

VALHALLA SCHOOL FOUNDATION
Financial Statements
Year Ended August 31, 2017

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2017**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Valhalla School Foundation

Legal Name of School Jurisdiction

Box 148 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 Chair

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

BOARD CHAIR

Nancy Westad
Name


Signature

SUPERINTENDENT

John Picard
Name


Signature

SECRETARY-TREASURER OR TREASURER

Anna Odd
Name


Signature


Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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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, 2017, the statement of operations, cash flows, change in net financial assets, remeasurement gains and losses, the applicable schedules and a summary of significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

(continues)

Independent Auditor's Report to the Members of Valhalla School Foundation *(continued)*

Basis for Qualified Opinion

In common with many not-for-profit organizations, Valhalla School Foundation derives revenue from fundraising activities and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Valhalla School Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and donation revenue, operations and cash flow for the year ended August 31, 2017, financial assets and accumulated surplus as at August 31, 2017.

Qualified Opinion

In our opinion, except for the possible effects of the matter 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, 2017 and the results of its operations and its cash flow for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Grande Prairie, Alberta
November 27, 2017

McNabb Lucuk LLP.

CHARTERED PROFESSIONAL ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
As at August 31, 2017 (in dollars)

		2017	2016
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5; Note 3)	\$ 27,090	\$ 101,872
Accounts receivable (net after allowances)	(Note 4)	\$ 32,832	\$ 12,182
Portfolio investments		\$ -	\$ -
Other financial assets		\$ -	\$ -
Total financial assets		\$ 59,921	\$ 114,054
LIABILITIES			
Bank indebtedness	(Note 5)	\$ 14,307	\$ -
Accounts payable and accrued liabilities	(Note 6)	\$ 27,874	\$ 27,410
Deferred revenue	(Note 7)	\$ 393,270	\$ 437,704
Employee future benefits liabilities	(Note 8)	\$ -	\$ -
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt	(Note 9)		
Supported: Debentures and other supported debt		\$ -	\$ -
Unsupported: Debentures and capital loans		\$ 79,775	\$ 117,529
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 515,226	\$ 582,643
Net financial assets (debt)		\$ (455,305)	\$ (468,589)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)		
Land		\$ -	\$ -
Construction in progress		\$ -	\$ -
Buildings		\$ 321,600	
Less: Accumulated amortization		\$ (65,462)	\$ 256,138
Equipment		\$ 42,981	
Less: Accumulated amortization		\$ (35,850)	\$ 7,131
Vehicles		\$ 372,333	
Less: Accumulated amortization		\$ (82,157)	\$ 290,177
Computer Equipment		\$ 96,095	
Less: Accumulated amortization		\$ (81,383)	\$ 14,712
Total tangible capital assets		\$ 568,158	\$ 633,774
Prepaid expenses	(Note 10)	\$ 32,678	\$ 31,066
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 600,836	\$ 664,840
Accumulated surplus	(Schedule 1; Note 11)	\$ 145,531	\$ 196,250
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 145,531	\$ 196,250
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 145,531	\$ 196,250
Contractual obligations	(Note 12)		
Contingent liabilities	(not applicable)		

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2017 (in dollars)

	Budget 2017	Actual 2017	Actual 2016
REVENUES			
Alberta Education	\$ 1,308,401	\$ 1,284,790	\$ 1,408,409
Other - Government of Alberta	\$ -	\$ 12,884	\$ 10,424
Federal Government and First Nations	\$ -	\$ -	\$ -
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 11,950	\$ 10,825	\$ 9,800
Other sales and services	\$ -	\$ -	\$ -
Investment income	\$ -	\$ 74	\$ 40
Gifts and donations	\$ 3,200	\$ 5,415	\$ 16,985
Rental of facilities	\$ 500	\$ 3,248	\$ 1,263
Fundraising	\$ 5,000	\$ 14,491	\$ 10,527
Gains on disposal of capital assets	\$ -	\$ -	\$ -
Other revenue	\$ 90,526	\$ 25,136	\$ 39,229
Total revenues	\$ 1,419,577	\$ 1,356,863	\$ 1,496,677
EXPENSES			
Instruction - ECS	\$ -	\$ 43,872	\$ 48,432
Instruction - Grades 1 - 12	\$ 734,941	\$ 760,442	\$ 822,719
Plant operations and maintenance	\$ 233,080	\$ 274,300	\$ 272,812
Transportation	\$ 250,450	\$ 258,043	\$ 239,623
Board & system administration	\$ 125,985	\$ 70,926	\$ 73,307
External services	\$ 72,999	\$ -	\$ -
Total expenses	\$ 1,417,454	\$ 1,407,583	\$ 1,456,893
Operating surplus (deficit)	\$ 2,123	\$ (50,720)	\$ 39,784

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2017 (in dollars)

	2017	2016
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ (50,720)	\$ 39,784
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 58,252	\$ 67,500
Gains on disposal of tangible capital assets	\$ -	\$ -
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (25,086)	\$ (35,483)
Deferred capital revenue write-down / adjustment	\$ 26,000	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ (20,650)	\$ 8,252
Prepays	\$ (1,612)	\$ (12,337)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ 464	\$ 5,860
Deferred revenue (excluding EDCR)	\$ (19,339)	\$ 35,383
Employee future benefit liabilities	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from operating transactions	\$ (32,699)	\$ 108,958
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ -	\$ -
Equipment	\$ -	\$ -
Vehicles	\$ (8,636)	\$ -
Computer equipment	\$ (10,000)	\$ -
Net proceeds from disposal of unsupported capital assets	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from capital transactions	\$ (18,636)	\$ -
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ -	\$ -
Dispositions of portfolio investments	\$ -	\$ -
Remeasurement (gains) losses reclassified to the statement of operations	\$ -	\$ -
Other (Describe)	\$ -	\$ -
Other (Describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ -	\$ -
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (37,754)	\$ (36,652)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other (describe)	\$ -	\$ -
Revolving line of Credit	\$ -	\$ -
Total cash flows from financing transactions	\$ (37,754)	\$ (36,652)
Increase (decrease) in cash and cash equivalents	\$ (89,089)	\$ 72,306
Cash and cash equivalents, at beginning of year	\$ 101,872	\$ 29,566
Cash and cash equivalents, at end of year	\$ 12,783	\$ 101,872

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

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)
For the Year Ended August 31, 2017 (in dollars)

	Budget 2017	2017	2016
<u>Operating surplus (deficit)</u>	\$ (51,441)	\$ (50,720)	\$ 39,784
<u>Effect of changes in tangible capital assets</u>			
Acquisition of tangible capital assets	\$ -	\$ (18,636)	\$ -
Amortization of tangible capital assets	\$ 72,999	\$ 58,252	\$ 67,500
Net carrying value of tangible capital assets disposed of	\$ -	\$ 26,000	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ -		\$ -
Total effect of changes in tangible capital assets	\$ 72,999	\$ 65,616	\$ 67,500
<u>Changes in:</u>			
Prepaid expenses	\$ -	\$ (1,611)	\$ (12,337)
Other non-financial assets	\$ -	\$ -	\$ -
<u>Net remeasurement gains and (losses)</u>	\$ -	\$ -	\$ -
Endowments	\$ -		\$ -
Increase (decrease) in net financial assets (net debt)	\$ 21,558	\$ 13,285	\$ 94,947
Net financial assets (net debt) at beginning of year	\$ (468,589)	\$ (468,589)	\$ (563,536)
Net financial assets (net debt) at end of year	\$ (447,031)	\$ (455,304)	\$ (468,589)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
 For the Year Ended August 31, 2017 (in dollars)

	2017	2016
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
<u>Prior Period Adj. (Explain) - Linked to Sch. 1</u>	\$ -	\$ -
<u>Prior Period Adjustment (Explain)</u>	\$ -	\$ -
Unrealized gains (losses) attributable to:		
<u>Portfolio investments</u>	\$ -	\$ -
<u>Other</u>	\$ -	\$ -
Amounts reclassified to the statement of operations:		
<u>Portfolio investments</u>	\$ -	\$ -
<u>Other</u>	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
Accumulated remeasurement gains (losses) at end of year	\$ -	\$ -

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

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2017 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2016	\$ 196,250	\$ -	\$ 196,250	\$ 144,492	\$ -	\$ 51,759	\$ -	\$ -
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2016	\$ 196,250	\$ -	\$ 196,250	\$ 144,492	\$ -	\$ 51,759	\$ -	\$ -
Operating surplus (deficit)	\$ (50,720)		\$ (50,720)			\$ (50,720)		
Board funded tangible capital asset additions								
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ -		\$ -	\$ -		\$ -		\$ -
Endowment expenses & disbursements	\$ -		\$ -		\$ -			
Endowment contributions	\$ -		\$ -		\$ -			
Reinvested endowment income	\$ -		\$ -		\$ -			
Direct credits to accumulated surplus (Describe)	\$ -		\$ -		\$ -			
Amortization of tangible capital assets	\$ -		\$ -	\$ (58,252)		\$ -		\$ -
Capital revenue recognized	\$ -		\$ -	\$ 58,252		\$ 58,252		
Debt principal repayments (unsupported)	\$ -		\$ -	\$ 25,096		\$ (25,096)		
Additional capital debt or capital leases	\$ -		\$ -	\$ 37,754		\$ (37,754)		
Net transfers to operating reserves	\$ -		\$ -			\$ -		
Net transfers from operating reserves	\$ -		\$ -			\$ -		
Net transfers to capital reserves	\$ -		\$ -			\$ -		\$ -
Net transfers from capital reserves	\$ -		\$ -			\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
Balance at August 31, 2017	\$ 145,531	\$ -	\$ 145,531	\$ 149,090	\$ -	\$ (3,559)	\$ -	\$ -

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2017 (in dollars)

	INTERNALLY RESTRICTED RESERVES BY PROGRAM											
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services			
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments:												
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating surplus (deficit)												
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net remeasurement gains (losses) for the year												
Endowment expenses & disbursements												
Endowment contributions												
Reinvested endowment income												
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets												
Capital revenue recognized												
Debt principal repayments (unsupported)												
Additional capital debt or capital leases												
Net transfers to operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers from operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to capital reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers from capital reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2017 (in dollars)**

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2016	\$ -	\$ -	\$ -	\$ 2,250	\$ 377,798
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2016	\$ -	\$ -	\$ -	\$ 2,250	\$ 377,798
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMP)	\$ -				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Unexpended capital revenue receivable from:					
Alberta Education school building & modular (excl. IMP)	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital Indicate sources of original funding			\$ -	\$ 21,000	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					
Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ -	\$ -	\$ -	\$ (21,000)	\$ 21,000
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ 26,000
Other adjustments:		\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 25,096
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2017	\$ -	\$ -	\$ -	\$ 2,250	\$ 347,702
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2017 (A) + (B) + (C) + (D)				\$ 2,250	

Unexpended Deferred Capital Revenue

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

SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2017 (in dollars)

	2017							2016	
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL	TOTAL
	ECS	Grades 1 - 12							
REVENUES									
(1) Alberta Education	\$ 192,708	\$ 770,832	\$ 245,090	\$ 76,160	\$ -	\$ -	\$ 1,284,790	\$ 1,408,409	
(2) Other - Government of Alberta	\$ -	\$ -	\$ 12,884	\$ -	\$ -	\$ -	\$ 12,884	\$ 10,424	
(3) Federal Government and First Nations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(8) Fees	\$ 1,650	\$ 9,175	\$ -	\$ -	\$ -	\$ -	\$ 10,825	\$ 9,800	
(9) Other sales and services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(10) Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(11) Gifts and donations	\$ -	\$ 5,415	\$ 74	\$ -	\$ -	\$ -	\$ 74	\$ 40	
(12) Rental of facilities	\$ -	\$ -	\$ 3,248	\$ -	\$ -	\$ -	\$ 3,248	\$ 16,985	
(13) Fundraising	\$ 2,898	\$ 11,593	\$ -	\$ -	\$ -	\$ -	\$ 14,491	\$ 1,263	
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,527	
(15) Other revenue	\$ -	\$ -	\$ 25,096	\$ -	\$ -	\$ -	\$ 25,096	\$ -	
(16) TOTAL REVENUES	\$ 197,256	\$ 797,016	\$ 286,391	\$ 76,160	\$ 40	\$ 40	\$ 1,356,863	\$ 1,496,677	
EXPENSES									
(17) Certificated salaries	\$ 28,059	\$ 533,130	\$ -	\$ -	\$ -	\$ -	\$ 561,189	\$ 619,787	
(18) Certificated benefits	\$ 4,742	\$ 74,286	\$ -	\$ -	\$ -	\$ -	\$ 79,028	\$ 92,049	
(19) Non-certificated salaries and wages	\$ -	\$ 100,376	\$ 53,718	\$ 105,572	\$ 53,574	\$ -	\$ 313,240	\$ 303,958	
(20) Non-certificated benefits	\$ -	\$ 8,215	\$ 4,564	\$ 20,430	\$ 4,282	\$ -	\$ 37,491	\$ 42,648	
(21) SUB - TOTAL	\$ 32,801	\$ 716,007	\$ 58,282	\$ 126,002	\$ 57,856	\$ -	\$ 990,948	\$ 1,058,444	
(22) Services, contracts and supplies	\$ 9,385	\$ 37,539	\$ 202,654	\$ 91,762	\$ 13,070	\$ -	\$ 354,410	\$ 325,817	
(23) Amortization of supported tangible capital assets	\$ 254	\$ 1,014	\$ 13,364	\$ 10,464	\$ -	\$ -	\$ 25,096	\$ 35,483	
(24) Amortization of unsupported tangible capital assets	\$ 1,277	\$ 5,109	\$ -	\$ 26,770	\$ -	\$ -	\$ 33,156	\$ 32,017	
(25) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ 3,046	\$ -	\$ -	\$ 3,046	\$ 4,148	
(27) Other interest and finance charges	\$ 155	\$ 622	\$ -	\$ -	\$ -	\$ -	\$ 777	\$ 985	
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(29) Other expense	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(30) TOTAL EXPENSES	\$ 43,872	\$ 760,442	\$ 274,300	\$ 258,043	\$ 70,926	\$ -	\$ 1,407,583	\$ 1,456,693	
(31) OPERATING SURPLUS (DEFICIT)	\$ 153,384	\$ 36,574	\$ 12,091	\$ (181,883)	\$ (70,886)	\$ -	\$ (50,720)	\$ 39,784	



SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2017 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2017 TOTAL Operations and Maintenance	2016 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 53,718			\$ -				\$ 53,718	\$ 51,153
Uncertificated benefits	\$ 4,564			\$ -				\$ 4,564	\$ 4,584
Sub-total Remuneration	\$ 58,282			\$ -				\$ 58,282	\$ 55,737
Supplies and services	\$ 3,637	\$ 3,745		\$ -	\$ 10,166			\$ 17,567	\$ 21,105
Electricity									
Natural gas/heating fuel									
Sewer and water									
Telecommunications			\$ 12,613					\$ 12,613	\$ 11,740
Insurance					\$ 8,482			\$ 8,482	\$ 7,184
ASAP maintenance & renewal payments									
Amortization of tangible capital assets									
Supported									
Unsupported						\$ 13,364		\$ 13,364	\$ 13,364
Total Amortization						\$ 13,364		\$ 13,364	\$ 13,364
Interest on capital debt									
Supported									
Unsupported									
Lease payments for facilities				\$ 163,992				\$ 163,992	\$ 163,733
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$ 61,918	\$ 3,745	\$ 12,613	\$ 163,992	\$ 18,668	\$ 13,364	\$ -	\$ 274,300	\$ 272,812

SQUARE METRES	School buildings	Non school buildings
	2,019.0	0.0
	0.0	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 Relocation & Lease Pmts: All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.
Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
Unsupported Amortization & Other Expenses: All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.
Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2017 (in dollars)**

Cash & Cash Equivalents

	2017			2016
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 27,090	\$ 27,090	\$ 101,872
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents	0.00%	\$ 27,090	\$ 27,090	\$ 101,872

See Note 3 for additional detail.

Out of Balance

Portfolio Investments

	2017				2016
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed investment certificates	0.00%	-	-	-	-
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	0.00%	-	-	-	-
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ -
Foreign	0.00%	-	-	-	-
Total equities	0.00%	-	-	-	-
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total portfolio investments	0.00%	\$ -	\$ -	\$ -	\$ -

See Note 5 for additional detail.

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

	2017	2016
Under 1 year	0.0%	100.0%
1 to 5 years	0.0%	0.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	0.0%	100.0%

SCHEDULE 6

School Jurisdiction Code: **224**

SCHEDULE OF CAPITAL ASSETS
for the Year Ended August 31, 2017 (in dollars)

	2017						2016	
	Land	Construction In Progress	Buildings 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total	Total
Estimated useful life								
Historical cost								
Beginning of year	\$	\$	\$ 321,600	\$ 42,961	\$ 403,697	\$ 86,095	\$ 854,373	\$ 854,373
Prior period adjustments								
Additions								
Transfers in (out)					8,636	10,000	18,636	
Less disposals including write-offs					(40,000)		(40,000)	
Historical cost, August 31, 2017	\$	\$	\$ 321,600	\$ 42,961	\$ 372,333	\$ 96,095	\$ 833,009	\$ 854,373
Accumulated amortization								
Beginning of year	\$	\$	\$ 52,598	\$ 31,551	\$ 56,923	\$ 77,527	\$ 220,599	\$ 153,100
Prior period adjustments								
Amortization					4,298		3,856	
Other additions			12,864					
Transfers in (out)								
Less disposals including write-offs								
Accumulated amortization, August 31, 2017	\$	\$	\$ 65,462	\$ 35,850	\$ 82,157	\$ 81,383	\$ 264,851	\$ 220,599
Net Book Value at August 31, 2017	\$	\$	\$ 256,138	\$ 7,131	\$ 290,177	\$ 14,712	\$ 568,158	\$
Net Book Value at August 31, 2016	\$	\$	\$ 269,002	\$ 11,430	\$ 344,774	\$ 8,568	\$ 633,774	\$

	2017	2016
Total cost of assets under capital lease	\$	\$
Total amortization of assets under capital lease	\$	\$

UNAUDITED SCHEDULE OF FEES
for the Year Ending August 31, 2017 (in dollars)

	Budgeted Fee Revenues 2016/2017	Actual Fees Collected 2016/2017	Unexpended Balance at September 1, 2016*	Actual Fee Expenditures 2016/2017	Unexpended Balance at August 31, 2017*
Transportation Fees	\$0	\$0	\$0	\$0	\$0
Basic Instruction Fees					
Basic instruction supplies	\$11,950	\$10,625	\$0	\$0	\$10,625
Fees to Enhance Basic Instruction					
Technology user fees	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$0	\$0	\$0	\$0	\$0
Fees for optional courses	\$0	\$0	\$0	\$0	\$0
Activity fees	\$0	\$0	\$0	\$0	\$0
Early childhood services	\$0	\$0	\$0	\$0	\$0
Other fees to enhance education	\$0	\$0	\$0	\$0	\$0
Other Enhancement fees (describe)	\$0	\$0	\$0	\$0	\$0
Other Enhancement fees (describe)	\$0	\$0	\$0	\$0	\$0
Non-Curricular fees					
Extracurricular fees	\$0	\$200	\$0	\$0	\$200
Non-curricular travel	\$0	\$0	\$0	\$0	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$0	\$0	\$0	\$0	\$0
Other Fees (describe)	\$0	\$0	\$0	\$0	\$0
Other Fees (describe)	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$11,950	\$10,825	\$0	\$0	\$10,825

*Unexpended balances cannot be less than \$0

	Actual 2017	Actual 2016
Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue):		
Cafeteria sales, hot lunch, milk programs	\$0	\$0
Special events, graduation, tickets	\$0	\$0
International and out of province student revenue	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$0	\$0
Adult education revenue	\$0	\$0
Preschool	\$0	\$0
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
TOTAL	\$0	\$0

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2017 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	1	1	17		
Federally Funded Students					
REVENUES					
Alberta Education allocated funding	\$ 1,178	\$ 3,758	\$ 20,028	\$ 5,093	\$ -
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 1,178	\$ 3,758	\$ 20,028	\$ 5,093	\$ -
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 704	\$ 1,491	\$ 11,974	\$ 3,045	
Instructional non-certificated salaries & benefits	\$ -	\$ -	\$ 3,290	\$ 836	
SUB TOTAL	\$ 704	\$ 1,491	\$ 15,264	\$ 3,881	
Supplies, contracts and services	\$ 279	\$ 2,783	\$ 4,735	\$ 1,204	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 983	\$ 4,274	\$ 19,999	\$ 5,085	
NET FUNDING SURPLUS (SHORTFALL)	\$ 195	\$ (516)	\$ 29	\$ 8	

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES
for the Year Ended August 31, 2017 (in dollars)

EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs				TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	TOTAL	
Office of the superintendent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational administration (excluding superintendent)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business administration	\$ 57,856	\$ 13,070	\$ -	\$ 70,926	\$ -	\$ -	\$ -	\$ 70,926	
Board governance (Board of Trustees)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Information technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Human resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Central purchasing, communications, marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Administration - insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Administration - amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Administration - other (admin building, interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 57,856	\$ 13,070	\$ -	\$ 70,926	\$ -	\$ -	\$ -	\$ 70,926	

Valhalla School Foundation
Notes to the financial statements
For the year ended August 31, 2017

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 jurisdiction 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 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 the CICA Canadian public sector accounting standards (PSAS). The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Cash and Cash Equivalents

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

b) Revenue Recognition

Revenues are recorded on an accrual basis. Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

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

Eligibility criteria are criteria that the School District has to meet in order to receive certain contributions. *Stipulations* describe what the School District 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 that the stipulations are met, except to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *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

c) 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	4%
Vehicles & Buses	10%
Computer Hardware & Software	20%
Other Equipment & Furnishings	10%

d) Deferred Revenue

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

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

Expended Deferred Capital Revenue (EDCR) represent externally restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require that the school jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

e) Pensions and employee future benefits

Alberta Teachers' Retirement Fund ("ATRF")

The foundation and its certificated employees are required to contribute to the Alberta Teachers' Retirement Fund (ATRF), a multi-employer defined benefits pension plan. ATRF contributions by the Province for current service are reflected as a cost to operate the education system in Alberta and the Foundations proportionate share are formally recognized in the accounts of the Foundation, even though the Foundation has no legal obligation to pay these costs. The amount of current service contributions are recognized as "Revenue from the Government of Alberta" and as "Certificated benefits" expense.

f) Expenses

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

g) Program Reporting

The Division's operations have been segmented as follows:

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

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

h) 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.

i) 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 School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

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

3. CASH AND CASH EQUIVALENTS

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

4. ACCOUNTS RECEIVABLE

	2017			2016
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ -	\$ -	\$ -	\$ -
Alberta Education - Capital	-	-	-	-
Alberta Education - IMR	-	-	-	-
Alberta Education - (Specify)	-	-	-	-
Other Alberta school jurisdictions	-	-	-	-
Treasury Board and Finance - Supported debenture principal	-	-	-	-
Treasury Board and Finance - Accrued interest on supported debentures	-	-	-	-
Alberta Health	-	-	-	-
Alberta Health Services	-	-	-	-
Advanced Education	-	-	-	-
Post-secondary institutions	-	-	-	-
Government of Alberta Ministry (Specify)	-	-	-	-
Government of Alberta Ministry (Specify)	-	-	-	-
Government of Alberta Ministries	-	-	-	-
Federal government	12,320	-	12,320	5,402
Municipalities	-	-	-	-
First Nations	-	-	-	-
Foundations	-	-	-	-
Other	20,511	-	20,511	6,780
Total	\$ 32,832	\$ -	\$ 32,832	\$ 12,182

5. BANK INDEBTEDNESS

The Foundation has negotiated a line of credit in the amount of \$100,000 (2016 - \$100,000) that bears interest at the bank prime rate plus 0.07%. This line of credit is secured by a general security agreement, providing security interest over all present and after acquired personal property. At August 31, 2017 \$14,307 (2016 - \$nil) was outstanding.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017	2016
Alberta Education	\$ -	\$ -
Other Alberta school jurisdictions	-	-
Alberta Capital Finance Authority (Interest on long-term debt - Supported)	-	-
Alberta Capital Finance Authority (Interest on long-term debt - Unsupported)	-	-
Alberta Health	-	-
Alberta Health Services	-	-
Advanced Education	-	-
Post-secondary institutions	-	-
Other Government of Alberta ministries (Specify)	-	-
Other Government of Alberta ministries (Specify)	-	-
Other Government of Alberta ministries	-	-
Federal government	-	-
First Nations	-	-
Other interest on long-term debt	-	-
Other bank charges, fees, and interest	-	-
Accrued vacation pay liability	-	-
Other salaries & benefit costs	-	-
Other trade payables and accrued liabilities	27,874	27,410
Total	\$ 27,874	\$ 27,410

7. DEFERRED REVENUE

Deferred revenue includes deferred capital funding, as outlined in the Schedule of Capital Revenue, deferred Casino revenue and prepaid resource fees for the 2017-18 school year.

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2016	ADD: 2016/2017 Restricted Funds Received/ Receivable	DEDUCT: 2016/2017 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2015/2016 Adjustments for Returned Funds	DEFERRED REVENUE as at Aug. 31, 2017
Unexpended deferred operating revenue					
Alberta Education:					
Regional Collaborative Service Delivery	\$ -	\$ -	\$ -	\$ -	\$ -
Student Health Initiative (School Authorities)	-	-	-	-	-
Infrastructure Maintenance Renewal	-	-	-	-	-
Alberta Initiative for School Improvement	-	-	-	-	-
SuperNet Service	-	-	-	-	-
Other Alberta Education def'd revenue (specify)	-	-	-	-	-
Other Alberta Education def'd revenue (specify)	-	-	-	-	-
Other Government of Alberta:					
(Specify ministry & program)	-	-	-	-	-
(Specify)	-	-	-	-	-
Other Deferred Revenue:					
School Generated Funds	-	-	-	-	-
Fees	10,625	8,170	(10,625)	-	8,170
Donations	-	-	-	-	-
Casino Revenue	47,031	-	(11,882)	-	35,149
Other	-	-	-	-	-
Total unexpended deferred operating revenue	\$ 57,656	\$ 8,170	\$ (22,507)	\$ -	\$ 43,319
Unexpended deferred capital revenue (Schedule 2)	2,250	-	-	-	2,250
Expended deferred capital revenue (Schedule 2)	377,798	-	-	(30,097)	347,701
Total	\$ 437,704	\$ 8,170	\$ (22,507)	\$ (30,097)	\$ 393,270

8. EMPLOYEE FUTURE BENEFIT

The current service and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Province of Alberta. Under the terms of the *Teacher's Pension Plan Act*, the Foundation does not make pension contributions for certificated staff and does not report on any unfunded liabilities. The service costs for the members are funded and contributed by the Province of Alberta in the amount of \$53,043 (2016 - \$60,986) and are included in these financial statements as revenue from the Government of Alberta and as certificated benefits expense. At August 31, 2016, the Alberta Teachers Retirement Fund reported a surplus of \$1,238,712.

9. DEBT

Payments on capital loans due over the next five years and beyond are as follows:

Mortgages

	Principal	Interest	Total
2017-2018	\$ 38,898	\$ 1,902	\$ 40,800
2018-2019	\$ 40,109	\$ 691	\$ 40,800
2019-2020	\$ 768	\$ -	\$ 768
2020-2021	-	-	-
2021-2022	-	-	-
2022 to maturity	-	-	-
Total	\$ 79,775	\$ 2,593	\$ 82,368

Alberta Treasury Branches loan bearing interest at bank prime plus 0.31%, repayable in monthly blended payments of \$3,400. The loan matures September 30, 2019 and is secured by all present and after-acquired personal property.

10. PREPAID EXPENSES:

Prepaid Expenses consist of the following:

	2017	2016
Lloyd Sadd	\$ -	\$ 10,799
Valhalla Heritage Society	\$ 13,666	\$ 13,666
Payroll deductions	15,223	-
Other	3,789	6,601
Total	\$ 32,678	\$ 31,066

11. ACCUMULATED SURPLUS:

The School jurisdiction's accumulated deficit (surplus) is summarized as follows:

	2017	2016
Unrestricted surplus	\$ (3,559)	\$ 51,758
Operating reserves	-	-
Accumulated surplus (deficit) from operations	(3,559)	51,758
Investment in tangible capital assets	149,090	144,492
Capital reserves	-	-
Endowments ⁽¹⁾	-	-
Accumulated remeasurement gains (losses)	-	-
Accumulated surplus (deficit)	\$ 145,531	\$ 196,250

Included in Accumulated surplus from operations are school generated funds to which the Division has no claim. Adjusted Accumulated surplus represents funds owned by Valhalla School Foundation.

	2017	2016
Accumulated surplus (deficit) from operations	\$ (50,720)	\$ 39,784
Deduct: School generated funds included in accumulated surplus ⁽¹⁾	19,838	37,894
Adjusted accumulated surplus (deficit) from operations ⁽²⁾	\$ (70,558)	\$ 1,890

⁽¹⁾ Terms of the funds generated through the Alberta Gaming and Liquor Commission stipulate that of the funds generated a maximum of 10% can be used for operations of the board (and cannot be used for the school's administrative costs), and up to 100% of the funds generated can be used for program related equipment.

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

12. CONTRACTUAL OBLIGATIONS

	2017	2016
Building projects ⁽¹⁾	\$ -	\$ -
Building leases ⁽²⁾	164,000	164,000
Service providers ⁽³⁾	-	-
Other (Specify)	-	-
Other	-	-
Total	\$ 164,000	\$ 164,000

(2) **Building leases:** The Foundation entered into a lease agreement on September 1, 2013 with Valhalla Heritage Society with respect to occupying the building located at 9702 – 100 Avenue, Valhalla Center, Alberta. The term of the agreement is for 5 years commencing on September 1, 2013 and requires monthly lease payments of \$13,666.67 which is 1/12 of building lease funding received from Government of Alberta.

Estimated payment requirements for each of the next year and thereafter are as follows:

	Building Projects	Building Leases	Service Providers	Other (Specify)	Other
2017-2018	\$ -	\$ 164,000	\$ -	\$ -	\$ -
2018-2019	-	-	-	-	-
2019-2020	-	-	-	-	-
2020-2021	-	-	-	-	-
2021-2022	-	-	-	-	-
Thereafter	-	-	-	-	-
	\$ -	\$ 164,000	\$ -	\$ -	\$ -

13. 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 value)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):				
Alberta Education				
Accounts receivable / Accounts payable	\$ -	\$ -		
Prepaid expenses / Deferred operating revenue	-	-		
Unexpended deferred capital revenue				
Expended deferred capital revenue				
Grant revenue & expenses				
ATRF payments made on behalf of district				
Other revenues & expenses			1,284,790	
Other Alberta school jurisdictions	-	-		
Alberta Treasury Board and Finance (Principal)				
Alberta Treasury Board and Finance (Accrued Interest)				
Alberta Health				
Alberta Health Services				
Enterprise and Advanced Education				
Post-secondary institutions				
Alberta Infrastructure				
Human Services				
Culture & Tourism				
Other GOA ministry (Specify)				
Other GOA ministry (Specify)				
Other GOA ministries				
Other:				
Alberta Capital Financing Authority				
J & P Mechanical Services				32,406
Alberta Gaming and Liquor Commission			11,884	
Other Related Parties				
TOTAL 2016/2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,296,674</u>	<u>\$ 32,406</u>
TOTAL 2015/2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,417,833</u>	<u>\$ 21,974</u>

The foundation made purchases of \$32,406 from J&P Mechanical Services. John Moutray, the foundation's current Transportation Director, is the owner of J&P Mechanical services. The foundation receives automotive mechanical services from J&P Mechanical Services which are included in the transportation expenses found on the Schedule of Program Operations (schedule 3). As of August 31, 2017, an outstanding balance of \$1,000 is payable to J&P Mechanical Services.

14. 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.

15. GOING CONCERN

The accompanying financial statements have been prepared on the going concern assumption that the foundation will be subject to submit a charter renewal application due December 1, 2017. The foundation will submit a charter renewal application for a five-year term from September 2018 to August 2023, responding to the charter review conducted on May 11, 2016 by the review panel from Alberta Education. The foundation's application will be reviewed by the Minister of Education who will provide a recommendation within 75 days of the application date. Upon review, the foundation will commence or cease operations accordingly.

16. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 20, 2016. It is presented for information purposes only and has not been audited.