

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

**NORTHWEST FRANCOPHONE EDUCATION REGION NO.1**

Legal Name of School Jurisdiction

**P.O. Box 1220, ST. Isidore, Alberta T0H 3B0**

Mailing Address

**(780)624-2255 (780)624-8554**

Telephone and Fax Numbers

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

The financial statements of ~~NORTHWEST FRANCOPHONE EDUCATION REGION NO.1~~ 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**


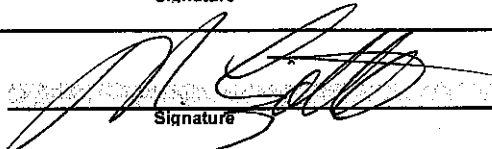

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

**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 CHAIR</b></p> <p><b>COLIN GAGNON</b></p> <p>Name</p>	 <p>Signature</p>
<p><b>SUPERINTENDENT</b></p> <p><b>MARCEL LIZOTTE</b></p> <p>Name</p>	 <p>Signature</p>
<p><b>SECRETARY TREASURER OR TREASURER</b></p> <p><b>CHANTAL COTE</b></p> <p>Name</p>	 <p>Signature</p>

**29-Nov-11**  
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
EMAIL: Cindy.Wang@gov.ab.ca  
PHONE: (780) 644-5672 (Toll free 310-0000)

**TABLE OF CONTENTS**

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

# SYLVAIN & DORAN

Certified General Accountants

Michel A. Sylvain, C.G.A.\*  
Jean R. Sylvain, C.G.A.\*  
Gary Doran, C.G.A.

Box 5  
Falher, Alberta T0H 1M0  
Telephone: (780) 837-2401  
Facsimile: (780) 837-3434  
Email: sylvdora@telusplanet.net

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,  
REGIONAL AUTHORITY OF THE NORTHWEST  
FRANCOPHONE EDUCATION REGION NO. 1

### Report on the Consolidated Financial Statements

We have audited the accompanying financial statements statement of the Regional Authority of THE NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1 as at August 31, 2011, which comprise the statement of financial position as at August 31, 2011, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended, and a summary of significant accounting policies and other explanatory information .

### Management's Responsibility for the Consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

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

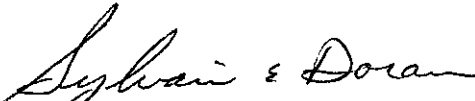
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or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

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

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Regional Authority of the Northwest Francophone Education Region No. 1 as at August 31, 2011 and the results of its operations, change in net assets and capital allocations and its cash flows for the year then ended in accordance with Canadian not-for-profit accounting standards.

Falher, Alberta  
November 17, 2011

  
CERTIFIED GENERAL ACCOUNTANTS

**STATEMENT OF FINANCIAL POSITION**

as at August 31, 2011

(in dollars)

	2011	2010
<b>ASSETS</b>		
Current assets		
Cash and temporary investments (Note 3)	\$1,893,761	\$2,258,178
Accounts receivable (net after allowances) (Note 4)	\$775,233	\$729,816
Prepaid expenses	\$57,901	\$68,480
Other current assets	\$20,977	\$29,003
<b>Total current assets</b>	<b>\$2,747,872</b>	<b>\$3,085,457</b>
School generated assets		
Trust assets (Note 10)	\$96,992	\$82,010
Long term accounts receivable	\$0	\$0
Long term investments (Note 5)	\$17,918	\$17,928
Capital assets (Note 6)		
Land	\$150,000	\$150,000
Construction in progress	\$81,477	\$0
Buildings	\$20,232,475	
Less: accumulated amortization	(\$3,445,847)	\$16,786,628
Equipment	\$201,827	
Less: accumulated amortization	(\$101,312)	\$100,515
Vehicles	\$194,815	
Less: accumulated amortization	(\$121,171)	\$73,644
<b>Total capital assets</b>	<b>\$17,192,264</b>	<b>\$17,460,806</b>
<b>TOTAL ASSETS</b>	<b>\$20,153,288</b>	<b>\$20,753,775</b>
<b>LIABILITIES</b>		
Current liabilities		
Bank indebtedness (Note 7)	\$0	\$0
Accounts payable and accrued liabilities (Note 8)	\$153,380	\$183,440
Deferred revenue (Note 9)	\$398,814	\$320,110
Deferred capital allocations (Note 12)	\$398,268	\$540,759
Current portion of long term debt	\$0	\$0
<b>Total current liabilities</b>	<b>\$950,450</b>	<b>\$1,044,309</b>
School generated liabilities		
Trust liabilities (Note 10)	\$96,992	\$82,010
Employee future benefit liabilities	\$0	\$0
Long term debt (Note 11)		
Supported: Debentures and other supported debt	\$0	\$0
Less: Current portion	\$0	\$0
Unsupported: Debentures and capital loans	\$0	\$0
Capital leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion	\$0	\$0
Other long term liabilities		
Unamortized capital allocations (Note 13)	\$16,856,022	\$16,952,418
<b>Total long term liabilities</b>	<b>\$16,853,256</b>	<b>\$17,142,004</b>
<b>TOTAL LIABILITIES</b>	<b>\$17,803,706</b>	<b>\$18,186,313</b>
<b>NET ASSETS</b>		
Unrestricted net assets	\$421,064	\$447,656
Operating reserves (Note 14)	\$1,175,933	\$1,393,075
Accumulated operating surplus (deficit)	\$1,596,897	\$1,840,731
Investment in capital assets	\$534,242	\$508,388
Capital reserves (Note 14)	\$218,343	\$218,343
<b>Total capital funds</b>	<b>\$752,585</b>	<b>\$726,731</b>
<b>Total net assets</b>	<b>\$2,349,582</b>	<b>\$2,567,462</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$20,153,288</b>	<b>\$20,753,775</b>

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

**STATEMENT OF REVENUES AND EXPENSES**  
**for the Year Ended August 31, 2011**  
(in dollars)

	Actual 2011	Budget 2011	Actual 2010 Restated Note 19
<b>REVENUES</b>			
Government of Alberta	\$6,285,944	\$5,983,747	\$5,818,257
Federal Government and First Nations	\$30,769	\$205,788	\$21,592
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	\$14,722	\$13,090	\$14,675
Transportation fees	\$0	\$0	\$0
Other sales and services	\$14,483	\$0	\$7,414
Investment income	\$15,133	\$47,000	\$47,033
Gifts and donations	\$0	\$0	\$0
Rental of facilities	\$5,627	\$8,000	\$16,006
Gross school generated funds	\$263,597	\$25,000	\$207,189
Gains on disposal of capital assets	\$1,125	\$0	\$500
Amortization of capital allocations	\$568,503	\$580,000	\$572,235
Other revenue	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$7,179,903</b>	<b>\$6,862,625</b>	<b>\$6,702,901</b>
<b>EXPENSES</b>			
Certificated salaries (Note 20)	\$2,932,389	\$2,898,679	\$2,811,533
Certificated benefits (Note 20)	\$329,329	\$331,589	\$327,259
Non-certificated salaries and wages (Note 20)	\$820,419	\$803,925	\$821,774
Non-certificated benefits (Note 20)	\$149,751	\$114,640	\$152,643
Services, contracts and supplies	\$2,283,342	\$2,255,731	\$2,089,553
Gross school generated funds	\$263,597	\$25,000	\$207,189
Capital and debt services			
Amortization of capital assets			
Supported	\$568,503	\$580,000	\$572,235
Unsupported	\$48,999	\$17,672	\$39,911
Total Amortization of capital assets	\$617,502	\$597,672	\$612,146
Interest on capital debt			
Supported	\$0	\$0	\$1,527
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$0	\$0	\$1,527
Other interest and charges	\$1,454	\$0	\$765
Losses on disposal of capital assets	\$0	\$0	\$6,442
Other expense	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$7,397,783</b>	<b>\$7,025,416</b>	<b>\$7,030,831</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b>	<b>(\$217,880)</b>	<b>(\$162,791)</b>	<b>(\$327,930)</b>
Extraordinary Item	\$0	\$0	\$0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>(\$217,880)</b>	<b>(\$162,791)</b>	<b>(\$327,930)</b>

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

## STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2011

(in dollars)

	2011	2010
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATIONS</b>		
Excess (deficiency) of revenues over expenses	(\$217,880)	(\$327,930)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$568,503)	(\$572,235)
Total amortization expense	\$617,502	\$612,146
Gains on disposal of capital assets	(\$1,125)	(\$500)
Losses on disposal of capital assets	\$0	\$6,442
Changes in:		
Accounts receivable	(\$45,417)	(\$352,719)
Prepays and other current assets	\$18,585	\$29,131
Long term accounts receivable	\$0	\$0
Long term investments	\$8	(\$13)
Accounts payable and accrued liabilities	(\$30,060)	(\$1,023)
Deferred revenue	\$78,704	\$69,017
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from Operations</b>	<b>(\$148,186)</b>	<b>(\$537,684)</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$274,497)	(\$971,158)
Equipment	(\$77,255)	(\$31,716)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$3,917	\$500
Other (describe)	\$0	\$0
<b>Total cash flows from Investing activities</b>	<b>(\$347,835)</b>	<b>(\$1,002,374)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations	\$131,604	\$837,532
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$0	(\$13,133)
Add back: supported portion	\$0	\$13,133
Other (describe)	\$0	\$0
<b>Total cash flows from financing activities</b>	<b>\$131,604</b>	<b>\$837,532</b>
<b>Net cash flows from during the year</b>	<b>(\$364,417)</b>	<b>(\$702,526)</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/10</b>	<b>\$2,258,178</b>	<b>\$2,960,704</b>
<b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/11</b>	<b>\$1,893,761</b>	<b>\$2,258,178</b>

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

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

(in dollars)

School Jurisdiction Code: 6050

	(1) TOTAL NET ASSETS Cols. 2+3+4+5	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS	(4) TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	(5) TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	INTERNALLY RESTRICTED NET ASSETS											
						(6) School & Instruction Related		(7) Operations & Maintenance		(8) Board & System Administration		(9) Transportation		(10) External Services			
						(6) Operating Reserves	(6) Capital Reserves	(7) Operating Reserves	(7) Capital Reserves	(8) Operating Reserves	(8) Capital Reserves	(9) Operating Reserves	(9) Capital Reserves	(10) Operating Reserves	(10) Capital Reserves	(11) Operating Reserves	(11) Capital Reserves
Balance at August 31, 2010	\$2,567,462	\$508,388	\$447,656	\$1,393,075	\$218,343	\$862,565	\$89,637	\$142,000	\$0	\$9,699	\$0	\$360,000	\$128,706	\$18,811	\$0		
Prior period adjustments (describe)																	
Adjusted Balance, Aug. 31, 2010	\$2,567,462	\$508,388	\$447,656	\$1,393,075	\$218,343	\$862,565	\$89,637	\$142,000	\$0	\$9,699	\$0	\$360,000	\$128,706	\$18,811	\$0		
Excess (deficiency) of revenues over expenses	(\$217,880)		(\$217,880)														
Board funded capital additions		\$73,728	(\$73,728)														
Disposal of unsupported capital assets	\$0	\$1,125	(\$1,125)														
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0														
Direct credits to net assets	\$0	\$0	\$0														
Amortization of capital assets		\$617,502	\$617,502														
Amortization of capital allocations		\$58,503	(\$58,503)														
Debt principal repayments (unsupported)		\$0	\$0														
Net transfers to operating reserves				\$0													
Net transfers from operating reserves			(\$217,142)	(\$217,142)		(\$162,443)		\$0		(\$8,699)		(\$46,000)					
Net transfers to capital reserves			\$0														
Net transfers from capital reserves			\$0														
Assumption/transfer of other operations' net assets	\$0	\$0	\$0														
Balance at August 31, 2011	\$2,349,582	\$534,242	\$421,064	\$1,175,933	\$218,343	\$700,122	\$89,637	\$142,000	\$0	\$0	\$0	\$315,000	\$128,706	\$18,811	\$0		

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

	Deferred Capital Allocations	Unamortized Capital Allocations
<b>Balance at August 31, 2010</b>	\$540,759	\$16,952,418
<b>Prior period adjustments</b>	\$0	\$0
<b>Adjusted balance, August 31, 2010</b>	\$540,759	\$16,952,418
<b>Add:</b>		
<b>Restricted capital allocations from:</b> Alberta Education school building and modular projects	\$131,604	
Other Government of Alberta	\$0	
Federal Government and First Nations	\$0	
Other sources	\$0	
<b>Interest earned on provincial government capital allocations</b>	\$0	
<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>P3, other ASAP and Alberta Infrastructure managed projects</b>		\$0
<b>Transferred in capital assets (amortizable, @ net book value)</b>		\$0
<b>Current year supported debenture principal repayment</b>		\$0
<b>Expended capital allocations - current year</b>	(\$274,107)	\$274,107
<b>Deduct:</b>		
<b>Net book value of supported capital assets dispositions, write-offs, or transfer; Other</b>	\$0	\$0
<b>Capital allocations amortized to revenue</b>		\$568,503
<b>Balance at August 31, 2011</b>	\$398,256	\$16,658,022

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



**NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1**  
**AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**

For the year ended August 31, 2011

---

**1. AUTHORITY AND PURPOSE**

---

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

The jurisdiction receives instruction and support allocations under Regulation 120/2008. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

---

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

**a) Revenue Recognition**

Revenue is recognized as follows:

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

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

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

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period which they are received or receivable.

**NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1**  
**AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended August 31, 2011

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - con't**

---

**b) Capital Assets**

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

Buildings - masonry and cement	2.5%
- wood frame or renovations	4.0%
Building site improvements	5.0%
Vehicles & buses	10.0%
Equipment, computer hardware and software	20.0%

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.

**c) School Generated Funds**

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

**d) Vacation Pay**

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

**e) Pensions**

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Regional Authority of the Northwest Francophone Education Region No. 1 does not make pension contributions for certificated staff.

**f) Inventories**

Inventories are recorded at the lower of cost or net realizable value on a first in first out basis.

**g) Prepaid Expenses**

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

# NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1

## AUDITORS' NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2011

---

### h) Contributed Services

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. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

### i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 (2) (d) of the School Act.

### j) Operating and Capital Reserves

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

### k) Investments

Long-term investments in co-operatives (member's equity) are not held for trading and do not trade in an active market and are, therefore, measured at cost.

Held for trading investments are recognized in the balance sheet at fair value. The fair values of the recognized investments are determined based on available market information. Realized investment income and unrealized gain and losses are reported in the Statement of Revenues and Expenses.

### l) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

**NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1**  
**AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**

For the year ended August 31, 2011

**3. CASH AND TEMPORARY INVESTMENTS**

	2011		2010	
	Cost	Fair Value	Cost	Fair Value
	\$	\$	\$	\$
Cash on hand	1,200	1,200	1,200	1,200
Cash in bank - current	589,403	589,403	953,820	953,820
- savings	-	-	-	-
Short-term deposits in bank	1,303,158	1,303,158	1,303,158	1,303,158
Cash and cash equivalents	1,893,761	1,893,761	2,258,178	2,258,178
Fixed income securities	-	-	-	-
Total cash and temporary investments	1,893,761	1,893,761	2,258,178	2,258,178

**4. ACCOUNTS RECEIVABLE**

	2011	2010
	\$	\$
Alberta Education	621,764	494,860
Province of Alberta - federal language program	45,799	143,681
Federal government	96,297	41,697
Alberta municipalities	-	-
Other Alberta school jurisdictions	-	8,350
Other	11,373	41,228
	775,233	729,816

**5. LONG TERM INVESTMENTS**

	2011		2010	
	Cost	Fair Value	Cost	Fair Value
	\$	\$	\$	\$
A.A.M.D.&C. equity	325	325	358	358
Horizon Credit Union equity	10,000	10,000	10,000	10,000
Girouxville Co-op equity	526	526	516	516
St. Isidore Co-op equity	7,067	7,067	7,052	7,052
	17,918	17,918	17,926	17,926

The above investments are all equity in a co-operative and thus have no expected market yield. Patronage dividends based on purchases will vary from year to year.

**NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1**  
**AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**

For the year ended August 31, 2011

**6. CAPITAL ASSETS AND ACCUMULATED AMORTIZATION**

	2010			2011
	\$	\$	\$	\$
CAPITAL ASSETS	Cost	Additions	Disposals	Cost
Land	150,000	-	-	150,000
Buildings	20,039,455	274,497	-	20,313,952
Equipment	131,553	77,255	6,981	201,827
Vehicles	273,090	-	78,275	194,815
	20,594,098	351,752	85,256	20,860,594
ACCUMULATED AMORTIZATION	Balance	Additions	Deductions	Balance
Buildings	2,867,468	578,379	-	3,445,847
Equipment	80,342	25,159	4,189	101,312
Vehicles	185,482	13,964	78,275	121,171
	3,133,292	617,502	82,464	3,668,330
Net book value	17,460,806			17,192,264

The cost of buildings above includes construction in progress as follows:

	2011	2010
	\$	\$
September 1 balance	-	86,527
Current year construction costs	274,497	971,157
Transfers out (building now in use)	(193,020)	(1,057,684)
August 31 balance	81,477	-

**7. BANK INDEBTEDNESS**

The jurisdiction has negotiated an overdraft protection agreement in the amount of \$140,000 that bears interest at the bank prime rate + 1.0%. This overdraft agreement is secured by funds held in term deposits. There was no balance outstanding on the overdraft agreement at August 31, 2011.

**8. ACCOUNTS PAYABLE AND LIABILITIES**

	2011	2010
	\$	\$
Province of Alberta	-	9,934
Federal government	-	-
Alberta municipalities	-	-
Other Alberta school jurisdictions	4,069	13,812
Other trade payables and accrued liabilities	149,311	159,694
	153,380	183,440

**NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1**  
**AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended August 31, 2011

**9. DEFERRED REVENUE**

GRANT - SOURCE AND TYPE	2010		2011	
	\$ Aug. 31	\$ Received	\$ Expended	\$ Aug. 31
Alta Education Operational				
Alta Initiative for School Imp.	16,778	43,353	60,131	-
Infrastructure Maintenance Ren.	289,486	110,852	9,431	390,907
Small Class Size Initiative	7,789	-	7,789	-
Supernet Service	-	21,745	21,745	-
	314,053	175,950	99,096	390,907
Other deferred revenue				
Interest earned on IMR advances	6,057	1,850	-	7,907
<b>Total</b>	<b>320,110</b>	<b>177,800</b>	<b>99,096</b>	<b>398,814</b>

**10. TRUST ASSET AND LIABILITIES**

Beginning in September of 2006, this jurisdiction has assumed administrative duties of C.E.F.F.A. (Conseil Pour l'Education de la Foi Catholique Chez les Francophones de l'Alberta), a non-profit organization. The end of year balance represents cash that is held in trust by the jurisdiction.

	2011	2010
	\$	\$
Balance, beginning of year	107,576	58,706
Add: transfer from previous sponsoring jurisdiction	-	-
received from member organizations	85,812	128,211
Less: disbursements	(95,146)	(79,341)
<b>Balance, end of year</b>	<b>98,242</b>	<b>107,576</b>

**11. LONG TERM DEBT**

a) Debenture debt - supported

The debenture debt bore interest at a rate of 11.625%. The debenture debt was fully supported by Alberta Finance and was fully repaid in the April of 2010.

b) Capital leases - unsupported

Currently, there are no capital leases held by the jurisdiction.

**NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1**

**AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**

For the year ended August 31, 2011

**12. DEFERRED CAPITAL ALLOCATIONS**

Deferred capital allocations represent externally-restricted 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.

**13. 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.

**14. INTERNALLY RESTRICTED NET ASSETS**

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

	2010			2011
	Balance	Appropriated	Utilized	Balance
	\$	\$	\$	\$
Operating				
School - instruction	862,565	-	162,443	700,122
School - operation and maintenance	142,000	-	-	142,000
System administration	9,699	-	9,699	-
Transportation	360,000	-	45,000	315,000
External services	18,811	-	-	18,811
	1,393,075	-	217,142	1,175,933
Capital				
Land	-	-	-	-
Buildings	-	-	-	-
Equipment	89,637	-	-	89,637
Vehicles	128,706	-	-	128,706
	218,343	-	-	218,343
	1,611,418	-	217,142	1,394,276

# NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1

## AUDITORS' NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2011

---

### 15. COMMITMENTS

---

- a) An operating lease agreement for an Aficio MP 400B photocopier was signed in June 2009. The quarterly lease payments of \$996.36 plus G.S.T. total \$19,927.2 over a sixty month period (last payment due April, 2014).
- b) An operating lease agreement for office space was signed in August, 2011. The annual lease agreement of \$16,000 is renewable on a one year at a time basis (initial lease in effect to August 31, 2012).
- c) The jurisdiction is committed to further capital expenditures for the completion of the furnishing and construction of a new school in Grande Prairie for approximately \$100,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.
- d) The jurisdiction is committed to further capital expenditures for the purchase and installation of two portable classrooms for the Ecole Nouvelle Frontiere school in Grande Prairie for approximately \$523,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

### 16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

---

The Regional Authority of the Northwest Francophone Education Region No. 1 primary source of income is from the Alberta Government. The Regional Authority's ability to continue viable operations is dependent on this funding.

### 17. 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 other school jurisdictions of Alberta.

2010-2011	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
Government of Alberta:				
Education	667,563	-	6,265,044	-
Finance	-	-	-	-
Other Alta Gov't Depts.	-	-	900	-
Other related parties	-	4,069	-	-
<b>TOTAL 2010-2011</b>	<b>667,563</b>	<b>4,069</b>	<b>6,265,944</b>	<b>-</b>
<b>TOTAL 2009-2010</b>	<b>646,891</b>	<b>23,746</b>	<b>5,816,257</b>	<b>-</b>



**NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1**

**AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**

For the year ended August 31, 2011

---

**18. BUDGET AMOUNTS**

---

The revised budget was prepared by the school jurisdiction management with Board of Trustees approval on November 25, 2010. It is presented for information purposes only and has not been audited.

**19. COMPARATIVE FIGURES**

---

The comparative figures have been reclassified where necessary to conform to actual 2011 presentation. Revenues for 2010 Government of Alberta have been restated to include French Language Program funding of \$183,781. In the previous year statement they had been reported as Federal Government revenues. Please note that total revenues for 2010 remain unchanged. Prior year figures for Note 17 Related Party Transactions have been restated to include Federal Language Program transactions.

**NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1**  
**AUDITORS' NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended August 31, 2011

**20. RENUMERATION AND MONETARY INCENTIVES**

The Regional Authority of Northwest Francophone Education Region No. 1 had paid or accrued expenses for the year ended August 31, 2011 to or on behalf of the following positions and persons in groups as follows:

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's /Other	Total	Expenses
<b>Chairperson:</b>								
Chantal Monfette	0.2	\$1,390	\$0	\$0	\$0	\$0	\$1,390	\$15
Claire Anctil	0.8	\$7,730	\$2,945	\$0	\$0	\$0	\$10,675	\$4,506
<b>Other Members:</b>								
Claire Anctil	0.2	\$1,805	\$736	\$0	\$0	\$0	\$2,541	\$1,543
Chantal Monfette	0.8	\$4,580	\$0	\$0	\$0	\$0	\$4,580	\$3,860
Marc Tardif	1.0	\$4,125	\$3,681	\$0	\$0	\$0	\$7,806	\$2,233
Marc Lavoie	0.8	\$3,930	\$0	\$0	\$0	\$0	\$3,930	\$1,116
Colin Gagnon	0.8	\$3,320	\$0	\$0	\$0	\$0	\$3,320	\$1,766
Mario Paradis	0.2	\$1,080	\$0	\$0	\$0	\$0	\$1,080	\$1,302
Kay Glenn	0.2	\$970	\$0	\$0	\$0	\$0	\$970	\$96
<b>Subtotal</b>	<b>5.0</b>	<b>\$28,930</b>	<b>\$7,362</b>	<b>\$0</b>			<b>\$36,292</b>	<b>\$16,437</b>
Superintendent	1.0	\$141,412	\$15,849	\$0	\$0	\$0	\$157,261	\$25,441
Secretary/Treasurer	1.0	\$82,200	\$12,303	\$0	\$0	\$0	\$94,503	\$1,400
Board Secretary	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Salaries	34.0	\$2,790,977	\$313,480	\$0	\$0	\$0	\$3,104,457	
Uncertificated Salaries	18.5	\$709,289	\$130,086	\$0	\$0	\$0	\$839,375	
<b>TOTALS</b>		<b>\$3,752,808</b>	<b>\$479,080</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,231,888</b>	

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

**NORTHWEST FRANCOPHONE EDUCATION REGION NO.1**

Legal Name of School Jurisdiction

**P.O. Box 1220**

Mailing Address

**(780)624-8855 (780)624-8554**

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**

**Chantal Côté**

Name



Signature

**29-Nov-11**

Dated

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

## TABLE OF CONTENTS

		Page
<b>SCHEDULE A</b>	<b>Allocation of Revenues and Expenses to Programs</b>	<b>3</b>
<b>SCHEDULE B</b>	<b>School Generated Funds (SGF)</b>	<b>4</b>
<b>SCHEDULE C</b>	<b>Operations and Maintenance Program Expense Details</b>	<b>5</b>

**SCHEDULE A**

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

School Jurisdiction Code: 3050

REVENUES	ECS Instruction	Grades 1-12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration	External Services	TOTAL
(1) Alberta Education	\$7,937	\$3,895	\$48,548	\$71,144	\$6,594	\$0	\$6,265,044
(2) Other - Government of Alberta	\$0	\$0	\$900	\$0	\$0	\$0	\$900
(3) Federal Government and First Nations	\$0	\$1,763	\$0	\$0	\$0	\$0	\$30,769
(4) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) Instruction resource fees	\$0	\$7,222	\$0	\$0	\$0	\$0	\$14,722
(8) Transportation fees-ECS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(9) Transportation fees-Grades 1-12	\$0	\$0	\$0	\$0	\$0	\$0	\$0
### Other sales and services	\$0	\$15,028	\$570	\$0	\$0	\$0	\$14,483
### Investment income	\$0	\$1,123	\$0	\$0	\$0	\$0	\$15,133
### Gifts and donations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
### Rental of facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
### Gross school generated funds	\$0	\$6,677	\$6,677	\$0	\$0	\$0	\$5,627
### Gains on disposal of capital assets	\$0	\$25,997	\$0	\$0	\$0	\$0	\$263,597
### Amortization of capital allocations	\$0	\$0	\$567,508	\$0	\$0	\$0	\$1,125
### Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$568,503
### TOTAL REVENUES	\$275,877	\$4,225,884	\$1,424,279	\$791,144	\$462,719	\$0	\$7,179,903
<b>EXPENSES</b>							
### Certificated salaries	\$3,732	\$3,895	\$0	\$0	\$0	\$0	\$2,932,389
### Certificated benefits	\$2,830	\$2,830	\$0	\$0	\$0	\$0	\$329,329
### Non-certificated salaries and wages	\$2,857	\$3,154	\$3,154	\$5,523	\$7,270	\$0	\$820,419
### Non-certificated benefits	\$2,741	\$3,846	\$7,442	\$70,541	\$7,489	\$0	\$149,751
### SUB - TOTAL	\$297,835	\$3,508,779	\$45,899	\$52,577	\$326,798	\$0	\$4,231,888
### Services, contracts and supplies	\$1,883	\$71,305	\$85,405	\$775,748	\$23,497	\$0	\$2,283,342
### Gross school generated funds	\$0	\$0	\$33,908	\$8,006	\$19,477	\$0	\$263,597
### Amortization of capital assets	\$0	\$0	\$0	\$0	\$1,454	\$0	\$617,502
### Interest and charges	\$0	\$0	\$0	\$0	\$0	\$0	\$1,454
### Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
### Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
### TOTAL EXPENSES	\$315,223	\$4,480,575	\$1,294,414	\$836,351	\$471,220	\$0	\$7,997,783
### EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$39,346)	(\$254,691)	\$129,865	(\$45,207)	(\$8,501)	\$0	(\$217,880)

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

<b>Unexpended SGF - Opening Balance August 31, 2010</b> (Note 1)			\$82,010
<b>Sources of School Generated Funds:</b>	<b>Gross SGF</b>	<b>Related Expenses</b>	<b>Net SGF</b>
Fundraising activities	\$128,975	\$153,100	(\$24,125)
Student fees (non-instructional) (note 1)	\$96,287	\$0	\$96,287
Donations and grants to schools	\$53,317	\$0	\$53,317
Other (describe):	\$0	\$0	\$0
<b>Net Additions to SGF</b>	\$278,579	\$153,100	\$125,479
<b>Net SGF Available</b>			\$207,489
<b>Uses of Net School Generated Funds:</b>			
Extra-curricular activities			\$46,607
Field trips			\$28,530
Other (describe): family literacy, school beautification, equipment			\$35,360
<b>Total Uses of Net SGF</b> (Note 2)			\$110,497
<b>Unexpended SGF - Closing Balance August 31, 2011</b> (Note 3)			\$96,992

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.)

**Notes:**

- 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.
- 2 The sum of "total related expenses" and "total uses of net SGF" is reported as "gross school generated funds" in the Statement of Revenues & Expenses.
- 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.

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

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR & Modular Unit Relocations	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$0	\$3,697	\$0	\$0	\$35,460		\$39,157		\$39,157
Uncertificated benefits	\$0	\$278	\$0	\$0	\$5,464		\$6,742		\$6,742
Sub-total Remuneration	\$0	\$3,975	\$0	\$0	\$41,924		\$45,899		\$45,899
Supplies and services	\$302,546	\$134,673	\$0	\$9,431	\$23,075		\$469,725		\$469,725
Electricity			\$93,072				\$93,072		\$93,072
Natural gas/heating fuel			\$71,464				\$71,464		\$71,464
Sewer and water			\$20,784				\$20,784		\$20,784
Telecommunications			\$0				\$0		\$0
Insurance					\$10,361		\$10,361		\$10,361
Amortization of capital assets									
Supported									
Unsupported						\$14,606	\$14,606	\$568,503	\$568,503
Total Amortization						\$14,606	\$14,606	\$568,503	\$568,503
Interest on capital debt									
Supported									
Unsupported									
Other interest charges									
Losses on disposal of capital assets									
<b>TOTAL EXPENSES</b>	\$302,546	\$138,648	\$185,320	\$9,431	\$75,360	\$14,606	\$725,911	\$568,503	\$1,294,414
<b>SQUARE METRES</b>									
School buildings									
Non school buildings									
									\$10,831.0
									\$0

**Note:**

- Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
- Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
- Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
- Expensed IMR & Modular Unit Relocations:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
- Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, negotiations, supervision of employees & contractors, school facility planning & project administration, administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
- Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.