

# VALHALLA SCHOOL FOUNDATION

PO Box 148  
Valhalla Centre, AB  
T0H 3M0

October 28, 2013

Faber LLP, Chartered Accountants  
215, 10006 - 101 Avenue  
Grande Prairie, Alberta T8V 0Y1

Dear Sir / Madam:

This representation letter is provided in connection with your audit of the financial statements of Valhalla School Foundation for the year ended August 31, 2013 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian accounting standards for private enterprises.

We confirm that (to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves):

## Financial statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated July 31, 2014, for the preparation of the financial statements in accordance with Canadian accounting standards for private enterprises; in particular, the financial statements are fairly presented in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. (CAS 540)
- Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian accounting standards for private enterprises.
- All events subsequent to the date of the financial statements and for which generally accepted accounting principles require adjustment or disclosure have been adjusted or disclosed. (CAS 560)
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter. (CAS 450)
- [Any other matters that the public accountant may consider appropriate (see paragraph A10 of CAS 580).]

## Information provided

- We have provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters,
  - Additional information that you have requested from us for the purpose of the audit, and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. (CAS 240)
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements. (CAS 240)

- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others. (CAS 240)
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements. (CAS 240)
- We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware. (CAS 550)
- [Any other matters that the public accountant may consider necessary.]

## **General**

1. We have responded fully to all inquiries made to us and have made available to you all accounting and financial records and related data of the Foundation during your audit.
2. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements. All financial statement misstatements identified and discussed with us in the course of the examination have been recorded (except for those summarized in the accompanying schedule of proposed adjusting journal entries not recorded. In our opinion, the effects of not recording such identified financial statement misstatements are, both individually and in the aggregate, immaterial to the financial statements of the Foundation taken as a whole).
3. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
4. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
5. We have identified to you all known related parties and related party transactions, including guarantees, non-monetary transactions and transactions for no consideration.
6. We have no knowledge of fraud or suspected fraud affecting the entity involving management; employees who have significant roles in internal control; or others, where the fraud could have a nontrivial effect on the financial statements.
7. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
8. We believe the effects of the uncorrected financial statement misstatements summarized in the accompanying schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
9. We believe that the significant assumptions used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances.
10. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
11. All related party transactions have been appropriately measured and disclosed in the financial statements.
12. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
13. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
14. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
15. The Foundation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements. This includes:

- a) Appropriate provisions for idle, abandoned, destroyed or obsolete assets or where site restoration costs will be necessary; and
  - b) Impairments in the value of goodwill or intangible assets.
16. We have disclosed to you, and the Foundation has complied with, all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
17. There have been no events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements. Further, there have been no events subsequent to the date of the comparative financial statements that would require adjustment of those financial statements and the related notes.
18. We have disclosed to you all significant customers and/or suppliers of the Foundation who individually represent a significant volume of transactions with our Foundation. We are of the opinion that the volume of transactions (e.g., sales, services, purchases, borrowing and lending) done by the Foundation with any one party is not of sufficient magnitude that discontinuance would have a material negative effect on the ongoing operations of the Foundation.
19. Receivables recorded in the financial statements represent valid claims against debtors for sales or other charges arising on or before the balance sheet date and have been appropriately reduced to their estimated net realizable value.
20. There are no material unrecorded assets or contingent assets (such as claims relating to patent infringements or unfulfilled contracts whose value depends on satisfying conditions regarded as uncertain), that have not been disclosed to you.
21. We have disclosed to you all significant estimates and fair value measurements. We are of the opinion that:
- a) The measurement methods used are permitted under Canadian generally accepted accounting principles and appropriate in the circumstances;
  - b) The underlying assumptions are reasonable and reflect management's best estimates considering existing market information;
  - c) The method of valuation has been applied consistently;
  - d) The assumptions are consistent with management's intended courses of action; and
  - e) Financial statement disclosures are in accordance with Canadian generally accepted accounting principles.
22. We have obtained all consents that are required under applicable privacy legislation for the collection, use, and disclosure to you of personal information.
23. The minute books of the Foundation are a complete record of all meetings and resolutions of shareholders and directors throughout the period and to the present date.
24. We are aware of the environmental laws and regulations that have an impact on our Foundation and we are in compliance. There are no known environmental liabilities that have not been accrued for or disclosed in the financial statements.

#### **Other**

1. None of the members were in debt to the Foundation, other than in the ordinary course of business at the year-end or at any time during the year.
2. The Foundation did not make any related party transactions during the year that have not been disclosed to you.
3. All management fees, bonuses or other remuneration paid to or accrued on behalf of members or related parties represent the fair market value of services performed for, or goods provided to, the Foundation.
4. We hereby acknowledge that Faber LLP, Chartered Accountants have made us aware of your legal obligations under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act. We hereby acknowledge that we are aware of potential conflict of interest that may arise as a result of your legal obligations under this Act and authorize Faber LLP, Chartered Accountants to release and disclose information about Vaihalla School Foundation as required by statute.

Yours truly,

**VALHALLA SCHOOL FOUNDATION**

ORIGINAL SIGNED

Jolene Kochendorfer, Board Chair

October 28, 2013

Date signed

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED AUGUST 31, 2012 and AUGUST 31, 2013**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Valhalla School Foundation**

Legal Name of School Jurisdiction

**Box 143 Valhalla Centre, AB T0H 3M0**

Mailing Address

**780-356-2370 and 780-356-2789**

Telephone & Fax Numbers, and Email Address

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

The financial statements of Valhalla School Foundation 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.

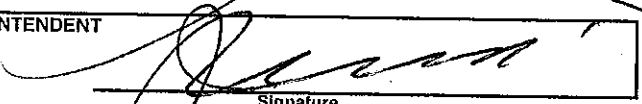
**External Auditors**


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 Chairman**

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

<p><b>BOARD CHAIR</b></p> <p><u>Jolene Kochendorfer</u> Name</p>	 Signature
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<p><b>SUPERINTENDENT</b></p> <p><u>John Picard</u> Name</p>	 Signature
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<p><b>SECRETARY-TREASURER OR TREASURER</b></p> <p><u>Linda Appleby</u> Name</p>	 Signature
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Oct 30, 2013  
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T6J 4L5  
EMAIL: sarah.brennan@gov.ab.ca  
PHONE: (780) 422-0312 (Toll free 310-0000) FAX: (780) 422-6996



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## INDEPENDENT AUDITOR'S REPORT

To the Members of Valhalla School Foundation:

We have audited the accompanying financial statements of Valhalla School Foundation, which comprise the statement of financial position as at August 31, 2013, statement of operations, cash flows, changes in net financial assets, remeasurement gains and losses, 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 without not-for-profit provisions, 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 is sufficient and appropriate to provide a basis for our audit opinion.

(continues)

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*Basis for Qualified Opinion*

In common with many charitable organizations, the Foundation derives part of its revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

*Qualified Opinion*

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Valhalla School Foundation as at August 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting standards without not-for-profit provisions.

Grande Prairie, Alberta  
October 28, 2013

*Faber LLP*

CHARTERED ACCOUNTANTS



**STATEMENTS OF FINANCIAL POSITION**  
As at (In dollars)

	August 31		September 1
	2013	2012 Restated	2011
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents (Note 4)	\$123,588	\$77,087	\$47,578
Accounts receivable (net after allowances) (Note 5)	\$15,194	\$18,086	\$27,453
Portfolio Investments	\$0	\$0	\$0
Other financial assets	\$0	\$0	\$0
<b>Total financial assets</b>	<b>\$138,782</b>	<b>\$95,173</b>	<b>\$75,031</b>
<b>LIABILITIES</b>			
Bank indebtedness (Note 6)	\$0	\$0	\$15,000
Accounts payable and accrued liabilities (Note 7)	\$29,762	\$36,298	\$31,645
Deferred revenue (Note 8)	\$503,535	\$369,837	\$54,441
Employee future benefit liabilities	\$0	\$0	\$0
Other liabilities	\$0	\$0	\$0
Debt (Note 9)			
Supported: Debentures and other supported debt	\$0	\$0	\$0
Unsupported: Debentures and capital loans	\$0	\$0	\$0
Capital leases	\$8,039	\$16,789	\$26,154
Mortgages	\$0	\$0	\$0
<b>Total liabilities</b>	<b>\$541,336</b>	<b>\$422,924</b>	<b>\$127,240</b>
<b>Net financial assets (debt)</b>	<b>(\$402,554)</b>	<b>(\$327,751)</b>	<b>(\$52,209)</b>
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets (Note 10)			
Land	\$0	\$0	\$0
Construction in progress	\$0	\$0	\$0
Buildings	\$321,600		
Less: Accumulated amortization	(\$14,006)	\$307,594	\$320,456
Equipment	\$42,981		
Less: Accumulated amortization	(\$18,657)	\$24,324	\$28,623
Vehicles	\$170,000		
Less: Accumulated amortization	(\$8,500)	\$161,500	\$0
Computer Equipment	\$71,815		\$50,200
Less: Accumulated amortization	(\$35,977)	\$35,838	\$0
<b>Total tangible capital assets</b>	<b>\$529,256</b>	<b>\$399,279</b>	<b>\$94,363</b>
Prepaid expenses	\$4,642	\$16,289	\$24,140
Other non-financial assets	\$0	\$0	\$0
<b>Total non-financial assets</b>	<b>\$533,898</b>	<b>\$415,568</b>	<b>\$118,503</b>
<b>Accumulated surplus</b> (Note 11)	<b>\$131,344</b>	<b>\$87,817</b>	<b>\$66,294</b>
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)	\$131,344	\$87,817	\$66,294
Accumulated remeasurement gains (losses)	\$0	\$0	\$0
	\$131,344	\$87,817	\$66,294
Contractual obligations			
Contingent liabilities			

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

**STATEMENTS OF OPERATIONS**  
For the Years Ended August 31 (in dollars)

	Budget 2013	Actual 2013	Actual 2012 Restated
<b>REVENUES</b>			
Alberta Education	\$1,552,802	\$1,596,328	\$1,569,371
Other - Government of Alberta	\$0	\$0	\$926
Federal Government and First Nations	\$0	\$0	\$0
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Property taxes	\$0	\$0	\$0
Fees (Note 12)	\$18,188	\$13,072	\$13,944
Other sales and services	\$0	\$0	\$0
Investment Income	\$0	\$78	\$99
Gifts and donations	\$24,419	\$19,000	\$24,348
Rental of facilities	\$0	\$920	\$474
Fundraising	\$0	\$7,950	\$6,258
Gains (losses) on disposal of capital assets	\$0	\$0	\$0
Other revenue	\$0	\$30,383	\$0
<b>Total revenues</b>	<b>\$1,595,409</b>	<b>\$1,667,731</b>	<b>\$1,615,420</b>
<b>EXPENSES</b>			
Instruction	\$744,761	\$1,013,880	\$880,863
Plant operations and maintenance	\$484,080	\$237,167	\$349,399
Transportation	\$219,824	\$247,266	\$249,128
Administration	\$127,910	\$125,891	\$114,506
External services	\$0	\$0	\$0
<b>Total expenses</b>	<b>\$1,576,575</b>	<b>\$1,624,204</b>	<b>\$1,593,897</b>
<b>Operating surplus (deficit)</b>	<b>\$18,834</b>	<b>\$43,527</b>	<b>\$21,523</b>

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



**STATEMENTS OF CASH FLOWS**  
For the Years Ended August 31 (in dollars)

	2013	2012 Restated
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Operating surplus (deficit)	\$43,527	\$17,690
<b>Add (Deduct) Items not affecting cash:</b>		
Total amortization expense	\$40,025	\$18,947
Gains on disposal of tangible capital assets	\$0	\$0
Losses on disposal of tangible capital assets	\$0	\$0
<b>Changes In:</b>		
Accounts receivable	\$2,892	\$13,202
Prepays	\$11,647	\$7,851
Other financial assets	\$0	\$0
Non-financial assets	\$0	\$0
Accounts payable and accrued liabilities	(\$6,536)	\$4,653
Deferred revenue	\$133,698	\$315,395
Employee future benefit liabilities	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from operating transactions</b>	<b>\$225,253</b>	<b>\$377,738</b>
<b>B. CAPITAL TRANSACTIONS</b>		
Purchases of tangible capital assets		
Land	\$0	\$0
Buildings	\$0	(\$314,460)
Equipment	\$0	(\$9,404)
Vehicles	\$0	\$0
Computer equipment	\$0	\$0
Net proceeds from disposal of unsupported capital assets	\$0	\$0
Other (describe) <small>Donated capital assets included in deferred revenue</small>	(\$170,002)	\$0
<b>Total cash flows from capital transactions</b>	<b>(\$170,002)</b>	<b>(\$323,864)</b>
<b>C. INVESTING TRANSACTIONS</b>		
Changes In portfolio investments		
Remeasurement gains (losses) reclassified to the statement of operations	\$0	\$0
Other (describe)	\$0	\$0
<b>Total cash flows from investing transactions</b>	<b>\$0</b>	<b>\$0</b>
<b>D. FINANCING TRANSACTIONS</b>		
Issue of debt	\$0	\$0
Repayment of debt	(\$8,750)	(\$9,365)
Other (describe)	\$0	\$0
<b>Total cash flows from financing transactions</b>	<b>(\$8,750)</b>	<b>(\$9,365)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>\$46,501</b>	<b>\$44,509</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>\$77,087</b>	<b>\$32,578</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$123,588</b>	<b>\$77,087</b>

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

**STATEMENTS OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)**  
**For the Years Ended August 31 (in dollars)**

	2013	2012
Operating surplus (deficit)	\$43,527	\$21,523
<b>Effect of changes in tangible capital assets</b>		
Aquisition of tangible capital assets	(\$170,002)	(\$323,863)
Amortization of tangible capital assets	\$40,025	\$18,947
Net carrying value of tangible capital assets disposed of	\$0	\$0
Write-down carrying value of tangible capital assets	\$0	\$0
<b>Total effect of changes in tangible capital assets</b>	<b>(\$129,977)</b>	<b>(\$304,916)</b>
<b>Changes in:</b>		
Prepaid expenses	\$11,647	\$7,851
Other non-financial assets	\$0	\$0
Net remeasurement gains and (losses)	\$0	\$0
Change in Endowments	\$0	\$0
<b>Increase (decrease) in net financial assets (net debt)</b>	<b>(\$74,803)</b>	<b>(\$275,542)</b>
<b>Net financial assets (net debt) at beginning of year</b>	<b>(\$327,751)</b>	<b>(\$52,209)</b>
<b>Net financial assets (net debt) at end of year</b>	<b>(\$402,554)</b>	<b>(\$327,751)</b>

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



**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
 For the Year Ended August 31, 2013 (in dollars)

	2013
<b>Opening accumulated remeasurement gains and (losses) upon adoption on September 1, 2012</b>	\$0
<b>Unrealized gains (losses) attributable to:</b>	
Portfolio investments	\$0
Other	\$0
<b>Amounts reclassified to the statement of operations:</b>	
Portfolio investments	\$0
Other	\$0
<b>Net remeasurement gains (losses) for the year</b>	\$0
<b>Accumulated remeasurement gains (losses) at end of year</b>	\$0

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



SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS  
for the Year Ended August 31, 2013 (in dollars)

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS  
for the Year Ended August 31, 2013 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REIMBURSABLE GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERMEDIATELY RESTRICTED RESERVES			INTERMEDIATELY RESTRICTED RESERVES BY PROGRAM					
							OPERATING RESERVES	UNRESTRICTED SURPLUS	TOTAL CAPITAL RESERVES	School Instruction Related	Operations & Maintenance	Board & System	Transportation	External Services	
							Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	
Balance at August 31, 2012	\$83,937	\$0	\$83,937	\$31,710	\$0	\$51,937	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Prior period adjustments:															
To adjust for errors in bank rec	(\$1,980)	\$0	(\$1,980)	\$0	\$0	(\$1,980)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
To adjust prior year AP	\$2,554	\$0	\$2,554	\$0	\$0	\$2,554	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
To adjust for payroll error	\$3,958	\$0	\$3,958	\$0	\$0	\$3,958	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Adjusted Balance, Aug. 31, 2012	\$87,817	\$0	\$87,817	\$31,710	\$0	\$56,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Operating surplus (deficit)	\$43,527	\$0	\$43,527	\$0	\$0	\$43,527	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Board funded tangible capital asset additions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Disposal of unsupported tangible capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(Board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Write-down of unsupported tangible capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net remeasurement gains (losses) for the year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Employment expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Direct credits to accumulated surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Amortization of tangible capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Capital revenue recognized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Externally imposed endowment restrictions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net transfers to operating reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net transfers from operating reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net transfers to capital reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net transfers from capital reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Assumption/transfer of other operations' surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Balance at August 31, 2013	\$131,344	\$0	\$131,344	\$22,058	\$0	\$109,278	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	



SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS  
for the Year Ended August 31, 2012 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED GAINS (LOSSES)	ACCUMULATED SURPLUS	INVESTMENT IN AVAILABLE ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERMEDIATELY RESTRICTED			INTERMEDIATELY RESTRICTED RESERVES BY PROGRAM			EXTERNAL SERVICES				
							OPERATING RESERVES	TOTAL CAPITAL RESERVES	SCHOOL & INSTRUCTION	OPERATIONS & MAINTENANCE	ADMINISTRATIVE	TRANSPORTATION	OPERATING RESERVES	CAPITAL RESERVES	OPERATING RESERVES	CAPITAL RESERVES	OPERATING RESERVES
Balance at August 31, 2011	\$68,294	\$0	\$68,294	\$55,075	\$0	\$11,219	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prior period adjustments:																	
To adjust supported asset addition	\$0	\$0	\$0	(\$26,154)	\$0	\$26,154	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug. 31, 2011	\$68,294	\$0	\$68,294	\$28,921	\$0	\$37,373	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating surplus (deficit)	\$21,523		\$21,523			\$21,523											
Board funded tangible capital asset additions (net of unsupported tangible capital assets)	\$0		\$0	\$3,065		(\$3,065)											
Disposal of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0											
Write-down of unsupported tangible capital assets	\$0		\$0	\$0		\$0											
Write-down of supported tangible capital assets (board funded portion)	\$0		\$0	\$0		\$0											
Net remeasurement gains (losses) for the year	\$0		\$0	\$0		\$0											
Endowment expenses	\$0		\$0	\$0		\$0											
Direct credits to accumulated surplus	\$0		\$0	\$0		\$0											
Amortization of tangible capital assets	\$0		\$0	(\$18,947)		\$18,947											
Capital revenue recognized	\$0		\$0	\$9,555		(\$9,555)											
Direct principal payments (unsupported)	\$0		\$0	\$9,396		(\$9,396)											
Externally imposed endowment restrictions	\$0		\$0	\$0		\$0											
Net transfers to operating reserves	\$0		\$0	\$0		\$0											
Net transfers from operating reserves	\$0		\$0	\$0		\$0											
Net transfers to capital reserves	\$0		\$0	\$0		\$0											
Net transfers from capital reserves	\$0		\$0	\$0		\$0											
Assumption/transfer of other operations' surplus	\$0		\$0	\$0		\$0											
Balance at August 31, 2012	\$87,317	\$0	\$87,317	\$31,710	\$0	\$55,607	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**SCHEDULE OF CAPITAL REVENUE**  
**(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)**  
for the Year Ended August 31, 2013 (in dollars)

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	
Balance at August 31, 2012	\$0	\$0	\$0	\$0	\$351,392
Prior period adjustments	\$0	\$0	\$0	\$0	\$0
Adjusted balance, August 31, 2012	\$0	\$0	\$0	\$0	\$351,392
<b>Add:</b>					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$0				
Infrastructure Maintenance & Renewal capital related to school facilities	\$0				
Other Government of Alberta	\$0				
Federal Government and First Nations				\$0	
Other sources				\$0	
Unexpended capital revenue receivable from:					
Alberta Education school building & modular	\$0				
Unexpended capital revenue receivable from other than Alberta Education	\$0			\$0	
Interest earned on unexpended capital revenue	\$0	\$0	\$0	\$0	
Other unexpended capital revenue and donations				\$0	
Net proceeds on disposal of supported tangible capital assets			\$0	\$0	
Insurance proceeds (and related interest)			\$0	\$0	
Donated tangible capital assets (amortizable, @ fair market value)					\$170,002
Public Private Partnership (P3), other Alberta Schools Alternative Program (ASAP) Initiative and Alberta Infrastructure managed projects					\$0
Transferred in tangible capital assets (amortizable, @ net book value)					\$0
Expended capital revenue - current year	\$0	\$0	\$0	\$0	\$0
Surplus funds approved for future project(s)	\$0	\$0			
<b>Deduct:</b>					
Net book value of supported tangible capital disposals, write-offs, or transfers	\$0	\$0	\$0	\$0	\$0
Capital revenue recognized					\$30,383
Balance at August 31, 2013	\$0	\$0	\$0	\$0	\$491,011
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2013 (A) + (B) + (C) + (D)				\$0	

**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.  
(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 tangible 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 CAPITAL REVENUE**  
**(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)**  
for the Year Ended August 31, 2012 (in dollars)

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	
Balance at August 31, 2011	\$0	\$0	\$0	\$0	\$39,898
Prior period adjustments	\$0	\$0	\$0	\$0	\$0
Adjusted balance, August 31, 2011	\$0	\$0	\$0	\$0	\$39,898
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$314,460				
Infrastructure Maintenance & Renewal capital related to school facilities	\$0				
Other Government of Alberta	\$6,339				
Federal Government and First Nations				\$0	
Other sources				\$0	
Unexpended capital revenue receivable from					
Alberta Education school building & modular	\$0				
Unexpended capital revenue receivable from other than Alberta Education	\$0			\$0	
Interest earned on unexpended capital revenue	\$0	\$0	\$0	\$0	
Other unexpended capital revenue and donations					\$0
Net proceeds on disposal of supported tangible capital assets			\$0	\$0	
Insurance proceeds (and related interest)			\$0	\$0	
Donated tangible capital assets (amortizable, @ fair market value)					\$0
Public Private Partnership (P3), other Alberta Schools Alternative Program (ASAP) Initiative and Alberta Infrastructure managed projects					\$0
Transferred In tangible capital assets (amortizable, @ net book value)					\$0
Expended capital revenue - current year	(\$320,799)	\$0	\$0		\$320,799
Surplus funds approved for future project(s)	\$0	\$0			
Deduct:					
Net book value of supported tangible capital dispositions, write-offs, or transfers	\$0	\$0	\$0	\$0	\$0
Capital revenue recognition					\$9,305
Balance at August 31, 2012	\$0	\$0	\$0	\$0	\$351,392
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2012 (A) + (B) + (C) + (D)				\$0	

**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.

(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 tangible 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, 2013 (in dollars)

	2013					2012
	Instruction (ECS-Grade 12)	Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	Restated TOTAL
<b>REVENUES</b>						
(1) Alberta Education	\$1,220,353	\$259,217	\$116,758	\$0	\$0	\$1,596,328
(2) Other - Government of Alberta	\$0	\$0	\$0	\$0	\$0	\$0
(3) Federal Government and First Nations	\$0	\$0	\$0	\$0	\$0	\$0
(4) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0
(7) Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0
(8) Fees	\$13,072		\$0	\$0	\$0	\$13,072
(9) Other sales and services	\$0	\$0	\$0	\$0	\$0	\$0
(10) Investment income	\$0	\$78	\$0	\$0	\$0	\$78
(11) Gifts and donations	\$14,923	\$0	\$4,077	\$0	\$0	\$19,000
(12) Rental of facilities	\$0	\$920	\$0	\$0	\$0	\$920
(13) Fundraising	\$7,950	\$0	\$0	\$0	\$0	\$7,950
(14) Gains on disposal of tangible capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(15) Other revenue	\$0	\$30,383	\$0	\$0	\$0	\$30,383
(16) TOTAL REVENUES	\$1,256,296	\$290,598	\$120,835	\$0	\$0	\$1,667,731
<b>EXPENSES</b>						
(17) Certificated salaries	\$646,960			\$0	\$0	\$646,960
(18) Certificated benefits	\$100,981			\$0	\$0	\$100,981
(19) Non-certificated salaries and wages	\$101,077	\$43,181	\$99,510	\$53,875	\$0	\$297,744
(20) Non-certificated benefits	\$17,291	\$0	\$20,186	\$8,886	\$0	\$46,366
(21) SUB - TOTAL	\$866,310	\$43,181	\$119,798	\$62,761	\$0	\$1,092,050
(22) Services, contracts and supplies	\$99,933	\$183,985	\$127,468	\$63,130	\$0	\$484,517
(23) Amortization of supported tangible capital assets	\$30,383	\$0	\$0	\$0	\$0	\$30,383
(24) Amortization of unsupported tangible capital assets	\$9,642	\$0	\$0	\$0	\$0	\$9,642
(25) Supported interest on capital debt	\$0	\$0	\$0	\$0	\$0	\$0
(26) Unsupported interest on capital debt	\$110	\$0	\$0	\$0	\$0	\$110
(27) Other interest and finance charges	\$7,502	\$0	\$0	\$0	\$0	\$7,502
(28) Losses on disposal of tangible capital assets	\$0	\$0	\$0	\$0	\$0	\$0
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$1,013,880	\$237,167	\$247,266	\$125,891	\$0	\$1,624,204
(31) OPERATING SURPLUS (DEFICIT)	\$242,418	\$53,431	(\$126,431)	(\$125,891)	\$0	\$43,527



**Valhalla School Foundation**  
**Notes to the financial statements**  
**For the year ended August 31, 2013**

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**1. AUTHORITY AND PURPOSE**

The Valhalla School Foundation – Jurisdiction 0224 delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The foundation 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 School Foundation is limited on certain funding allocations and administration expenses.

**2. CONVERSION TO PUBLIC SECTOR ACCOUNTING STANDARDS**

Commencing with the 2013 fiscal year, the Valhalla School Foundation has adopted Canadian Public Sector Accounting (“PSA”) standards without not-for-profit provisions. These financial statements are the first financial statements for which the School Division has applied PSA standards with retroactive application.

The adoption of PSA had no impact on fund balances as at September 1, 2011 or operations and fund balances or cash flows for the year ended August 31, 2012, as previously reported in accordance with pre-changeover Canadian generally accepted accounting principles.

**3. 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) 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. Due to the difficulty in measuring their value, contributed services are not recognized in the financial statements.

*Eligibility criteria* are criteria that the Foundation has to meet in order to receive certain contributions. *Stipulations* describe what the Foundation 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

b) Tangible capital assets

- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Computer Hardware & Software	20% to 25%
Other Equipment & Furnishings	10% to 20%

c) 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 Valhalla School 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 jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2013, the amount contributed by the Government was \$61,141 (2012 \$54,769).

d) Expenses

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

e) 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.

f) 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 Foundation recognizes a financial instrument when it becomes a party to a financial instrument contract.

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

Recognition, derecognition and measurement policies followed in the financial statements for periods prior to the effective date of September 1, 2012 specified are not reversed and, therefore, the financial statements of prior periods, including the comparative information, have not been restated.

#### 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts on deposit with Canadian financial institutions.

#### 5. ACCOUNTS RECEIVABLE

	2013			2012
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ -	\$ -	\$ -	\$ -
Alberta Education - Capital	-	-	-	-
Alberta Education - IMR	-	-	-	-
Alberta Education - Supported debentures	-	-	-	-
Other Alberta school jurisdictions	-	-	-	-
Treasury Board and Finance	-	-	-	-
Alberta Health & Wellness	-	-	-	-
Alberta Health Services	-	-	-	-
Enterprise & Advanced Education	-	-	-	-
Post-secondary institutions	-	-	-	-
Other Government of Alberta ministries	-	-	-	-
Federal government	7,617	-	7,617	13,950
Municipalities	-	-	-	-
First nations	-	-	-	-
Foundations	-	-	-	-
Other	7,577	-	7,577	4,136
Total	<u>\$ 15,194</u>	<u>\$ -</u>	<u>\$ 15,194</u>	<u>\$ 18,086</u>

#### 6. BANK INDEBTEDNESS

The Foundation has negotiated a line of credit in the amount of \$75,000 (2012 - \$75,000) that bears interest at the bank prime rate plus 2%. This line of credit is secured by a general security agreement providing security interest over all present and after acquired property of the Foundation. At August 31, 2013 \$nil (2012 - \$nil) was outstanding.

## 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2013	2012
Alberta Education	\$ -	\$ -
Other Alberta school jurisdictions	-	-
Alberta Capital Finance Authority (Interest on long-term debt)	-	-
Alberta Health & Wellness	-	-
Alberta Health Services	-	-
Enterprise & Advanced Education	-	-
Post-secondary institutions	-	-
Other Government of Alberta ministries	-	-
Federal government	-	-
First nations	-	-
Other interest on long-term debt	-	-
Other bank charges, fees, and interest	-	-
Salaries & benefit costs	-	-
Other trade payables and accrued liabilities	29,762	36,298
<b>Total</b>	<b>\$ 29,762</b>	<b>\$ 36,298</b>

8. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2012	ADD: 2012/2013 Restricted Funds Received/ Receivable	DEDUCT: 2012/2013 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2012/2013 Adjustments for Returned Funds	DEFERRED REVENUE as at Aug. 31, 2013
<b>Unexpended deferred operating revenue</b>					
<b>Alberta Education:</b>					
Alberta Initiative for School Improvement	\$ -	\$ 4,666	\$ (4,666)	\$ -	\$ -
Children and Youth with Complex Needs	-	-	-	-	-
Francophone Student Health Services	-	-	-	-	-
Infrastructure Maintenance Renewal	-	-	-	-	-
Institutional Education Programs	-	-	-	-	-
Portable/Modular Unit Relocation	-	-	-	-	-
Regional Consortium	-	-	-	-	-
Regional Educational Consulting Services	-	-	-	-	-
Student Health Initiative (School Authorities)	-	-	-	-	-
SuperNet Service	-	9,600	(9,600)	-	-
Other Alberta Education deferred revenue	-	-	-	-	-
<b>Other Government of Alberta:</b>					
Expended Deferred Capital	314,460	-	(12,578)	-	301,882
<b>Other Deferred Revenue:</b>					
School Generated Funds	18,444	-	(7,770)	(10,674)	-
Fees	-	12,525	-	-	12,525
Donations	-	170,000	(8,500)	-	161,500
Other	36,933	-	(9,305)	-	27,628
<b>Total unexpended deferred operating revenue</b>	<b>\$ 369,837</b>	<b>\$ 196,791</b>	<b>\$ (52,419)</b>	<b>\$ (10,674)</b>	<b>\$ 503,535</b>
Unexpended deferred capital revenue	-	-	-	-	-
Expended deferred capital revenue	-	-	-	-	-
<b>Total</b>	<b>\$ 369,837</b>	<b>\$ 196,791</b>	<b>\$ (52,419)</b>	<b>\$ (10,674)</b>	<b>\$ 503,535</b>

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2011	ADD: 2011/2012 Restricted Funds Received/ Receivable	DEDUCT: 2011/2012 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2011/2012 Adjustments for Returned Funds	DEFERRED REVENUE as at Aug. 31, 2012
<b>Unexpended deferred operating revenue</b>					
<b>Alberta Education:</b>					
Alberta Initiative for School Improvement	\$ -	\$ 6,517	\$ (6,517)	\$ -	\$ -
Children and Youth with Complex Needs	-	-	-	-	-
Francophone Student Health Services	-	-	-	-	-
Infrastructure Maintenance Renewal	-	-	-	-	-
Institutional Education Programs	-	-	-	-	-
Portable/Modular Unit Relocation	-	-	-	-	-
Regional Consortium	-	-	-	-	-
Regional Educational Consulting Services	-	-	-	-	-
Student Health Initiative (School Authorities)	-	-	-	-	-
SuperNet Service	-	3,500	(3,500)	-	-
Other Alberta Education deferred revenue	-	-	-	-	-
<b>Other Government of Alberta:</b>					
Unamortized capital allocations	-	314,460	-	-	314,460
<b>Other Deferred Revenue:</b>					
School Generated Funds	14,543	47,776	(43,875)	-	18,444
Fees	-	-	-	-	-
Donations	-	-	-	-	-
Other	39,898	6,339	(9,304)	-	36,933
<b>Total unexpended deferred operating revenue</b>	<b>\$ 54,441</b>	<b>\$ 378,592</b>	<b>\$ (63,196)</b>	<b>\$ -</b>	<b>\$ 369,837</b>
Unexpended deferred capital revenue	-	-	-	-	-
Expended deferred capital revenue	-	-	-	-	-
<b>Total</b>	<b>\$ 54,441</b>	<b>\$ 378,592</b>	<b>\$ (63,196)</b>	<b>\$ -</b>	<b>\$ 369,837</b>



## 9. DEBT

The Foundation has a capital lease outstanding in the amount of \$8,039 for a computer lab with a net book value of \$15,693. The capital lease bears interest at 0.81% per annum, is payable in monthly instalments of \$738 and expires in August 2014. The following is a summary of principal and interest payments on related debt outstanding at August 31, 2013:

	Total
2013-2014	\$ 8,039
Total Payments	(8,079)
Less amount representing interest	40
Total	\$ -

## 10. TANGIBLE CAPITAL ASSETS

	August 31, 2013						
	Land	Construction In Progress - Buildings	Buildings 25-40 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total
Estimated useful life							
<b>Historical cost</b>							
Beginning of year	\$ -	\$ -	\$ 321,600	\$ 42,982	\$ -	\$ 71,815	\$ 436,397
Additions	-	-	-	-	170,000	-	\$ 170,000
Transfers in (out)	-	-	-	-	-	-	\$ -
Less disposals including write-offs	-	-	-	-	-	-	\$ -
	\$ -	\$ -	\$ 321,600	\$ 42,982	\$ 170,000	\$ 71,815	\$ 606,397
<b>Accumulated amortization</b>							
Beginning of year	\$ -	\$ -	\$ 1,142	\$ 14,359	\$ -	\$ 21,614	\$ 37,115
Additions	-	-	12,864	4,299	8,500	14,362	\$ 40,025
Transfers in (out)	-	-	-	-	-	-	\$ -
Less disposals including write-offs	-	-	-	-	-	-	\$ -
	\$ -	\$ -	\$ 14,006	\$ 18,658	\$ 8,500	\$ 35,976	\$ 77,140
<b>Net Book Value at August 31, 2013</b>	\$ -	\$ -	\$ 307,594	\$ 24,324	\$ 161,500	\$ 35,838	\$ 529,256

	August 31, 2012						
	Land	Construction In Progress - Buildings	Buildings 25-40 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total
Estimated useful life							
<b>Historical cost</b>							
Beginning of year	\$ -	\$ -	\$ 7,140	\$ 42,980	\$ -	\$ 62,410	\$ 112,530
Additions	-	-	314,460	-	-	9,404	\$ 323,864
Transfers in (out)	-	-	-	-	-	-	\$ -
Less disposals including write-offs	-	-	-	-	-	-	\$ -
	\$ -	\$ -	\$ 321,600	\$ 42,980	\$ -	\$ 71,814	\$ 436,394
<b>Accumulated amortization</b>							
Beginning of year	\$ -	\$ -	\$ 857	\$ 10,060	\$ -	\$ 7,251	\$ 18,168
Additions	-	-	287	4,297	-	14,363	\$ 18,947
Transfers in (out)	-	-	-	-	-	-	\$ -
Less disposals including write-offs	-	-	-	-	-	-	\$ -
	\$ -	\$ -	\$ 1,144	\$ 14,357	\$ -	\$ 21,614	\$ 37,115
<b>Net Book Value at August 31, 2012</b>	\$ -	\$ -	\$ 320,456	\$ 28,623	\$ -	\$ 50,200	\$ 399,279



### 11. ACCUMULATED SURPLUS:

	2013	2012
Unrestricted surplus	\$ 109,276	\$ 56,107
Operating reserves	-	-
Accumulated surplus (deficit) from operations	109,276	56,107
Investment in tangible capital assets	22,068	31,710
Capital reserves	-	-
Endowments <sup>(1)</sup>	-	-
Accumulated rereasurement gains (losses)	-	-
Accumulated surplus (deficit)	\$ 131,344	\$ 87,817

### 12. FEES

	2013	2012
Transportation fees	\$ -	\$ -
Fees charged for instruction material and supplies	13,072	20,159
Other fees	-	-
Total	\$ 13,072	\$ 20,159

### 13. SCHOOL GENERATED FUNDS

	2013	2012
Deferred School Generated Revenue, Beginning of Year	\$ 18,444	\$ 14,543
Gross Receipts:		
Fees	-	20,159
Fundraising	-	6,258
Gifts and donations	-	16,635
Grants to schools	-	4,250
Other sales and services	-	474
Total gross receipts	-	47,776
Total Related Expenses and Uses of Funds	18,444	40,470
Total Direct Costs Including Cost of Goods Sold to Raise Funds	-	3,405
Deferred School Generated Revenues, End of Year	\$ -	\$ 18,444
Balance included in Deferred Revenue	\$ -	\$ 18,444
Balance included in Accumulated Surplus	\$ -	\$ -

#### 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 in Alberta.

	Balances		Transactions	
	Financial Assets (at cost or net realizable)	Liabilities (at amortized cost)	Revenues	Expenses
<b>Government of Alberta (GOA):</b>				
<b>Education</b>	\$ -	\$ -	\$1,596,328	\$ 61,141
<b>TOTAL 2012/2013</b>	\$ -	\$ -	\$1,596,328	\$ 61,141
<b>TOTAL 2011/2012</b>	\$ -	\$ -	\$1,569,371	\$ 54,769

#### 15. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

#### 16. REMUNERATION AND MONETARY INCENTIVES

The Valhalla School Foundation had paid or accrued expenses for the year ended August 31, 2013 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	0.0	\$0	\$0	\$0			\$839
Other members	0.0	\$0	\$0	\$0			\$0
B. Kjemhus	0.0	\$0	\$0	\$0			\$131
D. Sleyer	0.0	\$0	\$0	\$0			\$422
J. Moutray	0.0	\$0	\$0	\$0			\$475
S. Barclay	0.0	\$0	\$0	\$0			\$0
J. White	0.0	\$0	\$0	\$0			\$0
M. Gerow	0.0	\$0	\$0	\$0			\$0
T. Fehr	0.0	\$0	\$0	\$0			\$170
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
	0.0	\$0	\$0	\$0			\$0
<b>Subtotal</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>			<b>\$2,037</b>
Superintendent (1)	0.0	\$45,058	\$0	\$0	\$0	\$0	\$12,840
Superintendent (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer (1)	0.0	\$28,349	\$4,369	\$0	\$0	\$0	\$0
Secretary/Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer (1)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer (2)	0.0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated teachers	0.0	\$646,960	\$100,981	\$0	\$0	\$0	\$0
Non-certificated - other	0.0	\$101,077	\$17,291	\$0	\$0	\$0	\$0
<b>TOTALS</b>		<b>\$821,444</b>	<b>\$122,641</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 17. SUBSEQUENT EVENTS

A casino was held in August 2013, the casino revenues have not been received as of August 31, 2013. Casino revenues are externally restricted and cannot be reasonably estimated, therefore they are not included in the financial statements.

## 18. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on May 31, 2012. 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 the 2012/2013 presentation.

## 20. PRIOR PERIOD ADJUSTMENTS

	Originally Reported	Adjustment	Restated
Cash	\$ 77,964	\$ (877)	\$ 77,087
Deferred Revenue	368,837	1,000	369,837
Accounts Receivable	14,251	3,836	18,087
Accounts Payable	38,852	(2,554)	36,298
Certificated Salaries	565,465	(1,836)	563,629
Transportation Expense	251,682	(2,554)	249,128
Fees	13,794	150	13,944
Interest	1,155	58	1,213