

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

CALGARY BOARD OF EDUCATION

Legal Name of School Jurisdiction

515 MACLEOD TRAIL S.E. CALGARY, ALBERTA T2G 2L9

Mailing Address

Tel: (403) 294-8211 Fax: (403) 294-8254

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of CALGARY BOARD OF EDUCATION 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

PATRICIA COCHRANE

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

DR. BRENDAN J. CROSKERY

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

DONALD M. DART

Name

"ORIGINAL SIGNED"

Signature

27-Nov-07

Board-approved Release Date

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AUDITORS' REPORT TO THE BOARD OF TRUSTEES

We have audited the statement of financial position of the Calgary Board of Education (the "Corporation") 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, which are presented in the format prescribed by Alberta Education, are the responsibility of the Calgary Board of Education's Administration. 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 an audit to obtain reasonable assurance 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 Corporation as at August 31, 2007 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles and the presentation requirements of Alberta Education.

Chartered Accountants

Calgary, Canada
November 7, 2007

STATEMENT OF FINANCIAL POSITION
as at August 31, 2007

(in dollars)

	2007	2006 (Note) Reclassified
ASSETS		
Current assets		
Cash and temporary investments	\$148,465,530	\$105,566,602
Accounts receivable (net after allowances)	\$11,068,053	\$18,376,500
Prepaid expenses	\$2,727,656	\$1,933,668
Other current assets	\$640,677	\$640,028
Total current assets	\$162,901,916	\$126,516,798
School generated assets	\$13,966,226	\$13,662,864
Trust assets	\$0	\$0
Long term accounts receivable	\$0	\$0
Long term investments	\$45,790,235	\$24,680,696
Capital assets		
Land	\$2,962,279	\$2,962,279
Buildings	\$682,372,051	
Less: accumulated amortization	(\$297,192,943)	\$372,736,313
Equipment	\$120,660,652	
Less: accumulated amortization	(\$75,774,282)	\$44,886,370
Vehicles	\$5,841,105	
Less: accumulated amortization	(\$3,604,947)	\$2,236,158
Total capital assets	\$435,263,915	\$417,599,997
TOTAL ASSETS	\$657,922,292	\$582,460,355
LIABILITIES		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$68,482,374	\$63,161,392
Deferred revenue	\$51,544,670	\$16,159,061
Deferred capital allocations	\$9,626,446	\$7,633,628
Current portion of all long term debt	\$8,118,868	\$8,886,402
Total current liabilities	\$137,772,358	\$95,840,483
School generated liabilities	\$13,966,226	\$13,662,864
Trust liabilities	\$0	\$0
Employee future benefits liability	\$24,568,220	\$26,434,143
Long term payables and accrued liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$41,396,918	\$50,008,916
Less: Current portion of supported debt	(\$7,855,171)	(\$8,611,998)
Unsupported: Debentures and Capital Loans	\$0	\$0
Capital Leases	\$2,213,661	\$2,475,943
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$263,697)	(\$274,404)
Other long term liabilities	\$1,287,455	\$0
Unamortized capital allocations	\$321,090,011	\$308,164,789
Total long term liabilities	\$396,403,623	\$391,860,253
TOTAL LIABILITIES	\$534,175,981	\$487,700,736
NET ASSETS		
Unrestricted net assets	\$826,678	\$0
Operating Reserves	\$23,447,810	\$18,217,244
Accumulated Operating Surplus (Deficit)	\$24,274,488	\$18,217,244
Investment in capital assets	\$69,275,871	\$56,950,348
Capital Reserves	\$30,195,952	\$19,592,027
Total Capital Funds	\$99,471,823	\$76,542,375
Total net assets	\$123,746,311	\$94,759,619
TOTAL LIABILITIES AND NET ASSETS	\$657,922,292	\$582,460,355

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) Restated	Actual 2006 (Note)
REVENUES			
Government of Alberta	\$780,399,640	\$799,391,741	\$739,874,488
Federal Government and/or First Nations	\$2,681,909	\$2,339,212	\$2,642,842
Other Alberta school authorities	\$1,154,397	\$968,951	\$1,097,656
Out of province authorities	\$217,217	\$170,000	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$1,211,202	\$1,452,451	\$1,118,105
Instruction resource fees	\$7,228,144	\$6,908,316	\$7,189,000
Transportation fees	\$5,238,841	\$5,728,500	\$5,177,656
Other sales and services	\$21,894,084	\$18,489,612	\$20,373,715
Investment income	\$7,241,094	\$3,925,900	\$4,864,262
Gifts and donations	\$1,312,800	\$1,088,244	\$884,723
Rentals of facilities	\$6,748,140	\$6,339,800	\$6,275,409
Net school generated funds	\$7,443,795	\$11,856,455	\$6,933,497
Gains on disposal of capital assets	\$7,975,270	\$9,126,770	\$52,819
Amortization of capital allocations	\$16,378,146	\$16,321,957	\$14,418,487
Total Revenues	\$867,124,679	\$884,107,909	\$810,902,659
EXPENSES			
Certificated salaries	\$438,034,673	\$440,780,675	\$417,206,169
Certificated benefits	\$53,483,685	\$52,614,768	\$50,233,967
Non-certificated salaries and wages	\$130,837,286	\$136,596,664	\$124,958,579
Non-certificated benefits	\$27,905,836	\$30,611,261	\$29,192,434
Services, contracts and supplies	\$150,216,434	\$161,452,745	\$137,280,031
Net school generated funds	\$7,443,795	\$11,856,455	\$6,933,497
Capital and debt services			
Amortization of capital assets			
Supported	\$16,378,146	\$16,321,957	\$14,418,487
Unsupported	\$9,016,558	\$9,109,015	\$7,759,078
Total Amortization of capital assets	\$25,394,704	\$25,430,972	\$22,177,565
Interest on capital debt			
Supported	\$4,608,315	\$4,608,315	\$5,521,522
Unsupported	\$0	\$0	\$67,965
Total Interest on capital debt	\$4,608,315	\$4,608,315	\$5,589,487
Other interest charges	\$213,259	\$149,900	\$82,563
Losses on disposal of capital assets	\$0	\$0	\$0
Total Expenses	\$838,137,987	\$864,101,755	\$793,654,292
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$28,986,692	\$20,006,154	\$17,248,367
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$28,986,692	\$20,006,154	\$17,248,367

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) Reclassified
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	\$28,986,692	\$17,248,367
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$16,378,146)	(\$14,418,487)
Total amortization expense	\$25,394,704	\$22,177,565
Gains on disposal of capital assets	(\$7,975,270)	(\$52,819)
Losses on disposal of capital assets	\$0	\$0
Changes in accrued accounts:		
Accounts receivable	\$7,308,447	\$11,403,204
Prepays and other current assets	(\$794,637)	\$201,978
Long term accounts receivable	\$0	\$0
Long term investments	(\$21,109,539)	(\$678,515)
Payables and accrued liabilities	\$5,320,982	\$4,758,986
Deferred revenue	\$35,385,609	(\$6,795,131)
Employee future benefit expense (recovery)	(\$1,865,923)	\$2,450,131
Other (describe) Wkg cap. changes in investing & financing activities	\$18,126,924	\$1,119,151
Total sources (uses) of cash from Operations	\$72,399,843	\$37,414,430
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$27,067,401)	(\$49,358,850)
Equipment	(\$14,268,883)	(\$12,789,017)
Vehicles	(\$488,341)	(\$417,879)
Net proceeds from disposal of capital assets	\$8,007,518	\$54,808
Other (describe) Chg in wkg cap. components & lg term investments	(\$25,169,984)	\$2,741,626
Total sources (uses) of cash from Investing activities	(\$58,987,091)	(\$59,769,312)
C. FINANCING ACTIVITIES		
Capital allocations	\$22,705,396	\$42,875,729
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$8,874,280)	(\$8,756,522)
Add back: supported portion	\$8,611,997	\$8,756,522
Other (describe) Change in working capital components	\$7,043,063	(\$3,860,779)
Total sources (uses) of cash from Financing activities	\$29,486,176	\$39,014,950
Net sources (uses) of cash during year	\$42,898,928	\$16,660,068
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	\$105,566,602	\$88,906,534
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$148,465,530	\$105,566,602

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	\$94,759,619	\$56,950,348	\$0	\$18,217,244	\$19,592,027
<u>Prior period adjustments (describe)</u>					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2006	\$94,759,619	\$56,950,348	\$0	\$18,217,244	\$19,592,027
Excess(def) of revenue over expenses	\$28,986,692		\$28,986,692		
Board funded capital transactions		\$21,112,046	(\$21,112,046)	\$0	\$0
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$25,394,704)	\$25,394,704		
Amortization of capital allocations		\$16,378,146	(\$16,378,146)		
Disposal of unsupported capital assets	\$0	(\$32,248)	\$32,248		
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$262,283	(\$262,283)		
Net transfers to operating reserves			(\$5,230,566)	\$5,230,566	
Net transfers from operating reserves			\$0		
Net transfers to capital reserves			(\$15,941,822)		\$15,941,822
Net transfers from capital reserves			\$5,337,897		(\$5,337,897)
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2007	\$123,746,311	\$69,275,871	\$826,678	\$23,447,810	\$30,195,952

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	\$7,633,628	\$308,164,789
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2006	\$7,633,628	\$308,164,789
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	\$21,275,162	
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	\$278,734	
Other capital grants and donations	\$0	
Net Proceeds on disposal of supported capital assets	\$1,151,500	
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		\$8,611,997
Expended capital allocations - current year	(\$20,712,578)	\$20,712,578
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other		\$21,207
Capital allocations amortized to revenue		\$16,378,146
Balance at August 31, 2007	\$9,626,446	\$321,090,011

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

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2007

1. ORGANIZATION

The Calgary Board of Education (the "Corporation") is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act* (Alberta). The Corporation is registered as a charitable organization under the *Income Tax Act* (Canada) and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes.

The Corporation provides a full range of educational services for all instructional programs ranging from Kindergarten through Grade 12. In addition, the Corporation demonstrates its commitment to life-long learning by offering continuing education programs for adults.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements of the Corporation have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). A precise determination of many assets and liabilities is dependent upon future events and involves the use of estimates and approximations, which have been made using professional judgment. Actual results could differ from these estimates or approximations. In administration's opinion, these financial statements have been prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

The financial operations of EducationMatters (formerly The Calgary Board of Education Foundation) (see Note 14 (b)) are not consolidated in these financial statements.

Budget information (unaudited) presented on the Statement of Revenue and Expense and on the related schedules is for information purposes only and represents the original budget submitted to Alberta Education in June, 2006, as amended during the fiscal year to reflect identified changes in circumstances relating to operating and program changes. The Board of Trustees approves the original budget and monitors all subsequent changes through quarterly reports of revisions and amendments.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and short-term investments with original maturity of 90 days or less. Investments in cash equivalents are made in compliance with the *School Act*, *Trustee Act* or other authorization from Alberta Education.

(c) Investments

Investments are made in compliance with the *School Act*, *Trustee Act* or other authorization from Alberta Education. As well, in accordance with the Corporation's administrative regulations, investments are made only in companies that are socially

responsible and ethically managed, as recommended by the appointed external investment counsel in consultation with appointed officers of the Corporation.

Short-term investments are investments held with a maximum of a one-year view to ensure the timely settlement of the Corporation's financial obligations. Investments may consist of treasury bills and money market investments.

Long-term investments are investments held for a period of approximately three to five years, unless significant unforeseen factors occur. Long-term investments may include corporate and government bonds and equities, and are recorded at cost.

Investments are recorded as of the date of acquisition and are stated at cost plus accrued interest. Gains on sales of investments are recognized in the year of disposal. Losses are recognized in the year of disposal or, for long-term investments, when there is an other-than-temporary impairment in the value of an investment. Interest and dividends are included in income on the accrual basis.

(d) Inventories

Inventories consist of maintenance and school supplies and are valued at the lower of average cost and replacement cost, or net realizable value. The inventory is recorded as an expense when items are shipped to schools or departments.

(e) Capital Assets and Capital Revenue

Capital assets are recorded at cost. Amortization is calculated on a straight-line basis at rates which are intended to amortize the cost of the capital assets over their estimated useful lives. The amortization rates applied are as follows:

Land improvements	25 years
Buildings	25 - 40 years
Furniture and equipment	5-10 years

No amortization is provided on construction in progress, as these assets are not ready and available for use. Once completed and placed into use, these assets are amortized in accordance with the Corporation's accounting policy.

Certain capital assets, including new school construction and major renovations (except administrative buildings and replacement of equipment and vehicles), are funded by Alberta Education when approved, based on three-year capital plans. When received, capital grants for these assets are deferred and reflected in revenue and matched to the amortization expense over the lives of the related assets.

(f) Asset Retirement Obligation

The Corporation recognizes the fair value of an Asset Retirement Obligation ("ARO") in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets. Certain building assets contain some asbestos. Although the asbestos is appropriately contained in accordance with environmental regulations, it is the Corporation's practice to, if necessary, remediate any asbestos upon disposal of a long-lived

asset. The Corporation recognizes an ARO only when a disposal date is determined for those assets that have been approved by the Board of Trustees for disposition and when the fair value of the liability can be reasonably determined.

The fair value of the estimated ARO is recorded as a long term liability, with a corresponding increase in the carrying value of the asset. In periods subsequent to initial measurement, the passage of time results in liability increases and the amount of this accretion is charged against income. The liability is also adjusted for revisions to previously used estimates.

Asset retirement obligations have not been recognized for those building locations where the Board has not approved them for disposition.

(g) Revenue Recognition

Revenues are recognized when they are earned. Grants received, restricted donations and fees collected, in advance of the provision or use of related services, are deferred.

Unrestricted cash donations are recognized as revenue when they are received. Donations of materials and services, that would otherwise have been purchased, are recorded at fair market value when an estimated fair market value can be reasonably determined.

Funds donated by individuals or organizations for the purpose of establishing scholarships and bursaries, are accounted for as deferred revenues. Interest is calculated on each scholarship fund balance and is accrued for the benefit of the recipients of the fund. Individual scholarship payments are made to the recipients of the scholarships and bursaries in accordance with the various scholarship agreements, and a corresponding amount is recognized as revenue at that time.

The amortization of capital assets funded by Alberta Education and Alberta Infrastructure and Transportation is expensed annually and is offset by a corresponding amount of revenue arising from the recognition in that year of related capital grants.

Each year, volunteers contribute a considerable number of hours which support the delivery of certain programs within schools. Due to the difficulty of determining or otherwise estimating these hours, and the fact that these services are not otherwise purchased, the value of these contributed services is not quantified nor recognized in these financial statements.

(h) Proceeds on Disposal of Capital Assets

The proceeds on disposal of capital assets are applied to fund future capital asset expenditures. Pursuant to Provincial regulations, the allocation of proceeds for each asset disposal is based upon the relative contribution from the Province of Alberta and the Corporation to fund the original purchase of the disposed asset. Proceeds relating to provincially funded assets are recorded as deferred capital allocations until a provincially approved capital expenditure is made. Proceeds relating to Corporation funded assets are reflected as income and a corresponding amount is transferred to capital reserves until a Board of Trustee approved capital expenditure to be financed from capital reserves is made.

(i) School Generated Funds

These financial statements include revenues arising from certain school and student activities which are controlled and administered locally by each school but for which the Corporation is accountable. When schools undertake fundraising for extra-curricular activities, the related costs are netted against the amount of related school generated funds revenue.

(j) Pensions

The Corporation's certificated employees are required to contribute to the Alberta Teachers' Retirement Fund, a multi-employer pension plan. This defined benefit pension plan is the responsibility of the Province of Alberta and these employee members. Accordingly, no disclosure has been made in these financial statements relating to the effects of participation in the pension plan by the Corporation's certificated employees.

The Corporation and its uncertificated employees participate in the Local Authorities Pension Plan, a multi-employer pension plan. Pension costs included in these financial statements comprise the cost of employer contributions for current service of participating employees during the year.

The Corporation has established a Supplemental Integrated Pension Plan (SiPP) for certain members of senior administration comprised of both a registered and non-registered portion. The plan provides a supplement to the Local Authorities Pension Plan or Alberta Teachers' Retirement Fund (as appropriate) to provide an annual retirement benefit of 2% of total earnings. The cost of this SiPP is sponsored by the Corporation and actuarially determined using the projected benefit method prorated on service and managements' best estimate of expected salary and benefit escalation, retirement ages of employees and plan investment performance. As at August 31, 2007 plan assets held in trust are invested in a mix of cash, bonds, and Canadian and international equities. Plan assets are valued at cost, which approximates market value, and the plan is fully funded by separately designated plan assets. Changes to the actuarially determined obligation are recognized and expensed as of the applicable date to ensure the plan is fully funded. The most recent actuarial valuation of the obligation was performed as at August 31, 2006.

(k) Employee Future Benefit Plans

The Corporation has a number of defined benefit plans providing post-employment and post-retirement benefits for supplementary health care, dental care, life insurance and retiring allowances. These plans are not funded by separately designated plan assets.

For employee future benefit plans other than pension plans, the Corporation accrues its obligations, and expenses the related costs, in accordance with the terms of various collective agreements and other contracts of employment. The cost of employee future benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of salary escalation, retirement ages of employees, and expected provincial and supplementary health care costs and dental

care costs. The actuarially determined benefit obligation from the initial application of this policy is being amortized over the average remaining service period of employees active at September 1, 2000, the beginning of the fiscal year in which this policy was implemented. The balance of any unrecognized net plan experience, including changes in actuarial basis, in excess of 10% of the greater of the actuarial benefit obligation and the market value of plan assets is amortized over the average remaining service lifetime of the active members as of the applicable date. When changes to employee future benefit plans are negotiated, the related financial impacts are recognized when an agreement has been reached by the Corporation and the applicable group of employees. Effective January 1, 2011, employees will pay 100% of the post retirement benefit premium costs.

The Corporation measures its accrued benefit obligations under these plans for accounting purposes as at August 31 of each year. The most recent actuarial valuation of post-retirement and post-employment benefit plans was as of August 31, 2006. The next required valuation will be as of August 31, 2009.

(l) Financial Instruments

The Corporation's financial instruments consist of cash and cash equivalents, cash held by schools, short-term investments, accounts receivable, long-term investments, outstanding cheques, bank indebtedness, accounts payable and accrued liabilities, and long-term liabilities. It is administration's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted in Notes #3 and #9, as determined by market comparisons, the fair values of these financial instruments approximate their carrying values.

(m) Future Accounting Standards

CBE has not implemented the new accounting standards on financial instruments (section 3855 Financial Instruments - recognition and measurement, section 3865 Hedges and section 1530 Comprehensive Income) in the current year financial statements. In accordance with the requirements of those standards they will be adopted for the financial year ending August 31, 2008. The impact of adopting these new standards will be evaluated by management in 2007/08.

3. CASH AND CASH EQUIVALENTS, INVESTMENTS AND BANK INDEBTEDNESS

	2007				
	Cash and cash equivalents	Investments at Cost			Market Value
		Short-Term	Long-Term	Total	
<u>Cash and Fixed Income Investments</u>					
Bank balances	\$ 1,103,439	\$ -	\$ -	\$ 1,103,439	\$ 1,103,439
Outstanding cheques	(1,762,156)	-	-	(1,762,156)	(1,762,156)
Money market investments	95,999,566	52,632,076	11,404,206	160,035,848	160,619,912
Canadian bonds	-	-	14,852,703	14,852,703	14,312,415
Supplemental Integrated Pension Plan Assets (see note 9(b))	-	492,605	-	492,605	509,353
Restricted long-term investment (1)	-	-	2,213,661	2,213,661	2,213,661
<u>Equity Investments</u>					
Canadian equities	-	-	5,560,025	5,560,025	7,886,510
U.S. equity pooled funds	-	-	5,366,642	5,366,642	5,297,509
International equity pooled funds	-	-	6,392,998	6,392,998	6,981,360
Total at Cost	<u>\$ 95,340,849</u>	<u>\$ 53,124,681</u>	<u>\$ 45,790,235</u>	<u>\$194,255,765</u>	
Total at Market Value	<u>\$ 95,563,521</u>	<u>\$ 53,491,874</u>	<u>\$ 48,106,607</u>		<u>\$197,162,003</u>

(1) Restricted long-term investment relates to cash collateral requirements as a result of capital leases entered into during the year ended August 31, 2004, 2005 and 2006 (see Note 9).

	2006				
	Cash and cash equivalents	Investments at Cost			Market Value
		Short-Term	Long-Term	Total	
<u>Cash and Fixed Income Investments</u>					
Bank balances	\$ 1,628,857	\$ -	\$ -	\$ 1,628,857	\$ 1,628,857
Outstanding cheques	(2,273,257)	-	-	(2,273,257)	(2,273,257)
Money market investments	70,185,221	35,798,188	4,549,161	110,532,570	111,008,730
Canadian bonds	-	-	9,917,244	9,917,244	9,766,391
Supplemental Integrated Pension Plan Assets (see note 9(b))	-	227,593	-	227,593	227,593
Restricted long-term investment (1)	-	-	2,475,943	2,475,943	2,475,943
<u>Equity Investments</u>					
Canadian equities	-	-	4,126,693	4,126,693	5,524,266
U.S. equity pooled funds	-	-	1,628,132	1,628,132	1,611,626
International equity pooled funds	-	-	1,983,522	1,983,522	2,206,476
Total at Cost	<u>\$ 69,540,822</u>	<u>\$ 36,025,781</u>	<u>\$ 24,680,695</u>	<u>\$130,247,298</u>	
Total at Market Value	<u>\$ 69,748,166</u>	<u>\$ 36,273,156</u>	<u>\$ 26,155,303</u>		<u>\$132,176,625</u>

(1) Restricted long-term investment relates to cash collateral requirements as a result of capital leases entered into during the year ended August 31, 2004, 2005 and 2006 (see Note 9).

General Operating and Other Bank Indebtedness

The Corporation maintains lines of credit that have been negotiated with its bankers for general operating purposes. As at August 31, 2007, no amount has been drawn against the Corporation's general operating line of credit.

Yields on current and long-term investments reflect the cash value of all dividends, interest or other payments received or receivable on active investment instruments. These yields do not include any realized or unrealized capital gains of the underlying market values of the instruments. At August 31, 2007 the yields on these investments were as follows:

	<u>2007</u>		<u>2006</u>	
	Effective or Market Yield	Cost	Effective or Market Yield	Cost
<u>Cash Equivalents</u>				
Money Market Investments	4.21%	\$ 95,999,566	4.26%	\$ 70,185,221
<u>Short-Term Investments</u>				
Bonds	-	-	-	-
Money Market Investments	4.74%	52,632,076	4.28%	35,798,188
Non-Registered Mutual Funds (SiPP)	2.25%	492,605	4.47%	227,593
<u>Long-Term Investments</u>				
Money Market Investments	4.12%	11,404,206	4.13%	4,549,161
Bond maturity				
Within one year	-	-	-	-
Two to five years	4.58%	4,183,250	4.23%	2,916,150
More than five years	4.63%	10,669,453	4.21%	7,001,094
Canadian equities	2.11%	5,560,025	2.04%	4,126,693
U.S. equity pooled funds	1.61%	5,366,642	1.66%	1,628,132
International equity pooled funds	2.71%	6,392,998	2.77%	1,983,522

Additional Cash Flow Information

During the year ended August 31, 2007, cash interest paid on school building debenture debt and other debt amounted to \$5,081,925 (2006 - \$5,999,389) and cash interest earned and dividends received on investments totaled \$5,953,422 (2006 - \$3,790,058).

4. OTHER CURRENT ASSETS

	<u>2007</u>	<u>2006</u>
Inventory	\$ 640,677	\$ 640,028

5. ACCOUNTS RECEIVABLE

	<u>2007</u>	<u>2006</u>
Alberta Education operating grants	\$ 121,071	\$ 113,796
Government of Alberta capital grants	2,190,156	9,728,034
Debenture interest grants	2,452,501	2,926,110
School jurisdictions and other governments	2,086,165	1,951,762
Other accounts receivable	4,218,160	3,656,798
	<u>\$ 11,068,053</u>	<u>\$ 18,376,500</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2007</u>	<u>2006</u>
Salaries and benefits	\$ 33,545,928	\$ 33,185,565
Debenture interest	2,452,501	2,926,110
Federal government	533,684	171,718
Contractor payables	3,167,858	7,425,403
Other accounts payable	15,178,547	13,306,332
Other accrued liabilities	13,603,857	6,146,264
	<u>\$ 68,482,375</u>	<u>\$ 63,161,392</u>

7. DEFERRED REVENUE

	<u>2007</u>	<u>2006</u>
Alberta Education Grants		
Infrastructure Maintenance Renewal (IMR)	\$ 28,479,655	\$ 5,951,441
Alberta Initiative for School Improvements	12,262,712	311,898
Small Class Size Initiative	-	270,598
Regional Educational consulting Services	119,877	240,987
Small Schools by Necessity	-	64,719
Other Alberta Education revenues	301,284	294,922
Scholarship funds	393,888	449,542
Other organization and individual revenues	9,987,253	8,574,953
	<u>\$ 51,544,669</u>	<u>\$ 16,159,060</u>

8. EMPLOYEE FUTURE BENEFITS

(a) Local Authorities Pension Plan

The Corporation's net pension expense for the year amounts to \$8,689,444 (2006 - \$8,420,503).

(b) Supplemental Integrated Pension Plan

During the 2006/07 school year, the plan was partially enhanced to be effective January 1, 1998 for the Chief Superintendent as approved by the Board of Trustees.

The Corporation's net pension expense for the registered portion for the year was (\$16,472) reflecting a pension payout from the fund during the year (2006 - net expense of \$179,441). The net pension expense for the non-registered portion was \$492,605 (2006 - \$227,593) reflecting both a liability and an offsetting asset amount for contributed funds held in trust.

(c) Other Employee Future Benefits

The significant actuarial assumptions adopted in measuring the Corporation's employee future benefit obligation (based on a weighted average assumption of the various plans as of August 31, 2007) are as follows:

Amortization method	Straight-line
Discount rate	5.35%
Supplementary health care cost escalation	8.0% for two years, declining by 0.5% per year to an ultimate rate of 5.0% per year
Dental care cost escalation	4.0% per year
Provincial health care cost escalation	3.0%

During the 2006/07 fiscal year, the Corporation amended the Exempt employees “Terms and Conditions” documentation which included certain amendments to the employees’ post retirement benefit plans that will reduce the Corporation’s future obligations.

The actuarially determined liability for future employee benefits at August 31, 2007 is \$36,190,000 (2006 - \$39,236,000). To date, \$24,092,087 (2006 - \$26,027,109) has been accrued in these financial statements. The initial transitional obligation of \$35,664,263 at September 1, 2000 is being amortized over the expected average remaining service period of the employee group, which was estimated to be 12 years, of which 5 years remain. The unamortized transitional obligation of \$4,127,000 on September 1, 2006 has been reduced by \$695,000 to \$3,432,000 to reflect the change in the accrued benefit obligation to Staff Association, Staff Association for Professional Support Staff, the Canadian Union of Public Employees and Exempt Staff, and the annual amortization of the remaining initial transitional obligation.

The total current year expense for employee future benefits amounts to \$3,858,372 (2006 - \$5,489,146), including current service costs of \$673,000 (2006 - \$1,274,000). During the year ended August 31, 2007, \$5,793,394 (2006 - \$3,199,178) was paid in respect of post-employment or post-retirement benefits.

9. LONG-TERM DEBT

Long-term debt relates to debentures for the acquisition of school buildings funded directly by Alberta Education (Pre 1995) and to capital leases, approved by the Minister of Education for internally financed equipment purchases. Debentures and capital leases are secured by all assets of the Corporation.

Debenture debt on school buildings, in the amount of \$41,396,918 outstanding at August 31, 2007, bears interest at rates ranging from 7.25% to 12.00% with a weighted average rate of 8.36% per annum. Debenture interest expense on school buildings during the year amounted to \$4,608,315 (2006 - \$5,521,522). Debentures were issued for periods of 15, 20 or 25 years in those years prior to 1995 when the Corporation had local taxing authority. Fair value of this debt is \$48,299,878 (2006 - \$59,625,251) which is calculated using a discount rate of 5.35%, that reflects the average yield on high quality long term corporate bonds at August 31, 2007. This fair value amount is provided for information purposes only. This debt is fully guaranteed by the Province of Alberta and Alberta Finance funds these interest and principal payments.

In addition, the Corporation has entered into a capital lease for certain equipment in the amount of \$2,213,661. This obligation bears interest at the Royal Bank of Canada prime rate less 1.6% per annum and expires September 29, 2014. Capital lease interest expense during the year amounted to \$74,719 (2006 - \$55,034).

The following is a summary by fiscal year of principal payments on debenture debt and on capital leases outstanding at August 31, 2007:

Year Ending	Debenture Debt	Capital Leases	Total
2008	\$ 7,855,171	\$ 263,697	\$ 8,118,868
2009	6,490,037	271,030	6,761,067
2010	5,249,490	278,580	5,528,070
2011	4,480,173	286,354	4,766,527
2012	3,857,345	294,358	4,151,703
to maturity	13,464,702	819,642	14,284,344
Total	\$ 41,396,918	\$ 2,213,661	\$ 43,610,579
Current portion	7,855,171	263,697	8,118,868
Long-term portion	\$ 33,541,747	\$ 1,949,964	\$ 35,491,711

10. ASSET RETIREMENT OBLIGATION

The Corporation has estimated an asset retirement obligation of \$1,287,455 as at August 31, 2007 (2006 - \$nil) for building assets that have been approved for disposition by the Board which may occur between 2008 and 2010. An interest rate of 5.35% is applicable to discount expected cash flows, for calculation of the initial obligation.

The following table summarizes the changes in the asset retirement obligations:

	<u>2007</u>	<u>2006</u>
Balance, beginning of year	\$ -	\$ -
Obligations incurred	1,287,455	-
Balance, end of year	<u>\$ 1,287,455</u>	<u>\$ -</u>

11. CONTINGENCIES AND COMMITMENTS

From year to year, legal actions are brought against the Corporation in the normal course of operations. Management believes that the ultimate resolution of claims presently outstanding are not expected to be significant to the overall financial position of the Corporation.

The Corporation has contractual commitments to complete major capital projects relating to school buildings. As at August 31, 2007, these outstanding contractual obligations amount to \$3,349,764,(2006 - \$11,924,365), all of which are expected to be funded by the Province of Alberta.

To the extent the Corporation terminates certain contractual commitments for convenience under certain service and development management agreements, the Corporation would incur costs, depending on the date of termination, of between \$15,000,000 and \$4,500,000.

The Corporation has entered into operating lease agreements for office space that expire through August 31, 2011. Future minimum annual lease payments under these leases, including provisions for renewals, are as follows:

2008	943,749
2009	598,966
2010	158,159
2011	158,159
	<u>\$ 1,859,033</u>

Lease expense during the year amounted to \$709,731 (2006 - \$646,777).

The Corporation has entered into a service agreement related to certain payroll and human resources administration processes expiring October 16, 2015. Future minimum annual payments under this commitment are:

2008	\$ 6,321,940
2009	7,045,257
2010	7,794,158
2011	8,752,622
2012	9,450,584
2013	9,864,987
2014	10,210,986
2015	10,559,986
2016	1,325,998
Total payments	<u>\$71,326,518</u>

Effective November 1, 2006, the Corporation entered into a fixed price natural gas supply agreement of a certain price for a majority of its total annual natural gas consumption. This agreement expires on December 31, 2011.

Effective July 31, 2007, the Corporation entered into a fixed electricity supply agreement of a certain price for all of its electricity consumption. This agreement covers the period commencing January 1, 2009 and expires on December 31, 2012.

Effective July 1, 2007 the Corporation entered into a Committed Retainer Legal Services Agreement of a certain price, with a one year evaluation stage and the provision for a four year extension period, at the discretion of the Corporation, to June 30, 2012.

12. NET ASSETS

The components of the Corporation's net assets of \$123,746,311 as at August 31, 2007 are described below:

(a) Unrestricted Net Assets

Under Alberta Education requirements, operating reserves may only be created or increased when a school board has an accumulated operating surplus. Alberta Education excludes school generated funds from this determination. However, where certain instructional initiatives are planned or in progress, and consistent with prior years, the Corporation has designated or reserved operating funds for specific purposes. These fund designations will be honoured in accordance with legislation or a Board of Trustees motion.

These funds are identified below as operating reserves in the amounts of \$5,230,566 in the current year and \$23,447,810 on a cumulative basis. The balance of any operating surplus funds (revenues minus expenses and provisions for restricted operating reserves) are deemed unrestricted net assets.

As at August 31, 2007, the Corporation has unrestricted net assets of \$826,678 (2006 –\$nil) comprised of the following:

	<u>2007</u>	<u>2006</u>
Accumulated operating surplus	\$ 24,274,488	\$ 18,217,244
Operating reserves	<u>(23,447,810)</u>	<u>(18,217,244)</u>
Unrestricted net assets	<u>\$ 826,678</u>	<u>\$ 0</u>

(i) Operating Reserves and Designated Funds

Operating reserves and operating funds consists of operating reserves and designated funds, which are established through Provincial regulation or by Board of Trustees' approval. These restricted funds are restricted by the Board to provide funding for specific programs or to stabilize annual fee rates established to offset the cost of programs and services.

Restricted net assets – operating comprises the following:

	<u>2007</u>	<u>2006</u>
<u>Designated Funds</u>		
School decentralized budgets	\$ 5,197,025	\$ 4,490,827
Facilities and other initiatives	3,156,285	2,976,462
Total designated funds	<u>8,353,310</u>	<u>7,467,289</u>
<u>Operating Reserves</u>		
Transportation Fee Stabilization Reserve	\$ 550,813	\$ -
Continuing Education Fee Stabilization Reserve	1,273,703	1,211,130
Music Loan Pool Reserve	741,925	641,020
Utility Expense Stabilization Reserve	4,005,723	3,375,469
Snow Removal Budget Stabilization Reserve	200,000	200,000
Administrative Systems Renewal Reserve	5,322,336	5,322,336
General Instruction Reserve	1,000,000	-
Fiscal Stability Reserve	1,000,000	-
System Transformation Reserve	1,000,000	-
Total operating reserves	<u>15,094,500</u>	<u>10,749,955</u>
Total restricted net assets - operating	<u>\$ 23,447,810</u>	<u>\$ 18,217,244</u>

As at August 31, 2007, the Board of Trustees has approved the use of \$653,000 of the Utility Stabilization Fee Reserve in the 2007/08 operating budget.

(ii) Accumulated Operating Surplus

Accumulated operating surplus or, if negative, deficit represents the aggregation of successive years' annual operating excesses and deficiencies of revenues over expenses. As at August 31, 2007, the Corporation has an accumulated operating surplus of \$24,274,488 (2006 - \$18,217,244).

(b) Capital Reserves and Designated Capital Funds

The Corporation's capital reserves and designated capital funds are established by Board of Trustees' resolution and in accordance with Provincial regulation, and are funded from proceeds on disposals of capital assets, provision from operating funds or from lease revenues. To date, the following capital reserves and designated capital funds have been established:

	<u>2007</u>	<u>2006</u>
Building and Equipment Reserves	\$ 15,936,965	\$ 7,984,678
Capital reserve for school program modernization	3,880,119	3,880,119
Primary Data Centre Reserve	2,500,000	-
Capital reserve for leased school buildings	2,000,000	2,000,000
Chinook Learning Services Relocation Reserve	700,399	412,316
Funds designated for approved capital projects	<u>5,178,469</u>	<u>5,314,914</u>
	<u>\$ 30,195,952</u>	<u>\$ 19,592,027</u>

These reserves and designated funds are to be applied to finance future capital expenditures in accordance with the specific requirements of each Board resolution. Funds may be committed

from these reserves or designated amounts by the Board of Trustees from time to time to permit the completion of approved capital projects. As at August 31, 2007, the Board of Trustees has approved the use of \$12,522,210 of these funds for future capital transactions leaving \$17,673,740 uncommitted for future capital projects.

(c) Investment in Capital Assets

Investment in capital assets represents the Corporation's net investment of operating funds that have been used from time to time to purchase building improvements, capital equipment and technology infrastructure to support the general operating activities of the Corporation. As of August 31, 2007, the Corporation has \$69,275,871 invested in capital assets (2006 - \$56,950,348)

13. OTHER ALBERTA EDUCATION REVENUES

	<u>2007</u>	<u>2006</u>
<u>Alberta Education Grants</u>		
Charter school lease administration	\$ 223,578	\$ -
Mobile Computing	172,346	-
Emerging Technologies	116,570	-
Smithsonian Events	20,000	-
Learning Connections	14,697	-
SAIT – Secondary ELA	10,607	11,248
Language Training Program ESL	2,942	-
Biology, Chemistry, Physics Course Development	2,100	-
Plant Operations and Maintenance	-	69,897,635
Connecting Community of Learners	-	288,184
Textbooks-Classroom Resources funding	-	184,632
Video Conferencing	-	100,000
O. O. P. Pathways Projects	-	56,711
Promising Practice in Assisting Immigrant Children/Families	-	5,000
Staff secondments, contracts and other	74,407	174,599
	<u>\$ 637,247</u>	<u>\$ 70,718,009</u>

14. RELATED PARTIES

(a) Province of Alberta

The Corporation is economically dependent upon the Government of the Province of Alberta, since the viability of its on-going operations depends on contributions from Alberta Education and other provincial ministries.

Effective 2005/06, school jurisdictions have been deemed to be controlled by the Government of Alberta according to criteria set out in the Canadian Institute of Chartered Accountants Public Sector Accounting Standards section 1300, Government Reporting

Entity. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now considered related parties of school jurisdictions for financial reporting purposes. These include government departments, health authorities, post secondary institutions and other school jurisdictions in Alberta.

Assets, liabilities and transactions of the Corporation that relate to the Government of Alberta are:

	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@fair value)	Revenues	Expenses
2006/07				
Government of Alberta:				
Education	\$ 4,763,728	\$ 46,441,425	\$ 775,791,325	\$ 3,573,507
Infrastructure & Transportation	-	-	-	-
Finance	-	43,849,419	4,608,315	-
Health & Wellness	-	-	-	-
Human Resources/Employment	63,118	-	213,617	-
Other Gov't of Alberta departments	-	-	-	-
Other:				
Health authorities	-	-	-	1,153,983
Post-secondary institutions	-	-	-	59,472
Other Alberta school jurisdictions	1,101,423	-	6,849,602	225,277
Other related parties	-	-	-	8,689,444
TOTAL 2006/07	<u>\$ 5,928,269</u>	<u>\$ 90,290,844</u>	<u>\$ 787,462,859</u>	<u>\$ 13,701,683</u>
TOTAL 2005/06	<u>\$ 13,898,977</u>	<u>\$ 68,623,709</u>	<u>\$ 746,609,715</u>	<u>\$ 12,024,606</u>

(b) EducationMatters

EducationMatters (formerly The Calgary Board of Education Foundation), (the "Foundation") was established in 2003 by the Corporation under a trust indenture. The Corporation's Board of Trustees appoints the Governors of the Foundation, however Trustees cannot hold a majority of the Governor positions. The Foundation promotes activities that support public education for the benefit of Calgary's students.

The Foundation is not consolidated in these financial statements. The resources held by the Foundation are not necessarily limited for use by the Corporation. Selected financial information for the Foundation for the 12 months ended August 31 is as follows:

	<u>2007</u>	<u>2006</u>
Total assets	\$ 2,064,000	\$ 1,710,000
Total liabilities	7,000	4,000
Net assets	<u>\$ 2,057,000</u>	<u>\$ 1,706,000</u>
Fund balances held by the Foundation:		
Flow through funds	\$ 327,000	\$ 447,000
Endowment funds	1,129,000	863,000
Operating funds	601,000	396,000
	<u>\$ 2,057,000</u>	<u>\$ 1,706,000</u>
Revenues (1)	\$ 1,541,000	\$ 1,588,000
Expenses (2)	1,189,000	1,050,000
Excess of revenues over expenses	<u>\$ 352,000</u>	<u>\$ 538,000</u>

(1) Revenues include financial support from the Corporation of \$700,000 (2006 - \$449,000).

(2) Charitable disbursements and expenses paid to the Corporation amount to \$14,000 (2006 - \$14,000).

(c) The Urban Schools Insurance Consortium

The Corporation is a member of The Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for thirteen jurisdictions throughout the province of Alberta. Premium rebates are received from the insurers favorable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The Corporation's share of the accumulated consortium funds as at August 31, 2007 was \$2,321,231 (2006 - \$2,436,438). This amount has not been recognized in the Corporation's financial statements, as the revenue has not been realized by the Corporation.

(d) Other fundraising groups and associations

Various parent groups, including societies and other associations, solicit donations and undertake fundraising activities to provide operating and capital donations to further the objectives of the Corporation. The financial information of these groups is not consolidated in these financial statements.

15. COMPARATIVE FIGURES

Certain 2006 amounts have been reclassified where necessary to conform to the current year's presentation.

16. SUBSEQUENT EVENT

Ministerial approval was received for the disposition of King Edward School in accordance with Provincial Regulations on October 25, 2007. Proceeds, as a result of this disposition, will

amount to \$14,115 with a final distribution between the CBE and the provinces share as yet undetermined.

17. REMUNERATION AND MONETARY INCENTIVES

The Calgary Board of Education had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and person in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Expenses
<i>Chair</i>	0.0	\$0	\$0	\$0			\$0
Pat Cochrane	1.0	\$27,225	\$1,337	\$0			\$13,809
<i>Other members:</i>	0.0	\$0	\$0	\$0			\$0
Carol Bazinet	1.0	\$25,193	\$1,237	\$0			\$12,342
Nancy Close	1.0	\$23,467	\$1,155	\$0			\$11,971
Gordon Dirks	1.0	\$23,773	\$1,175	\$0			\$11,716
Kyle Fawcett	1.0	\$23,160	\$1,136	\$0			\$12,826
George Lane	1.0	\$23,160	\$0	\$0			\$12,076
Lynn Ferguson	1.0	\$23,160	\$1,136	\$0			\$11,776
	0.0	\$0	\$0	\$0			\$0
Subtotal	7.0	\$169,138	\$7,176	\$0			\$86,516
Brendan J. Croskery	1.0	\$200,000	\$113,481	\$16,118	\$0	\$0	\$4,246
Don M. Dart	1.0	\$184,060	\$64,062	\$6,269	\$0	\$40,000	\$6,777
Certificated Teachers	6,373.3	\$437,627,084	\$53,370,204	\$6,538	\$0	\$184,933	
Non-certificated - Other	3,038.0	\$128,487,307	\$27,794,598	\$45,234	\$0	\$1,945,278	
TOTALS		\$566,667,589	\$81,349,521	\$74,159	\$0	\$2,170,211	

Note 1: The benefit costs for the Superintendent do not reflect the Alberta Teacher Retirement fund contribution made by Alberta Education on behalf of the CBE in the amount of \$18,136 for 2006/07

Note 2: The benefit costs for the certificated teaching staff do not reflect the Alberta Teacher Retirement fund contribution made by Alberta Education on behalf of the CBE.

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

CALGARY BOARD OF EDUCATION

Legal Name of School Jurisdiction

515 MACLEOD TRAIL S.E. T2G 2L9

Mailing Address

Tel: (403) 294-8211 Fax: (403) 294-8254

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

DONALD M. DART

Name

"ORIGINAL SIGNED"

Signature

27-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
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SCHEDULE A

School Jurisdiction Code: 3030

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	\$775,791,325	\$631,815,552	\$81,947,368	\$28,047,675	\$31,031,653	\$2,949,077
(2) Alberta Infrastructure & Transportation	\$0	\$0	\$0			
(3) Alberta Finance	\$4,608,315		\$4,608,315			\$0
(4) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(5) Federal Government and/or First Nations	\$2,681,909	\$1,809,472	\$98,676	\$0	\$3,150	\$770,611
(6) Other Alberta school authorities	\$1,154,397	\$765,610	\$161,910	\$190,379	\$36,498	\$0
(7) Out of province authorities	\$217,217	\$0	\$300	\$0	\$66,270	\$150,647
(8) Alberta municipalities (excl. supplementary requisitions)	\$1,211,202	\$71,267	\$673,732	\$0	\$0	\$466,203
(9) Instruction resource fees	\$7,228,144	\$7,228,144				
(10) Transportation fees	\$5,238,841			\$5,238,841		
(11) Other sales and services	\$21,894,084	\$12,217,191	\$662,981	\$6,600	\$1,729,352	\$7,277,960
(12) Investment income	\$7,241,094	\$0	\$260,000	\$0	\$0	\$6,981,094
(13) Gifts and donations	\$1,312,800	\$1,256,800	\$0	\$0		\$56,000
(14) Rentals of facilities	\$6,748,140	\$0	\$4,782,527	\$0	\$36,807	\$1,928,806
(15) Net school generated funds	\$7,443,795	\$7,443,795			\$0	
(16) Gains on disposal of capital assets	\$7,975,270	\$0	\$7,975,270	\$0	\$0	\$0
(17) Amortization of capital allocations	\$16,378,146	\$0	\$16,378,146	\$0		\$0
(18) TOTAL REVENUES	\$867,124,679	\$662,607,831	\$117,549,225	\$33,483,495	\$32,903,730	\$20,580,398
EXPENSES						
(19) Certificated salaries	\$438,034,673	\$433,746,388			\$2,166,972	\$2,121,313
(20) Certificated benefits	\$53,483,685	\$52,887,500			\$301,708	\$294,477
(21) Non-certificated salaries and wages	\$130,837,286	\$77,518,190	\$34,603,923	\$1,198,282	\$12,801,108	\$4,715,783
(22) Non-certificated benefits	\$27,905,836	\$16,714,770	\$7,554,416	\$257,703	\$2,507,656	\$871,291
(23) SUB - TOTAL	\$650,261,480	\$580,866,848	\$42,158,339	\$1,455,985	\$17,777,444	\$8,002,864
(24) Services, contracts & supplies	\$150,216,433	\$59,252,177	\$41,269,320	\$31,458,881	\$14,163,453	\$4,072,602
(25) Cost recoveries between programs	\$0	\$0	\$0	\$0	\$0	\$0
(26) Net school generated funds	\$7,443,795	\$7,443,795				
Capital and debt services						
Amortization of capital assets						
(27) Supported	\$16,378,146	\$0	\$16,378,146	\$0	\$0	\$0
(28) Unsupported	\$9,016,558	\$6,525,324	\$971,368	\$17,817	\$1,499,156	\$2,893
(29) Total Amortization	\$25,394,704	\$6,525,324	\$17,349,514	\$17,817	\$1,499,156	\$2,893
Interest on capital debt						
(30) Supported	\$4,608,315	\$0	\$4,608,315	\$0	\$0	\$0
(31) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(32) Other interest charges	\$213,259	\$34,625	\$74,719	\$0	\$3,909	\$100,006
(33) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(34) TOTAL EXPENSES	\$838,137,986	\$654,122,769	\$105,460,207	\$32,932,683	\$33,443,962	\$12,178,365
(35) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$28,986,693	\$8,485,062	\$12,089,018	\$550,812	(\$540,232)	\$8,402,033

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

	TOTAL
Base Funding	\$538,831,742
Additional Funding for Differential Cost Factors	\$173,895,119
Targeted Funding for Provincial Initiatives	
Class Size Initiative	\$39,420,020
Student Health Initiative (SHI)	\$2,207,843
Alberta Initiative for School Improvement (AISi)	\$501,346
SuperNet Services	\$1,442,825
Children and Youth with Complex Needs	\$0
Other Provincial Support Funding	
Institutional Programs	\$3,486,607
Regional Consortium and Regional Educational Consulting Services	\$2,949,077
Learning Resources Credit Allocation	\$646,029
Infrastructure Maintenance Renewal (IMR)	\$11,773,472
Other Funding from Alberta Education (describe): (Note 13)	\$637,245
Total Alberta Education Revenues	\$775,791,325

**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	\$9,544,524	\$45,636,034	\$33,230,728		\$0	\$0	\$88,411,286
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$25,530,652	\$10,906,227	\$485,130		\$0		\$36,922,009
ECS Program Unit (PUF)	\$421,073	\$2,333,673	\$427,949		\$0		\$3,182,695
Severe Disabilities (Gr 1-12)	\$20,821,939	\$20,019,010	\$5,205,593		\$0		\$46,046,542
English as a Second Language (ESL)	\$14,129,881	\$3,863,535	\$129,950		\$0		\$18,123,366
French Language & Francisation	\$602,766	\$45,531	\$590,123		\$0		\$1,238,420
Enhanced ESL/Francisation & Supports for Immigrant Students	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education	\$1,384,299	\$667,723	\$95,272		\$0		\$2,147,294
Alberta Initiative for School Improvement	\$249,819	\$9,450	\$255,199	\$0	\$0		\$514,468
Student Health Initiative	\$368,416	\$1,355,916	\$552,573		\$0		\$2,276,905
SuperNet Service			\$1,442,825		\$0		\$1,442,825
Class Size Initiative	\$39,736,208	\$0	\$0	\$0	\$0		\$39,736,208
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$373,844,311	\$9,395,861	\$30,840,579	\$0	\$0	\$0	\$414,080,751
TOTAL EXPENSES	\$486,633,888	\$94,232,960	\$73,255,921	\$0	\$0	\$0	\$654,122,769

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE	FTE
	Certificated	Non-certificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	327.5	242.6
ECS Program Unit (PUF)	5.1	36.7
Severe Disabilities (Gr 1-12)	258.6	438.9

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

TOTAL EXPENSES	\$838,137,986
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%	4.00%
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	\$33,525,519
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	\$33,525,519
Less: 2006/2007 Board and System Administration expenses	-\$33,443,962
2006-2007 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT	\$81,557

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

Unexpended SGF - Opening Balance August 31, 2006	\$13,662,864																								
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">\$10,683,820</td> <td align="right">\$9,942,738</td> <td align="right">\$741,082</td> </tr> <tr> <td>Student fees (Non-Instructional) (Note 1)</td> <td align="right">\$14,723,329</td> <td align="right">\$13,094,383</td> <td align="right">\$1,628,946</td> </tr> <tr> <td>Donations and grants to schools</td> <td align="right">\$6,056,919</td> <td align="right">\$1,046,753</td> <td align="right">\$5,010,166</td> </tr> <tr> <td>Other (describe):</td> <td align="right">\$427,254</td> <td align="right">\$60,291</td> <td align="right">\$366,963</td> </tr> <tr> <td>Net Additions to SGF</td> <td align="right">\$31,891,322</td> <td align="right">\$24,144,165</td> <td align="right">\$7,747,157</td> </tr> </tbody> </table>		Gross SGF	Related Expenses	Net SGF	Fundraising activities	\$10,683,820	\$9,942,738	\$741,082	Student fees (Non-Instructional) (Note 1)	\$14,723,329	\$13,094,383	\$1,628,946	Donations and grants to schools	\$6,056,919	\$1,046,753	\$5,010,166	Other (describe):	\$427,254	\$60,291	\$366,963	Net Additions to SGF	\$31,891,322	\$24,144,165	\$7,747,157
	Gross SGF	Related Expenses	Net SGF																						
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Net SGF Available	\$21,410,021																								
Uses of Net School Generated Funds:																									
	<table border="1"> <tbody> <tr> <td>Extra-curricular activities</td> <td align="right">\$4,679,376</td> </tr> <tr> <td>School site beautification</td> <td align="right">\$0</td> </tr> <tr> <td>Field Trips</td> <td align="right">\$1,370,977</td> </tr> <tr> <td>Equipment</td> <td align="right">\$1,393,442</td> </tr> <tr> <td>Family literacy and other community resources</td> <td align="right">\$0</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">\$7,443,795</td> </tr> </tbody> </table>	Extra-curricular activities	\$4,679,376	School site beautification	\$0	Field Trips	\$1,370,977	Equipment	\$1,393,442	Family literacy and other community resources	\$0	Other (describe):	\$0	Total Uses of Net SGF (Note 2)	\$7,443,795										
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Other (describe):	\$0																								
Total Uses of Net SGF (Note 2)	\$7,443,795																								
Unexpended SGF - Closing Balance August 31, 2007 (Note 3)	\$13,966,226																								

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.