

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO.28

Legal Name of School Jurisdiction

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Mailing Address

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO.28 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 budgetary system of 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 the Board 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 have full and free 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 for Alberta school jurisdictions.

BOARD CHAIRMAN

Brent Romanchuk

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Nancy Spencer-Poitras

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Bob Brown

Name

"ORIGINAL SIGNED"

Signature

26-Nov-07

Board-approved Release Date

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AUDITORS' REPORT

To the Board of Trustees of
BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO. 28

We have audited the statement of financial position of the **Buffalo Trail Public Schools Regional Division No. 28** as at August 31, 2007 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 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 school jurisdiction as at August 31, 2007 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.

The financial statements as at and for the year ended August 31, 2006 were audited by other auditors, who expressed an opinion without reservation on these statements in their report dated November 22, 2006.

Meyers Norris Penny LLP

November 26, 2007
Lloydminster, Saskatchewan

CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007

(in dollars)

	2007	2006 (Note)
ASSETS		
Current assets		
Cash and temporary investments	\$4,868,364	\$3,204,971
Accounts receivable (net after allowances)	\$920,398	\$1,140,396
Prepaid expenses	\$226,947	\$52,629
Other current assets	\$6,075	\$296,557
Total current assets	\$6,021,784	\$4,694,553
School generated assets	\$712,138	\$619,065
Trust assets	\$414,421	\$399,281
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$337,900	\$337,900
Buildings	\$66,462,532	
Less: accumulated amortization	(\$35,008,825)	\$33,087,974
Equipment	\$6,401,750	
Less: accumulated amortization	(\$4,486,991)	\$2,693,656
Vehicles	\$862,489	
Less: accumulated amortization	(\$575,724)	\$274,286
Total capital assets	\$33,993,131	\$36,393,816
TOTAL ASSETS	\$41,141,474	\$42,106,715
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,816,324	\$1,535,383
Deferred revenue	\$1,156,983	\$240,682
Deferred capital allocations	\$0	\$226,667
Current portion of all long term debt	\$1,493,766	\$1,551,596
Total current liabilities	\$4,467,073	\$3,554,328
School generated liabilities	\$712,138	\$619,065
Trust liabilities	\$414,421	\$399,281
Employee future benefits liability	\$4,666	\$4,666
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$7,674,219	\$8,844,737
Less: Current portion of supported debt	(\$1,095,632)	(\$1,170,517)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$398,134	\$779,213
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$398,134)	(\$381,079)
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$23,956,763	\$24,441,386
Total long term liabilities	\$31,666,575	\$33,536,752
TOTAL LIABILITIES	\$36,133,648	\$37,091,080
NET ASSETS		
Unrestricted net assets	\$1,914,871	\$1,375,120
Operating Reserves	\$1,119,939	\$1,303,033
Accumulated Operating Surplus (Deficit)	\$3,034,810	\$2,678,153
Investment in capital assets	\$1,964,014	\$2,328,480
Capital Reserves	\$9,002	\$9,002
Total Capital Funds	\$1,973,016	\$2,337,482
Total net assets	\$5,007,826	\$5,015,635
TOTAL LIABILITIES AND NET ASSETS	\$41,141,474	\$42,106,715

Note: Input "(Restated)" in 2006 column heading where comparatives are not taken from the finalized 2005-2006 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2007
(in dollars)

	Actual 2007	Budget 2007 (Note)	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$43,158,293	\$41,730,923	\$40,994,724
Federal Government and/or First Nations	\$123,979	\$96,000	\$124,834
Other Alberta school authorities	\$103,665	\$0	\$19,547
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$76,596	\$0	\$69,714
Instruction resource fees	\$361,963	\$616,256	\$403,906
Transportation fees	\$55,816	\$50,550	\$53,581
Other sales and services	\$594,713	\$0	\$744,782
Investment income	\$183,995	\$155,000	\$181,550
Gifts and donations	\$17,427	\$0	\$20,856
Rentals of facilities	\$26,971	\$26,500	\$18,750
Net school generated funds	\$794,438	\$950,000	\$952,010
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$1,881,807	\$1,822,520	\$1,976,668
Total Revenues	\$47,379,663	\$45,447,749	\$45,560,922
EXPENSES			
Certificated salaries	\$21,693,716	\$19,512,384	\$20,228,695
Certificated benefits	\$2,425,305	\$2,321,383	\$2,268,784
Non-certificated salaries and wages	\$5,788,490	\$5,259,237	\$5,903,199
Non-certificated benefits	\$1,482,169	\$1,185,444	\$1,484,967
Services, contracts and supplies	\$11,602,470	\$13,613,092	\$11,019,588
Net school generated funds	\$794,438	\$950,000	\$952,010
Capital and debt services			
Amortization of capital assets			
Supported	\$1,881,807	\$1,822,520	\$1,976,668
Unsupported	\$928,639	\$621,225	\$821,216
Total Amortization of capital assets	\$2,810,446	\$2,443,745	\$2,797,884
Interest on capital debt			
Supported	\$757,571	\$822,360	\$875,654
Unsupported	\$32,868	\$0	\$32,868
Total Interest on capital debt	\$790,439	\$822,360	\$908,522
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$45,917
Total Expenses	\$47,387,472	\$46,107,645	\$45,609,566
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$7,809)	(\$659,896)	(\$48,644)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$7,809)	(\$659,896)	(\$48,644)

Note: Input "(Restated)" in Budget 2007 and/or Actuals 2006 column headings where comparatives are not taken from the respective finalized 2006-2007 Budget Report and/or finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2007

(in dollars)

	2007	2006 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	(\$7,809)	(\$48,644)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,881,807)	(\$1,976,668)
Total amortization expense	\$2,810,446	\$2,797,884
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$45,917
Changes in accrued accounts:		
Accounts receivable	\$219,998	\$751,628
Prepays and other current assets	\$116,164	(\$126,343)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$280,941	\$264,984
Deferred revenue	\$916,301	(\$276,459)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$2,454,234	\$1,432,299
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$226,667)	\$0
Equipment	(\$99,610)	(\$1,488,643)
Vehicles	(\$83,484)	(\$173,546)
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$409,761)	(\$1,662,189)
C. FINANCING ACTIVITIES		
Capital allocations	\$0	\$0
Issue of long term debt	\$0	\$1,155,079
Repayment of long term debt	(\$1,551,597)	(\$1,660,231)
Add back: supported portion	\$1,170,517	\$1,284,366
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	(\$381,080)	\$779,214
Net sources (uses) of cash during year	\$1,663,393	\$549,324
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$3,204,971	\$2,655,647
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$4,868,364	\$3,204,971

Note: Input "(Restated)" in 2006 column heading where not taken from the finalized 2005-2006 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2007
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
Balance at August 31, 2006	\$5,015,635	\$2,328,480	\$1,375,120	\$1,303,033	\$9,002
Prior period adjustments (describe)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$5,015,635	\$2,328,480	\$1,375,120	\$1,303,033	\$9,002
Excess(def) of revenue over expenses	(\$7,809)		(\$7,809)		
Board funded capital transactions		\$183,094		(\$183,094)	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$2,810,446)	\$2,810,446		
Amortization of capital allocations		\$1,881,807	(\$1,881,807)		
Disposal of unsupported capital assets	\$0	\$0	\$0		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$381,079	(\$381,079)		
Net transfers to operating reserves			\$0	\$0	
Net transfers from operating reserves			\$0	\$0	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$5,007,826	\$1,964,014	\$1,914,871	\$1,119,939	\$9,002

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2007
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2006	\$226,667	\$24,441,386
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$226,667	\$24,441,386
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$0	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or 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
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$1,170,517
Expended capital allocations - current year	(\$226,667)	\$226,667
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$1,881,807
Balance at August 31, 2007	\$0	\$23,956,763

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

BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO. 28
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction 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 and 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.

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%
Equipment & Furnishings - 10% to 20%
Vehicles & Busses - 10% to 20%

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

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) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses.

f) Operating and Capital Reserves

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

g) Financial Instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and liabilities, trust assets and liabilities, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction 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 jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO. 28
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES - continued

h) 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.

i) Pensions

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

The current service 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 Buffalo Trail Public Schools Regional Division No. 28 does not make pension contributions for certificated staff.

j) Investments

Temporary investments are valued at the lower of cost or market value.

k) Recent Accounting Pronouncements

The Canadian Institute of Chartered Accountants issued new recommendations for the recognition and measurement of financial instruments, and amendments to the existing presentation and disclosure standards, effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2006. Section 3855 *Financial Instruments - Recognition and Measurement* establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Additionally Section 4400 *Not For Profit Organizations* will require presentation of gains, losses, revenues and expenses arising from derivatives, hedges and other financial instruments as separate components of the change in net assets. Transitional provisions are complex and vary based on the type of financial instruments under consideration. The Regional Division has not yet adopted these new standards on its financial statements.

3. CASH AND TEMPORARY INVESTMENTS

	2007	2006
Cash	\$ 2,868,365	\$ 1,704,971
Temporary Investments	2,000,000	1,500,000
	\$ 4,868,365	\$ 3,204,971

The investments are redeemable guaranteed investment certificates. They bear interest at 4.7%, and mature monthly.

4. ACCOUNTS RECEIVABLE

	2007	2006
Provincial government grants		
- interest on long-term debt	\$ 359,330	\$ 424,119
- other	49,548	239,901
GST recoverable	241,631	248,754
Other Accounts Receivable	269,889	227,622
	\$ 920,398	\$ 1,140,396

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2007	2006
Province of Alberta	\$ 359,330	\$ 424,119
Other Trade Payables and Accrued Liabilities	1,456,994	1,111,265
Employee Future Benefits Liability	4,666	4,666
	\$ 1,820,990	\$ 1,540,050

6. DEFERRED REVENUE

	2007	2006
IMR grants	\$ 1,002,856	-
Other grant funds	-	169,099
Other Deferred Revenues	154,127	71,583
	\$ 1,156,983	\$ 240,682

BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO. 28
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

7. LONG TERM DEBT - SUPPORTED

The debenture debt bears interest at rates varying between 7.5% and 12%. The debenture debt is fully supported by Alberta Finance. Interest paid on long term debt during 2007 was \$757,571 (2006 - \$875,654). Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2007-2008	\$ 1,095,632	\$ 822,360	\$ 1,917,992
2008-2009	1,059,732	601,040	1,660,772
2009-2010	1,007,294	37,397	1,044,691
2010-2011	920,085	401,176	1,321,261
2011-2012	752,541	314,548	1,067,089
2012-maturity	2,838,935	1,554,640	4,393,575
	<u>\$ 7,674,219</u>	<u>\$ 3,731,161</u>	<u>\$ 11,405,380</u>

8. LONG TERM DEBT - UNSUPPORTED

The jurisdiction has entered into a lease for computer equipment to meet all the needs of the jurisdiction. The lease term expires August 31, 2008. This lease is recorded as a capital lease, with the balance of \$389,134 (2006 - 779,213) to be repaid in the 2007-2008 school year.

9. TRUST ASSETS AND LIABILITIES

	2007	2006
Wilson Sloan Memorial	\$ 303,448	\$ 303,424
John Nicol Scholarship	22,524	23,481
Theaker Scholarship	30,000	30,000
Allan Quick Memorial Scholarship	51,642	35,781
Burpee Scholarship	6,810	6,595
	<u>\$ 414,424</u>	<u>\$ 399,281</u>

10. DEFERRED CAPITAL ALLOCATIONS

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

11. 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.

	2007	2006
Opening balance	\$ 24,441,386	\$ 25,133,688
Transfer from deferred capital allocations	226,667	-
Supported debenture and capital loan principal repayments	1,170,517	1,284,366
Less supported allocation for amortization	(1,881,807)	(1,976,668)
	<u>\$ 23,956,763</u>	<u>\$ 24,441,386</u>

12. OPERATING RESERVES

	Opening	Transfer to Reserve	Transfer from Reserve	Closing
Schools	\$ 171,407	\$ -	\$ -	\$ 171,407
C.O. Administration	47,591	-	-	47,591
District - van	24,200	-	-	24,200
Election	10,000	-	-	10,000
Lions Quest	26,064	-	-	26,064
C.O. building fund	212,909	-	-	212,909
Maintenance - general	556,068	-	(183,094)	372,974
Maintenance - vehicles	75,834	-	-	75,834
Family School Liaison Program	-	-	-	-
Transportation	149,171	-	-	149,171
Transportation - vehicles	4,000	-	-	4,000
Transportation - Edulog	25,789	-	-	25,789

BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO. 28
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

13. CAPITAL RESERVES

	Opening	Transfer to Reserve	Transfer from Reserve	Closing
Land	\$ 9,002	\$ -	\$ -	\$ 9,002

14. CONTINGENCIES

Contingent Asset

The jurisdiction 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 and is not an asset that the jurisdiction can liquidate.

Contingent Liability

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

15. RELATED PARTY TRANSACTIONS

School jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

All related-party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

2006-2007	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Government of Alberta:				
Education	\$ 224,964	\$ -	\$ 41,661,393	\$ -
Infrastructure and Transportation	-	1,002,556	739,329	-
Finance	-	-	757,571	757,571
Human Resources & Employment	-	-	-	-
Municipal Finance Corporation	359,330	359,330	-	-
Other Government of Alberta	49,548	30,000	76,596	103,665
Other:				
Health Authorities	-	-	-	-
Other Alberta school jurisdictions	-	28,697	103,665	182,166
Post-secondary Institutions	-	-	-	70,259
TOTAL 2006-2007	\$ 633,842	\$ 1,420,583	\$ 43,338,554	\$ 1,113,661
TOTAL 2005-2006	\$ 664,020	\$ 424,119	\$ 42,024,731	\$ 292,354

BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO. 28
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2007

16. DISCLOSURE OF SALARIES, BENEFITS AND REIMBURSED EXPENSES

	FTE	Salaries & Wages	Benefits	Total	Reimbursed Expenses
Brent Romanchuk (Chairman)	1	\$ 22,954	\$ 1,988	\$ 24,942	\$ 20,420
Gail Belanger (Trustee)	1	16,146	3,213	19,359	13,337
Larry Bell (Trustee)	1	17,951	5,314	23,265	8,213
Darcy Eddleston (Trustee)	1	13,571	5,189	18,760	8,090
Doreen Ford (Trustee)	1	15,834	2,134	17,968	7,714
David Nelson (Trustee)	1	14,808	4,508	19,316	9,305
Lucky Hinton (Trustee)	1	16,063	4,583	20,646	11,471
Lana Olsen (Trustee)	1	12,444	2,577	15,021	8,400
Richard Van Ee (Trustee)	1	12,662	4,423	17,085	9,996
Nancy Spencer-Poitras (Superintendent)	0.7	82,955	10,416	93,371	2,991
Greg Bass (Superintendent)	0.3	42,640	5,776	48,416	1,829
Pam Boomhower (Secretary-Treasurer)	0.6	28,417	6,248	34,665	1,362
Bob Brown (Board Treasurer)	0.5	49,833	7,865	57,698	153
Salaries - Certificated	286.1	21,568,121	2,409,113	23,977,234	-
Salaries and Wages - Uncertain	195.5	5,567,807	1,434,127	7,001,934	-
		\$ 27,482,206	\$ 3,907,474	\$ 31,389,680	

Note that the reimbursed expenses were recoveries of costs incurred while on school jurisdiction business and no personal expenses were paid by the school jurisdiction.

17. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Buffalo Trail Public Schools Regional Division No. 28's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

18. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. Several budget amounts were revised where necessary to reflect significant changes and presented to the Board of Trustees during the school year. The budget amounts are presented for information purposes only and have not been audited.

19. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2007 presentation.

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007
[School Act, Section 276]

BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO.28

Legal Name of School Jurisdiction

1041-10A STREET WAINWRIGHT, ALBERTA T9W 2R4

Mailing Address

PHONE 780-842-6144 FAX 780-842-3255

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 and submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

BOB BROWN, CMA
Name

"ORIGINAL SIGNED"
Signature

26-Nov-07

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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SCHEDULE E School Generated Funds (SGF)	5

SCHEDULE A

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2006-2007

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$42,345,374	\$30,890,143	\$4,962,902	\$4,786,101	\$1,706,228	\$0
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$757,571		\$757,571			\$0
(4) Other - Government of Alberta	\$55,348	\$0	\$55,348	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$123,979	\$112,569	\$11,410	\$0	\$0	\$0
(6) Other Alberta school authorities	\$103,665	\$0	\$0	\$0	\$0	\$103,665
(7) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(8) Alberta municipalities (excl. supplementary requisitions)	\$76,596	\$0	\$0	\$0	\$0	\$76,596
(9) Instruction resource fees	\$361,963	\$361,963				
(10) Transportation fees	\$55,816			\$55,816		
(11) Other sales and services	\$594,712	\$397,448	\$111,158	\$0	\$2,038	\$84,069
(12) Investment income	\$183,995	\$183,995	\$0	\$0	\$0	\$0
(13) Gifts and donations	\$17,427	\$17,427	\$0	\$0		\$0
(14) Rentals of facilities	\$26,971	\$16,171	\$10,800	\$0	\$0	\$0
(15) Net school generated funds	\$794,438	\$794,438			\$0	
(16) Gains on disposal of capital assets	\$0		\$0	\$0	\$0	\$0
(17) Amortization of capital allocations	\$1,881,807	\$125,312	\$1,756,495	\$0		\$0
(18) TOTAL REVENUES	\$47,379,663	\$32,899,466	\$7,665,684	\$4,841,917	\$1,708,266	\$264,330
EXPENSES						
(19) Certificated salaries	\$21,693,716	\$21,441,583			\$252,133	\$0
(20) Certificated benefits	\$2,425,305	\$2,404,566			\$20,739	\$0
(21) Non-certificated salaries and wages	\$5,788,490	\$3,332,745	\$1,580,019	\$113,593	\$663,120	\$99,013
(22) Non-certificated benefits	\$1,482,169	\$905,802	\$354,508	\$28,611	\$176,810	\$16,437
(23) SUB - TOTAL	\$31,389,679	\$28,084,696	\$1,934,528	\$142,204	\$1,112,801	\$115,450
(24) Services, contracts & supplies	\$11,602,470	\$3,437,306	\$2,793,182	\$4,633,116	\$590,721	\$148,146
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$794,438	\$794,438				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$1,881,807	\$125,312	\$1,756,495	\$0	\$0	\$0
(28) Unsupported	\$928,639	\$643,749	\$269,464	\$5,320	\$10,106	\$0
(29) Total Amortization	\$2,810,446	\$769,061	\$2,025,959	\$5,320	\$10,106	\$0
Interest on capital debt						
(30) Supported	\$757,571	\$0	\$757,571	\$0	\$0	\$0
(31) Unsupported	\$32,868	\$32,868	\$0	\$0	\$0	\$0
(32) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$47,387,472	\$33,118,369	\$7,511,239	\$4,780,640	\$1,713,628	\$263,596
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$7,809)	(\$218,903)	\$154,445	\$61,277	(\$5,362)	\$734

**SCHEDULE B
ALBERTA EDUCATION REVENUE 2006-2007**

	TOTAL
Base Funding	\$23,949,399
Additional Funding for Differential Cost Factors	\$15,508,443
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$1,259,088
Student Health Initiative (SHI)	\$0
Alberta Initiative for School Improvement (AISi)	\$578,908
SuperNet Services	\$138,966
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$0
Regional Consortium and Regional Educational Consulting Services	\$0
Learning Resources Credit Allocation	\$65,171
Infrastructure Maintenance Renewal (IMR)	\$739,328
Other Funding from Alberta Education (describe): french initiative grant	\$106,072
Total Alberta Education Revenues	\$42,345,374

**SCHEDULE C
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2006-2007**

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Non-certificated Remuneration	Services, Contracts & Supplies	Learning Resources	Cost Recoveries between programs	Other Expenses	TOTAL EXPENSES
School Administration & Instruction Support	\$1,699,516	\$964,545	\$199,815		\$0	\$0	\$2,863,876
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$917,687	\$595,074	\$4,381		\$0		\$1,517,143
ECS Program Unit (PUF)	\$44,600	\$388,956	\$108,697		\$0		\$542,253
Severe Disabilities (Gr 1-12)	\$714,086	\$1,295,957	\$208,702		\$0		\$2,218,744
English as a Second Language (ESL)	\$115,537	\$40,000	\$13,224		\$0		\$168,761
French Language & Francisation	\$107,803	\$0	\$0		\$0		\$107,803
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$5,600	\$0		\$0		\$5,600
First Nations, Metis and Inuit Education	\$120,000	\$22,000	\$22,076		\$0		\$164,076
Alberta Initiative for School Improvement	\$346,458	\$35,360	\$204,204	\$0	\$0		\$586,023
Student Health Initiative	\$0	\$0	\$0		\$0		\$0
SuperNet Service			\$190,834		\$0		\$190,834
Class Size Initiative	\$1,360,000	\$0	\$0	\$0	\$0		\$1,360,000
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$18,420,463	\$891,054	\$2,420,201	\$202,618	\$0	\$1,670,798	\$23,393,257
TOTAL EXPENSES	\$23,846,149	\$4,238,547	\$3,372,134	\$202,618	\$0	\$1,670,798	\$33,118,369

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE	FTE
	Certificated	Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	11.5	27.0
ECS Program Unit (PUF)	0.5	17.1
Severe Disabilities (Gr 1-12)	8.9	58.9

**SCHEDULE D
BOARD AND SYSTEM ADMINISTRATION
2006-2007 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

TOTAL EXPENSES	\$47,387,472
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expense:	
If "Total Net Enrolled Students" are 6,000 and over = 4%	4.84%
If "Total Net Enrolled Students" are 2,000 and less = 6%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 0.75% plus 4% = maximum expense limit of 4.75%).	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expense:	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$2,293,791
Considerations for Charter Schools and Small School Boards	
If Charter School , enter \$58,366	\$0
If School Board , please enter your 2006-2007 Gr 1 - 12 funded enrolmen	0
	\$0
2006-2007 MAXIMUM EXPENSE LIMIT	\$2,293,791
Less: 2006/2007 Board and System Administration expenses	-\$1,713,628
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$580,163

**SCHEDULE E
SCHOOL GENERATED FUNDS (SGF) - 2006-2007**

Unexpended SGF - Opening Balance August 31, 2006	\$619,065																								
Sources of School Generated Funds:																									
	<table border="1"> <thead> <tr> <th></th> <th>Gross SGF</th> <th>Related Expenses</th> <th>Net SGF</th> </tr> </thead> <tbody> <tr> <td>Fundraising activities</td> <td align="right">\$1,369,073</td> <td align="right">\$741,433</td> <td align="right">\$627,640</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td align="right">\$142,932</td> <td align="right">\$47,405</td> <td align="right">\$95,528</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="right">\$164,343</td> <td align="right">\$0</td> <td align="right">\$164,343</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$0</td> <td align="right">\$0</td> <td align="right">\$0</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="right">\$1,676,348</td> <td align="right">\$788,838</td> <td align="right">\$887,511</td> </tr> </tbody> </table>		Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$1,369,073	\$741,433	\$627,640	Student fees (Non-Instructional) (Note 1)	\$142,932	\$47,405	\$95,528	Donations and grants to schools	\$164,343	\$0	\$164,343	Other (describe):	\$0	\$0	\$0	Net Additions to SGF	\$1,676,348	\$788,838	\$887,511
	Gross SGF	Related Expenses	Net SGF																						
Fundraising activities	\$1,369,073	\$741,433	\$627,640																						
Student fees (Non-Instructional) (Note 1)	\$142,932	\$47,405	\$95,528																						
Donations and grants to schools	\$164,343	\$0	\$164,343																						
Other (describe):	\$0	\$0	\$0																						
Net Additions to SGF	\$1,676,348	\$788,838	\$887,511																						
Net SGF Available	\$1,506,576																								
Uses of Net School Generated Funds:																									
	<table border="1"> <tbody> <tr> <td>Extra-curricular activities</td> <td align="right">\$618,002</td> </tr> <tr> <td>School site beautification</td> <td align="right">\$3,429</td> </tr> <tr> <td>Field Trips</td> <td align="right">\$120,571</td> </tr> <tr> <td>Equipment</td> <td align="right">\$40,347</td> </tr> <tr> <td>Family literacy and other community resources</td> <td align="right">\$12,089</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$0</td> </tr> <tr> <td>Total Uses of Net SGF (Note 2)</td> <td align="right">\$794,438</td> </tr> </tbody> </table>	Extra-curricular activities	\$618,002	School site beautification	\$3,429	Field Trips	\$120,571	Equipment	\$40,347	Family literacy and other community resources	\$12,089	Other (describe):	\$0	Total Uses of Net SGF (Note 2)	\$794,438										
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Other (describe):	\$0																								
Total Uses of Net SGF (Note 2)	\$794,438																								
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$712,138																								

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 fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and 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:**
- 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.
 - Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.
 - Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.