

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2012**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Westwind School Division No.74**  
Legal Name of School Jurisdiction

**P.O. Box 10 Cardston, AB T0K 0K0**  
Mailing Address

**Tele: (403)653-4991 Fax: (403)653-4641**  
Telephone and Fax Numbers

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

The financial statements of Westwind School Division No.74 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**

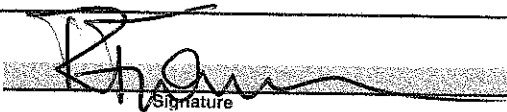
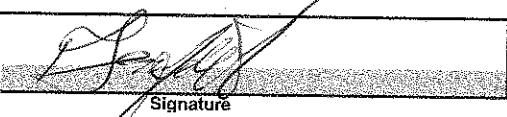

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

**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.

<b>BOARD CHAIR</b>	
Mr. Ron Fromm <small>Name</small>	 <small>Signature</small>
<b>SUPERINTENDENT</b>	
Mr. Ken Sommerfeldt <small>Name</small>	 <small>Signature</small>
<b>SECRETARY TREASURER OR TREASURER</b>	
Mr. Dexter Durley <small>Name</small>	 <small>Signature</small>

**November 15, 2012**  
Board-approved Release Date

**TABLE OF CONTENTS**

	<b>Page</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>3</b>
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>4</b>
<b>STATEMENT OF REVENUES AND EXPENSES</b>	<b>5</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>6</b>
<b>STATEMENT OF CHANGES IN NET ASSETS</b>	<b>7</b>
<b>STATEMENT OF CAPITAL ALLOCATIONS</b>	<b>8</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>9</b>

# Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Westwind School Division No.74

We have audited the accompanying financial statements of Westwind School Division No.74, which comprise the statement of financial position as at August 31, 2012, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *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*

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 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 presentation of the financial statements.

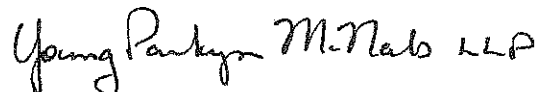
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Westwind School Division No.74 as at August 31, 2012, and the results of its operations and its cash flows for the year ended in accordance with Canadian generally accepted accounting principles.

Lethbridge, Alberta

November 15, 2012



Chartered Accountant

**STATEMENT OF FINANCIAL POSITION**  
as at August 31, 2012  
(in dollars)

	2012	2011
<b>ASSETS</b>		
Current assets		
Cash and temporary investments (Note 3)	\$1,632,325	\$1,641,009
Accounts receivable (net after allowances) (Note 4)	\$522,487	\$538,997
Prepaid expenses	\$0	\$302,693
Other current assets	\$0	\$0
<b>Total current assets</b>	<b>\$2,154,812</b>	<b>\$2,680,033</b>
Trust assets (Note 5)		
Long term accounts receivable	\$0	\$0
Long term investments (Note 6)	\$1,739,431	\$1,820,481
Capital assets (Note 7)		
Land	\$656,541	\$656,541
Construction in progress	\$0	\$0
Buildings	\$63,268,051	\$63,268,051
Less: accumulated amortization	(\$27,408,588)	(\$27,408,588)
Equipment	\$814,910	\$814,910
Less: accumulated amortization	(\$518,588)	(\$518,588)
Vehicles	\$4,405,637	\$4,405,637
Less: accumulated amortization	(\$2,386,351)	(\$2,386,351)
<b>Total capital assets</b>	<b>\$38,831,614</b>	<b>\$39,260,734</b>
<b>TOTAL ASSETS</b>	<b>\$43,019,011</b>	<b>\$44,054,775</b>
<b>LIABILITIES</b>		
Current liabilities		
Bank indebtedness (Note 8)	\$0	\$0
Accounts payable and accrued liabilities (Note 9)	\$418,008	\$291,306
Deferred revenue (Note 10)	\$413,435	\$458,696
Deferred capital allocations (Note 11)	\$78,555	\$78,555
Current portion of long term debt	\$279,800	\$459,465
<b>Total current liabilities</b>	<b>\$1,187,799</b>	<b>\$1,285,862</b>
Trust liabilities (Note 5)		
Employee future benefit liabilities (Note 2)	\$298,151	\$293,527
Long term debt (Note 12)	\$132,823	\$139,673
Supported: Debentures and other supported debt	\$994,400	\$1,453,805
Less: Current portion	(\$279,800)	(\$459,405)
Unsupported: Debentures and capital loans	\$0	\$0
Capital leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities (Note 13)	\$855,910	\$895,792
Unamortized capital allocations (Note 14)	\$30,628,506	\$31,621,239
<b>Total long term liabilities</b>	<b>\$32,622,393</b>	<b>\$33,938,621</b>
<b>TOTAL LIABILITIES</b>	<b>\$33,810,192</b>	<b>\$35,224,483</b>
<b>NET ASSETS</b>		
Unrestricted net assets	\$0	\$0
Operating reserves	\$1,539,281	\$2,007,022
Accumulated operating surplus (deficit)	\$1,539,281	\$2,007,022
Investment in capital assets	\$7,210,709	\$6,185,700
Capital reserves	\$489,529	\$637,570
<b>Total capital funds</b>	<b>\$7,669,538</b>	<b>\$6,823,270</b>
<b>Total net assets</b>	<b>\$9,208,819</b>	<b>\$8,830,292</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$43,019,011</b>	<b>\$44,054,775</b>

Note: Please input "(Restated)" in 2011 column heading where comparatives are not taken from the finalized 2010/2011 Audited Financial Statements filed with Alberta Education.

**STATEMENT OF REVENUES AND EXPENSES**  
**for the Year Ended August 31, 2012**  
(in dollars)

	Actual 2012	Budget 2012	Actual 2011
<b>REVENUES</b>			
Government of Alberta	\$42,154,643	\$40,805,817	\$41,492,874
Federal Government and/or First Nations	\$3,912,648	\$4,142,801	\$4,253,857
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$58,985	\$76,000	\$66,544
Fees (Note 15)	\$531,530	\$221,583	\$543,808
Other sales and services	\$394,844	\$292,216	\$559,884
Investment income	\$209,363	\$175,065	\$189,770
Gifts and donations	\$91,954	\$10,000	\$50,454
Fundraising	\$896,702	\$1,238,841	\$814,696
Rental of facilities	\$610	\$1,000	\$590
Gains on disposal of capital assets	\$11,056	\$0	\$1,700
Amortization of capital allocations	\$1,454,128	\$1,653,732	\$1,694,784
Other revenue	\$25,267	\$164,208	\$58,880
<b>Total Revenues</b>	<b>\$49,741,730</b>	<b>\$48,781,283</b>	<b>\$49,627,749</b>
<b>EXPENSES</b>			
Certificated salaries (Note 22)	\$22,556,023	\$22,336,376	\$21,800,384
Certificated benefits (Note 22)	\$4,862,549	\$4,452,944	\$4,652,612
Non-certificated salaries and wages (Note 22)	\$3,972,560	\$9,161,849	\$9,075,539
Non-certificated benefits (Note 22)	\$2,699,052	\$2,799,541	\$2,614,784
Services, contracts and supplies	\$7,934,123	\$8,102,633	\$7,801,856
<b>Capital and debt services</b>			
Amortization of capital assets			
Supported	\$1,454,128	\$1,653,732	\$1,694,784
Unsupported	\$620,239	\$544,645	\$549,119
<b>Total Amortization of capital assets</b>	<b>\$2,074,367</b>	<b>\$2,198,377</b>	<b>\$2,143,903</b>
Interest on capital debt			
Supported	\$141,440	\$252,005	\$192,649
Unsupported	\$0	\$0	\$0
<b>Total Interest on capital debt</b>	<b>\$141,440</b>	<b>\$252,005</b>	<b>\$192,649</b>
Other interest and charges	\$3,160	\$2,000	\$3,112
Losses on disposal of capital assets	\$19,829	\$0	\$0
Other expense	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$49,363,203</b>	<b>\$49,356,025</b>	<b>\$48,114,739</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>			
	\$378,527	(\$574,732)	\$1,513,010
Extraordinary item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$378,527</b>	<b>(\$574,732)</b>	<b>\$1,513,010</b>

Note: Please input "(Restated)" where Actual 2011 comparatives are not as presented in the finalized 2010/2011 Audited Financial Statements filed with Alberta Education. Budget 2012 comparatives presented are final budget amounts formally approved by the Board.

**STATEMENT OF CASH FLOWS**  
for the Year Ended August 31, 2012  
(in dollars)

	2012	2011
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATIONS</b>		
Excess (deficiency) of revenues over expenses	\$378,527	\$1,513,010
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,454,128)	(\$1,594,784)
Total amortization expense	\$2,074,367	\$2,143,903
Gains on disposal of capital assets	(\$11,956)	(\$1,700)
Losses on disposal of capital assets	\$19,829	\$0
Changes in:		
Accounts receivable	\$14,510	\$685,716
Prepays and other current assets	\$302,033	(\$117,620)
Long term accounts receivable	\$0	\$0
Long term investments	\$81,950	\$77,106
Accounts payable and accrued liabilities	\$86,821	\$7,807
Deferred revenue	(\$45,161)	(\$262,278)
Employee future benefit liabilities	(\$1,450)	\$16,042
Other (describe)	\$0	\$0
<b>Total cash flows from Operations</b>	<b>\$1,445,342</b>	<b>\$2,467,202</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$1,093,693)	(\$837,518)
Equipment	(\$112,546)	(\$153,898)
Vehicles	(\$563,430)	(\$289,952)
Net proceeds from disposal of capital assets	\$116,849	\$1,700
Other (describe)	\$0	\$0
<b>Total cash flows from Investing activities</b>	<b>(\$1,654,020)</b>	<b>(\$1,279,668)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$0	\$0
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$459,405)	(\$506,005)
Add back: supported portion	\$459,405	\$506,005
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>(\$208,678)</b>	<b>\$1,187,534</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/11</b>	<b>\$1,841,003</b>	<b>\$663,469</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/12</b>	<b>\$1,632,325</b>	<b>\$1,841,003</b>

**Note:** Please input "(Restated)" where Actual 2011 comparatives are not as presented in the finalized 2010/2011 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CHANGES IN NET ASSETS  
for the Year Ended August 31, 2012

School Jurisdiction Code: 55

(in dollars)

	(1)	(2)	(3)	INTERNALLY RESTRICTED NET ASSETS											
	TOTAL NET ASSETS Cols. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL	TOTAL	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
				OPERATING RESERVES Cols. 6+8+10+12+14	CAPITAL RESERVES Cols. 7+9+11+13+15	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, 2011</b>	\$8,830,292	\$6,185,700	\$0	\$2,007,022	\$637,570	\$1,161,920	\$124,494	\$600,400	\$47,367	\$23,441	\$131,180	\$124,439	\$334,529	\$96,822	\$0
Prior period adjustments (describe)															
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Adjusted Balance, Aug. 31, 2011</b>	\$8,830,292	\$6,185,700	\$0	\$2,007,022	\$637,570	\$1,161,920	\$124,494	\$600,400	\$47,367	\$23,441	\$131,180	\$124,439	\$334,529	\$96,822	\$0
Excess (deficiency) of revenues over expenses	\$378,527		\$378,527												
Board funded capital additions		\$1,769,869	(\$387,123)	(\$710,983)	(\$971,763)	(\$77,037)	\$0	(\$515,026)	(\$36,465)	(\$119,620)	(\$219,282)	\$0	(\$415,926)	\$0	\$0
Disposal of unsupported capital assets	\$0	(\$124,621)	\$0		\$124,621		\$0		\$34,380		\$24,628		\$65,413		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0
Direct credits to net assets	\$0	\$0	\$0												
Amortization of capital assets		(\$2,074,367)	\$2,074,367												
Amortization of capital allocations		\$1,454,128	(\$1,454,128)												
Debt principal repayments (unsupported)		\$0	\$0												
Net transfers to operating reserves			(\$243,242)	\$243,242		\$71,694		\$14,396		\$6,839		\$50,324		\$0	
Net transfers from operating reserves			\$0	\$0		(\$88,350)		\$0		(\$88,350)		\$0		\$0	
Net transfers to capital reserves			(\$368,401)		\$368,401		\$0		\$61,356		583,274		\$243,771		\$0
Net transfers from capital reserves			\$0		\$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, 2012</b>	\$9,208,819	\$7,210,709	\$0	\$1,539,281	\$458,829	\$1,068,227	\$124,494	\$199,469	\$106,618	\$0	\$0	\$174,763	\$227,717	\$96,822	\$0



**STATEMENT OF CAPITAL ALLOCATIONS**  
**(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)**  
for the Year Ended August 31, 2012  
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2011	\$76,555	\$31,621,229
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2011	\$76,555	\$31,621,229
<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		\$459,405
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		\$1,454,128
<b>Balance at August 31, 2012</b>	<b>\$76,555</b>	<b>\$30,626,506</b>

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



---

## WESTWIND SCHOOL DIVISION NO. 74

### NOTES TO FINANCIAL STATEMENTS

For the Year Ended August 31, 2012

---

#### 1. Authority and purpose

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

The jurisdiction receives instruction and support allocations under Education Grants Regulation (AR120/2008). The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

#### 2. Summary of significant accounting policies

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

##### a) Revenue recognition

Revenue is recognized as follows:

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

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

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

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

##### b) Investments

Held for trading investments are recognized in the balance sheet at fair value. The fair values of the 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.

##### c) Prepaid expenses

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

---

---

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2012**

---

**2. Summary of significant accounting policies (continued)**

d) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided for on a straight-line basis over the assets' estimated useful lives using the following annual rates:

Equipment and furnishings	5 years
Vehicles and buses	5 to 10 years
Buildings	25 to 40 years

There is no amortization charged in the year of acquisition.

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

e) Vacation pay

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

f) Teachers' Retirement Fund Contributions by the Province of Alberta

Teachers' Retirement Fund (TRF) contributions by the Province for current service are a component part of education system costs and are formally recognized in the accounts of the school jurisdictions, even though the jurisdiction has no legal obligation to pay these costs. The amount of current service contributions are recognized as revenue from the Province and as certificated benefits expense. Previously, the Provincial contributions were not included in the accounts of the jurisdiction. The prior year's comparative figures have been restated to conform to this change in accounting policy.

g) Pensions

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

For the school year ended August 31, 2012, the amount contributed to the Teacher's Retirement Fund by the Government was \$2,163,028 (2011 \$2,112,326).

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$748,666 for the year ended August 31, 2012. At December 31, 2011, the Local Authorities Pension Plan reported a deficiency of \$4,639,390,000 (2010 deficiency of \$4,635,250,000).

h) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2012, the recorded obligation is \$132,223 (2011 - \$133,673). The total expense recorded in the financial statements is (\$1,450) (2011 - \$16,042).

---

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2012**

**2. Summary of significant accounting policies (continued)**

i) Contributed services

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

j) Financial instruments

These consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

k) Operating and capital reserves

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

l) Future Accounting Policies

The school board will adopt public sector accounting standards for the year ending August 31, 2013 with retrospective application and restatement of the prior school year. The transition is intended to enhance the public accountability and comparability of the financial reporting of the government controlled entities with those of other government organizations.

**3. Cash and temporary investments**

	2012			2011		
	Effective (Market) Yield	Cost	Fair Value	Effective (Market) Yield	Cost	Fair Value
Cash (cheques in excess of deposits)	-	\$626,325	\$626,325	-	\$835,003	\$835,003
Fixed-income securities						
Government of Canada, direct and guaranteed	6.75%	1,000,000	1,000,000	4.0%	1,000,000	1,000,000
Cash management fund		6,000	6,000		6,000	6,000
Total cash and temporary investments		<u>\$1,632,325</u>	<u>\$1,632,325</u>		<u>\$1,841,003</u>	<u>\$1,841,003</u>

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2012**

**4. Accounts receivable**

	2012	2011
Alberta Education	\$ 50,772	\$ 77,735
Federal Government	167,678	130,307
First Nations	16,465	24,500
Other	287,572	304,455
	<u>\$ 522,487</u>	<u>\$ 536,997</u>

**5. Trust assets and liabilities**

These balances represent cash that is held in trust by the jurisdiction for Scholarships.

**6. Long-term investment**

The jurisdiction, along with two other school jurisdictions, has invested in the Southern Alberta Wind Farm project for a total project cost of \$6,400,000. The provincial government has contributed \$3,200,000 towards the project, with Westwind School Division contributions totalling \$1,091,840. This investment will be repaid over 20 years including interest at 5%. The principal amount outstanding at year end is \$1,739,431.

Principal repayments in each of the next five fiscal years and beyond are as follows:

	Principal	Interest	Total
2012-2013	\$ 85,197	\$ 85,037	\$ 170,234
2013-2014	89,556	80,678	170,234
2014-2015	94,138	76,096	170,234
2015-2016	98,954	71,280	170,234
2016-2017	104,017	66,217	170,234
2017 to maturity	1,267,569	321,280	1,588,849
	<u>\$ 1,739,431</u>	<u>\$ 700,588</u>	<u>\$ 2,440,019</u>

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2012**

**7. Tangible Capital Assets**

	Land	Construction In Progress - New Building	Buildings 25-40 Years	Equipment - Computer Hardware & Software 3-5 Years	Other Equipments 5-10 Years	Vehicles 5-10 Years	Total Aug. 31, 2012	Total Aug. 31, 2011
Estimated Useful life			25-40 Years	3-5 Years	5-10 Years	5-10 Years		
<b>Historical cost</b>								
September 1, 2011	\$656,541	\$0	\$62,174,160	\$787,912	\$0	\$4,065,786	\$67,684,401	\$66,586,051
Additions	0	0	1,093,891	112,546	0	563,431	1,769,868	1,281,368
Transfers in (out)	0	0	0	0	0	0	0	0
Less disposals including write-offs	0	0	0	-85,548	0	-223,582	-309,130	-183,018
August 31, 2012	\$656,541	\$0	\$63,268,051	\$814,910	\$0	\$4,405,637	\$69,145,139	\$67,684,401
<b>Accumulated amortization</b>								
September 1, 2011	0	0	\$25,741,312	\$518,745	\$0	\$2,163,610	\$28,423,667	\$26,462,782
Amortization expense	0	0	1,667,276	85,389	0	321,702	2,074,367	2,143,903
Transfers in (out)	0	0	0	0	0	0	0	0
Effect of disposals	0	0	0	-85,548	0	-98,961	-184,509	-183,018
August 31, 2012	0	0	\$27,408,588	\$518,585	\$0	\$2,386,351	\$30,313,525	\$28,423,667
<b>Net Book Value at August 31, 2012</b>	<b>\$656,541</b>	<b>\$0</b>	<b>\$35,859,463</b>	<b>\$296,324</b>	<b>\$0</b>	<b>\$2,019,286</b>	<b>\$38,831,614</b>	<b>\$39,260,734</b>

**8. Bank indebtedness**

The jurisdiction has negotiated a line of credit in the amount of \$2,300,000 that bears interest at the prime rate less 0.25%. As at August 31, 2012, the line of credit was undrawn.

**9. Accounts payable and accrued liabilities**

	2012	2011
Alberta Finance	\$ 50,772	\$ 77,735
Other	367,237	213,571
	<b>\$ 418,009</b>	<b>\$ 291,306</b>

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2012

**10. Deferred revenue**

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE	ADD:	DEDUCT:	ADD:	DEFERRED REVENUE
	as at	2011/2012	2011/2012	2011/2012	as at
	Aug. 31, 2011	Restricted Funds Received/ Receivable	Restricted Funds Expended (Paid / Payable)	Adjustments or Returned Funds	Aug. 31, 2012
<b>Alberta Education Restricted Operational Funding:</b>	\$0	\$0	\$0	\$0	\$0
Alberta Initiative for School Improvement	\$0	\$445,733	(\$445,733)	\$0	\$0
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0	\$0
Infrastructure Maintenance Renewal	\$0	\$670,115	(\$670,115)	\$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	\$0	\$0	\$0	\$0
Student Health Initiative (School Authorities)	\$0	\$0	\$0	\$0	\$0
SuperNet Service	\$0	\$129,438	(\$129,438)	\$0	\$0
Other Alberta Education deferred revenue	\$0	\$0	\$0	\$0	\$0
<b>Other Government of Alberta Restricted Funding:</b>	\$0	\$0	\$0	\$0	\$0
Tech One to One	\$0	\$0	\$0	\$0	\$0
Technology mediated learning program	\$0	\$0	\$0	\$0	\$0
High school CTS enhancement program	\$0	\$0	\$0	\$0	\$0
Leadership Tech Project	\$8,379	\$0	(\$8,378)	\$0	\$1
CTS Enhancement funding	\$56,516	\$0	(\$56,516)	\$0	\$0
Innovative classroom funding	\$0	\$0	\$0	\$0	\$0
<b>Other Deferred Revenue:</b>	\$0	\$0	\$0	\$0	\$0
School Generated Fund Balances	\$393,701	\$1,349,877	(\$1,330,143)	\$0	\$413,435
	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$458,596</b>	<b>\$2,595,163</b>	<b>(\$2,640,323)</b>	<b>\$0</b>	<b>\$413,436</b>

**11. Deferred capital allocations**

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

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2012**

**12. Long-term debt**

Debenture debt - supported

The debenture debt bears interest at rates varying between 7.625% and 11.5%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2012-2013	\$ 279,800	\$ 95,238	\$ 375,038
2013-2014	279,800	66,677	346,477
2014-2015	161,200	38,115	199,315
2015-2016	68,400	22,451	90,851
2016-2017	68,400	22,451	90,851
2017 to maturity	136,800	39,070	175,870
	<u>\$ 994,400</u>	<u>\$ 284,002</u>	<u>\$ 1,278,402</u>

**13. Other long term liabilities**

	2012	2011
Southern Alberta Wind Farm project – government portion	\$ 855,910	\$ 895,792

The Westwind School Division investment in the Southern Alberta Wind Farm project was \$2,183,680, consisting of a government grant and a divisional contribution each in the amount of \$1,091,840. The government grant will be brought into income over a 20 year period based on a rate of return of 5% on the investment. Deferred revenue will be brought into income in each of the next five fiscal years and beyond as follows:

	Total
2012-2013	\$ 41,922
2013-2014	44,067
2014-2015	46,322
2015-2016	48,692
2016-2017	51,183
2017 to maturity	623,724
	<u>\$ 855,910</u>



**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2012**

**14. Unamortized capital allocations**

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

**15. Fees**

Item	Gross Receipts
Transportation fees *	\$51,089
Fees charged for instruction material and supplies **	\$150,022
Other fees	\$330,419
<b>Total</b>	<b>\$531,530</b>

\*Charged under *School Act*, Section 51 (3)

\*\*Charged under *School Act* Section 60 (2) (j).

**16. School Generated Funds**

Unexpended School Generated Revenues, Opening Balance August 31, 2011 (A):	\$393,701
Current Year Activities - Gross Receipts:	
Fees	330,419
Fundraising	896,702
Gifts and donations	22,659
Grants to schools	0
Other sales and services	100,097
<b>Total gross receipts (B)</b>	<b>\$1,349,877</b>
Current Year Activities - Total Direct Costs Including Cost of Goods Sold to Raise Funds (C)	577,047
Current Year Activities - Uses of Funds (D)	753,096
Unexpended School Generated Revenues, Closing Balance August 31, 2012 (E)*	\$413,435

\*E=A+B-C-D

**17. Commitments**

As of January 1, 2007, the jurisdiction signed a 20 year service agreement with Enmax to receive electricity at a flat rate.

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2012**

**18. Contingencies**

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

**19. 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. Westwind School Division No.74 had related party transactions for the year ended August 31, 2012 with the Government of Alberta recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amount of consideration agreed upon between the related parties.

2011-2012	Balances		Transactions	
	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
<b>Government of Alberta:</b>				
Education	\$ -	\$ -	\$ 42,013,203	\$ -
Infrastructure & Transportation	-	-	-	-
Finance	-	-	-	-
Health & Wellness	-	-	-	-
Human Resources/Employment	-	-	-	-
Other Gov't of Alberta departments	50,772	50,772	141,440	-
<b>Other:</b>				
Health authorities	-	-	5,800	-
Post-secondary institutions	-	-	-	-
Other Alberta school jurisdictions	-	-	-	-
Other related parties	-	-	289,838	-
<b>TOTAL 2011-2012</b>	<b>\$ 50,772</b>	<b>\$ 50,772</b>	<b>\$ 42,450,281</b>	<b>\$ -</b>
<b>TOTAL 2010-2011</b>	<b>\$ 77,735</b>	<b>\$ 142,629</b>	<b>\$ 41,492,874</b>	<b>\$ -</b>

**20. Economic dependence on related third party**

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

**WESTWIND SCHOOL DIVISION NO. 74**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2012**

**21. Budget amounts**

The budget was prepared by the school jurisdiction management with Board of Trustees approval given on November 17, 2011. It is presented for information purposes only, and has not been audited.

**22. Remuneration and monetary incentives**

The Westwind School Division No. 74 had paid or accrued expenses for the year ended August 31, 2012 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>Expense</b>
Mr. Ron Fromm, Board Chairman	1.0	\$11,689	\$5,844	\$3,178			\$3,676
Mr. Darcy Barfuss	1.0	\$10,293	\$5,146	\$3,064			\$4,354
Mrs. Lori Brooks	1.0	\$10,293	\$5,146	\$3,064			\$1,664
Mr. Rob Edwards, Vice Chair	1.0	\$10,629	\$5,314	\$3,092			\$805
Mrs. Anna Joyce-Frank	1.0	\$10,293	\$5,146	\$1,583			\$1,857
Mr. Stephen Heggie	1.0	\$10,324	\$5,162	\$1,658			\$4,068
Mr. Lance Miller	1.0	\$10,293	\$5,146	\$3,064			\$1,579
Mr. Cal Salmon	1.0	\$10,293	\$5,146	\$261			\$1,119
Mr. Peter Scott	1.0	\$10,293	\$5,146	\$3,064			\$3,550
<b>Subtotal</b>	<b>9.00</b>	<b>\$94,400</b>	<b>\$47,196</b>	<b>\$22,028</b>			<b>\$22,672</b>
Mr. Kenneth Sommerfeldt, Superintendent	1.000	\$162,037	\$13,400				\$2,636
Mr. Dexter Durfey, Secretary Treasurer	1.0	\$145,311	\$30,176	\$0	\$0	\$0	\$353
Certificated Teachers	252.9	\$22,393,986	\$4,849,249	\$0	\$0		
Non-certificated - Other	287.6	\$8,832,853	\$2,621,677	\$0	\$0	\$0	
<b>Totals</b>		<b>\$31,628,587</b>	<b>\$7,561,698</b>	<b>\$22,028</b>	<b>\$0</b>	<b>\$0</b>	

**23. Comparative figures**

The comparative figures have been reclassified where necessary to conform to the 2012 presentation. School Generated Funds (SGF) are no longer shown separately in the statement of financial position and the statement of revenue and expenses. SGF asset balances are combined with cash and temporary investments and SGF liabilities with deferred revenues. All SGF revenues and expenses are now included in the respective category they relate to.

**24. Prior period adjustments**

Revenue from Government of Alberta and certificated benefits for the year ended August 31, 2011 have been restated by \$2,112,326 to reflect retroactive application of inclusion of Government contributions to Alberta Teachers Retirement Fund in the statement of revenues and expenses.