

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2011**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Westmount Charter School Society**

Legal Name of School Jurisdiction

**728 - 32 Street NW Calgary AB T2N 2V9**

Mailing Address

**P: 403-217-0426 F: 403-249-3422**

Telephone and Fax Numbers

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of Westmount Charter School Society presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

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

***Board of Trustees Responsibility***

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

***External Auditors***

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

***Declaration of Management and Board Chairman***

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

**BOARD CHAIR**

**Constantine Pefanis**

Name

**"original signed by C. Pefanis"**

Signature

**SUPERINTENDENT**

**Joe Frank**

Name

**"original signed by J. Frank"**

Signature

**SECRETARY TREASURER OR TREASURER**

**Megan O'Hara**

Name

**"original signed by M. O'Hara"**

Signature

**16-Nov-11**

Board-approved Release Date

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of the Board  
Westmount Charter School Society

I have audited the accompanying financial statements of the Westmount Charter School Society, which comprise the statement of financial position as at August 31, 2011 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 2011 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.

A handwritten signature in black ink, appearing to read "Lawrence A. Lim". The signature is fluid and cursive, with a large initial "L" and "A".

Calgary, Alberta  
November 16, 2011

Chartered Accountant

**STATEMENT OF FINANCIAL POSITION**  
as at August 31, 2011

(in dollars)

	2011	2010
<b>ASSETS</b>		
Current assets		
Cash and temporary investments (Note 3)	\$1,307,441	\$1,159,102
Accounts receivable (net after allowances) (Note 4)	\$1,017,808	\$82,302
Prepaid expenses (Note 2)	\$555,808	\$496,562
Other current assets	\$0	\$0
<b>Total current assets</b>	<b>\$2,881,057</b>	<b>\$1,737,966</b>
School generated assets	\$122,662	\$129,578
Trust assets	\$0	\$0
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Capital assets		
Land	\$0	\$0
Construction in progress	\$0	\$0
Buildings	\$0	
Less: accumulated amortization	\$0	\$0
Equipment	\$0	
Less: accumulated amortization	\$0	\$0
Vehicles	\$0	
Less: accumulated amortization	\$0	\$0
<b>Total capital assets</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL ASSETS</b>	<b>\$3,003,719</b>	<b>\$1,867,544</b>
<b>LIABILITIES</b>		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities (Note 6)	\$1,511,910	\$365,019
Deferred revenue (Note 7)	\$204,399	\$213,997
Deferred capital allocations	\$0	\$0
Current portion of long term debt	\$0	\$0
<b>Total current liabilities</b>	<b>\$1,716,309</b>	<b>\$579,016</b>
School generated liabilities	\$122,662	\$129,578
Trust liabilities	\$0	\$0
Employee future benefit liabilities	\$0	\$0
Long term debt		
Supported: Debentures and other supported debt	\$0	\$0
Less: Current portion	\$0	\$0
Unsupported: Debentures and capital loans	\$0	\$0
Capital leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities	\$0	\$0
Unamortized capital allocations	\$0	\$0
<b>Total long term liabilities</b>	<b>\$122,662</b>	<b>\$129,578</b>
<b>TOTAL LIABILITIES</b>	<b>\$1,838,971</b>	<b>\$708,594</b>
<b>NET ASSETS</b>		
Unrestricted net assets	\$998,695	\$977,001
Operating reserves	\$166,053	\$181,949
Accumulated operating surplus (deficit)	\$1,164,748	\$1,158,950
Investment in capital assets	\$0	\$0
Capital reserves	\$0	\$0
Total capital funds	\$0	\$0
<b>Total net assets</b>	<b>\$1,164,748</b>	<b>\$1,158,950</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$3,003,719</b>	<b>\$1,867,544</b>

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

**STATEMENT OF REVENUES AND EXPENSES**

for the Year Ended August 31, 2011

(in dollars)

	Actual 2011	Budget 2011	Actual 2010
<b>REVENUES</b>			
Government of Alberta	\$12,269,117	\$11,510,729	\$10,831,450
Federal Government and First Nations	\$0	\$0	\$0
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$329,367	\$307,015	\$284,526
Transportation fees	\$262,787	\$313,500	\$274,754
Other sales and services	\$45,660	\$52,766	\$63,536
Investment income	\$15,744	\$15,000	\$18,046
Gifts and donations	\$140,970	\$10,000	\$11,867
Rental of facilities	\$3,000	\$3,000	\$3,000
Gross school generated funds	\$572,484	\$433,723	\$584,608
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$0	\$0	\$0
Other revenue	\$29,268	\$0	\$4,518
<b>Total Revenues</b>	<b>\$13,668,397</b>	<b>\$12,645,733</b>	<b>\$12,076,305</b>
<b>EXPENSES</b>			
Certificated salaries (Note 13)	\$5,787,254	\$5,941,186	\$5,621,400
Certificated benefits (Note 13)	\$535,356	\$555,330	\$510,701
Non-certificated salaries and wages (Note 13)	\$1,426,972	\$1,380,917	\$1,196,152
Non-certificated benefits (Note 13)	\$204,125	\$177,677	\$171,965
Services, contracts and supplies	\$5,136,408	\$4,166,305	\$4,023,287
Gross school generated funds	\$572,484	\$433,723	\$584,608
<b>Capital and debt services</b>			
Amortization of capital assets			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
<b>Total Amortization of capital assets</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Interest on capital debt			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
<b>Total Interest on capital debt</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$13,662,599</b>	<b>\$12,655,138</b>	<b>\$12,108,113</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>			
	\$5,798	(\$9,405)	(\$31,808)
Extraordinary Item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$5,798</b>	<b>(\$9,405)</b>	<b>(\$31,808)</b>

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

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

(in dollars)

	2011	2010
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATIONS</b>		
Excess (deficiency) of revenues over expenses	\$5,798	(\$31,808)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	\$0	\$0
Total amortization expense	\$0	\$0
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	(\$935,506)	\$154,257
Prepays and other current assets	(\$59,246)	(\$389,035)
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Accounts payable and accrued liabilities	\$1,146,891	(\$186,052)
Deferred revenue	(\$9,598)	\$47,884
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from Operations</b>	<b>\$148,339</b>	<b>(\$404,754)</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	\$0
Buildings	\$0	\$0
Equipment	\$0	\$0
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from Investing activities</b>	<b>\$0</b>	<b>\$0</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$0	\$0
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$0	\$0
Add back: supported portion	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from financing activities</b>	<b>\$0</b>	<b>\$0</b>
<b>Net cash flows from during the year</b>	<b>\$148,339</b>	<b>(\$404,754)</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/10</b>	<b>\$1,159,102</b>	<b>\$1,563,856</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/11</b>	<b>\$1,307,441</b>	<b>\$1,159,102</b>

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

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

School Jurisdiction Code: 109

(in dollars)

	(1) TOTAL NET ASSETS Cols. 2+3+4+5	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS	(4) TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	(5) TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	INTERNALLY RESTRICTED NET ASSETS											
						(6) School & Instruction Related		(7) Operations & Maintenance		(8) Board & System Administration		(9) Transportation		(10) External Services			
				Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves		
<b>Balance at August 31, 2010</b>	\$1,158,950	\$0	\$977,001	\$181,949	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Prior period adjustments (describe)																	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
<b>Adjusted Balance, Aug. 31, 2010</b>	\$1,158,950	\$0	\$977,001	\$181,949	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Excess (deficiency) of revenues over expenses	\$5,798		\$5,798														
Board funded capital additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Disposal of unsupported capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Direct credits to net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Amortization of capital assets		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Amortization of capital allocations		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Debt principal repayments (unsupported)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Net transfers to operating reserves			(\$145,914)	\$145,914		\$57,672		\$16,432				\$71,810		\$0			
Net transfers from operating reserves			\$161,810	(\$161,810)		(\$100,000)		\$0				(\$61,810)		\$0			
Net transfers to capital reserves			\$0	\$0		\$0		\$0				\$0		\$0			
Net transfers from capital reserves			\$0	\$0		\$0		\$0				\$0		\$0			
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
<b>Balance at August 31, 2011</b>	\$1,164,748	\$0	\$998,695	\$166,053	\$0	\$77,811	\$0	\$16,432	\$0	\$0	\$0	\$71,810	\$0	\$0	\$0		

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

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2010	\$0	\$0
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2010	\$0	\$0
<b>Add:</b>		
Restricted capital allocations from:		
Alberta Education school building and modular projects	\$0	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Net proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
P3, other ASAP and Alberta Infrastructure managed projects		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current year supported debenture principal repayment		\$0
Expended capital allocations - current year	\$0	\$0
<b>Deduct:</b>		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$0
Balance at August 31, 2011	\$0	\$0

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

**WESTMOUNT CHARTER SCHOOL SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED AUGUST 31, 2011**

**NOTE 1 - GENERAL**

The ABC Charter Public School Society (the Society) was incorporated on August 9, 2000 under the laws of the Societies Act of Alberta. The Society's main purpose was to operate the ABC Charter Public School which had previously been operated as a division of the Action for Bright Children (Calgary Society). The Calgary Society was approved to open and operate a Charter School in Calgary which commenced operations August 1, 1996 and transferred the charter to the Society effective for the beginning of the 2000 - 2001 school year. On November 15, 2002, the Society changed its name to Westmount Charter School Society. These financial statements are presented to include the assets, liabilities and operations of Westmount Charter School Society from the commencement of operations in 1996.

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 Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administrative expenses.

**NOTE 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 judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized when such courses and programs are delivered.

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

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

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The School's policy is to capitalize only those individual capital assets with a cost in excess of \$5,000 and amortize these assets over their useful lives. All other capital assets are charged to expense in the year incurred or contributed.

**WESTMOUNT CHARTER SCHOOL SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**YEAR ENDED AUGUST 31, 2011**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

School Generated Funds

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

Vacation Pay

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

Pensions

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Westmount Charter School Society does not make pension contributions for certificated staff.

Prepaid Expenses

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

Contributed Services

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

Financial Instruments

The Society's financial instruments consist of cash, temporary investments, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the Society 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 Society has invested surplus funds in accordance with Section 60 (2) (d) of the School Act.

Operating Reserves

Reserves are established at the discretion of the Board of Directors to set aside funds for certain operating purposes. Such reserves are appropriations of unrestricted net assets.

Employee Future Benefits

The Society does not provide a future benefit plan to its employees and therefore no such obligations have been expensed or accrued in these financial statements.

Investments

Held for trading investments are recognized in the balance sheet at fair value. The fair value of recognized investments are determined based on the available market information. Realized investment income and unrealized gains and losses are reported in the statement of revenues and expenses.

**WESTMOUNT CHARTER SCHOOL SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**YEAR ENDED AUGUST 31, 2011**

**NOTE 3 - CASH AND TEMPORARY INVESTMENTS**

	2011			2010		
	Average Effective (Market) Yield	Cost	Fair Value	Average Effective (Market) Yield	Cost	Fair Value
Cash and cash equivalents	-	\$782,441	\$782,441	-	\$644,102	\$644,102
Fixed-income securities						
Government of Canada, direct and guaranteed	%	0	0	%	0	0
Provincial, direct and guaranteed	%	0	0	%	0	0
Corporate	1.75%	525,000	525,000	2.04%	515,000	515,000
Municipal	%	0	0	%	0	0
Pooled investment funds	%	0	0	%	0	0
Total fixed-income securities	1.75%	525,000	525,000	2.04%	515,000	515,000
Total cash and temporary investments	%	\$1,307,441	\$1,307,441	%	\$1,159,102	\$1,159,102

**NOTE 4 - ACCOUNTS RECEIVABLE**

Accounts receivable consists of the following:

	August 31	
	2011	2010
Alberta Education funding framework	\$ 322,226	\$ 19,646
Alberta Education school facilities - expansion	585,000	-
GST recoverable from Federal Government	66,667	40,883
Other	43,915	21,773
	<u>\$ 1,017,808</u>	<u>\$ 82,302</u>

**NOTE 5 - CAPITAL ASSETS**

During the year, the Society purchased furniture, computer equipment and computer software in the amount of \$302,689 (2010 - \$328,277) which has been charged to expense. Certain of the furniture and computer equipment totalling \$25,436 (2010 - \$44,255) have an individual cost in excess of \$5,000 and should have been capitalized and amortized over their estimated useful lives in accordance with the capital asset policy in Note 2. If these items were capitalized and amortized over 3 years, net income in the current year would increase by \$16,957 (2010 - \$29,503), and net income for each of the following 2 years would decrease by \$8,478 (2010 - \$14,752). The net cumulative effect of these and similar items, including all previous years would have resulted in a decrease in net income in the current year by \$15,054 (2010 – an increase in net income of \$12,243).

**WESTMOUNT CHARTER SCHOOL SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**YEAR ENDED AUGUST 31, 2011**

During the year, the Society received donated furniture and miscellaneous items with an estimated fair value of \$11,247 (2010 - \$10,697) which, in accordance with its capital asset policy in Note 2, has been charged to expense.

During a previous year, the Society completed renovations to specific areas of the school which were charged to expense in the year incurred. Certain of these expenditures should have been capitalized and amortized over their estimated useful lives in accordance with the capital asset policy in Note 2. If these items had been capitalized and amortized over their estimated useful lives, net income in the current year would have decreased by \$30,971 (2010 – a decrease of \$30,971).

At the end of the current year, the Society was relocated to two separate facilities, more fully described in note 14 in these financial statements. All of the renovation and relocation expenditures incurred have been charged to expense, and all of the related government funding and specific donations have been recorded as revenue in the current year. Certain of the renovation expenditures could have been capitalized and amortized over the expected lease term of the facilities, however, this would be offset by a similar deferral and amortization of government funding in order to match the costs and revenue, and would result in no net change to net income in the current and future years.

**NOTE 6 - ACCOUNTS PAYABLE**

Accounts payable consists of the following:

	August 31	
	2011	2010
Alberta Education	\$ 125,729	\$ -
Other Alberta School Jurisdictions	158,864	92,369
School facilities – expansion	888,387	-
Other trade payables and accrued liabilities	338,930	272,650
	\$1,511,910	\$ 365,019

**WESTMOUNT CHARTER SCHOOL SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**YEAR ENDED AUGUST 31, 2011**

**NOTE 7 - DEFERRED REVENUE**

Deferred revenue consists of:

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2010	ADD: 2010/2011 Restricted Funds Received/ Receivable	DEDUCT: 2010/2011 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2010/2011 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2011
<b>Alberta Education Restricted Operational Funding:</b>	\$0	\$0	\$0	\$0	\$0
Alberta Initiative for School Improvement	\$2,241	\$148,670	(\$130,604)	\$0	\$20,307
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0	\$0
Infrastructure Maintenance Renewal	\$0	\$0	\$0	\$0	\$0
Institutional Education Programs	\$0	\$0	\$0	\$0	\$0
Portable/Modular Unit Relocation	\$0	\$0	\$0	\$0	\$0
Regional Consortium	\$0	\$0	\$0	\$0	\$0
Regional Educational Consulting Services	\$0	\$0	\$0	\$0	\$0
Small Class Size Initiative	\$0	\$455,146	(\$455,146)	\$0	\$0
Student Health Initiative (School Authorities)	\$0	\$0	\$0	\$0	\$0
SuperNet Service	\$0	\$6,042	(\$6,042)	\$0	\$0
Other Alberta Education deferred revenue (LRC)	\$0	\$7,954	(\$7,954)	\$0	\$0
<b>Other Government of Alberta Restricted Funding:</b>	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
<b>Other Deferred Revenue:</b>	\$0	\$0	\$0	\$0	\$0
Prepaid instructional & transportation fees	\$171,300	\$177,400	(\$171,300)	\$0	\$177,400
Restricted donations	\$16,724	\$129,893	(\$140,970)	\$0	\$5,647
Other	\$23,732	\$1,045	(\$23,732)	\$0	\$1,045
	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$213,997</b>	<b>\$926,150</b>	<b>(\$935,748)</b>	<b>\$0</b>	<b>\$204,399</b>

The Society has received cash in the amount of \$5,647 (2010 - \$16,724) which has specific terms of usage and has been recorded as a restricted donation. These funds have been deferred and will be recognized as revenue when the funds are spent on their designated purpose.

**NOTE 8 – LEASE COMMITMENTS**

The Society had a lease with the Calgary Board of Education for its previous premises which expired on July 31, 2012 and has estimated scheduled minimum rent payments of \$1,108,431 per annum. During the year, this lease was terminated due to the relocation of the School. Subsequent to year end, Alberta Education approved the funding in the amount of \$1,108,431 to lease the new school premises for the 2011/2012 school year. It is expected that this lease support will continue for an additional 4 years once a formal lease is completed.

The Society also has lease commitments relating to office equipment which have various expiry dates to September 30, 2014 and has scheduled lease payments as follows:

2012	\$ 69,857
2013	71,263
2014	43,804
2015	1,406

**WESTMOUNT CHARTER SCHOOL SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**YEAR ENDED AUGUST 31, 2011**

**NOTE 9 - SCHOOL GENERATED FUNDS**

Net SGF revenue and net SGF expense include operations from school council, who maintain a separate bank account.

**NOTE 10 - ECONOMIC DEPENDENCE ON RELATED THIRD PARTY**

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

**NOTE 11 - BUDGET AMOUNTS**

The budget was prepared by the Society and approved by the Board of Directors on November 17, 2010. It is presented for information purposes only and has not been audited.

**NOTE 12 - RELATED PARTY TRANSACTIONS**

Effective 2005/2006, 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. The Westmount Charter School Society had related party transactions for the year ended August 31, 2011 with the Calgary Board of Education recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at the amount of consideration agreed upon between the related parties.

2010-2011	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta: Education	\$907,226	\$125,729	\$12,253,055	\$0
Infrastructure & Transportation	0	0	0	0
Finance	0	0	0	0
Health & Wellness	0	0	0	0
Human Resources/Employment	0	0	0	0
Other Gov't of Alberta departments	0	0	16,062	0
Other:				
Health authorities	0	0	0	0
Post-secondary institutions	0	0	0	0
Other Alberta school jurisdictions	0	158,864	0	1,902,223
Other related parties	0	0	0	0
<b>TOTAL 2010-2011</b>	<b>\$907,226</b>	<b>\$284,593</b>	<b>\$12,269,117</b>	<b>\$1,902,223</b>
<b>TOTAL 2009-2010</b>	<b>\$19,646</b>	<b>\$92,369</b>	<b>\$10,831,450</b>	<b>\$1,927,980</b>

**WESTMOUNT CHARTER SCHOOL SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**YEAR ENDED AUGUST 31, 2011**

**NOTE 13 - REMUNERATION AND MONETARY INCENTIVES**

Westmount Charter School Society had paid or accrued expenses for the year ended August 31, 2011 to or on behalf of the following positions and persons in groups as follows:

<b>Board Members:</b>	<b>FTE</b>	<b>Remuneration</b>	<b>Benefits</b>	<b>Negotiated Allowances</b>	<b>Performance Bonuses</b>	<b>ERIP's / Other</b>	<b>Expenses</b>
Chair	0.0	\$0	\$0	\$0			\$0
C. Petanis	1.0	\$0	\$0	\$0			\$545
J. Vellutini	1.0	\$0	\$0	\$0			\$427
M. Keenan	1.0	\$0	\$0	\$0			\$738
D. Field	1.0	\$0	\$0	\$0			\$0
D. Holland	0.3	\$0	\$0	\$0			\$0
W. Humeniuk	0.3	\$0	\$0	\$0			\$0
M. MacIsaac	0.3	\$0	\$0	\$0			\$0
E. Watters	0.3	\$0	\$0	\$0			\$0
L. Westwood	0.3	\$0	\$0	\$0			\$0
D. Bratt	0.7	\$0	\$0	\$0			\$252
S. Ritchie	0.7	\$0	\$0	\$0			\$0
W. Chow	0.7	\$0	\$0	\$0			\$252
M. Guglielmin	0.7	\$0	\$0	\$0			\$927
B. Mendaglio	0.9	\$0	\$0	\$0			\$3,571
G. Findlay	0.1	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
<b>Subtotal</b>	<b>9.3</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>			<b>\$6,712</b>
Superintendent (contracted)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
J. Frank	0.6	\$152,269	\$5,080	\$0	\$0	\$0	\$488
Secretary/Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0
M. O'Hara	1.0	\$136,563	\$8,774	\$0	\$0	\$0	\$757
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated teachers	70.5	\$5,787,254	\$535,356	\$0	\$0	\$0	
Non-certificated - other	27.0	\$1,290,409	\$195,350	\$0	\$0	\$0	
<b>TOTALS</b>		<b>\$7,366,495</b>	<b>\$744,560</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**NOTE 14 – SCHOOL FACILITIES – RENOVATION / RELOCATION**

During August, 2011, the Westmount Charter School Society was relocated to 2 separate facilities provided by the Calgary Board of Education. The Government provided funding in the amount of \$585,000 (which was received subsequent to year end) to assist in the costs related to the move and renovation of these premises. The Society has also designated \$60,000 of donations received to assist in the payment of these costs. As of August 31, 2011, the Society had incurred costs in the amount of \$1,032,862 relating to the renovation and relocation costs at the new locations. Management estimates that additional costs of \$250,000 will be incurred in the current fiscal year relating to this initial renovation and relocation. All of the costs have been charged to expense in the year incurred in accordance with the Society's accounting policies.

**UNAUDITED SCHEDULES**  
**TO THE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2011**  
**[School Act, Section 276]**

**Westmount Charter School Society**

Legal Name of School Jurisdiction

**728 - 32 Street NW Calgary AB T2N 2V9**

Mailing Address

**P: 403-217-0426 F: 403-249-3422**

Telephone and Fax Numbers

***Declaration of Secretary-Treasurer / Chief Financial Officer***

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

**SECRETARY TREASURER OR TREASURER**

**M. A. O'Hara**

Name

**"Dated and Signed Electronically"**

Signature

**November 16/11**

**Dated**

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
EMAIL: [Cindy.Wang@gov.ab.ca](mailto:Cindy.Wang@gov.ab.ca)  
PHONE: (780) 644-5672 FAX: (780) 422-6996

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**SCHEDULE A**

School Jurisdiction Code: \_\_\_\_\_

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**ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2010/2011**

<b>REVENUES</b>	<b>ECS Instruction</b>	<b>Grades 1-12 Instruction</b>	<b>Operations and Maintenance of Schools &amp; Maintenance Shops</b>	<b>Transportation</b>	<b>Board &amp; System Administration</b>	<b>External Services</b>	<b>TOTAL</b>
(1) Alberta Education	\$287,488	\$8,670,238	\$2,001,213	\$599,938	\$694,178	\$0	\$12,253,055
(2) Other - Government of Alberta	\$0	\$16,062	\$0	\$0	\$0	\$0	\$16,062
(3) Federal Government and First Nations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) Instruction resource fees	\$4,996	\$324,371					\$329,367
(8) Transportation fees-ECS				\$11,306			\$11,306
(9) Transportation fees-Grades 1-12				\$251,481			\$251,481
(10) Other sales and services	\$0	\$0	\$0	\$0	\$0	\$45,660	\$45,660
(11) Investment income	\$0	\$0	\$0	\$0	\$15,744	\$0	\$15,744
(12) Gifts and donations	\$0	\$139,171	\$0	\$0	\$0	\$1,799	\$140,970
(13) Rental of facilities	\$0	\$0	\$0	\$0	\$3,000	\$0	\$3,000
(14) Gross school generated funds	\$0	\$572,484	\$0	\$0	\$0	\$0	\$572,484
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) Amortization of capital allocations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(17) Other revenue	\$0	\$0	\$0	\$0	\$288	\$28,980	\$29,268
(18) <b>TOTAL REVENUES</b>	\$292,484	\$9,722,326	\$2,001,213	\$862,725	\$713,210	\$76,439	\$13,668,397
<b>EXPENSES</b>							
(19) Certificated salaries	\$191,814	\$5,595,440			\$0	\$0	\$5,787,254
(20) Certificated benefits	\$16,319	\$519,037			\$0	\$0	\$535,356
(21) Non-certificated salaries and wages	\$22,541	\$847,996	\$64,794	\$49,182	\$397,233	\$45,226	\$1,426,972
(22) Non-certificated benefits	\$2,472	\$140,323	\$10,164	\$7,187	\$42,070	\$1,909	\$204,125
(23) <b>SUB - TOTAL</b>	\$233,146	\$7,102,796	\$74,958	\$56,369	\$439,303	\$47,135	\$7,953,707
(24) Services, contracts and supplies	\$51,511	\$2,052,251	\$1,909,823	\$796,356	\$297,163	\$29,304	\$5,136,408
(25) Gross school generated funds	\$0	\$572,484					\$572,484
(26) Amortization of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(27) Interest and charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(28) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) <b>TOTAL EXPENSES</b>	\$284,657	\$9,727,531	\$1,984,781	\$852,725	\$736,466	\$76,439	\$13,662,599
(31) <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	\$7,827	(\$5,205)	\$16,432	\$10,000	(\$23,256)	\$0	\$5,798

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

<b>Unexpended SGF - Opening Balance August 31, 2010</b> (Note 1)			\$129,577
<b>Sources of School Generated Funds:</b>	<b>Gross SGF</b>	<b>Related Expenses</b>	<b>Net SGF</b>
Fundraising activities	\$84,138	\$15,589	\$68,549
Student fees (non-instructional) (note 1)	\$410,250	\$0	\$410,250
Donations and grants to schools	\$51,065	\$0	\$51,065
Other (describe):	\$20,116	\$0	\$20,116
<b>Net Additions to SGF</b>	\$565,569	\$15,589	\$549,980
<b>Net SGF Available</b>			\$679,557
<b>Uses of Net School Generated Funds:</b>			
Extra-curricular activities			\$179,373
Field trips			\$340,113
Other (describe):			\$37,409
<b>Total Uses of Net SGF</b> (Note 2)			\$556,895
<b>Unexpended SGF - Closing Balance August 31, 2011</b> (Note 3)			\$122,662
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</li> <li>2 The sum of "total related expenses" and "total uses of net SGF" is reported as "gross school generated funds" in the Statement of Revenues &amp; Expenses.</li> <li>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</li> </ol>			

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

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR & Modular Unit Relocations	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages		\$0	\$0	\$0	\$64,794		\$64,794		\$64,794
Uncertificated benefits	\$0	\$0	\$0	\$0	\$10,164		\$10,164		\$10,164
Sub-total Remuneration	\$0	\$0	\$0	\$0	\$74,958		\$74,958		\$74,958
Supplies and services	\$8,382	\$18	\$0	\$0	\$1,894,250		\$1,902,650		\$1,902,650
Electricity			\$5,271				\$5,271		\$5,271
Natural gas/heating fuel			\$1,225				\$1,225		\$1,225
Sewer and water			\$677				\$677		\$677
Telecommunications			\$0				\$0		\$0
Insurance					\$0		\$0		\$0
Amortization of capital assets									
Supported									
Unsupported							\$0		\$0
Total Amortization							\$0		\$0
Interest on capital debt									
Supported									
Unsupported							\$0		\$0
Other interest charges							\$0		\$0
Losses on disposal of capital assets							\$0		\$0
<b>TOTAL EXPENSES</b>	\$8,382	\$18	\$7,173	\$0	\$1,969,208	\$0	\$1,984,781	\$0	\$1,984,781
<b>SQUARE METRES</b>									
School buildings									10,301.4
Non school buildings									0.0

**Note:**

**Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

**Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

**Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

**Expensed IMR & Modular Unit Relocations:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.

**Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project administration, administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

**Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.