

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Westwind School Division No. 74

Legal Name of School Jurisdiction

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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 Canadian Public Sector Accounting Standards 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 Chair

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

BOARD CHAIR

Jim Ralph
Name


Signature

SUPERINTENDENT

Ken Sommerfeldt
Name


Signature

SECRETARY-TREASURER OR TREASURER

Peter Wright
Name


Signature

November 22, 2018
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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CHARTERED PROFESSIONAL ACCOUNTANTS
INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
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, 2018, and the statements of operations, change in net debt, remeasurement gains and losses, and cash flows for the year ended August 31, 2018 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 public sector accounting standards, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit 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, 2018, and the results of its operations, changes in its net debt, remeasurement gains and losses, and its cash flows for the year ended August 31, 2018 in accordance with Canadian public sector accounting standards.

Lethbridge, Alberta
November 22, 2018

Chartered Professional Accountants

STATEMENT OF FINANCIAL POSITION
As at August 31, 2018 (in dollars)

		2018	2017
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5)	\$ 2,767,266	\$ 2,012,205
Accounts receivable (net after allowances)	(Note 3)	\$ 4,728,101	\$ 4,692,930
Portfolio investments	(Schedule 5; Note 4)	\$ 1,262,960	\$ 1,376,059
Other financial assets		\$ -	\$ -
Total financial assets		\$ 8,758,327	\$ 8,081,194
LIABILITIES			
Bank indebtedness	(Note 5)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 6)	\$ 2,924,410	\$ 1,818,304
Deferred revenue	(Note 7)	\$ 83,113,007	\$ 66,932,797
Employee future benefits liabilities	(Note 8)	\$ 133,376	\$ 131,741
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Supported: Debentures and other supported debt	(Note 9)	\$ 68,400	\$ 136,800
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 86,239,193	\$ 69,019,642
Net debt		\$ (77,480,866)	\$ (60,938,448)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)		
Land		\$ 656,541	\$ 656,541
Construction in progress		\$ 38,690,273	\$ 20,947,621
Buildings		\$ 84,864,878	
Less: Accumulated amortization		\$ (39,121,115)	\$ 46,313,607
Equipment		\$ 535,486	
Less: Accumulated amortization		\$ (535,486)	\$ 54,194
Vehicles		\$ 5,810,815	
Less: Accumulated amortization		\$ (3,692,598)	\$ 1,837,109
Computer Equipment		\$ -	
Less: Accumulated amortization		\$ -	\$ -
Total tangible capital assets		\$ 87,208,794	\$ 69,809,072
Prepaid expenses		\$ 79,224	\$ 80,308
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 87,288,018	\$ 69,889,380
Accumulated surplus	(Schedule 1; Note 10)	\$ 9,807,152	\$ 8,950,932
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 9,807,152	\$ 8,950,932
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 9,807,152	\$ 8,950,932
Contractual obligations	(Note 12)		
Contingent liabilities	(Note 13)		

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2018 (in dollars)

	Budget 2018	Actual 2018	Actual 2017
REVENUES			
Alberta Education	\$ 50,444,228	\$ 50,228,683	\$ 48,560,543
Other - Government of Alberta	\$ 11,225	\$ 11,225	\$ 16,838
Federal Government and First Nations	\$ 2,858,822	\$ 2,578,285	\$ 2,474,299
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ 55,000	\$ 16,742	\$ 63,788
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 702,005	\$ 531,476	\$ 626,081
Other sales and services	\$ 327,676	\$ 459,204	\$ 473,515
Investment income	\$ 113,872	\$ 153,969	\$ 119,966
Gifts and donations	\$ 49,378	\$ 103,608	\$ 93,170
Rental of facilities	\$ 500	\$ -	\$ -
Fundraising	\$ 549,874	\$ 766,436	\$ 864,460
Gains on disposal of capital assets	\$ -	\$ 7,526	\$ 13,035
Other revenue	\$ 26,500	\$ 9,076	\$ 18,802
Total revenues	\$ 55,139,080	\$ 54,866,230	\$ 53,324,497
EXPENSES			
Instruction - ECS	\$ 3,754,029	\$ 3,849,268	\$ 3,787,896
Instruction - Grades 1 - 12	\$ 39,305,413	\$ 39,443,714	\$ 39,392,242
Plant operations and maintenance (Schedule 4)	\$ 6,854,299	\$ 5,913,266	\$ 5,684,106
Transportation	\$ 2,119,306	\$ 2,222,492	\$ 2,095,979
Board & system administration	\$ 2,496,862	\$ 2,692,405	\$ 2,366,720
External services	\$ 208,027	\$ 199,865	\$ 202,407
Total expenses	\$ 54,737,936	\$ 54,321,010	\$ 53,529,350
Operating surplus (deficit)	\$ 401,144	\$ 545,220	\$ (204,853)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2018 (In dollars)

	2018	2017
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 545,220	\$ (204,853)
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 2,827,593	\$ 2,638,735
Gains on disposal of tangible capital assets	\$ (7,526)	\$ (13,035)
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (2,182,025)	\$ (2,042,778)
Deferred capital revenue write-down / adjustment	\$ 76,104	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ (35,171)	\$ (1,945,170)
Prepays	\$ 1,084	\$ (2,549)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ 1,106,106	\$ (11,750)
Deferred revenue (excluding EDCR)	\$ 17,097,395	\$ 15,207,035
Employee future benefit liabilities	\$ 1,635	\$ 2,262
Endowment	\$ 311,000	\$ -
Total cash flows from operating transactions	\$ 19,741,415	\$ 13,627,897
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (18,325,075)	\$ (15,116,803)
Equipment	\$ -	\$ -
Vehicles	\$ (745,568)	\$ (371,104)
Computer equipment	\$ -	\$ -
Net proceeds from disposal of unsupported capital assets	\$ 39,589	\$ 80,430
Other (describe)	\$ -	\$ -
Total cash flows from capital transactions	\$ (19,031,053)	\$ (15,407,477)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ -	\$ -
Dispositions of portfolio investments	\$ 113,099	\$ 107,704
Remeasurement (gains) losses reclassified to the statement of operations	\$ -	\$ -
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ 113,099	\$ 107,704
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (68,400)	\$ (68,400)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ (68,400)	\$ (68,400)
Increase (decrease) in cash and cash equivalents	\$ 755,061	\$ (1,740,276)
Cash and cash equivalents, at beginning of year	\$ 2,012,205	\$ 3,752,481
Cash and cash equivalents, at end of year	\$ 2,767,266	\$ 2,012,205

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)
For the Year Ended August 31, 2018 (in dollars)

	2018	2017
Operating surplus (deficit)	\$ 545,220	\$ (204,853)
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (20,259,377)	\$ (15,487,907)
Amortization of tangible capital assets	\$ 2,827,593	\$ 2,638,735
Net carrying value of tangible capital assets disposed of	\$ 32,062	\$ 67,395
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ (17,399,722)	\$ (12,781,777)
Changes in:		
Prepaid expenses	\$ 1,084	\$ (2,549)
Other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Endowments	\$ 311,000	\$ -
Increase (decrease) in net financial assets (net debt)	\$ (16,542,418)	\$ (12,989,179)
Net financial assets (net debt) at beginning of year	\$ (60,938,448)	\$ (47,949,269)
Net financial assets (net debt) at end of year	\$ (77,480,866)	\$ (60,938,448)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended August 31, 2018 (in dollars)

	2018	2017
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Prior Period Adjustment 1 (Describe)	\$ -	\$ -
Prior Period Adjustment 2 (Describe)	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
Accumulated remeasurement gains (losses) at end of year	\$ -	\$ -

The accompanying notes and schedules are part of these financial statements.

SCHEDULE 1

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2018 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2017	\$ 8,950,932	\$ -	\$ 8,950,932	\$ 5,551,064	\$ 184,848	\$ 248,343	\$ 1,029,352	\$ 1,937,325
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 8,950,932	\$ -	\$ 8,950,932	\$ 5,551,064	\$ 184,848	\$ 248,343	\$ 1,029,352	\$ 1,937,325
Operating surplus (deficit)	\$ 545,220		\$ 545,220			\$ 545,220		
Board funded tangible capital asset additions				\$ 974,789		\$ -	\$ -	\$ (974,789)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ (32,062)		\$ -	\$ -	\$ 32,062
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Endowment expenses & disbursements	\$ -		\$ -			\$ -	\$ -	
Endowment contributions	\$ 311,000		\$ 311,000		\$ 311,000	\$ -		
Reinvested endowment income	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -		\$ -	\$ (2,827,593)		\$ 2,827,593		
Capital revenue recognized	\$ -		\$ -	\$ 2,182,025		\$ (2,182,025)		
Debt principal repayments (unsupported)	\$ -		\$ -	\$ -		\$ -		
Additional capital debt or capital leases	\$ -		\$ -	\$ -		\$ -		
Net transfers to operating reserves	\$ -		\$ -			\$ (153,827)	\$ 153,827	
Net transfers from operating reserves	\$ -		\$ -			\$ -	\$ -	
Net transfers to capital reserves	\$ -		\$ -			\$ (491,740)		\$ 491,740
Net transfers from capital reserves	\$ -		\$ -			\$ -		\$ -
Adjustment for unsupported addition	\$ -		\$ -	\$ (8,457)	\$ -	\$ 8,457	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2018	\$ 9,807,152	\$ -	\$ 9,807,152	\$ 5,899,766	\$ 495,848	\$ 802,021	\$ 1,183,179	\$ 1,486,338

SCHEDULE 1
SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2018 (in dollars)

	INTERNALLY RESTRICTED RESERVES BY PROGRAM											
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		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
Balance at August 31, 2017	\$ 414,723	\$ 1,004,002	\$ 214,087	\$ 327,184	\$ 69,396	\$ 376,730	\$ 284,324	\$ 229,409	\$ 46,822	\$ -	\$ -	\$ -
Prior period adjustments:												
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 414,723	\$ 1,004,002	\$ 214,087	\$ 327,184	\$ 69,396	\$ 376,730	\$ 284,324	\$ 229,409	\$ 46,822	\$ -	\$ -	\$ -
Operating surplus (deficit)												
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ (389,164)	\$ -	\$ -	\$ -	\$ (585,625)	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ 32,062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net remeasurement gains (losses) for the year												
Endowment expenses & disbursements												
Endowment contributions												
Reinvested endowment income												
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets												
Capital revenue recognized												
Debt principal repayments (unsupported)												
Additional capital debt or capital leases												
Net transfers to operating reserves	\$ 53,147	\$ -	\$ 99,633	\$ -	\$ -	\$ -	\$ 1,047	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers from operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to capital reserves	\$ -	\$ -	\$ -	\$ 66,415	\$ -	\$ 55,188	\$ -	\$ 370,137	\$ -	\$ -	\$ -	\$ -
Net transfers from capital reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment for unsupported addition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2018	\$ 467,870	\$ 1,004,002	\$ 313,720	\$ 36,497	\$ 69,396	\$ 431,918	\$ 285,371	\$ 13,921	\$ 46,822	\$ -	\$ -	\$ -

SCHEDULE 2

SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2018 (in dollars)

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2017	\$ 350,842	\$ -	\$ 76,555	\$ -	\$ 64,258,006
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 350,842	\$ -	\$ 76,555	\$ -	\$ 64,258,006
Add:					
Unexpended capital revenue received from:					
Alberta Education capital funding (excl. IMR)	\$ 7,860,826				
Alberta Infrastructure school building & modular projects	\$ 4,588,510				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ 2,476,855				
Other sources: Village of Stirling	\$ -			\$ 257,988	
Other sources:	\$ -			\$ -	
Unexpended capital revenue receivable from:					
Alberta Education capital funding (excl. IMR)	\$ -				
Alberta Infrastructure school building & modular projects	\$ 3,116,726				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ 18	\$ -	\$ -	\$ -	
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					\$ -
Alberta Infrastructure managed projects					\$ 1,188,738
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (18,180,439)	\$ -	\$ -	\$ -	\$ 18,180,439
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Supported tangible capital dispositions					\$ -
Other adjustments: Adjustment for non-allowable IMR Expenses	\$ -	\$ -	\$ -	\$ -	\$ 76,104
Capital revenue recognized - Alberta Education					\$ 2,182,025
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2018	\$ 213,338	\$ -	\$ 76,555	\$ 257,988	\$ 81,369,052
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2018 (A) + (B) + (C) + (D)				\$ 547,881	

Unexpended Deferred Capital Revenue

- (A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only. Please specify department if funds received from a source other than Alberta Education.
- (B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.
- (C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved capital assets per 10(2)(a) of Disposition of Property Reg. 181/2010.
- (D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2018 (in dollars)

REVENUES	2018							2017
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 4,554,495	\$ 35,171,868	\$ 5,519,243	\$ 2,453,601	\$ 2,529,476	\$ -	\$ 50,228,683	\$ 48,560,543
(2) Other - Government of Alberta	\$ -	\$ -	\$ 11,225	\$ -	\$ -	\$ -	\$ 11,225	\$ 16,838
(3) Federal Government and First Nations	\$ 37,191	\$ 2,265,878	\$ 275,216	\$ -	\$ -	\$ -	\$ 2,578,285	\$ 2,474,299
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ 16,742	\$ -	\$ -	\$ -	\$ -	\$ 16,742	\$ 63,788
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 49,133	\$ 482,343	\$ -	\$ -	\$ -	\$ -	\$ 531,476	\$ 626,081
(9) Other sales and services	\$ -	\$ 134,044	\$ -	\$ 68,649	\$ 18,098	\$ 238,413	\$ 459,204	\$ 473,515
(10) Investment income	\$ -	\$ 78,858	\$ 69,111	\$ -	\$ 6,000	\$ -	\$ 153,969	\$ 119,966
(11) Gifts and donations	\$ -	\$ 103,608	\$ -	\$ -	\$ -	\$ -	\$ 103,608	\$ 93,170
(12) Rental of facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(13) Fundraising	\$ -	\$ 766,436	\$ -	\$ -	\$ -	\$ -	\$ 766,436	\$ 864,460
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ 7,526	\$ -	\$ -	\$ -	\$ 7,526	\$ 13,035
(15) Other revenue	\$ -	\$ -	\$ 8,606	\$ -	\$ 470	\$ -	\$ 9,076	\$ 18,802
(16) TOTAL REVENUES	\$ 4,640,819	\$ 39,019,777	\$ 5,890,927	\$ 2,522,250	\$ 2,554,044	\$ 238,413	\$ 54,866,230	\$ 53,324,497
EXPENSES								
(17) Certificated salaries	\$ 1,069,207	\$ 22,257,718	\$ -	\$ -	\$ 687,231	\$ -	\$ 24,014,156	\$ 23,326,923
(18) Certificated benefits	\$ 120,053	\$ 5,249,336	\$ -	\$ -	\$ 87,054	\$ -	\$ 5,456,443	\$ 5,362,438
(19) Non-certificated salaries and wages	\$ 1,424,194	\$ 5,169,355	\$ 1,747,195	\$ 988,622	\$ 777,746	\$ 38,833	\$ 10,145,905	\$ 9,632,323
(20) Non-certificated benefits	\$ 496,309	\$ 1,635,209	\$ 425,783	\$ 147,433	\$ 190,874	\$ 1,597	\$ 2,897,205	\$ 2,942,059
(21) SUB - TOTAL	\$ 3,109,723	\$ 34,311,618	\$ 2,172,978	\$ 1,136,055	\$ 1,742,905	\$ 40,430	\$ 42,513,709	\$ 41,263,743
(22) Services, contracts and supplies	\$ 739,545	\$ 5,054,788	\$ 1,380,989	\$ 715,253	\$ 891,735	\$ 159,435	\$ 8,941,745	\$ 9,607,757
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 2,182,025	\$ -	\$ -	\$ -	\$ 2,182,025	\$ 2,042,778
(24) Amortization of unsupported tangible capital assets	\$ -	\$ 53,147	\$ 166,049	\$ 371,184	\$ 55,188	\$ -	\$ 645,568	\$ 595,957
(25) Supported interest on capital debt	\$ -	\$ -	\$ 11,225	\$ -	\$ -	\$ -	\$ 11,225	\$ 16,838
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Other interest and finance charges	\$ -	\$ 24,161	\$ -	\$ -	\$ 2,577	\$ -	\$ 26,738	\$ 2,277
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 3,849,268	\$ 39,443,714	\$ 5,913,266	\$ 2,222,492	\$ 2,692,405	\$ 199,865	\$ 54,321,010	\$ 53,529,350
(31) OPERATING SURPLUS (DEFICIT)	\$ 791,551	\$ (423,937)	\$ (22,339)	\$ 299,758	\$ (138,361)	\$ 38,548	\$ 545,220	\$ (204,853)

SCHEDULE 4

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2018 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2018 TOTAL Operations and Maintenance	2017 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 1,294,848	\$ 413,929	\$ -	\$ 38,619	\$ -	\$ -	\$ -	\$ 1,747,196	\$ 1,767,974
Uncertificated benefits	\$ 324,439	\$ 91,410	\$ -	\$ 9,954	\$ -	\$ -	\$ -	\$ 425,753	\$ 474,459
Sub-total Remuneration	\$ 1,619,087	\$ 505,339	\$ -	\$ 48,553	\$ -	\$ -	\$ -	\$ 2,172,879	\$ 2,242,433
Supplies and services	\$ 124,389	\$ 128,837	\$ -	\$ 96,404	\$ -	\$ -	\$ -	\$ 349,610	\$ 264,669
Electricity			\$ 580,085					\$ 580,085	\$ 563,513
Natural gas/heating fuel		\$ 256,894						\$ 256,894	\$ 263,599
Sewer and water		\$ 126,440						\$ 126,440	\$ 82,021
Telecommunications		\$ 5,644						\$ 5,644	\$ 4,916
Insurance				\$ 62,315			\$ -	\$ 62,315	\$ 55,011
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets							\$ 2,182,025	\$ 2,182,025	\$ 2,042,778
Supported						\$ 166,049	\$ -	\$ 166,049	\$ 188,326
Unsupported						\$ 166,049	\$ 2,182,025	\$ 2,348,074	\$ 2,201,104
Total Amortization							\$ -	\$ -	\$ -
Interest on capital debt							\$ 11,225	\$ 11,225	\$ 16,838
Supported						\$ -	\$ -	\$ -	\$ -
Unsupported						\$ -	\$ -	\$ -	\$ -
Lease payments for facilities				\$ -			\$ -	\$ -	\$ -
Other interest charges							\$ -	\$ -	\$ -
Losses on disposal of capital assets							\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 1,743,456	\$ 634,176	\$ 969,063	\$ 144,957	\$ 62,315	\$ 166,049	\$ 2,193,250	\$ 5,913,266	\$ 5,684,106
SQUARE METRES									
School buildings								\$ 51,507.0	\$ 51,507.0
Non school buildings								\$ 2,460.0	\$ 2,460.0

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 Relocation & Lease Pmts: All operational expenses associated with non-capitalized infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.
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.
Unsupported Amortization & Other Expenses: All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.
Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2018 (in dollars)**

<u>Cash & Cash Equivalents</u>	2018			2017
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 1,767,266	\$ 1,767,266	\$ 1,012,205
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	1.91%	1,000,000	1,000,000	1,000,000
Total cash and cash equivalents	0.69%	\$ 2,767,266	\$ 2,767,266	\$ 2,012,205

See Note 3 for additional detail.

<u>Portfolio Investments</u>	2018			2017	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed investment certificates	0.00%	-	-	-	-
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	0.00%	-	-	-	-
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ -
Foreign	0.00%	-	-	-	-
Total equities	0.00%	-	-	-	-
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	0.00%	-	-	-	-
Southern Alberta Wind Farm Project	4.89%	1,158,231	1,158,231	1,158,231	1,267,569
Blu Earth Renewables Inc.	10.00%	104,729	104,729	104,729	108,490
Total portfolio investments	5.31%	\$ 1,262,960	\$ 1,262,960	\$ 1,262,960	\$ 1,376,059

See Note 5 for additional detail.

The following represents the maturity structure for portfolio investments based on principal amount:

	2018	2017
Under 1 year	9.4%	8.2%
1 to 5 years	54.6%	37.2%
6 to 10 years	31.4%	49.7%
11 to 20 years	4.1%	3.6%
Over 20 years	0.5%	1.3%
	100.0%	100.0%

SCHEDULE 6

School Jurisdiction Code: 56

SCHEDULE OF CAPITAL ASSETS
for the Year Ended August 31, 2018 (in dollars)

	2018						2017	
	Land	Construction in Progress*	Buildings 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total	Total
Tangible Capital Assets								
Estimated useful life								
Historical cost								
Beginning of year	\$ 656,541	\$ 20,947,621	\$ 83,093,719	\$ 535,486	\$ 5,256,448	\$ -	\$ 110,489,815	\$ 95,086,152
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	17,742,652	1,771,159	-	745,588	-	20,259,379	15,487,906
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	(191,201)	-	(191,201)	(84,243)
Historical cost, August 31, 2018	\$ 656,541	\$ 38,690,273	\$ 84,864,878	\$ 535,486	\$ 5,810,815	\$ -	\$ 130,557,993	\$ 110,489,815
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 36,780,112	\$ 481,292	\$ 3,419,339	\$ -	\$ 40,680,743	\$ 38,058,858
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	2,341,003	54,194	432,398	-	2,827,595	2,638,734
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	(159,139)	-	(159,139)	(16,849)
Accumulated amortization, August 31, 2017	\$ -	\$ -	\$ 39,121,115	\$ 535,486	\$ 3,692,598	\$ -	\$ 43,349,199	\$ 40,680,743
Net Book Value at August 31, 2018	\$ 656,541	\$ 38,690,273	\$ 45,743,763	\$ -	\$ 2,118,217	\$ -	\$ 87,208,794	\$ -
Net Book Value at August 31, 2017	\$ 656,541	\$ 20,947,621	\$ 46,313,607	\$ 54,194	\$ 1,837,109	\$ -	\$ 69,809,072	\$ -

	2018	2017
Total cost of assets under capital lease	\$ -	\$ -
Total amortization of assets under capital lease	\$ -	\$ -

SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES
for the Year Ended August 31, 2018 (in dollars)

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Chair - Jim Ralph	0.83	\$17,395	\$2,608	\$0	\$0	\$0	\$0	\$4,219
Vice - Doug Smith	0.83	\$15,808	\$256	\$0	\$0	\$0	\$0	\$4,981
Patricia Beazer (16/17 Chair)	1.00	\$18,155	\$2,967	\$0	\$0	\$0	\$0	\$6,589
Ross Blackmer	0.83	\$15,055	\$2,339	\$0	\$0	\$0	\$0	\$2,135
Peggy Blackmore	0.83	\$14,910	\$606	\$0	\$0	\$0	\$0	\$766
Anna-Joyce Frank	1.00	\$17,950	\$2,949	\$0	\$0	\$0	\$0	\$3,500
Jessica Payne	0.83	\$15,730	\$1,776	\$0	\$0	\$0	\$0	\$3,515
Josh Smith	0.83	\$14,475	\$2,432	\$0	\$0	\$0	\$0	\$2,446
Rod Wendorff	0.83	\$15,070	\$2,475	\$0	\$0	\$0	\$0	\$2,647
Previous 16/17 board members 7 at .17 FTE	1.19	\$19,342	\$2,928	\$0	\$0	\$0	\$0	\$2,157
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	9.00	\$163,890	\$21,335	\$0	\$0	\$0	\$0	\$32,955
Kenneth Sommerfeldt, Superintendent	1.00	\$195,948	\$56,827	\$0	\$0	\$0	\$0	\$16,861
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Peter Wright, Secretary-Treasurer	0.83	\$131,694	\$41,415	\$0	\$0	\$0	\$0	\$6,741
Dexter Dufrey, Secretary Treasurer	0.17	\$81,144	\$8,356	\$0	\$0	\$0	\$0	\$3,169
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated		\$23,818,208	\$5,399,616	\$0	\$0	\$0	\$0	\$0
School based	243.50							
Non-School based	4.00							
Non-certificated		\$9,789,177	\$2,826,099	\$0	\$0	\$0	\$0	\$0
Instructional	218.00							
Plant Operations & Maintenance	30.90							
Transportation	50.10							
Other	16.17							
TOTALS	573.67	\$34,160,061	\$8,353,648	\$0	\$0	\$0	\$0	\$59,726

1. AUTHORITY AND PURPOSE

Westwind School Division No. 74 (the Division) delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives funding for instruction and support under Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the CICA Canadian public sector accounting standards (PSAS). 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) Cash and Cash Equivalents

Cash and cash equivalents include cash and investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

b) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

c) Portfolio Investments

The Division has investments in GIC's that have a maturity of greater than 3 months. GIC's not quoted in an active market are reported at cost or amortized cost.

d) Tangible capital assets

The following criteria applies:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Work-in-progress is recorded as a transfer to the applicable asset class at substantial completion.
- Buildings include site and leasehold improvements as well as assets under capital lease.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the Division to provide services or when the value of future economic benefits associated with the sites and buildings is less than their net book value. For supported assets, the write-downs are accounted for as reductions to Expended Deferred Capital Revenue.
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.

d) Tangible capital assets, continued

- Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the Board are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the Division's rate for incremental borrowing or the interest rate implicit in the lease.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Equipment and furnishings	5 years
Vehicles & Buses	5 to 10 years
Buildings	25 to 50 years

e) Deferred Revenue

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per Public Sector Accounting Standard (PSAS) PS 3200. These contributions are recognized by the Division once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

Deferred revenue also includes contributions for capital expenditures, unexpended and expended:

a. Unexpended Deferred Capital Revenue

Unexpended Deferred Capital Revenue represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the Division, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per PS 3200 when expended.

b. Expended Deferred Capital Revenue

Expended Deferred Capital Revenue 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. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require the Division to use the asset in a prescribed manner over the life of the associated asset.

f) Employee Future Benefits

The Division provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include defined-benefit retirement plans, vested or accumulating sick leave, early retirement, retirement/severance, job-training and counseling, post-employment benefit continuation, vacation, overtime, death benefits, and various qualifying compensated absences.

g) Operating and Capital Reserves

Certain amounts are internally or externally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Changes in Accumulated Surplus.

h) Revenue Recognition

Revenues are recorded on an accrual basis. 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.

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Contributed services are not recognized in the financial statements.

Eligibility criteria are criteria that the Division has to meet in order to receive certain contributions. *Stipulations* describe what the Division must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with stipulations are recognized as revenue in the period the stipulations are met, except when and to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *Section PS 3200*. Such liabilities are recorded as deferred revenue. The following items fall under this category:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year the stipulated related expenses are incurred;
- Unexpended Deferred Capital Revenue; or
- Expended Deferred Capital Revenue.

i) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Allocation of Costs

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

j) Pensions

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

The current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the Division is included in both revenues and expenses. For the school year ended August 31, 2018, the amount contributed by the Government was \$2,731,051 (2017 - \$2,681,280).

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 \$868,267 for the year ended August 31, 2018 (2017 - \$876,820). At December 31, 2017, the Local Authorities Pension Plan reported a surplus of \$4,835,515,000 (2016 deficiency of \$637,357,000).

k) Program Reporting

The Division's operations have been segmented as follows:

- **ECS-Grade 12 Instruction:** The provision of Early Childhood Services education and grades 1 - 12 instructional services that fall under the basic public education mandate.
- **Plant Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.
- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facilities.
- **Board & System Administration:** The provision of board governance and system-based / central office administration.
- **External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenues and expenses are reported by program, source, and object on the Schedule of Program Operations. Respective instruction expenses include the cost of certificated teachers, non-certificated teaching assistants as well as a proportionate share of supplies & services, school administration & instruction support, and System Instructional Support.

l) Scholarship Endowment Funds

Contributions and income pertaining to scholarship endowment funds are recognized on the Statement of Operations and must be held in perpetuity in accordance with the agreement with the donor. Provisions of the agreement require that the principal balance is maintained. The income may be disbursed for the purposes of the scholarship. Undisbursed funds earned on endowment principal are recognized as deferred revenue or as revenue in the year to the extent that stipulations have been met.

Unrealized gains and losses associated with the endowment are recorded in the Statement of Remeasurement Gains and Losses.

m) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Division recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, short term investments, accounts payable and accrued liabilities, debt and other liabilities. Unless otherwise noted, it is management's opinion that the Division is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

n) Measurement Uncertainty

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. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits.

o) Change in Accounting Policy

The division has prospectively adopted the following standards from September 1, 2017: PS 3210 Assets, which are reflected in Schedule 6 and PS2200 Related Party Disclosures, which are reflected in Note 14.

p) Future Accounting Changes

The Public Sector Accounting Board has issued the following accounting standards:

- **PS 3430 Restructuring Transaction (effective April 1, 2018)**

This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

- **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**

Effective April 1, 2021, this standard provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

Management is currently assessing the impact of these standards on the financial statements.

WESTWIND SCHOOL DIVISION NO. 74
NOTES TO THE FINANCIAL STATEMENTS
For the year ended August 31, 2018

3. ACCOUNTS RECEIVABLE

	2018			2017
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Capital	4,063,733	-	4,063,733	2,429,628
Treasury Board and Finance - Supported debenture principal	68,400	-	68,400	136,800
Treasury Board and Finance - Accrued interest on supported debenture	3,033	-	3,033	6,067
Federal government	474,221	-	474,221	787,580
Municipalities	-	-	-	1,000,000
Other	118,714	-	118,714	332,855
Total	\$ 4,728,101	\$ -	\$ 4,728,101	\$ 4,692,930

4. PORTFOLIO INVESTMENTS

Southern Alberta Wind Farm Project

The Division, 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 of matching funds towards the project, with Westwind School Division No. 74 contributions totaling \$1,091,840. The investment will be repaid over 20 years including interest. The principal amount outstanding at year end is \$1,158,231 (2017 - \$1,267,569).

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

	Principal	Interest	Total
2019	\$ 114,932	\$ 55,302	\$ 170,234
2020	120,812	49,422	170,234
2021	126,993	43,241	170,234
2022	133,491	36,743	170,234
2023	140,320	29,914	170,234
2024 to maturity	521,683	45,764	567,447
Total Southern Alberta Wind Farm	\$ 1,158,231	\$ 260,386	\$ 1,418,617

BluEarth Renewables Inc.

The Division, along with several other school jurisdictions, has invested in BluEarth Renewable's Bull Creek Wind Power Project for a total project cost of \$4,000,000. Westwind School Division No. 74's contribution is \$115,793. The investment will be repaid over 25 years including interest. The principal amount outstanding at year end is \$104,729 (2017 - \$108,490).

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

	Principal	Interest	Total
2019	\$ 3,837	\$ 7,259	\$ 11,096
2020	3,913	7,403	11,316
2021	3,992	7,552	11,544
2022	4,071	7,701	11,772
2023	4,152	7,856	12,008
2024 to maturity	84,764	160,375	245,139
Total Southern Alberta Wind Farm	\$ 104,729	\$ 198,146	\$ 302,875

It is management's opinion that there has been no impairment during the year.

WESTWIND SCHOOL DIVISION NO. 74
NOTES TO THE FINANCIAL STATEMENTS
For the year ended August 31, 2018

5. BANK INDEBTEDNESS

The Division has negotiated a line of credit in the amount of \$2,300,000 that bears interest at the prime rate less 0.25%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the Division. There was no balance at August 31, 2018 (2017 - \$0).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Alberta Capital Finance Authority (Interest on long-term debt - supported)	3,033	6,067
First Nations	212,989	-
Scholarship	16,344	-
Other trade payables and accrued liabilities	2,692,044	1,812,237
Total	\$ 2,924,410	\$ 1,818,304

7. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	Deferred Revenue as at August 31, 2017	Add: 2017/2018 Restricted funds received/receivable	Deduct: 2017/2018 Restricted funds expended (paid/payable)	Add (Deduct): 2016/2017 Adjustments for returned funds	Deferred Revenue as at August 31, 2018
Unexpended deferred operating revenue					
Alberta Education:					
Infrastructure Maintenance Renewal	1,906,425	1,414,197	(1,771,481)	(759,381)	789,760
Other Alberta Education deferred revenue (specify)	-	-	-	-	-
Nutrition Program	81,871	250,000	(331,871)	-	-
Building Collaboration and Capacity in Education	47,509	90,450	(63,171)	-	74,788
Innovation in First Nations Education	-	151,740	-	-	151,740
Other Deferred Revenue:					
School Generated Funds	211,588	1,284,973	(1,316,775)	-	179,786
Total unexpended deferred operating revenue	\$ 2,247,393	\$ 3,191,360	\$ (3,483,298)	\$ (759,381)	\$ 1,196,074
Unexpended deferred capital revenue (schedule 2)	427,397	18,639,329	(19,369,175)	850,330	547,881
Expended deferred capital revenue (schedule 2)	64,258,007	19,369,175	(2,182,025)	(76,105)	81,369,052
Total	\$ 66,932,797	\$ 41,199,864	\$ (25,034,498)	\$ 14,844	\$ 83,113,007

8. EMPLOYEE FUTURE BENEFIT LIABILITIES

Employee future benefit liabilities consist of the following:

	2018	2017
Other compensated absences	133,376	131,741

WESTWIND SCHOOL DIVISION NO. 74
NOTES TO THE FINANCIAL STATEMENTS
For the year ended August 31, 2018

9. DEBT

	2018	2017
Debtures outstanding at August 31, 2018 have rates between 7.625% to 9.250%. The terms of the loans range between 20 and 25 years, payments made annually supported by Alberta Education.	68,400	136,800
Total	\$ 68,400	\$ 136,800

Debture Debt – Supported

The debture debt is fully supported by Alberta Finance. Debture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2018-2019	68,400	5,613	74,013
Total	\$ 68,400	\$ 5,613	\$ 74,013

10. ACCUMULATED SURPLUS:

Detailed information related to accumulated surplus is available on the Schedule of Changes in Accumulated Surplus. Accumulated surplus may be summarized as follows:

	2018	2017
Unrestricted surplus	802,021	248,343
Operating reserves	1,183,179	1,029,352
Accumulated surplus (deficit) from operations	1,985,200	1,277,695
Investment in tangible capital assets	5,839,766	5,551,064
Capital reserves	1,486,338	1,937,325
Endowment (1)	495,848	184,848
Accumulated remeasurement gains (losses)	-	-
Accumulated surplus (deficit)	\$ 9,807,152	\$ 8,950,932

(1) Terms of the endowments stipulate that the principal balance be maintained permanently.

The Division has recorded a provision for employee future benefits. Since this provision reflects estimated future obligations, it is not required to be funded from current operations. Accumulated surplus (deficit) may be adjusted as follows:

	2018	2017
Accumulated surplus (deficit) from operations	1,985,200	1,277,695
Deduct: School generated funds included in accumulated surplus (note 11)	-	-
Adjusted accumulated surplus (deficit) from operations (2)	\$ 1,985,200	\$ 1,277,695

(2) Accumulated surplus represents funding available for use by the Division after deducting funds committed for use by the schools.

WESTWIND SCHOOL DIVISION NO. 74
NOTES TO THE FINANCIAL STATEMENTS
For the year ended August 31, 2018

11. SCHOOL GENERATED FUNDS

	2018	2017
School generated funds, beginning of year	211,588	232,892
Gross receipts:		
Fees	386,677	410,509
Fundraising	740,230	846,801
Gifts and donations	49,637	55,571
Grants to schools	-	-
Other sales and services	108,428	119,211
Total gross receipts	1,284,972	1,432,092
Total related expenses and uses of funds	595,139	608,876
Total direct costs including cost of goods sold to raise funds	721,635	844,520
School generated funds, end of year	\$ 179,786	\$ 211,588
Balance included in deferred revenue	\$ 179,786	\$ 211,588
Balance included in accumulated surplus (operating reserves)	\$ -	\$ -

12. CONTRACTUAL OBLIGATIONS

	2018	2017
Building projects	3,119,899	15,846,160
Cisco	295,846	591,691
CSI Leasing	275,391	469,784
Ricoh	85,221	231,314
CSI Leasing	46,348	77,247
Total	\$ 3,822,705	\$ 17,216,196

Building projects: The Division is committed to capital expenditures on modernization projects in Magrath and Stirling and modular buildings in Raymond. An estimated \$530,208 remains on the Magrath contract which is projected to be completed in December 2018. The Stirling project has an estimated \$2,125,652 remaining on the project which is projected to be completed in December 2018. The Raymond project has an estimated \$464,039 remaining on the project which is projected to be completed in December 2018.

Cisco: The Division has committed to a 36 month lease for software. The lease will expire in January 2020.

CSI Leasing: The Division has committed to a 48 month lease for computer equipment. The lease will expire in January 2020.

Ricoh: The Division has committed to a 60 month lease for photocopiers. The lease will expire in March 2019.

CSI Leasing: The Division has committed to a 36 month lease for computer equipment. The lease will expire in February 2020.

WESTWIND SCHOOL DIVISION NO. 74
NOTES TO THE FINANCIAL STATEMENTS
For the year ended August 31, 2018

13. CONTINGENT LIABILITIES

The Division is a member of Alberta School Boards Insurance Exchange (ASBIE). Under the terms of its membership, the Division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange.

14. RELATED PARTY TRANSACTIONS

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions.

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):				
Alberta Education				
Unexpended deferred capital revenue		547,881		
Expended deferred capital revenue		81,377,508	2,182,025	
Grant revenue and expenses			47,394,516	
ATRF payments made on behalf of district			2,731,051	
Alberta Treasury Board and Finance (Principal)	68,400			
Alberta Treasury Board and Finance (Accrued Interest)	3,033		11,225	
Other:				
Other related parties (FCSS)			25,500	
Other related parties (Advanced Education)			221,369	
Other related parties (AHS Liason Funding)			16,742	
Total 2017/2018	\$ 71,433	\$ 81,925,389	\$ 52,582,428	\$ -
Total 2016/2017	\$ 142,867	\$ 64,685,403	\$ 48,891,771	\$ 16,838

15. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

16. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees on June 26, 2017. It is presented for information purposes only and has not been audited.

17. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2017/2018 presentation.

UNAUDITED SCHEDULE OF FEES
for the Year Ending August 31, 2018 (in dollars)

	Actual Fees Collected 2016/2017	Budgeted Fee Revenue 2017/2018	(A) Actual Fees Collected 2017/2018	(B) Unexpended September 1, 2017*	(C) Funds Raised to Defray Fees 2017/2018	(D) Expenditures 2017/2018	(A) + (B) + (C) - (D) Unexpended Balance at August 31, 2018*
Transportation Fees	\$0	\$65,000	\$0	\$0	\$0	\$0	\$0
Basic Instruction Fees							
Basic instruction supplies	\$105,993	\$0	\$6,313	\$0	\$0	\$6,313	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees for optional courses	\$83,355	\$50,750	\$89,353	\$0	\$0	\$89,353	\$0
Activity fees	\$0	\$31,778	\$0	\$0	\$0	\$0	\$0
Early childhood services	\$26,225	\$35,000	\$49,133	\$0	\$0	\$49,133	\$0
Other fees to enhance education	\$305,244	\$151,550	\$228,385	\$0	\$0	\$228,385	\$0
Non-Curricular fees							
Extracurricular fees	\$105,264	\$337,235	\$158,292	\$0	\$0	\$158,292	\$0
Non-curricular travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Fees	\$0	\$30,692	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$625,081	\$702,005	\$531,476	\$0	\$0	\$531,476	\$0

*Unexpended balances cannot be less than \$0

	Actual 2018	Actual 2017
Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue):		
Cafeteria sales, hot lunch, milk programs	\$0	\$0
Special events, graduation, tickets	\$0	\$0
International and out of province student revenue	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$0	\$0
Adult education revenue	\$0	\$0
Preschool	\$0	\$0
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
TOTAL	\$0	\$0

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2018 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	286	123	122		
Federally Funded Students	254				
REVENUES					
Alberta Education allocated funding	\$ 357,553	\$ 2,890,629	\$ 143,139	\$ 3,014,775	\$ 515,951
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 357,553	\$ 2,890,629	\$ 143,139	\$ 3,014,775	\$ 515,951
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 40,000	\$ 230,621	\$ -	\$ -	
Instructional non-certificated salaries & benefits	\$ 480,221	\$ 1,920,463	\$ 201,802	\$ 3,534,395	
SUB TOTAL	\$ 520,221	\$ 2,151,084	\$ 201,802	\$ 3,534,395	
Supplies, contracts and services	\$ 22,521	\$ 739,545	\$ 5,706	\$ 76,391	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 542,742	\$ 2,890,629	\$ 207,508	\$ 3,610,786	
NET FUNDING SURPLUS (SHORTFALL)	\$ (185,189)	\$ -	\$ (64,369)	\$ (596,011)	

SCHEDULE 10

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2018 (in dollars)									
EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs				
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	TOTAL	TOTAL
Office of the superintendent	\$ 229,359	\$ -	\$ -	\$ 229,359	\$ -	\$ -	\$ -	\$ -	\$ 229,359
Educational administration (excluding superintendent)	\$ 544,926	\$ -	\$ -	\$ 544,926	\$ -	\$ -	\$ -	\$ -	\$ 544,926
Business administration	\$ 533,718	\$ -	\$ -	\$ 533,718	\$ -	\$ -	\$ -	\$ -	\$ 533,718
Board governance (Board of Trustees)	\$ 187,345	\$ 91,378	\$ -	\$ 278,723	\$ -	\$ -	\$ -	\$ -	\$ 278,723
Information technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Human resources	\$ 88,610	\$ -	\$ -	\$ 88,610	\$ -	\$ -	\$ -	\$ -	\$ 88,610
Central purchasing, communications, marketing	\$ 83,685	\$ -	\$ -	\$ 83,685	\$ -	\$ -	\$ -	\$ -	\$ 83,685
Payroll	\$ 75,263	\$ -	\$ -	\$ 75,263	\$ -	\$ -	\$ -	\$ -	\$ 75,263
Administration - insurance	\$ -	\$ -	\$ 2,003	\$ 2,003	\$ -	\$ -	\$ -	\$ -	\$ 2,003
Administration - amortization	\$ -	\$ -	\$ 55,188	\$ 55,188	\$ -	\$ -	\$ -	\$ -	\$ 55,188
Administration - other (admin building, interest)	\$ -	\$ -	\$ 58,108	\$ 58,108	\$ -	\$ -	\$ -	\$ -	\$ 58,108
Other (describe)	\$ -	\$ 742,822	\$ -	\$ 742,822	\$ -	\$ -	\$ -	\$ -	\$ 742,822
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 1,742,906	\$ 834,200	\$ 115,299	\$ 2,692,405	\$ -	\$ -	\$ -	\$ -	\$ 2,692,405

School Jurisdiction Code: **56**

SCHEDULE 11

Average Estimated # of Students Served Per Meal: **962.00**

**UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES
for the Year Ending August 31, 2018**

		Budget 2018	2018
REVENUES			
Alberta Education - current		\$ 250,000	\$ 250,000
Alberta Education - prior year		\$ 98,000	\$ 81,871
Other Funding		\$ -	\$ -
TOTAL REVENUES		\$ 348,000	\$ 331,871
EXPENSES			
Salaries & Benefits	FTE		
Project Coordinator		\$ -	\$ -
Cook		\$ -	\$ -
Kitchen Staff	3.69	\$ 52,624	\$ 97,894
Custodial Staff	0.21	\$ 6,578	\$ 9,650
Other (please describe)		\$ -	\$ -
Food Supplies		\$ 215,859	\$ 211,670
Office Supplies		\$ -	\$ -
Small Kitchenwares (e.g. toaster, measuring cups/spoons, bowls, cutting boards)		\$ 7,900	\$ 8,115
Non-Capitalized Assets			
Microwave		\$ 800	\$ 541
Refrigerator		\$ 11,495	\$ 9,349
Stove		\$ 900	\$ 950
Tables		\$ 1,700	\$ 1,309
Dishwasher		\$ 700	\$ 822
Carts to move food		\$ 4,250	\$ 2,764
Other miscellaneous items		\$ 14,300	\$ 7,991
Training (e.g. workshops, training materials)		\$ 1,800	\$ -
Contracted Services (please describe)		\$ -	\$ -
Other Expenses			
Kitchen Aprons		\$ 300	\$ 127
Food Delivery		\$ -	\$ -
Family/nutritional education nights		\$ 12,500	\$ 3,706
Cleaning supplies, other miscellaneous, etc.		\$ 16,294	\$ 4,939
TOTAL EXPENSES		\$ 348,000	\$ 359,827
ANNUAL SURPLUS/DEFICIT		\$ -	\$ (27,956)