$0	(\$215,499)	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Other Deferred Revenue:	\$0	\$0	\$0	\$0	\$0
Instruction material fees	\$61,805	\$404,513	(\$453,612)	\$0	\$12,706
	\$0	\$0	\$0	\$0	\$0
Total	\$577,384	\$942,223	(\$941,402)	\$0	\$578,205

9. TRUST ASSETS AND LIABILITIES

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

	2011	2010
Deferred Salary Leave Plan	\$0	\$0
Scholarship Trusts	0	0
Student Health Initiative Trust (SHI Banker Board)	0	157,444
Children and Youth with Complex Needs (Banker Board)	0	0
Alberta School Boards Association Zone 2/3	41,718	27,090
Total	\$41,718	\$184,534

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2011

10. LONG TERM DEBT

The debenture are held with Alberta Capital Finance Authority, bear interest at rates varying between 7.625% and 11.625%, and are fully supported by Alberta Finance.

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

	Principal	Interest	Total
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
2015-2016	270,046	63,406	333,452
2016 to maturity	423,953	54,505	478,458
Total	\$1,881,633	\$651,567	\$2,533,200

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.

13. COMMITMENTS

The Division is committed to an office lease agreement with the Catholic Archdiocese of Edmonton which expires June 30, 2012. Annual lease payments of \$31,015 are required during the term of the lease.

The Division has entered into an agreement with Enmax Energy for the provision of electricity services until December 31, 2015. Under the terms of the agreement the Division pays 5.532 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.

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2011

15. RELATED PARTY TRANSACTIONS

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

2010-2011	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta:				
Education	\$0	\$476,891	\$30,391,016	\$0
Infrastructure & Transportation	0	0	0	0
Finance	100,090	100,090	188,630	188,630
Health & Wellness	0	0	0	0
Human Resources/Employment	1,848	0	1,012	0
Other Gov't of Alberta departments	0	30	4,232	0
Other:				
Health authorities	0	0	0	0
Post-secondary institutions	0	0	0	0
Other Alberta School Divisions	0	0	0	0
Other related parties	0	0	0	0
TOTAL 2010-2011	<u>\$101,938</u>	<u>\$576,981</u>	<u>\$30,584,890</u>	<u>\$186,630</u>
TOTAL 2009-2010	<u>\$116,277</u>	<u>\$792,095</u>	<u>\$29,129,466</u>	<u>\$221,082</u>

16. 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.

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2011

17. 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
Trustee Bernakevitch	0.2	\$2,880	-\$178	\$0			\$320
Trustee Gauthier	0.8	\$10,540	\$1,677	\$0			\$4,696
Trustee MacLellan	1.0	\$12,672	\$0	\$0			\$3,150
Trustee Malowany	0.8	\$12,184	\$3,673	\$0			\$5,036
Trustee McBride	0.2	\$1,649	\$21	\$0			\$0
Trustee McKay - Vice Chair	1.0	\$17,319	\$4,070	\$0			\$8,862
Trustee Mueller	1.0	\$18,447	\$4,123	\$0			\$7,295
Trustee Vasseur - Chair	1.0	\$17,220	\$3,690	\$0			\$6,909
Trustee Walshe	1.0	\$12,015	\$3,913	\$0			\$3,306
Trustee Yaceyko	1.0	\$12,447	\$3,511	\$0			\$3,121
Subtotal	8.0	\$117,373	\$24,500	\$0			\$42,695
Superintendent - Vaselenak	1.0	\$149,294	\$16,148	\$0	\$0	\$0	\$7,086
Secretary-Treasurer - Gilbert	1.0	\$128,363	\$35,832	\$0	\$0	\$0	\$8,476
Certificated Teachers	210.7	\$18,385,428	\$2,113,886	\$0	\$0	\$0	
Non-certificated - Other	104.2	\$4,064,865	\$1,025,337	\$0	\$0	\$0	
TOTALS		\$22,845,323	\$3,215,703	\$0	\$0	\$0	

BUDGET AMOUNTS

The budget was prepared by the school Division and approved by the Board of Trustees on November 8, 2010. 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, 2011

	<u>2011</u> (Budget) (Note 18)	<u>2011</u> (Actual)	<u>2010</u> (Actual)
Contracted and professional services	\$ 1,069,801	\$ 980,760	\$ 1,158,640
Utilities	621,200	728,558	639,494
Supplies and materials	1,084,300	597,778	623,634
Maintenance and repairs	1,142,361	560,720	611,164
Furniture and equipment	623,806	510,673	541,605
Professional development	332,371	231,840	216,738
Textbooks	355,000	152,986	183,966
Rentals	109,500	139,231	151,425
Memberships and fees	176,369	131,539	141,940
Student transportation	151,336	110,365	103,193
Insurance	97,000	95,610	95,400
Library and media materials	82,800	72,724	74,776
Telephone services	77,600	69,210	64,332
Staff/community relations	56,500	66,084	52,866
Travel and subsistence	86,000	55,000	41,989
Other schools - tuition	100,000	52,875	80,674
Software support	50,000	32,430	50,576
Postage fees	30,750	18,399	21,890
Advertising	23,500	18,170	28,920
Bank charges	5,000	14,188	3,910
Vehicle operating costs	12,000	11,468	12,126
Printing and binding services	22,800	10,857	21,534
Correspondence courses	10,000	8,073	4,186
	<u>\$ 6,319,994</u>	<u>\$ 4,669,538</u>	<u>\$ 4,924,978</u>

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011
[School Act, Section 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 FAX 780-962-4664

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions. These schedules were submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Mrs. Jacqueline Gilbert

Name



Signature

14-Nov-11

Dated

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SCHEDULE A

School Jurisdiction Code: 0048

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2010/2011

REVENUES	ECS Instruction	Grades 1-12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration	External Services	TOTAL
(1) Alberta Education	\$1,386,208	\$25,527,432	\$3,156,687	\$320,709	\$0	\$0	\$30,391,016
(2) Other - Government of Alberta	\$0	\$3,865	\$190,009	\$0	\$0	\$0	\$193,874
(3) Federal Government and First Nations	\$0	\$29,519	\$3,912	\$0	\$2,134	\$0	\$35,565
(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) Instruction resource fees	\$17,520	\$356,288					\$373,808
(8) Transportation fees-ECS				\$0			\$0
(9) Transportation fees-Grades 1-12				\$12,055			\$12,055
(10) Other sales and services	\$0	\$1,07,437	\$5,779	\$0	\$39,262	\$102,793	\$255,271
(11) Investment income	\$0	\$60,909	\$8,072	\$0	\$4,404	\$0	\$73,385
(12) Gifts and donations	\$0	\$24,702	\$0	\$0	\$0	\$0	\$24,702
(13) Rental of facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14) Gross school generated funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) Amortization of capital allocations	\$0	\$101,167	\$1,970,357	\$0			\$2,071,524
(17) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$1,403,728	\$26,211,319	\$5,334,796	\$332,764	\$45,800	\$102,793	\$33,431,200
EXPENSES							
(19) Certificated salaries	\$630,703	\$17,599,542			\$213,840	\$90,637	\$18,534,722
(20) Certificated benefits	\$73,215	\$2,027,120			\$25,353	\$4,346	\$2,130,034
(21) Non-certificated salaries and wages	\$222,571	\$2,283,441	\$1,212,636	\$0	\$605,203	\$5,748	\$4,310,601
(22) Non-certificated benefits	\$64,638	\$606,871	\$264,218	\$0	\$148,879	\$1,052	\$1,085,668
(23) SUB - TOTAL	\$991,127	\$22,496,974	\$1,476,856	\$0	\$993,275	\$102,793	\$26,061,025
(24) Services, contracts and supplies	\$39,782	\$2,105,339	\$1,557,534	\$352,431	\$614,453	\$0	\$4,669,539
(25) Gross school generated funds	\$0	\$0					\$0
(26) Amortization of capital assets	\$0	\$467,804	\$2,028,246	\$0	\$77,344	\$0	\$2,573,394
(27) Interest and charges	\$0	\$0	\$188,630	\$0	\$0	\$0	\$188,630
(28) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$1,030,909	\$25,070,117	\$5,251,266	\$352,431	\$1,685,072	\$102,793	\$33,492,568
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$372,819	\$1,141,202	\$83,530	(\$19,667)	(\$1,639,272)	\$0	(\$61,388)

**SCHEDULE B
SCHOOL GENERATED FUNDS (SGF) - 2010/2011**

Unexpended SGF - Opening Balance August 31, 2010 (Note 1)			\$461,140
Sources of School Generated Funds:	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$470,668	\$411,193	\$59,475
Student fees (non-instructional) (note 1)	\$586,495	\$151,915	\$434,580
Donations and grants to schools	\$20,751	\$0	\$20,751
Other (describe): Sales/Commissions/Interest	\$315,962	\$261,475	\$54,487
Net Additions to SGF	\$1,393,876	\$824,583	\$569,293
Net SGF Available			\$1,030,433
Uses of Net School Generated Funds:			
Extra-curricular activities			\$268,971
Field trips			\$197,579
Other (describe): Student Awards, School Beautification, Equipment, Community Projects			\$101,348
Total Uses of Net SGF (Note 2)			\$567,898
Unexpended SGF - Closing Balance August 31, 2011 (Note 3)			\$462,535

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)

Notes:

- 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.
- 2 The sum of "total related expenses" and "total uses of net SGF" is reported as "gross school generated funds" in the Statement of Revenues & Expenses.
- 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.

**SCHEDULE C
OPERATIONS AND MAINTENANCE OF SCHOOLS & MAINTENANCE SHOPS PROGRAM EXPENSE DETAILS - 2010/2011**

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR & Modular Unit Relocations	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$1,035,267	\$104,500	\$0	\$0	\$72,971		\$1,212,638		\$1,212,638
Uncertificated benefits	\$236,525	\$19,855	\$0	\$0	\$7,838		\$264,218		\$264,218
Sub-total Remuneration	\$1,271,792	\$124,355	\$0	\$0	\$80,709		\$1,476,856		\$1,476,856
Supplies and services	\$135,550	\$409,882	\$66,744	\$258,572	\$0		\$870,748		\$870,748
Electricity			\$367,816				\$367,816		\$367,816
Natural gas/heating fuel			\$277,146				\$277,146		\$277,146
Sewer and water			\$0				\$0		\$0
Telecommunications			\$0				\$0		\$0
Insurance			\$0		\$41,824		\$41,824		\$41,824
Amortization of capital assets									
Supported								\$1,970,357	\$1,970,357
Unsupported						\$57,889	\$57,889		\$57,889
Total Amortization						\$57,889	\$57,889	\$1,970,357	\$2,028,246
Interest on capital debt									
Supported								\$188,630	\$188,630
Unsupported						\$0	\$0		\$0
Other interest charges						\$0	\$0		\$0
Losses on disposal of capital assets						\$0	\$0		\$0
TOTAL EXPENSES	\$1,407,342	\$534,237	\$711,706	\$258,572	\$122,533	\$57,889	\$3,092,279	\$2,158,987	\$5,251,266
SQUARE METRES									
School buildings									\$3,432,777
Non school buildings									0.0

Note:

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