

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2008**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**

Legal Name of School Jurisdiction

**P.O. Box 69, Claresholm, Alberta T0L 0T0**

Mailing Address

**(403) 625-3356 (phone) (403) 625-2424 (fax)**

Telephone and Fax Numbers

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

The financial statements of LIVINGSTONE RANGE SCHOOL DIVISION NO. 68 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**


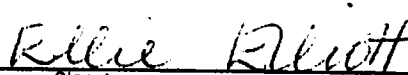

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

**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.

<p><b>BOARD CHAIRMAN</b></p> <p><u>Jim Burdett</u></p> <p>Name</p>	 <p>Signature</p>
<p><b>SUPERINTENDENT</b></p> <p><u>Elle Elliott</u></p> <p>Name</p>	 <p>Signature</p>
<p><b>SECRETARY TREASURER OR TREASURER</b></p> <p><u>Don Olsen</u></p> <p>Name</p>	 <p>Signature</p>

25-Nov-08  
Board-approved Release Date

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Young Parkyn McNab LLP  
CHARTERED ACCOUNTANTS

**AUDITORS' REPORT**

To the Board of Trustees of the  
Livingstone Range School Division No. 68

We have audited the statement of financial position of the Livingstone Range School Division No. 68 as at August 31, 2008 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2008 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Lethbridge, Alberta

November 4, 2008

*Young Parkyn McNab LLP*

Chartered Accountants

**STATEMENT OF FINANCIAL POSITION**  
as at August 31, 2008

(in dollars)

		2008	2007 (Note)
<b>ASSETS</b>			
Current assets			
Cash and temporary investments		\$9,641,893	\$7,048,013
Accounts receivable (net after allowances)		\$10,729,177	\$1,848,115
Prepaid expenses		\$34,819	\$39,337
Other current assets		\$158,207	\$217,942
<b>Total current assets</b>		\$20,563,896	\$9,151,407
School generated assets		\$1,470,966	\$1,026,410
Trust assets		\$83,449	\$41,387
Long term accounts receivable		\$0	\$0
Long term investments		\$2,611,310	\$2,696,258
Capital assets			
Land		\$1,158,361	\$1,158,361
Buildings	\$51,829,040		
Less: accumulated amortization	(\$28,305,611)	\$23,323,429	\$24,254,302
Equipment	\$928,858		
Less: accumulated amortization	(\$580,582)	\$346,276	\$388,997
Vehicles	\$4,768,651		
Less: accumulated amortization	(\$3,046,394)	\$1,722,257	\$1,933,302
<b>Total capital assets</b>		\$26,550,323	\$27,732,962
<b>TOTAL ASSETS</b>		\$51,279,944	\$40,648,424
<b>LIABILITIES</b>			
Current liabilities			
Bank indebtedness		\$0	\$0
Accounts payable and accrued liabilities		\$1,482,346	\$1,445,860
Deferred revenue		\$2,871,823	\$2,400,658
Deferred capital allocations		\$10,138,832	\$448,390
Current portion of all long term debt		\$352,198	\$370,438
<b>Total current liabilities</b>		\$14,845,199	\$4,665,346
School generated liabilities		\$1,470,966	\$1,026,410
Trust liabilities		\$83,449	\$41,387
Employee future benefits liability		\$0	\$0
Long term payables and accrued liabilities		\$0	\$0
Long term debt			
Supported: Debentures and other supported debt		\$1,498,580	\$1,869,018
Less: Current portion of supported debt		(\$352,198)	(\$370,438)
Unsupported: Debentures and Capital Loans		\$0	\$0
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion of unsupported debt		\$0	\$0
Other long term liabilities		\$2,604,260	\$2,688,978
Unamortized capital allocations		\$20,844,072	\$21,115,763
<b>Total long term liabilities</b>		\$25,949,129	\$26,371,118
<b>TOTAL LIABILITIES</b>		\$40,794,328	\$31,036,464
<b>NET ASSETS</b>			
Unrestricted net assets		\$1,848,001	\$1,728,670
Operating Reserves		\$4,229,945	\$3,135,109
Accumulated Operating Surplus (Deficit)		\$6,077,946	\$4,863,779
Investment in capital assets		\$4,407,670	\$4,748,181
Capital Reserves		\$0	\$0
Total Capital Funds		\$4,407,670	\$4,748,181
<b>Total net assets</b>		\$10,485,616	\$9,611,960
<b>TOTAL LIABILITIES AND NET ASSETS</b>		\$51,279,944	\$40,648,424

Note: Input "(Restated)" in 2007 column heading where comparatives are not taken from the finalized 2006-2007 Audited Financial Statements filed with Alberta Education.

**STATEMENT OF REVENUES AND EXPENSES**  
**for the Year Ended August 31, 2008**  
(in dollars)

	Actual 2008	Budget 2008 (Note)	Actual 2007 (Note) (Restated)
<b>REVENUES</b>			
Government of Alberta	\$38,223,873	\$38,726,446	\$37,065,670
Federal Government and/or First Nations	\$2,692,834	\$1,958,318	\$2,444,653
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$178,088	\$182,186	\$188,441
Transportation fees	\$0	\$0	\$0
Other sales and services	\$1,297,923	\$652,629	\$1,015,568
Investment income	\$245,270	\$25,000	\$236,876
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$58,742	\$42,500	\$60,706
Net school generated funds	\$1,143,337	\$1,000,000	\$959,864
Gains on disposal of capital assets	\$22,222	\$0	\$1,930
Amortization of capital allocations	\$1,842,571	\$1,770,000	\$1,690,633
<b>Total Revenues</b>	<b>\$45,504,860</b>	<b>\$42,337,059</b>	<b>\$43,664,341</b>
<b>EXPENSES</b>			
Certificated salaries	\$19,824,177	\$19,655,523	\$19,319,381
Certificated benefits	\$2,044,115	\$2,251,145	\$1,981,691
Non-certificated salaries and wages	\$7,765,819	\$6,808,798	\$7,233,795
Non-certificated benefits	\$1,510,896	\$1,440,418	\$1,413,900
Services, contracts and supplies	\$9,914,326	\$8,975,414	\$8,878,828
Net school generated funds	\$1,143,337	\$1,000,000	\$959,864
Capital and debt services			
Amortization of capital assets			
Supported	\$1,842,571	\$1,770,000	\$1,690,633
Unsupported	\$576,171	\$395,248	\$542,720
<b>Total Amortization of capital assets</b>	<b>\$2,218,742</b>	<b>\$2,165,248</b>	<b>\$2,233,353</b>
Interest on capital debt			
Supported	\$186,799	\$186,799	\$230,303
Unsupported	\$0	\$0	\$0
<b>Total Interest on capital debt</b>	<b>\$186,799</b>	<b>\$186,799</b>	<b>\$230,303</b>
Other interest charges	\$2,993	\$3,000	\$2,398
Losses on disposal of capital assets	\$0	\$0	\$40,182
<b>Total Expenses</b>	<b>\$44,631,204</b>	<b>\$42,486,345</b>	<b>\$42,291,655</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>	<b>\$873,656</b>	<b>(\$149,286)</b>	<b>\$1,372,686</b>
Extraordinary Item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$873,656</b>	<b>(\$149,286)</b>	<b>\$1,372,686</b>

Note: Input "(Restated)" where Actual 2007 comparatives are not as presented in the finalized 2006-2007 Audited Financial Statements filed with Alberta Education. Budget 2008 comparatives presented are "FINAL APPROVED" budget amounts formally adopted by the Board.

**STATEMENT OF CASH FLOWS**

for the Year Ended August 31, 2008

(in dollars)

	2008	2007 (Note)
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATIONS</b>		
Excess (deficiency) of revenues over expenses for the year	\$873,656	\$1,372,686
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$1,642,571)	(\$1,690,833)
Total amortization expense	\$2,218,742	\$2,233,353
Gains on disposal of capital assets	(\$22,222)	(\$1,930)
Losses on disposal of capital assets	\$0	\$40,162
Changes in accrued accounts:		
Accounts receivable	(\$8,881,062)	(\$905,881)
Prepays and other current assets	\$64,453	\$47,039
Long term accounts receivable	\$0	\$0
Long term investments	\$84,948	(\$2,696,258)
Payables and accrued liabilities	\$36,486	\$248,010
Deferred revenue	\$471,165	\$16,981
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)      Other long term liabilities	(\$84,718)	\$2,688,978
Total sources (uses) of cash from Operations	(\$6,881,123)	\$1,352,527
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$800,443)	(\$57,805)
Equipment	(\$87,256)	(\$75,424)
Vehicles	(\$148,404)	(\$469,765)
Net proceeds from disposal of capital assets	\$22,222	\$50,355
Other (describe)      Capital contribution to windpower project	\$0	(\$288,704)
Total sources (uses) of cash from Investing activities	(\$1,013,881)	(\$841,343)
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$10,490,884	\$9,450
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$370,438)	(\$421,420)
Add back: supported portion	\$370,438	\$421,420
Other (describe)	\$0	\$0
Total sources (uses) of cash from Financing activities	\$10,490,884	\$9,450
Net sources (uses) of cash during year	\$2,595,880	\$520,634
Cash and temporary investments, net of bank indebtedness, at Aug. 31/07	\$7,046,013	\$6,525,379
Cash and temporary investments, net of bank indebtedness, at Aug. 31/08	\$9,641,893	\$7,046,013

Note: Input "(Restated)" where Actual 2007 comparatives are not as presented in the finalized 2006-2007 Audited Financial Statements filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS**  
**for the Year Ended August 31, 2008**  
(in dollars)

	TOTAL NET ASSETS	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS	
				OPERATING RESERVES	CAPITAL RESERVES
<b>Balance at August 31, 2007</b>	\$9,611,960	\$4,748,181	\$1,728,670	\$3,135,109	\$0
<u>Retrospective Restatements (describe)</u>					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
<b>Adjusted Balance, Aug. 31, 2007</b>	\$9,611,960	\$4,748,181	\$1,728,670	\$3,135,109	\$0
Excess(def) of revenue over expenses	\$873,656		\$873,656		
Board funded capital transactions		\$235,660	(\$213,438)	\$0	(\$22,222)
Direct credits to net assets	\$0	\$0			
Amortization of capital assets		(\$2,218,742)	\$2,218,742		
Amortization of capital allocations		\$1,842,571	(\$1,842,571)		
Disposal of unsupported capital assets	\$0	\$0	(\$22,222)		\$22,222
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0		\$0
Debt principal payments (unsupported)		\$0	\$0		
Net transfers to operating reserves			(\$1,250,840)	\$1,250,840	
Net transfers from operating reserves			\$158,004	(\$158,004)	
Net transfers to capital reserves			\$0		\$0
Net transfers from capital reserves			\$0		\$0
Assumption/transfer of other operations's net assets	\$0	\$0	\$0	\$0	\$0
<b>Balance at August 31, 2008</b>	\$10,485,616	\$4,407,670	\$1,848,001	\$4,229,945	\$0

**STATEMENT OF CAPITAL ALLOCATIONS  
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)  
for the Year Ended August 31, 2008  
(in dollars)**

	Deferred Capital Allocations	Unamortized Capital Allocations
<b>Balance at August 31, 2007</b>	\$448,390	\$21,115,763
<b>Prior period adjustment</b>	\$0	\$0
<b>Adjusted balance, August 31, 2007</b>	\$448,390	\$21,115,763
<b>Add:</b>		
<b>Restricted capital allocations from: Alberta Education-School/Modular Project Capital *</b>	\$10,472,509	
Infrastructure & Transportation-School/Modular Project Capital *	\$0	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
<b>Interest earned on provincial government capital allocations</b>	\$18,375	
<b>Other capital grants and donations</b>	\$0	
<b>Net Proceeds on disposal of supported capital assets</b>	\$0	
<b>Insurance proceeds (and related interest)</b>	\$0	
<b>Donated capital assets (amortizable, @ fair market value)</b>		\$0
<b>Transferred in capital assets (amortizable, @ net book value)</b>		\$0
<b>Current Year Debenture Principal Repayment</b>		\$370,438
<b>Expended capital allocations - current year</b>	(\$800,442)	\$800,442
<b>Less:</b>		
<b>Net book value of supported capital assets disposition, write-off, or transfer; Other</b>	\$0	\$0
<b>Capital allocations amortized to revenue</b>		\$1,642,571
<b>Balance at August 31, 2008</b>	\$10,138,832	\$20,644,072

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



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**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2008**

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**1) Authority and purpose**

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

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

**2) Change in accounting policy**

The jurisdiction has applied the new recommendations of the Canadian Institute of Chartered Accountants regarding the recognition, measurement and presentation of financial instruments following the release of the new handbook section "Financial instruments". The School Division has reclassified all of its financial assets and liabilities, and has revalued them at either fair value or amortized cost depending on the classification. No changes were required to opening net asset balances as a result of this change in accounting policy.

**3) Summary of significant accounting policies**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles with the significant policies being as follows:

- (a) Financial instruments
  - (i) Classification

Cash and temporary investments have been classified as held-for-trading.

Accounts receivable have been classified as loans and receivables.

Accounts payable and accrued liabilities and long term debt have been classified as other financial liabilities.

Investments are classified as held-for-trading based on management's intention.

- (ii) Recognition and measurement

Held-for-trading assets which are purchased for sale in the near term are reported at estimated fair value. Realized and unrealized gains and losses are recognized in the results of operations as they arise.

Loans and receivables include financial assets resulting from the delivery of cash or other assets in return for a promise to repay and are reported at amortized cost using the effective interest method. Gains and losses are recognized in the results of operations when the asset is derecognized. Impairment write-downs are recognized in the results of operations as they arise.

Other financial liabilities are all liabilities other than those designated as held-for-trading and are reported at amortized cost using the effective interest method. Gains and losses are recognized in the results of operations when the liability is derecognized.

- (iii) Policies and assumptions

The following policies and assumptions were used to determine the fair value of each class of financial assets and financial liabilities:

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**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2008**

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The carrying amount cash, accounts receivable and accounts payable and accrued liabilities is comparable to fair value due to the approaching maturity of these financial instruments.

Temporary investments are measured at fair value, determined on the basis of market value.

**(b) Revenue recognition**

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

Fees for services related to courses and programs are recognized 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.

**(c) Investments**

Temporary investments are recorded at fair market value. Accrued interest on these investments is recorded as it is earned.

**(d) Inventories**

Inventories are recorded at the lesser of cost and net realizable value. Cost is determined on the basis of most recent invoice cost.

**(e) Capital assets**

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5 to 10%
Equipment and furnishings	10% and 20%
Vehicles and buses	10% and 20%

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

**(f) School generated funds**

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.).

**(g) Vacation pay**

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

**(h) Contributed services**

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

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**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2008**

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**(i) Pension obligation**

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

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

The School Board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$318,852 for the year ended August 31, 2008. At December 31, 2007, the Local Authorities Pension Plan reported a deficiency of \$1,183,334,000 (2006 deficiency of \$746,651,000).

**(j) Measurement uncertainty**

The financial statements by their nature, contain estimates and are subject to measurement uncertainty. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided based on management's best information available at the time. The amounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. Pension plan expenses are based on actuarial valuations extrapolated to the reporting date. The effect on the financial statements of changes in such estimates in future periods could be significant.

**(k) Operating and capital reserves**

Reserves are established at the discretion of the Board of Trustees to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

**(l) Employee future benefits**

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs.

**4. Temporary investments**

Included in cash and temporary investments are redeemable term investments with the Bank of Montreal in the amount of \$2,914,351 (2007 - \$2,293,356) which bear interest at rates ranging from prime minus 2.10% to prime minus 2.5% and mature throughout the year.

**5. Accounts receivable**

	2008	2007
Alberta Education	\$ 9,802,448	\$ 289,997
Federal Government	441,356	1,080,850
Other	281,236	271,531
GST receivable	204,137	205,737
	\$10,729,177	\$1,848,115

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**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended August 31, 2008**

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**6. Long term investments**

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 Livingstone Range School Division contributions totalling \$1,397,120. This investment will be repaid over 20 years including interest at 5%. The principal amount outstanding at year end is \$2,611,310.

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

	Principal	Interest	Total
2009	89,294	128,537	217,831
2010	93,862	123,969	217,831
2011	98,664	119,167	217,831
2012	103,712	114,119	217,831
2013	109,018	108,813	217,831
2014 to maturity	2,116,760	787,658	2,904,418

**7. Bank indebtedness**

The jurisdiction has negotiated a line of credit in the amount of \$1,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing by-law and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2008 (2007 - \$0).

**8. Account payable and accrued liabilities**

	2008	2007
Trade payables and accrued liabilities	\$ 1,285,268	\$ 944,633
Federal Government	129,002	410,883
Alberta Education	68,076	90,344
	\$ 1,482,346	\$1,445,860

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2008

**9. Deferred revenue**

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2007	ADD: 2007/2008 Restricted Funds Received/ Receivable	DEDUCT: 2007/2008 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2007/2008 Adjustments or Returned Funds	DEFERRED REVENUE as at Aug. 31, 2008
<b>Alberta Education Restricted Operational Funding:</b>	\$0	\$0	\$0	\$0	\$0
Alberta Initiative for School Improvement	\$180,690	\$541,794	(\$499,025)	\$0	\$223,459
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0	\$0
Infrastructure Maintenance Renewal	\$2,215,634	\$913,705	(\$829,322)	\$0	\$2,300,017
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	\$1,548,359	(\$1,548,359)	\$0	\$0
Student Health Initiative (School Authorities)	\$0	\$202,982	(\$202,982)	\$0	\$0
SuperNet Service	\$0	\$120,840	(\$120,840)	\$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
Building Connections	\$0	\$300,000	(\$153,397)	\$0	\$146,603
Skills Canada	\$0	\$206,409	(\$10,665)	\$0	\$195,744
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
<b>Other Deferred Revenue:</b>	\$0	\$0	\$0	\$0	\$0
Pincher Creek F.C.S.S.	\$0	\$0	\$0	\$1,666	\$1,666
Crowsnest Pass F.C.S.S.	\$2,667	\$0	\$0	\$0	\$2,667
Lethbridge College	\$1,667	\$0	\$0	\$0	\$1,667
	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$2,400,658</b>	<b>\$3,834,069</b>	<b>(\$3,364,570)</b>	<b>\$1,666</b>	<b>\$2,871,823</b>

**10. Long-term debt**

The School Division has issued the following debentures to Alberta Finance to finance construction of school buildings having a carrying value of \$22,595,287. The debenture debt is fully supported by Alberta Finance.

7.25% to 16.50% due 2009 to 2019	\$ 1,498,580
Due within one year	(352,198)
	<b>\$ 1,146,383</b>

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

	Principal	Interest	Total
2009	352,198	147,114	499,312
2010	347,138	111,235	458,373
2011	221,947	78,692	300,639
2012	212,260	56,066	268,326
2013	99,343	34,580	133,923
2014 to maturity	265,694	66,229	331,923

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2008

**11. Other long term liabilities**

	2008	2007
Southern Alberta Wind Farm project division portion	\$ 1,319,330	\$1,362,248
Southern Alberta Wind Farm project government portion	1,284,930	1,326,730
	\$ 2,604,260	\$2,688,978

The jurisdiction's investment in the Southern Alberta Wind Farm project was \$2,794,240 consists of a government grant and a divisional contribution each in the amount of \$1,397,120. These amounts 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:

	Government	Division	Total
2009	43,938	45,114	89,052
2010	46,186	47,423	93,609
2011	48,549	49,849	98,398
2012	51,033	52,398	103,431
2013	53,644	55,080	108,724
2014 to maturity	1,041,580	1,069,466	2,111,046

**12. Internally restricted net assets**

Net assets may be restricted by authorization of the Board of Trustees for future capital and operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2007	Appropriated	Used	2008
<b>Operating Reserves</b>				
School	\$ 1,997,109	\$ 1,250,840	\$ (156,004)	\$ 3,091,945
Board and System Administration	210,000	-	-	210,000
Operations and Maintenance	528,000	-	-	528,000
Transportation	400,000	-	-	400,000
	\$ 3,135,109	\$ 1,250,840	\$ (156,004)	\$ 4,229,945

**13. Commitments**

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

The School division has committed to the modernization of the West Meadow School for approximately \$10,733,000. This project is expected to be completed in 2009.

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2008

**14. 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.

	Balances		Transactions	
	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta				
Education	\$ 9,734,371	\$ 223,459	\$ 38,037,074	
Infrastructure & Transportation		2,304,350		
Finance			186,799	
Human Resources/Employment				
Other				
Post secondary institutions		1,667		
<b>Total 2007 – 2008</b>	<b>\$ 9,734,371</b>	<b>\$ 2,529,476</b>	<b>\$ 38,223,873</b>	<b>\$ -</b>
<b>Total 2006 – 2007</b>	<b>\$ 199,654</b>	<b>\$ 2,400,658</b>	<b>\$ 37,065,670</b>	<b>\$ -</b>

**15. 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.

**16. 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.

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

The Livingstone Range School Division No. 68's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependant on this funding.

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2008

**18. Targeted funding for provincial initiatives expenses**

TARGETED FUNDING FOR PROVINCIAL INITIATIVES	Certificated Remuneration	Non-Certificated Remuneration	Supplies & Services	Other Expenses
Alberta Initiative for School Improvement	\$361,674	\$22,968	\$114,383	\$0
Children and Youth with Complex Needs	\$0	\$0	\$0	\$0
Francophone Student Health Services	\$0	\$0	\$0	\$0
Small Class Size Initiative	\$1,548,359	\$0	\$0	\$0
Student Health Initiative	\$0	\$202,962	\$0	\$0
SuperNet Service	\$0	\$0	\$120,840	\$0

**19. Supplemental Integrated Pension Plan**

The School Division is a member of the Supplemental Integrated Pension Plan. The plan provides supplementary pension plan benefits to a prescribed class of employees in addition to Local Authorities Pension Plan or Alberta Teacher Retirement Fund. For the 2007-2008 year, there were three employees who were eligible and participated in the plan.

**19. Budget amounts**

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 9, 2007. It is presented for information purposes only and has not been audited.

**20. Remuneration and monetary incentives**

The Livingstone Range School Division No. 68 had paid or accrued expenses for the year ended August 31, 2007 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Expenses
Chair: Jim Burdett	1.0	\$16,075	\$4,498	\$0			\$10,525
Gini-Decoux-Filipuzzi	1.0	\$12,438	\$4,342	\$0			\$6,568
Kelly Hall	1.0	\$13,050	\$4,471	\$0			\$5,358
Ken Murray	1.0	\$13,800	\$4,506	\$0			\$8,478
Dick Peterson	1.0	\$13,488	\$4,392	\$0			\$8,853
Martha Ratcliffe	1.0	\$9,738	\$4,234	\$0			\$4,951
Don Thompson	0.9	\$14,475	\$3,808	\$0			\$5,754
Howard Paulsen	0.1	\$2,306	\$732	\$0			\$1,191
<b>Subtotal</b>	<b>7.0</b>	<b>\$95,370</b>	<b>\$30,981</b>	<b>\$0</b>			<b>\$51,678</b>
Superintendent	1.0	\$137,239	\$17,747	\$5,100	\$0	\$0	\$25,443
Secretary/Treasurer	1.0	\$118,438	\$29,910	\$4,800	\$0	\$0	\$10,219
Certificated Teachers	243.0	\$19,686,938	\$2,021,268	\$0	\$0	\$0	
Non-certificated/Other	254.0	\$7,572,011	\$1,445,205	\$0	\$0	\$0	
<b>TOTALS</b>		<b>\$27,609,996</b>	<b>\$3,545,111</b>	<b>\$9,900</b>	<b>\$0</b>	<b>\$0</b>	



**UNAUDITED SCHEDULES**  
**TO THE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2008**  
[School Act, Section 276]

**LIVINGSTONE RANGE SCHOOL DIVISION NO. 68**

Legal Name of School Jurisdiction

**P.O. Box 69, Claresholm, Alberta T0L 0T0**

Mailing Address

**(403) 625-3356 (phone) (403) 625-2424 (fax)**

Telephone and Fax Numbers

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

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

**SECRETARY TREASURER OR TREASURER**

**Don Olsen**

Name



Signature

**25 Nov-08**

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
EMAIL: TO COME  
PHONE: (780) TO COME FAX: (780) 422-6996

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**SCHEDULE A**

School Jurisdiction Code: 1135

**ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2007-2008**

REVENUES	TOTAL	ECS Instruction	Grades 1-12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	\$38,037,074	\$833,443	\$27,833,233	\$4,726,587	\$3,089,461	\$1,554,370	\$0
(2) Other - Government of Alberta	\$186,799	\$0	\$0	\$186,799	\$0	\$0	\$0
(3) Federal Government and/or First Nations	\$2,692,834	\$8,404	\$2,380,444	\$180,782	\$0	\$123,204	\$0
(4) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Instruction resource fees	\$178,088	\$0	\$178,088				
(6) Transportation fees-ECS	\$0				\$0		
(7) Transportation fees-Grades 1-12	\$0				\$0		
(8) Net school generated funds	\$1,143,337	\$0	\$1,143,337			\$0	
(9) Gains on disposal of capital assets	\$22,222	\$0	\$12,722	\$0	\$9,500	\$0	\$0
(10) Amortization of capital allocations	\$1,642,571	\$0	\$0	\$1,642,571	\$0		\$0
(11) Other revenues	\$1,601,935	\$0	\$1,207,057	\$281,458	\$98,631	\$56,789	\$0
<b>(12) TOTAL REVENUES</b>	<b>\$45,504,860</b>	<b>\$841,847</b>	<b>\$32,754,881</b>	<b>\$6,998,177</b>	<b>\$3,195,592</b>	<b>\$1,714,363</b>	<b>\$0</b>
<b>EXPENSES</b>							
(13) Certificated salaries	\$19,824,177	\$509,715	\$18,088,364			\$226,068	\$0
(14) Certificated benefits	\$2,044,115	\$54,748	\$1,859,177			\$33,190	\$0
(15) Non-certificated salaries and wages	\$7,785,819	\$257,234	\$5,033,215	\$1,020,683	\$490,832	\$583,855	\$0
(16) Non-certificated benefits	\$1,510,896	\$40,980	\$1,016,612	\$218,384	\$54,140	\$140,880	\$0
<b>(17) SUB - TOTAL</b>	<b>\$31,165,007</b>	<b>\$862,677</b>	<b>\$27,094,298</b>	<b>\$1,239,067</b>	<b>\$984,972</b>	<b>\$983,993</b>	<b>\$0</b>
(18) Supplies and Services	\$9,914,326	\$51,951	\$3,368,028	\$3,756,652	\$2,022,538	\$715,757	\$0
(19) Net school generated funds	\$1,143,337	\$0	\$1,143,337				
(20) Amortization of capital assets	\$2,218,742	\$0	\$168,279	\$1,744,387	\$298,476	\$11,620	\$0
(21) Interest charges	\$189,792	\$0	\$0	\$186,789	\$0	\$2,893	\$0
(22) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>(23) TOTAL EXPENSES</b>	<b>\$44,631,204</b>	<b>\$914,028</b>	<b>\$31,771,942</b>	<b>\$6,926,885</b>	<b>\$3,303,986</b>	<b>\$1,714,363</b>	<b>\$0</b>
<b>(24) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$873,656</b>	<b>(\$72,181)</b>	<b>\$982,939</b>	<b>\$71,292</b>	<b>(\$108,394)</b>	<b>\$0</b>	<b>\$0</b>

Note: The reporting of ECS transportation fees and ECS instruction program revenues and expenses separately from Grades 1-12 is optional for 2007-2008 ONLY.

**SCHEDULE B  
SCHOOL GENERATED FUNDS (SGF) - 2007-2008**

<b>Unexpended SGF - Opening Balance August 31, 2007</b>			<b>\$1,026,409</b>
<b>Sources of School Generated Funds:</b>	<b>Gross SGF</b>	<b>Related Expenses</b>	<b>Net SGF</b>
Fundraising activities	\$569,589	\$318,808	\$250,783
Student fees (Non-Instructional) (Note 1)	\$334,847	\$107,001	\$227,846
Donations and grants to schools	\$808,680	\$0	\$808,680
Other (describe): Scholarships, grad, sports, playground	\$371,458	\$88,873	\$302,585
<b>Net Additions to SGF</b>	<b>\$2,082,574</b>	<b>\$494,680</b>	<b>\$1,587,894</b>
<b>Net SGF Available</b>			<b>\$2,614,303</b>
<b>Uses of Net School Generated Funds:</b>			
Extra-curricular activities			\$152,997
Field Trips			\$299,390
Other (describe): scholarships, grad activities, playgrounds, sports			\$690,950
<b>Total Uses of Net SGF (Note 2)</b>			<b>\$1,143,337</b>
<b>Unexpended SGF - Closing Balance August 31, 2008 (Note 3)</b>			<b>\$1,470,966</b>
<p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)</p> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.</li> <li>2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues &amp; Expenses of the Financial Statements.</li> <li>3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.</li> </ol>			