School Jurisdiction Code: 110

AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Edmonton Catholic Separate School District No. 7

Legal Name of School Jurisdiction

9807-106 Street, Edmonton, Alberta, T5K 1C2

Mailing Address

Ph: 780-441-6021; Fax: 780-441-6149

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Edmonton Catholic Separate School District No. 7 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

Board of Trustees Responsibility

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

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements prescribed by Alberta Education.

BOARD CHAIR	
Debbie Engel	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
Joan Carr	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Barry Devlin	"ORIGINAL SIGNED"
Name	Signature

29-Nov-11

Board-approved Release Date

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

School Jurisdiction Code: 110

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Grant Thornton

Independent Auditor's Report

Grant Thornton LLP
1401 Scotia Place 2
10060 Jasper Avenue NW
Edmonton, AB
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To the Board of Trustees of
Edmonton Catholic Separate School District No. 7

We have audited the accompanying financial statements of Edmonton Catholic Separate School District No.7 (the District), which comprise the statement of financial position as at August 31, 2011, and the statements of revenues and expenses, changes in net asset and capital allocations and cash flows for the year then ended, 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 generally accepted accounting principles, 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.

Grant Thornton

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2011, and the results of its operations, changes in net assets and capital allocations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Edmonton, Canada

Grant Thornton LLP

November 29, 2011

Chartered Accountants

School Jurisdiction Code: 110

STATEMENT OF FINANCIAL POSITION

as at August 31, 2011

(in dollars)

			2011	2010
				Restated (Note 21)
ASSETS				
Current assets				
Cash and temporary investments			$29,448,802	$27,784,856
Accounts receivable (net after allowances)	(Note 5)		$17,228,215	$15,771,692
Prepaid expenses			$3,726,391	$4,741,362
Other current assets			$191,482	$352,097
Total current assets			$50,594,890	$48,650,007
School generated assets			$0	$0
Trust assets	(Note 4)		$3,906,626	$3,566,420
Long term accounts receivable			$0	$0
Long term investments			$0	$0
Capital assets	(Note 6)			
Land			$4,939,308	$4,939,308
Construction in progress			$13,513,524	$32,080,694
Buildings		$325,533,039		
Less: accumulated amortization		($138,602,394)	$186,930,645	$159,601,768
Equipment		$17,523,949		
Less: accumulated amortization		($7,241,838)	$10,282,111	$6,274,310
Vehicles		$2,793,513		
Less: accumulated amortization		($1,423,616)	$1,369,897	$1,448,324
Total capital assets			$217,035,485	$204,344,404
TOTAL ASSETS			$271,537,001	$256,560,831
LIABILITIES				
Current liabilities				
Bank indebtedness	(Note 7)		$142,623	$309,204
Accounts payable and accrued liabilities	(Note 8)		$25,175,903	$26,933,273
Deferred revenue	(Note 9)		$8,565,281	$7,622,846
Deferred capital allocations	(Note 10)		$414,101	$1,321,419
Current portion of long term debt			$551,232	$936,741
Total current liabilities			$34,849,140	$37,123,483
School generated liabilities			$0	$0
Trust liabilities	(Note 4)		$3,906,626	$3,566,420
Employee future benefit liabilities			$4,546,296	$4,217,081
Long term debt	(Note 11)			
Supported: Debentures and other supported debt			$1,193,589	$2,130,330
Less: Current portion			($551,232)	($936,741)
Unsupported: Debentures and capital loans			$0	$0
Capital leases			$0	$0
Mortgages			$0	$0
Less: Current portion			$0	$0
Other long term liabilities			$0	$0
Unamortized capital allocations	(Note 10)		$191,649,768	$179,899,872
Total long term liabilities			$200,745,047	$188,876,962
TOTAL LIABILITIES			$235,594,187	$226,000,445
NET ASSETS				
Unrestricted net assets			$8,683,534	$5,609,052
Operating reserves			$0	$0
Accumulated operating surplus (deficit)			$8,683,534	$5,609,052
Investment in capital assets			$24,192,129	$22,314,202
Capital reserves			$3,067,151	$2,637,132
Total capital funds			$27,259,280	$24,951,334
Total net assets			$35,942,814	$30,560,386
TOTAL LIABILITIES AND NET ASSETS			$271,537,001	$256,560,831

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

School Jurisdiction Code: 110

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2011

(in dollars)

		Actual 2011	Budget 2011	Actual 2010 Restated (Note 21)
REVENUES				
Government of Alberta		$316,922,734	$302,915,856	$302,118,302
Federal Government and First Nations		$4,364,298	$5,152,144	$4,290,907
Other Alberta school authorities		$203,199	$0	$200,809
Out of province authorities		$0	$0	$0
Alberta Municipalities-special tax levies		$0	$0	$0
Instruction resource fees		$10,126,882	$9,600,000	$9,610,656
Transportation fees		$4,131,624	$4,075,000	$4,102,267
Other sales and services		$1,424,229	$6,100,000	$1,611,378
Investment income		$537,268	$150,000	$171,329
Gifts and donations		$681,844	$600,000	$660,039
Rental of facilities		$2,843,746	$2,900,000	$2,982,989
Gross school generated funds		$7,966,553	$2,928,000	$8,278,273
Gains on disposal of capital assets		$1,391,160	$0	$64,623
Amortization of capital allocations		$4,160,118	$4,100,000	$4,064,902
Other revenue		$0	$0	$0
Total Revenues		$354,753,655	$338,521,000	$338,156,474
EXPENSES				
Certificated salaries	(Note 17)	$162,864,615	$162,900,000	$158,155,050
Certificated benefits	(Note 17)	$18,492,233	$18,282,000	$17,749,929
Non-certificated salaries and wages	(Note 17)	$66,332,529	$67,850,000	$63,661,153
Non-certificated benefits	(Note 17)	$15,345,094	$14,803,000	$16,584,412
Services, contracts and supplies		$71,564,215	$65,358,000	$64,488,463
Gross school generated funds		$7,966,553	$2,928,000	$8,278,273
Capital and debt services				
Amortization of capital assets				
Supported		$4,160,118	$4,100,000	$4,064,902
Unsupported		$2,321,690	$1,900,000	$1,898,552
Total Amortization of capital assets		$6,481,808	$6,000,000	$5,963,454
Interest on capital debt				
Supported		$201,871	$250,000	$260,592
Unsupported		$0	$0	$0
Total Interest on capital debt		$201,871	$250,000	$260,592
Other interest and charges		$15,835	$150,000	$122,732
Losses on disposal of capital assets		$23,243	$0	$35,213
Other expense		$83,231	$0	$69,243
Total Expenses		$349,371,227	$338,521,000	$335,368,514
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM		$5,382,428	$0	$2,787,960
Extraordinary Item		$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES		$5,382,428	$0	$2,787,960

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

School Jurisdiction Code: 110

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2011

(in dollars)

	2011	2010 Restated (Note 21)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	$5,382,428	$2,787,960
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($4,160,118)	($4,064,902)
Total amortization expense	$6,481,808	$5,963,454
Gains on disposal of capital assets	($1,391,160)	($64,623)
Losses on disposal of capital assets	$23,243	$35,213
Changes in:		
Accounts receivable	($1,456,523)	($2,823,840)
Prepaids and other current assets	$1,175,586	($853,636)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Accounts payable and accrued liabilities	($1,757,370)	$1,539,237
Deferred revenue	$942,435	($112,147)
Employee future benefit liabilitiies	$329,215	$2,191,269
Other (describe)	$0	$0
Total cash flows from Operations	$5,569,544	$4,597,985
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,837,239)	($47,895,352)
Equipment	($3,067,672)	($2,558,303)
Vehicles	($169,462)	($171,715)
Net proceeds from disposal of capital assets	$1,481,159	$145,128
Other (describe)	$0	$0
Total cash flows from Investing activities	($4,593,214)	($50,480,242)
C. FINANCING ACTIVITIES		
Capital allocations	$854,197	$36,567,859
Issue of long term debt	$0	$0
Repayment of long term debt	($936,741)	($1,056,661)
Add back: supported portion	$936,741	$1,056,661
Other (describe)	$0	$0
Total cash flows from financing activities	$854,197	$36,567,859
Net cash flows from during the year	$1,830,527	($9,314,398)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/10	$27,475,652	$36,790,050
Cash and temporary investments, net of bank indebtedness, at Aug. 31/11	$29,306,179	$27,475,652

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

School Jurisdiction Code: 110

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

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
				INTERNALLY RESTRICTED NET ASSETS											
	TOTAL NET ASSETS Cols. 2+3+4+5	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	TOTAL CAPITAL RESERVES Cols. 7+9+11+13+15	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
Balance at August 31, 2010	$30,560,386	$22,314,202	$5,609,052	$0	$2,637,132	$0	$0	$0	$2,637,132	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$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, 2010	$30,560,386	$22,314,202	$5,609,052	$0	$2,637,132	$0	$0	$0	$2,637,132	$0	$0	$0	$0	$0	$0
Excess (deficiency) of revenues over expenses	$5,382,428		$5,382,428												
Board funded capital additions		$4,312,859	($4,312,859)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Disposal of unsupported capital assets	$0	($113,242)	($1,367,917)		$1,481,159		$0		$1,481,159		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0		$0		$0		$0		$0		$0		$0
Direct credits to net assets	$0	$0	$0												
Amortization of capital assets		($6,481,808)	$6,481,808												
Amortization of capital allocations		$4,160,118	($4,160,118)												
Debt principal repayments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0		$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0		$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0		$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$1,051,140		($1,051,140)		$0		($1,051,140)		$0		$0		$0
Assumption/transfer of other operations' net assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Balance at August 31, 2011	$35,942,814	$24,192,129	$8,683,534	$0	$3,067,151	$0	$0	$0	$3,067,151	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 110

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

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2010		$1,321,419	$179,899,872
Prior period adjustments		$0	$0
Adjusted balance, August 31, 2010		$1,321,419	$179,899,872
Add:			
Restricted capital allocations from:	Alberta Education school building and modular projects	$854,197	
	Other Government of Alberta	$0	
	Federal Government and First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Net proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
P3, other ASAP and Alberta Infrastructure managed projects			$13,211,758
Transferred in capital assets (amortizable, @ net book value)			$0
Current year supported debenture principal repayment			$936,741
Expended capital allocations - current year		($1,761,515)	$1,761,515
Deduct:			
Net book value of supported capital assets dispositions, write-offs, or transfer; Other		$0	$0
Capital allocations amortized to revenue			$4,160,118
Balance at August 31, 2011		$414,101	$191,649,768

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

1. Authority and purpose

The Edmonton Catholic Separate School District No. 7 (the "District") operates under the provisions of the School Act, Chapter S-3 Revised, Statutes of Alberta 2000, and through its own bylaws. The District is directed by an elected Board of Trustees, has approximately 4060 employees and 87 schools and is responsible for the education of approximately 33,776 students.

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

2. Future accounting pronouncements

Adoption of Public Sector Accounting Standards

Effective for the year ended August 31, 2013 government controlled sector entities are required to adopt either the current public sector accounting standards or the not-for-profit accounting standards with some modifications as set out in the Public Sector Accounting (PSA) handbook. The Office of the Controller of the Alberta Treasury Board and the Information Reporting Committee recommend/approve that Alberta school jurisdictions adopt the public sector accounting standards without reference to the not-for-profit standards. Adoption is effective the year ending August 31, 2013 with retrospective application and restatement for the prior school year. The District is currently considering the impact of the adoption of public sector accounting standards.

3. Summary of significant accounting policies

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

i) Revenue recognition

Government operating grants are recognized as revenue in the period received, or, where the grants relate to a future period, they are deferred and recognized in the subsequent period. Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered. Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

3. Summary of significant accounting policies (cont'd)

Contributions restricted for the acquisition of capital assets having a limited life and for retirement of capital debt are recorded as deferred capital contributions. Once expended, they are transferred to unamortized deferred capital contributions, which are amortized to revenue over the useful lives of the related assets.

ii) Cash and bank indebtedness

Cash includes cash, net of outstanding cheques and temporary investments with maturities of three months or less. Long term borrowings are considered to be financing activities.

iii) Other assets

Other assets includes inventories which are recorded at the lower of cost and net realizable value. Net realizable value is defined as the estimated selling price less estimated selling costs. Cost is determined using the average cost method.

iv) Capital assets

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

Buildings	2.5% - 4%
Vehicles & Buses	10% and 20%
Computer Hardware & Software	20%
Other Equipment & Furnishings	10% and 20%

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

v) Pensions

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

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

The District participates in the Local Authorities Pension Plan, a multi-employer, defined contribution, pension plan, and does not report on any unfunded liabilities. The expense for this pension is equivalent to the annual contributions of $9,985,279 (2010 - $9,197,703) for the year ended August 31, 2011.

At December 31, 2010, the Local Authorities Pension Plan reported an actuarial deficiency of $4,635,250,000 (2009 - $3,998,614,000). Effective 2008-2009, the Government of Alberta has taken responsibilities for the LAPP unfunded liabilities.

3. Summary of significant accounting policies (cont'd)

vi) Employee future benefits

The District accrues its obligations under employee future benefit plans, excluding pension benefits, and expenses the related costs. As at August 31, 2011, the recorded obligation is $4,546,296 (2010 - $4,217,081). The total expense recorded in the financial statements is $329,215 (2010 - $2,191,267).

vii) Funds collected by schools

Funds generated from school activities are included with the assets, liabilities, revenue and expenses of the District as accountability and control of these funds rests with the District.

viii) Vacation pay

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

ix) Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure certain programs are delivered, such as kindergarten, lunch services and raising school-generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

x) Prepaid expenses

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

xi) Financial instruments

Financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and liabilities, bank indebtedness, accounts payable and accrued liabilities and long-term debt.

All financial assets and financial liabilities are classified into one of the following categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale and other financial liabilities.

All financial instruments are initially recognized on the statement of financial position at their fair value. Subsequent to their initial recognition, all financial instruments continue to be measured at their fair value except for held-to-maturity investments, loans and receivables and other financial liabilities which must be measured at amortized cost using the effective interest method.

3. Summary of significant accounting policies (cont'd)

xii) Financial instruments

The District has classified its cash and temporary investments, school generated assets, and accounts receivable as held-for-trading. They are measured at fair values which approximately equal to their carrying values due to short term maturity. The District has classified its bank indebtedness and accounts payable and accrued liabilities as other financial liabilities, which are measured at amortized cost using the effective interest method.

The District has classified its long-term debt as loans and receivables.

The District has no financial instruments classified as available-for-sale.

In 2009, the CICA introduced amendments to CICA Handbook section 3861 – Financial Instruments – Presentation and Disclosure, and CICA Handbook section 3862 – Financial Instruments – Disclosures and 3863 – Financial Instruments Presentation that allows for not for profit organizations to elect to continue to apply the requirements of Handbook Section 3861 rather than use the requirements of 3862 and 3863. The District has elected to continue using the disclosure requirements of 3861.

It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from their financial instruments. The District has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act.*

xiii) Operating and capital reserves

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

xiv) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant areas requiring the use of management's estimates include the collectible amounts of accounts receivable, the useful lives of capital assets and the corresponding rates of amortization, the amount of accrued liabilities and the fair value of financial instruments.

xv) Capital disclosures

The District defines its capital as the amounts included in deferred capital allocations and unrestricted net assets. A significant portion of the District's capital is externally restricted. The District's unrestricted capital is funded primarily by Alberta Education. The District has spending policies and cash management procedures to ensure the District can meet its capital obligations.

Under the School Act, the District must receive ministerial approval for a deficit budget, borrowing and the sale of any land or buildings.

4. Trust assets and trust liabilities

Trust assets represent cash held in trust on behalf of the Edmonton Student Health Initiative Partnership, cash held to fund scholarships and cash held regarding the Deferred Salary Leave Plan. The Edmonton Student Health Initiative Partnership was created so that school-aged children in Edmonton, in particular those with special needs, have access to culturally-responsive health and related support services they need to participate in their school programs and attain their potential. The District was appointed banker for the partnership and is responsible for distributing the cash in accordance with the wishes of the partnership. The trust assets are offset by corresponding trust liabilities.

	2011	2010
Student Health Initiative Partnership	$ 1,982,600	$ 1,757,412
Scholarships	204,222	185,608
Deferred Salary Leave Plan	1,719,804	1,623,400
	$ 3,906,626	$ 3,566,420

5. Accounts receivable

	2011	2010
Alberta Education	$ 4,082,136	$ 3,706,660
Alberta Finance and Enterprise	50,135	88,422
First Nations	1,200,080	715,277
Supplementary requisition	9,197,786	8,891,124
Other	2,698,078	2,370,209
	$ 17,228,215	$ 15,771,692

6. Capital assets

(Estimated useful life years)	Land	Construction in Progress	Buildings 25-40 years	Equipment Computer 5 years	*Equipment Other 5-10 years*	Vehicles *5-10 years*	**2011**	2010
Historical Cost								
September 1, 2010	$ 4,939,308	32,080,694	293,980,860	4,366,707	7,836,640	2,692,182	**345,896,391**	296,279,052
Additions	-	14,302,473	1,746,523	985,773	2,081,900	169,462	**19,286,131**	50,625,370
Transfer in (out)	-	(32,869,643)	30,135,344	-	2,734,299	-	-	-
Less disposals including write-offs	-	-	(329,688)	(13,060)	(468,310)	(68,131)	**(879,189)**	(1,008,031)
August 31, 2011	$ 4,939,308	13,513,524	325,533,039	5,339,420	12,184,529	2,793,513	**364,303,333**	345,896,391
Accumulated Amortization								
September 1, 2010	-	-	134,379,097	1,527,501	4,401,532	1,243,857	**141,551,987**	136,480,846
Amortized Expense	-	-	4,552,990	877,178	803,753	247,887	**6,481,808**	5,963,454
Disposals	-	-	(329,693)	(13,060)	(355,066)	(68,128)	**(765,947)**	(892,313)
August 31, 2011	$ -	-	138,602,394	2,391,619	4,850,219	1,423,616	**147,267,848**	141,551,987
Net Book Value at August 31, 2011	$ 4,939,308	13,513,524	186,930,645	2,947,801	7,334,310	1,369,897	**217,035,485**	204,344,404

Included in additions to construction in progress are costs of $11,895,725 for the construction of a new school building under the Alberta Schools Alternative Procurement Project (ASAP II). The construction of this school is managed by the Province. Also included in additions to buildings, is $1,316,033 paid for by the Province on behalf of the District for three schools.

7. Bank indebtedness

Bank indebtedness consists of cheques written in excess of bank balances. The balance outstanding as of August 31, 2011, was $142,623 (August 31, 2010 - $309,204). The District has a $10,000,000 Canadian Dollar Demand Overdraft facility which bears interest at prime less 0.5%. The District is subject to interest rate risk on outstanding balances as overdraft interest fluctuates with the prime interest rate.

8. Accounts payable and accrued liabilities

	2011	2010
Alberta Education	$ 9,597,786	$ 8.891,124
Alberta Finance and Enterprise	50,135	88,422
Other	15,527,982	17,953,727
	$ 25,175,903	$ 26,933,273

9. Deferred revenue

	2010	Funding Received 2010/2011	Revenue Expended 2010/2011	2011
Alberta Education Restricted Funding				
Infrastructure Maintenance Renewal	$ 2,162,284	5,826,709	(5,401,104)	2,587,889
Other Government of Alberta Funding				
High School Portal Initiative	104,224	-	(39,402)	64,822
Health Services Strategy	531,368	-	(179,821)	351,547
One to One Mobile Commuting	40,256	-	(4671)	35,585
Other Deferred Revenue				
Foundation Programs	4,582	-	(369)	4,213
Other Projects	-	653,517	(366,786)	286,731
Tuition fees	3,828,278	5,686,872	(5,842,628)	3,672,522
Future Renovation Projects	951,854	610,118	-	1,561,972
	$ 7,622,846	12,777,216	(11,834,781)	8,565,281

10. Deferred capital allocations and unamortized deferred capital allocations

	2011		2010	
	Deferred Capital	Unamortized Capital	Deferred Capital	Unamortized Capital
Balances, beginning of year	$ 1,321,419	$ 179,899,872	$ 11,859,558	$ 135,802,116
Government Grants	14,065,955	-	36,537,687	-
Interest Earned	-	-	30,172	-
Expended on Capital Assets	(14,973,273)	14,973,273	(47,105,998)	47,105,998
Debt Retirement	-	936,741	-	1,056,660
Amortization of Capital Assets acquired from Capital Contributions	-	(4,160,118)	-	(4,064,902)
Balances, end of year	$ 414,101	$ 191,649,768	$ 1,321,419	$ 179,899,872

Deferred capital allocations represent externally restricted supported capital funds provided for a specific purpose received or receivable by the District, but the related expenditure has not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized deferred capital allocation account balance is increased by transfers of deferred capital allocations expended, as well as fully supported debenture principal repayments.

Included in government grants and expended on capital assets are non-cash contributions related to school construction totaling $13,211,758 (2010 - $30,237,500).

11. Debenture debt

In prior years, the District has issued debentures to the Alberta Capital Finance Authority (formerly Alberta Municipal Finance Corporation) to finance the construction of capital assets. These debentures mature in annual amounts to the year 2015 and interest is payable at rates ranging from 8% to 12% per annum. The debenture debt is fully supported by Alberta Finance and Enterprise.

Principal payments due on debenture debt over the next five years and thereafter are as follows:

	Principal	Interest	Total
2012	$ 551,232	$ 108,271	$ 659,503
2013	363,128	57,844	420,972
2014	209,227	25,480	234,707
2015	70,002	6,738	76,740
Total	$ 1,193,589	$ 198,333	$ 1,391,922

Accrued interest of $50,135 (2010 - $88,422) is included in accounts receivable, accounts payable and accrued liabilities.

12. Reserves

	2011		2010	
	Operating	Capital	Operating	Capital
Balance, beginning of year	$ -	$ 2,637,132	$ -	$ 2,681,303
Net proceeds from sale of unsupported capital assets.		1,481,159		-
Repairs and renovations of non-school building.	-	(363,726)	-	(44,171)
Non-School Project	-	(687,414)	-	-
Balances, end of year	$ -	$ 3,067,151	$ -	$ 2,637,132

Reserves with an ending balance of $1,512,829 (2010 - $332,000) were included in the capital reserve and have been approved by the Board and the Minister to complete certain critical repairs of non-school buildings and for construction of a Back-up Data Centre. Of this amount, $1,051,140 (2010 - $44,171) has been spent during the year. The remaining reserves are available for the Board and Minister approved projects in the future.

13. Asset retirement obligations

Asset Retirement Obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. The District has accounted for asset retirement obligations and determined that there is no liability as the District has no identifiable asset retirement obligations.

14. Economic dependence on related third party

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

The District received allocations from the following related parties: Alberta Education and Alberta Finance.

In the current year, $54,555,352 or 15.37% (2010 - $52,838,258 or 15.63%) of operating revenue was received from the City of Edmonton supplementary requisition of municipal taxes from Catholic ratepayers.

15. Related party transactions

Effective 2005-2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The District had the following related party transactions for the year ended August 31, 2011.

	Balances		Transactions	
2010-2011	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta				
Education	$ 4,082,136	$ 9,597,786	$ 316,720,863	$ -
Finance	50,135	50,135	201,871	-
Total 2010-2011	$ 4,132,271	$ 9,647,921	$ 316,922,734	$ -
Total 2009-2010	$ 3,795,082	$ 8,979,546	$ 302,118,302	$ -

16. Budget comparison

Following is a summary of revenue and expenses compared with the approved budget:

	Actual	Budget	Variance
Revenue			
Provincial grants and supplementary requisition	$ 316,922,734	$ 302,915,856	$ 14,006,878
Other revenue	33,670,803	31,505,144	2,165,659
	350,593,537	334,421,000	16,172,537
Amortization of deferred capital allocations	$ 4,160,118	$ 4,100,000	$ 60,118
	354,753,655	338,521,000	16,232,655
Expenses			
Salaries and employee benefits	$ 263,034,471	$ 263,835,000	$ (800,529)
Supplies and other	79,854,948	68,686,000	11,168,948
Amortization of revenue over expense	6,481,808	6,000,000	481,808
	349,371,227	338,521,000	10,850,227
Excess of revenue over expenses	$ 5,382,428	$ -	$ 5,382,428

The budget was prepared by the School District and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

17. Remuneration and monetary incentives

The District had paid or accrued expenses for the year ended August 31, 2011 to or on behalf of the following positions and persons in groups as follows:

		FTEs	Remuneration	Benefits	Allowances	Performance bonuses	ERIPs/ other	Total	Expenses
Chairperson:	Debbie Engel	1.00	$70,368	$5,811	$ -	$ -	$ -	$76,179	$7,037
Other board members:									
	Cynthia Olsen	1.00	59,448	5,456	-	-	-	64,904	2,579
	John Acheson	1.00	49,235	2,888	-	-	-	52,123	7,137
	Rudy Arcilla	1.00	12,316	593	-	-	-	12,909	-
	Marilyn Bergstra	1.00	53,019	5,239	-	-	-	58,258	3,837
	Kara Pelech	1.00	13,156	834	-	-	-	13,990	-
	Becky Kallal	1.00	62,813	5,562	-	-	-	68,375	5,261
	Larry Kowalczyk	1.00	43,835	3,273				47,108	6,942
	Laura Thibert	1.00	47,269	4,468				51,737	8,092
SUBTOTAL		**9.00**	**411,459**	**34,124**	-	-	-	**445,583**	
Superintendent	Joan Carr	1.00	263,422	13,222	-	-	-	276,644	9,836
Board Treasurer	Barry Devlin	1.00	163,052	26,632	-	-	-	189,684	3,250
Board Secretary	Andrea Klotz	1.00	86,646	15,038	-	-	-	101,684	5,221
Certificated Salaries		1,805.01	162,601,193	18,479,011	-	-	-	181,080,204	-
Uncertificated Salaries And Wages		1,147.40	65,671,372	15,269,300	-	-	-	80,940,672	-
Totals		**2,964.41**	**$229,197,144**	**$33,837,327**	-	-	$	**$263,034,471**	**59,192**

18. Commitments

The District has commitments relating to various lease, service and construction contracts under which the District will be required to make annual payments. The estimated minimum annual payments required under these agreements are as follows:

		Leases		Services		Construction		Total
2012	$	916,428	$	13,781,721	$	1,189,719	$	15,887,868
2013		738,344		402,637		-		1,140,981
2014		362,795		289,449		-		652,244
2015		38,368		274,080		-		312,448
2016		-		78,000		-		78,000
Total	$	2,055,935	$	14,825,887	$	1,189,719	$	18,071,541

In addition, the District has made a commitment to the City of Edmonton regarding the construction of a High School Completion Centre in northwest Edmonton. The construction cost of the facility is expected to be $11,619.825.

19. Contingencies

The District is involved in various claims and litigation arising in the normal course of operations. While the outcome of these matters are uncertain and there is no assurance that such matters will be resolved in the District's favour, the District does not currently believe that the disposition of claims presently outstanding will be significant to the overall financial position of the District. Therefore no provision for these claims and litigation has been included in these financial statements.

20. Subsequent event

In September 2011, the District finalized the sale of a non-school property for proceeds of $3,200,000 to the City of Edmonton. The District will allocate $1,432,960 of the proceeds to purchase furniture and equipment for the High School Completion Centre in northwest Edmonton.

21. Restatement

The comparative figures have been reclassified where necessary to conform to the 2010/2011 presentation.

	2010 As previously reported	Restatement	2010 Restated balance
Assets			
Cash	$ 31,027,282	$ (3,242,426)	$ **27,784,856**
Accounts receivable	15,314,477	457,215	**15,771,692**
Trust assets	781,209	2,785,211	**3,566,420**
Liabilities			
Accounts payable and accrued liabilities	27,280,532	(347,259)	**26,933,273**
Trust liabilities	781,209	2,785,211	**3,566,420**
Employee future benefit liabilities	6,655,033	(2,437,952)	**4,217,081**
Revenues			
Government of Alberta	301,618,02 9	500,273	**302,118,302**
Federal Government and First Nations	4,791,180	(500,273)	**4,290,907**
Other sales and services	6,119,907	(4,508,529)	**1,611,378**
Gross school generated funds	3,769,744	4,508,529	**8,278,273**
Expenses			
Services, contracts, and supplies	68,996,992	(4,508,529)	**64,488,463**
Gross school generated funds	3,769,744	4,508,529	**8,278,273**
Non-certificated salaries & wages	65,873,424	(2,212,271)	**63,661,153**
Non-certificated benefits	14,372,141	2,212,271	**16,584,412**

These reclassifications account for presentation of school generated funds, E-Ship activity and employee benefits.

School Jurisdiction Code: 110

UNAUDITED SCHEDULES

TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2011

[School Act, Section 276]

Edmonton Catholic Separate School District No. 7

Legal Name of School Jurisdiction

9807-106 Street, Edmonton, Alberta, T5K 1C2

Mailing Address

Ph: 780-441-6021; Fax: 780-441-6149

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

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

SECRETARY TREASURER OR TREASURER

Barry Devlin	**"ORIGINAL SIGNED"**
Name	Signature

29-Nov-11

Dated

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

School Jurisdiction Code: 110

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School Jurisdiction Code: 110

SCHEDULE A

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2010/2011

REVENUES	ECS Instruction	Grades 1-12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration	External Services	TOTAL
(1) Alberta Education	$23,582,340	$240,889,465	$32,302,800	$11,105,509	$8,840,749	$0	$316,720,863
(2) Other - Government of Alberta	$0	$0	$201,871	$0	$0	$0	$201,871
(3) Federal Government and First Nations	$0	$0	$0	$0	$0	$4,364,298	$4,364,298
(4) Other Alberta school authorities	$0	$0	$0	$0	$0	$203,199	$203,199
(5) Out of province authorities	$0	$0	$0	$0	$0	$0	$0
(6) Alberta Municipalities-special tax levies	$0	$0	$0	$0	$0	$0	$0
(7) Instruction resource fees	$330,843	$9,796,039					$10,126,882
(8) Transportation fees-ECS				$0			$0
(9) Transportation fees-Grades 1-12				$4,131,624			$4,131,624
(10) Other sales and services	$0	$1,186,528	$221,501	$0	$0	$16,200	$1,424,229
(11) Investment income	$0	$371,332	$0	$0	$165,936	$0	$537,268
(12) Gifts and donations	$0	$681,844	$0	$0	$0	$0	$681,844
(13) Rental of facilities	$0	$0	$2,692,221	$0	$151,525	$0	$2,843,746
(14) Gross school generated funds	$39,565	$7,926,988	$0	$0	$0	$0	$7,966,553
(15) Gains on disposal of capital assets	$0	$0	$1,391,160	$0	$0	$0	$1,391,160
(16) Amortization of capital allocations	$0	$0	$4,160,118	$0		$0	$4,160,118
(17) Other revenue	$0	$0	$0	$0	$0	$0	$0
(18) TOTAL REVENUES	$23,952,748	$260,852,196	$40,969,671	$15,237,133	$9,158,210	$4,583,697	$354,753,655
EXPENSES							
(19) Certificated salaries	$17,322,153	$144,108,112			$1,434,350	$0	$162,864,615
(20) Certificated benefits	$1,086,040	$17,304,417			$101,776	$0	$18,492,233
(21) Non-certificated salaries and wages	$1,518,912	$38,550,566	$16,831,865	$887,448	$4,778,147	$3,765,591	$66,332,529
(22) Non-certificated benefits	$339,926	$9,334,454	$4,262,805	$219,541	$907,081	$281,287	$15,345,094
(23) SUB - TOTAL	$20,267,031	$209,297,549	$21,094,670	$1,106,989	$7,221,354	$4,046,878	$263,034,471
(24) Services, contracts and supplies	$3,364,083	$37,248,650	$14,355,095	$14,367,091	$1,921,021	$308,275	$71,564,215
(25) Gross school generated funds	$39,565	$7,926,988					$7,966,553
(26) Amortization of capital assets	$0	$0	$6,481,808	$0	$0	$0	$6,481,808
(27) Interest and charges	$0	$0	$201,871	$0	$15,835	$0	$217,706
(28) Losses on disposal of capital assets	$0	$0	$23,243	$0	$0	$0	$23,243
(29) Other expense	$0	$83,231	$0	$0	$0	$0	$83,231
(30) TOTAL EXPENSES	$23,670,679	$254,556,418	$42,156,687	$15,474,080	$9,158,210	$4,355,153	$349,371,227
(31) EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$282,069	$6,295,778	($1,187,016)	($236,947)	$0	$228,544	$5,382,428

School Jurisdiction Code: 110

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

Unexpended SGF - Opening Balance August 31, 2010 (Note 1)				$0
Sources of School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$697,115	$697,115	$0	
Student fees (non-instructional) (note 1)	$3,756,621	$3,756,621	$0	
Donations and grants to schools	$2,767,350	$0	$2,767,350	
Other (describe): Sales and other miscellaneous	$745,467	$745,467	$0	
Net Additions to SGF	$7,966,553	$5,199,203		$2,767,350
Net SGF Available				$2,767,350
Uses of Net School Generated Funds:				
Extra-curricular activities			$963,082	
Field trips			$1,461,789	
Other (describe): School butiifcation, equipment, student recognition			$342,479	
Total Uses of Net SGF (Note 2)				$2,767,350
Unexpended SGF - Closing Balance August 31, 2011 (Note 3)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)

Notes:

1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for CEU-related activities are recorded as instruction resource fees, not SGF.

2 The sum of "total related expenses" and "total uses of net SGF" is reported as "gross school generated funds" in the Statement of Revenues & Expenses.

3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.

School Jurisdiction Code: 110

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

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR & Modular Unit Relocations	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$11,823,305	$2,500,325	$242,067	$637,336	$1,628,832		$16,831,865		$16,831,865
Uncertificated benefits	$2,952,178	$909,326	$49,697	$0	$351,604		$4,262,805		$4,262,805
Sub-total Remuneration	$14,775,483	$3,409,651	$291,764	$637,336	$1,980,436		$21,094,670		$21,094,670
Supplies and services	$606,226	$1,407,300	$0	$5,683,890	$189,585		$7,887,001		$7,887,001
Electricity			$2,890,928				$2,890,928		$2,890,928
Natural gas/heating fuel			$2,247,944				$2,247,944		$2,247,944
Sewer and water			$540,993				$540,993		$540,993
Telecommunications			$95,045				$95,045		$95,045
Insurance					$693,184		$693,184		$693,184
Amortization of capital assets									
Supported								$4,160,118	$4,160,118
Unsupported				$0		$2,321,690	$2,321,690		$2,321,690
Total Amortization				$0		$2,321,690	$2,321,690	$4,160,118	$6,481,808
Interest on capital debt									
Supported								$201,871	$201,871
Unsupported				$0			$0		$0
Other interest charges						$0	$0		$0
Losses on disposal of capital assets						$23,243	$23,243		$23,243
TOTAL EXPENSES	$15,381,709	$4,816,951	$6,066,674	$6,321,226	$2,863,205	$2,344,933	$37,794,698	$4,361,989	$42,156,687

SQUARE METRES									
School buildings									420,313.0
Non school buildings									46,538.0

Note:

Custodial: All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

Maintenance: All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed IMR & Modular Unit Relocations: All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, 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.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.