

**Fort McMurray Public
School District No. 2833
Financial Statements**
August 31, 2016

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2016**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Fort McMurray Public School District No. 2833

Legal Name of School Jurisdiction

231 Hardin Street Fort McMurray AB T9H 2G2

Mailing Address

(780) 799-7900 (780) 743-2655 allan.kallal@fmprsd.ab.ca

Telephone & Fax Numbers, and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Fort McMurray Public School District No. 2833 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.

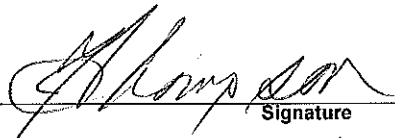
Declaration of Management and Board Chair

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

BOARD CHAIR

Mr. Jeff Thompson

Name

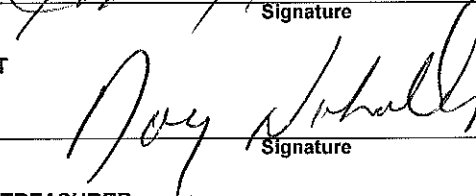


Signature

SUPERINTENDENT

Mr. Douglas Nicholls

Name



Signature

SECRETARY-TREASURER OR TREASURER

Mr. Allan Kallal

Name



Signature

Dec 14 2016

Board-approved Release Date

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Independent Auditors' Report

To the Board of Trustees of Fort McMurray Public School District No. 2833:

We have audited the accompanying financial statements of Fort McMurray Public School District No. 2833, which comprise the statement of financial position as at August 31, 2016, and the statements of operations, remeasurement gains and losses, changes in net financial assets (net debt) and cash flows and schedules of changes in accumulated surplus, capital revenue, program operations, plant operations and maintenance expenses, cash, cash equivalents and portfolio investments, capital assets and remuneration and monetary incentives 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 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.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Fort McMurray Public School District No. 2833 as at August 31, 2016 and the results of its operations remeasurement gains and losses, changes in net financial assets (net debt) and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Fort McMurray, Alberta

December 14, 2016

MNP LLP

Chartered Professional Accountants

STATEMENT OF FINANCIAL POSITION
As at August 31, 2016 (in dollars)

		2016	2015
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5)	\$ 25,766,224	\$ 18,011,659
Accounts receivable (net after allowances)	(Note 3)	\$ 1,156,646	\$ 1,896,080
Portfolio investments	(Schedule 5)	\$ -	\$ 5,000,372
Other financial assets		\$ -	\$ -
Total financial assets		\$ 26,922,870	\$ 24,908,111
LIABILITIES			
Bank indebtedness	(Note 4)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 5)	\$ 4,655,988	\$ 3,709,599
Deferred revenue	(Note 6)	\$ 124,744,130	\$ 108,195,590
Employee future benefit liabilities		\$ -	\$ -
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Supported: Debentures and other supported debt		\$ -	\$ -
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 129,400,118	\$ 111,905,189
Net financial assets (debt)		\$ (102,477,248)	\$ (86,997,078)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)		
Land		\$ 4,071,454	\$ 4,071,454
Construction in progress		\$ 27,705,876	\$ 9,380,234
Buildings	\$ 153,632,322		
Less: Accumulated amortization	\$ (68,622,954)	\$ 85,009,368	\$ 86,360,093
Equipment	\$ 12,515,601		
Less: Accumulated amortization	\$ (11,013,835)	\$ 1,501,766	\$ 1,745,827
Vehicles	\$ 569,057		
Less: Accumulated amortization	\$ (432,584)	\$ 136,473	\$ 154,267
Computer Equipment	\$ 864,773		
Less: Accumulated amortization	\$ (543,804)	\$ 320,969	\$ 394,581
Total tangible capital assets		\$ 118,745,906	\$ 102,106,456
Prepaid expenses	(Note 7)	\$ 419,259	\$ 506,739
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 119,165,165	\$ 102,613,195
Accumulated surplus	(Schedule 1; Note 8)	\$ 16,687,917	\$ 15,616,117
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 16,687,917	\$ 15,616,117
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 16,687,917	\$ 15,616,117
Contractual obligations	(Note 9)		
Contingent liabilities			

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2016 (in dollars)

	Budget 2016	Actual 2016	Actual 2015
REVENUES			
Alberta Education	\$ 74,760,848	\$ 77,076,964	\$ 75,717,471
Other - Government of Alberta	\$ 908,539	\$ 994,688	\$ 758,492
Federal Government and First Nations	\$ 53,150	\$ 87,471	\$ 14,068
Other Alberta school authorities	\$ 100,000	\$ 107,216	\$ 239,791
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees	\$ 1,443,314	\$ 2,810,084	\$ 1,625,069
Other sales and services	\$ 328,000	\$ 592,361	\$ 1,018,775
Investment income	\$ 150,000	\$ 177,131	\$ 193,076
Gifts and donations	\$ 250,000	\$ 418,614	\$ 453,929
Rental of facilities	\$ 985,000	\$ 989,111	\$ 1,096,229
Fundraising	\$ 1,425,000	\$ 398,723	\$ -
Gains on disposal of capital assets	\$ -	\$ 200	\$ 3,800
Other revenue (Note 16)	\$ 156,999	\$ 41,371	\$ 245,190
Total revenues	\$ 80,560,850	\$ 83,693,934	\$ 81,365,891
EXPENSES			
Instruction - ECS	\$ 4,376,210	\$ 9,154,926	\$ 6,619,683
Instruction - Grades 1 - 12	\$ 57,630,552	\$ 54,137,398	\$ 53,589,103
Plant operations and maintenance (Note 16)	\$ 14,914,904	\$ 14,250,827	\$ 14,789,287
Transportation	\$ 2,271,700	\$ 2,093,480	\$ 2,176,123
Board & system administration	\$ 3,164,017	\$ 2,985,503	\$ 2,958,467
External services	\$ 150,000	\$ -	\$ -
Total expenses	\$ 82,507,383	\$ 82,622,134	\$ 80,132,663
Operating surplus (deficit)	\$ (1,946,533)	\$ 1,071,800	\$ 1,233,228

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

School Jurisdiction Code: 3260		
STATEMENT OF CASH FLOWS For the Year Ended August 31, 2016 (in dollars)		
	2016	2015
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 1,071,800	\$ 1,233,228
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 6,302,075	\$ 6,160,606
Gains on disposal of tangible capital assets	\$ (200)	\$ (3,800)
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (6,025,182)	\$ (5,857,411)
Deferred capital revenue write-down / adjustment	\$ 8,520	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 739,434	\$ (820,736)
Prepays	\$ 87,480	\$ (79,620)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ 946,389	\$ (51,077)
Deferred revenue (excluding EDCR)	\$ 2,724,601	\$ 8,141,085
Employee future benefit liabilities	\$ -	\$ -
Adjustment to unexpended deferred capital revenue and capital in accounts payable	\$ (655,149)	
Total cash flows from operating transactions	\$ 5,199,768	\$ 8,722,275
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (2,577,361)	\$ (3,030,870)
Equipment	\$ (558,781)	\$ (451,527)
Vehicles	\$ (25,786)	\$ (92,310)
Computer equipment	\$ (26,807)	\$ -
Net proceeds from disposal of unsupported capital assets	\$ 200	\$ 3,800
Capital in accounts payable	\$ 742,960	
Total cash flows from capital transactions	\$ (2,445,575)	\$ (3,570,907)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (0)	\$ 2,880,626
Dispositions of portfolio investments	\$ 5,000,372	\$ -
Remeasurement (gains) losses reclassified to the statement of operations	\$ -	\$ -
Change in endowments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ 5,000,372	\$ 2,880,626
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ -	\$ -
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other factors affecting capital leases (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ -	\$ -
Increase (decrease) in cash and cash equivalents	\$ 7,754,565	\$ 8,031,994
Cash and cash equivalents, at beginning of year	\$ 18,011,659	\$ 9,979,665
Cash and cash equivalents, at end of year	\$ 25,766,224	\$ 18,011,659

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, 2016 (in dollars)

	Budget 2016	2016	2015
Operating surplus (deficit)	\$ (1,946,533)	\$ 1,071,800	\$ 1,233,228
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ -	\$ (23,037,856)	\$ (10,116,802)
Amortization of tangible capital assets	\$ 5,716,691	\$ 6,302,075	\$ 6,160,606
Net carrying value of tangible capital assets disposed of	\$ -	\$ 8,520	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ -	\$ 87,811	\$ -
Total effect of changes in tangible capital assets	\$ 5,716,691	\$ (16,639,450)	\$ (3,956,196)
Changes in:			
Prepaid expenses	\$ -	\$ 87,480	\$ (79,620)
Other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -	\$ -
Endowments	\$ -	\$ -	\$ -
Increase (decrease) in net financial assets (net debt)	\$ 3,770,158	\$ (15,480,170)	\$ (2,802,588)
Net financial assets (net debt) at beginning of year	\$ (86,997,078)	\$ (86,997,078)	\$ (84,194,490)
Net financial assets (net debt) at end of year	\$ (83,226,920)	\$ (102,477,248)	\$ (86,997,078)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended August 31, 2016 (in dollars)

	2016	2015
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Prior Period Adjustment (Explain)	\$ -	\$ -
Prior Period Adjustment (Explain)	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
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 1

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2016 (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, 2015	\$ 15,616,117	\$ -	\$ 15,616,117	\$ 6,945,780	\$ -	\$ 1,610	\$ 7,965,900	\$ 702,827
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2015	\$ 15,616,117	\$ -	\$ 15,616,117	\$ 6,945,780	\$ -	\$ 1,610	\$ 7,965,900	\$ 702,827
Operating surplus (deficit)	\$ 1,071,800		\$ 1,071,800			\$ 1,071,800		
Board funded tangible capital asset additions				\$ 508,428			\$ (462,718)	\$ (45,710)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ (200)		\$ 200
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	\$ -			\$ (6,302,075)		\$ 6,302,075		
Capital revenue recognized	\$ -			\$ 6,025,182		\$ (6,025,182)		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (2,119,787)	\$ 2,119,787	
Net transfers from operating reserves	\$ -					\$ 775,000	\$ (775,000)	
Net transfers to capital reserves	\$ -					\$ -		\$ -
Net transfers from capital reserves	\$ -					\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2016	\$ 16,687,917	\$ -	\$ 16,687,917	\$ 7,177,315	\$ -	\$ 5,316	\$ 8,847,969	\$ 657,317

SCHEDULE 1**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2016 (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
Balance at August 31, 2015	\$ 4,300,889	\$ -	\$ -	\$ 252,861	\$ 3,665,011	\$ 449,966	\$ -	\$ -	\$ -	\$ -
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2015	\$ 4,300,889	\$ -	\$ -	\$ 252,861	\$ 3,665,011	\$ 449,966	\$ -	\$ -	\$ -	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ (462,718)		\$ -	\$ (45,710)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ 200		\$ -		\$ -		\$ -
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	\$ -		\$ 959,000		\$ 503,787		\$ 657,000			
Net transfers from operating reserves	\$ (775,000)				\$ -		\$ -		\$ -	
Net transfers to capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2016	\$ 3,063,171	\$ -	\$ 959,000	\$ 207,351	\$ 4,168,798	\$ 449,966	\$ 657,000	\$ -	\$ -	\$ -

SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2016 (in dollars)

	Unexpended 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)	Expended Deferred Capital Revenue
Balance at August 31, 2015	\$ 5,489,824	\$ (245,190)	\$ -	\$ 4,518,839	\$ 95,160,675
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2015	\$ 5,489,824	\$ (245,190)	\$ -	\$ 4,518,839	\$ 95,160,675
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 3,214,774				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources: Disposal of funded donated vehicle	\$ 1,200			\$ -	
Other sources:	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ 222,192				
Other sources:					
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ 36,219	\$ -	\$ -		
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					\$ -
Alberta Infrastructure managed projects					\$ 19,849,121
Transferred in (out) tangible capital assets (amortizable, @ net book value)					
Expended capital revenue - current year	\$ (2,870,945)	\$ -	\$ -	\$ -	\$ 2,870,945
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments: Permission to fund R&M projects	\$ -	\$ (35,482)	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ 8,520
Other adjustments: Board funded tangible capital assets	\$ (278,455)	\$ -	\$ -	\$ -	\$ 278,455
Capital revenue recognized - Alberta Education					\$ 6,025,182
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2016	\$ 6,371,719	\$ (280,672)	\$ -	\$ 4,518,839	\$ 111,568,584
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2016 (A) + (B) + (C) + (D)				\$ 10,609,886	

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, 2016 (in dollars)

REVENUES	2016							2015
	Instruction		Plant Operations and	Transportation	Board & System	External	TOTAL	TOTAL
	ECS	Grades 1 - 12	Maintenance		Administration	Services		
(1) Alberta Education	\$ 8,491,925	\$ 53,009,234	\$ 10,979,613	\$ 1,284,033	\$ 3,312,159	\$ -	\$ 77,076,964	\$ 75,717,471
(2) Other - Government of Alberta	\$ 186,965	\$ 807,723	\$ -	\$ -	\$ -	\$ -	\$ 994,688	\$ 758,492
(3) Federal Government and First Nations	\$ -	\$ 87,471	\$ -	\$ -	\$ -	\$ -	\$ 87,471	\$ 14,068
(4) Other Alberta school authorities	\$ -	\$ 107,216	\$ -	\$ -	\$ -	\$ -	\$ 107,216	\$ 239,791
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 180,750	\$ 2,228,576	\$ -	\$ 400,758	\$ -	\$ -	\$ 2,810,084	\$ 1,625,069
(9) Other sales and services	\$ -	\$ 592,361	\$ -	\$ -	\$ -	\$ -	\$ 592,361	\$ 1,018,775
(10) Investment income	\$ -	\$ -	\$ -	\$ -	\$ 177,131	\$ -	\$ 177,131	\$ 193,076
(11) Gifts and donations	\$ -	\$ 418,614	\$ -	\$ -	\$ -	\$ -	\$ 418,614	\$ 453,929
(12) Rental of facilities	\$ -	\$ 79,644	\$ 909,467	\$ -	\$ -	\$ -	\$ 989,111	\$ 1,096,229
(13) Fundraising	\$ -	\$ 398,723	\$ -	\$ -	\$ -	\$ -	\$ 398,723	\$ -
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ 200	\$ 3,800
(15) Other revenue	\$ -	\$ 5,889	\$ 35,482	\$ -	\$ -	\$ -	\$ 41,371	\$ 245,190
(16) TOTAL REVENUES	\$ 8,859,640	\$ 57,735,451	\$ 11,924,762	\$ 1,684,791	\$ 3,489,290	\$ -	\$ 83,693,934	\$ 81,365,891
EXPENSES								
(17) Certificated salaries	\$ 4,049,930	\$ 28,212,319	\$ -	\$ -	\$ 659,247	\$ -	\$ 32,921,496	\$ 32,178,510
(18) Certificated benefits	\$ 1,279,791	\$ 7,594,244	\$ -	\$ -	\$ 111,130	\$ -	\$ 8,985,165	\$ 8,366,610
(19) Non-certificated salaries and wages	\$ 2,580,555	\$ 8,730,122	\$ 2,746,555	\$ 130,603	\$ 1,238,423	\$ -	\$ 15,426,258	\$ 15,712,931
(20) Non-certificated benefits	\$ 913,883	\$ 1,894,912	\$ 799,220	\$ 36,212	\$ 328,055	\$ -	\$ 3,972,282	\$ 3,983,134
(21) SUB - TOTAL	\$ 8,824,159	\$ 46,431,597	\$ 3,545,775	\$ 166,815	\$ 2,336,855	\$ -	\$ 61,305,201	\$ 60,241,185
(22) Services, contracts and supplies	\$ 330,767	\$ 7,596,324	\$ 4,574,746	\$ 1,926,665	\$ 564,836	\$ -	\$ 14,993,338	\$ 13,721,563
(23) Amortization of supported tangible capital assets	\$ -	\$ 103,754	\$ 5,921,428	\$ -	\$ -	\$ -	\$ 6,025,182	\$ 5,857,411
(24) Amortization of unsupported tangible capital assets	\$ -	\$ -	\$ 208,878	\$ -	\$ 68,015	\$ -	\$ 276,893	\$ 303,195
(25) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Other interest and finance charges	\$ -	\$ 5,723	\$ -	\$ -	\$ 15,797	\$ -	\$ 21,520	\$ 9,309
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 9,154,926	\$ 54,137,398	\$ 14,250,827	\$ 2,093,480	\$ 2,985,503	\$ -	\$ 82,622,134	\$ 80,132,663
(31) OPERATING SURPLUS (DEFICIT)	\$ (295,286)	\$ 3,598,053	\$ (2,326,065)	\$ (408,689)	\$ 503,787	\$ -	\$ 1,071,800	\$ 1,233,228

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2016 (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	2016 TOTAL Operations and Maintenance	2015 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 1,900,531	\$ 481,019	\$ -	\$ -	\$ 365,005			\$ 2,746,555	\$ 2,861,741
Uncertificated benefits	\$ 595,114	\$ 121,521	\$ -	\$ -	\$ 82,585			\$ 799,220	\$ 772,324
Sub-total Remuneration	\$ 2,495,645	\$ 602,540	\$ -	\$ -	\$ 447,590			\$ 3,545,775	\$ 3,634,065
Supplies and services	\$ 193,980	\$ 2,246,079	\$ -	\$ 589,386	\$ -			\$ 3,029,445	\$ 3,477,235
Electricity			\$ 856,408					\$ 856,408	\$ 930,793
Natural gas/heating fuel			\$ 334,120					\$ 334,120	\$ 390,854
Sewer and water			\$ 116,857					\$ 116,857	\$ 110,918
Telecommunications			\$ 21,473					\$ 21,473	\$ 21,218
Insurance					\$ 216,443			\$ 216,443	\$ 193,575
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 5,921,428	\$ 5,921,428	\$ 5,857,411
Unsupported						\$ 208,878		\$ 208,878	\$ 173,218
Total Amortization						\$ 208,878	\$ 5,921,428	\$ 6,130,306	\$ 6,030,629
Interest on capital debt									
Supported							\$ -	\$ -	\$ -
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ -				\$ -	\$ -
Other interest charges						\$ -		\$ -	\$ -
Losses on disposal of capital assets						\$ -		\$ -	\$ -
TOTAL EXPENSES	\$ 2,689,625	\$ 2,848,619	\$ 1,328,858	\$ 589,386	\$ 664,033	\$ 208,878	\$ 5,921,428	\$ 14,250,827	\$ 14,789,287
SQUARE METRES									
School buildings								71,438.6	71,438.6
Non school buildings								4,013.0	3,713.0

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 5School Jurisdiction Code: 3260

SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2016 (in dollars)

<u>Cash & Cash Equivalents</u>	2016			2015
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	1%	\$ 25,766,224	\$ 25,766,224	\$ 18,011,659
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	<u>0.84%</u>	<u>\$ 25,766,224</u>	<u>\$ 25,766,224</u>	<u>\$ 18,011,659</u>

<u>Portfolio Investments</u>	2016				2015
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed interest certificates	0.00%	-	-	-	5,000,372
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	<u>0.00%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ -
Foreign	0.00%	-	-	-	-
Total equities	<u>0.00%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total portfolio investments	<u>0.00%</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,000,372</u>

SCHEDULE 6School Jurisdiction Code: **3260**

SCHEDULE OF CAPITAL ASSETS
for the Year Ended August 31, 2016 (in dollars)

Tangible Capital Assets	2016							2015
	Land	Construction In Progress	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total	Total
Estimated useful life			10-40 Years	5 Years	5 Years	5 Years		
Historical cost								
Beginning of year	\$ 4,071,454	\$ 9,380,234	\$ 149,809,932	\$ 11,766,182	\$ 580,024	\$ 837,966	\$ 176,445,792	\$ 166,348,867
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	22,120,362	27,670	749,419	25,786	26,807	22,950,044	10,116,802
Transfers in (out)	-	(3,794,720)	3,794,720	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	(36,753)	-	(36,753)	(19,877)
	<u>\$ 4,071,454</u>	<u>\$ 27,705,876</u>	<u>\$ 153,632,322</u>	<u>\$ 12,515,601</u>	<u>\$ 569,057</u>	<u>\$ 864,773</u>	<u>\$ 199,359,083</u>	<u>\$ 176,445,792</u>
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 63,449,839	\$ 10,020,355	\$ 425,757	\$ 443,385	\$ 74,339,336	\$ 68,198,607
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	5,173,115	993,480	35,061	100,419	6,302,075	6,160,606
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	(19,877)
Less disposals including write-offs	-	-	-	-	(28,234)	-	(28,234)	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,622,954</u>	<u>\$ 11,013,835</u>	<u>\$ 432,584</u>	<u>\$ 543,804</u>	<u>\$ 80,613,177</u>	<u>\$ 74,339,336</u>
Net Book Value at August 31, 2016	<u>\$ 4,071,454</u>	<u>\$ 27,705,876</u>	<u>\$ 85,009,368</u>	<u>\$ 1,501,766</u>	<u>\$ 136,473</u>	<u>\$ 320,969</u>	<u>\$ 118,745,906</u>	
Net Book Value at August 31, 2015	<u>\$ 4,071,454</u>	<u>\$ 9,380,234</u>	<u>\$ 86,360,093</u>	<u>\$ 1,745,827</u>	<u>\$ 154,267</u>	<u>\$ 394,581</u>		<u>\$ 102,106,456</u>

	2016	2015
Total cost of assets under capital lease	\$ -	\$ -
Total amortization of assets under capital lease	\$ -	\$ -

The net book value of construction in progress - buildings includes \$nil (2015 - \$3,518,417) for the construction of Walter and Gladys Hill Public School, an elementary school in the Eagle Ridge sub-division, \$2,531,771 (2015 - \$1,700,713) for the modernization of Composite High School, a high school in downtown Fort McMurray, \$12,038,236 (2015 - \$1,849,200) for the construction of Christina Gordon Elementary School, an elementary school in the Parsons Creek sub-division, \$10,795,733 (2015 - \$1,454,539) for the construction of Dave McNeilly Public School, an elementary school in the Parsons Creek subdivision, and \$2,340,136 (2015 - \$857,365) for an addition of modulars at École McTavish Junior High School, a middle school in the Timberlea sub-division. Substantial completion of these projects is expected during the 2017 fiscal year. Equipment includes \$709,527 (2015 - \$451,527) and computer hardware & software includes \$nil (2015 - \$ni) of assets not being amortized as they are not ready for use.

During the year, construction in progress - buildings additions of \$19,849,120 (2015 -\$6,542,095) were purchased directly by the Government of Alberta and therefore are non-cash and have been excluded from the statement of cash flows.

Capital additions of \$742,960 are in accounts payable as at August 31, 2016 and have been excluded from the statement of cashflows.

SCHEDULE 7

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES
for the Year Ended August 31, 2016 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Jeff Thompson - chair	1.00	\$16,063	\$622	\$8,025			\$0	\$15,623
Linda Mywaart	1.00	\$15,622	\$4,992	\$7,805			\$0	\$5,560
Angela Adams	1.00	\$15,177	\$578	\$7,588			\$0	\$1,471
Stephen Drover	1.00	\$15,177	\$4,964	\$7,588			\$0	\$4,708
Tim O'hara	1.00	\$15,177	\$5,009	\$7,588			\$0	\$10,891
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
Subtotal	5.00	\$77,216	\$16,165	\$38,594			\$0	\$38,253
Superintendent:	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Douglas Nicholls	0.95	\$230,453	\$68,958	\$7,800	\$0	\$0	\$0	\$3,933
Secretary-Treasurer	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allan Kallal	1.00	\$225,119	\$56,896	\$6,000	\$0	\$0	\$0	\$8,226
	-	\$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
Certificated teachers	306.80	\$32,691,043	\$8,908,407	\$0	\$0	\$0	\$0	
Non-certificated - other	260.50	\$15,123,923	\$3,854,627	\$0	\$0	\$0	\$0	
TOTALS	574.25	\$48,347,754	\$12,905,053	\$52,394	\$0	\$0	\$0	\$50,412

1. AUTHORITY AND PURPOSE

Fort McMurray Public School District No. 2833 (the "District") delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3. The District is exempt from payment of income taxes under Section 149 of the *Income Tax Act*.

The District 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 District 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 CPA Canada 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 cash and investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

b) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

c) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Construction-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Buildings include site and leasehold improvements.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. For supported assets, the write-downs are accounted for as reductions to expended deferred capital revenue.
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the District's rate for incremental borrowing or the interest rate implicit in the lease.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Tangible Capital Assets (continued)

- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates starting the year after acquisition or substantial completion:

Land	Not amortized
Buildings	10 – 40 years
Equipment	5 years
Vehicles	5 years
Computer Hardware & Software	5 years

Construction-in-process is not amortized until the asset is substantially ready for use.

e) Deferred Revenue

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per *PS 3200*. These contributions are recognized as deferred revenue by the 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

Unexpended Deferred Capital Revenue (“UDCR”) represents externally restricted supported capital funds provided for a specific capital purpose received or receivable by the District, 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

Expended Deferred Capital Revenue (“EDCR”) represents 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 the District use the asset in a prescribed manner over the life of the associated asset.

f) Operating and Capital Reserves

Certain amounts are internally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Changes in Accumulated Surplus.

g) Liability for Contaminated Sites

In June 2010, the Public Sector Accounting Board issued this accounting standard effective for fiscal years starting on or after April 1, 2014. Contaminated sites are a result of contamination being introduced into the air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard. At August 31, 2016, there is no liability for contaminated sites.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**h) Revenue Recognition**

Revenue is 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 District has to meet in order to receive certain contributions. *Stipulations* describe what the 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 the stipulations are met, except when and to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *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;
- UDCR; or
- EDCR.

i) Expenses

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

Allocation of costs:

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

j) Pensions

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

The current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the *Teachers' Pension Plan Act*, the District does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the District is included in both revenue and expenses. For the school year ended August 31, 2016, the amount contributed by the Government was \$4,005,788 (2015 - \$3,731,222).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**j) Pensions (continued)**

The District participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. For the year ended August 31, 2016, the expense for this pension plan is equivalent to the annual contributions of \$ 1,214,651 for the year ended August 31, 2016 (2015 - \$1,192,517). At December 31, 2015, the Local Authorities Pension Plan reported an actuarial deficiency of \$923,416,000 (2014 - deficiency of \$2,454,636,000).

k) Supplementary Integrated Pension Plan

The Alberta School Boards Association ("ASBA") Supplementary Integrated Pension Plan ("SIPP"), a multi-employer registered defined-benefit pension plan sponsored by the ASBA which is subject to the provisions of the *Alberta Employment Pension Plans Act*, was effective January 1, 2004. It provides supplementary pension benefits to a prescribed class of employees. The plan supplements the LAPP or the ATRF.

The current service contributions in 2016 were \$69,700 (2015 - \$45,900). The accrued benefit liability at August 31, 2016 is \$777,200 (2015 - \$741,300).

l) Non-registered Supplementary Integrated Pension Plan

The non-registered SIPP, a retirement program sponsored by the District, commenced in 2005 and provides supplementary pension benefits to a prescribed class of employees. The non-registered SIPP supplements the LAPP, ATRF, and registered SIPP pension plans.

The cost of the non-registered SIPP post-retirement benefits earned by employees is actuarially determined using the projected-benefit method prorated on service and management's best estimate of salary and benefit escalation and retirement ages of employees.

m) Program Reporting

The District's operations have been segmented into operating segments established to facilitate the achievement of the District's long-term objectives to aid in resource allocation decisions, and to assess operational performance. The segments are differentiated by major activity as follows:

- **ECS Instruction:** The provision of Early Childhood Services education instructional services that fall under the basic public education mandate.
- **Grade 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 facilities.
- **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 are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The allocation of revenue and expenses are reported by program, source, and object on the Schedule of Program Operations.

n) Trusts Under Administration

The District has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The District holds title to the property for the benefit of the beneficiary. Trusts under administration have been excluded from the financial reporting of the District. Trust balances can be found in Note 11.

o) 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 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 and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the District is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

Financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items measured at cost or amortized cost upon initial recognition. The gain or loss arising from derecognition of a financial instrument is recognized in the Statement of Operations. Gains and losses arising from changes in fair value are recognized in the Statement of Remeasurement Gains and Losses. Impairment losses such as write-downs or write-offs are reported in the Statement of Operations.

p) Measurement Uncertainty (Use of Estimates)

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, estimated employee future benefits and estimated cost of remediation of buildings.

3. ACCOUNTS RECEIVABLE

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants		\$ -	\$ -	\$ 49,355
Alberta Education - Capital	222,192	-	222,192	1,175,803
Federal government	193,139	-	193,139	220,512
Municipalities	-	-	-	-
First Nations	-	-	-	-
Foundations	-	-	-	-
Other	1,751,511	(1,010,196)	741,315	450,410
Total	\$ 2,166,842	\$ (1,010,196)	\$ 1,156,646	\$ 1,896,080

Account receivable include past due balances of \$5,012,598 (2015 - \$5,084,680) of which \$4,933,680 (2015 - \$4,854,762) has been recorded as an allowance for doubtful accounts. The remaining balance has been assessed as collectible.

4. BANK INDEBTEDNESS

As at August 31, 2016, the District had an approved line of credit totaling \$2,000,000 (2015 - \$2,000,000). Interest is charged at the prime rate of 2.7% (2015 – 2.7%). This line of credit is secured by a yearly borrowing resolution approved by the Board of Trustees. There is no balance outstanding on the line of credit as at August 31, 2016 (2015 - \$nil).

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
Alberta Education	\$ 233,752	\$ 56,776
Federal government	425,626	475,165
Accrued vacation pay liability	876,735	787,122
Other salaries & benefit costs	167,271	378,226
Other trade payables and accrued liabilities	2,952,604	2,012,310
Total	\$ 4,655,988	\$ 3,709,599

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements
For the year ended August 31, 2016

6. DEFERRED REVENUE

Deferred revenue consists of revenue that has not yet been allocated to specific activities, revenue that has been allocated to activities to be carried out in future years, and the unexpended portion of revenue on activities in progress at August 31, 2016. The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2015	ADD: 2015/2016 Restricted Funds Received/ Receivable	DEDUCT: 2015/2016 Restricted Funds Expended (Paid / Payable)	DEFERRED REVENUE as at Aug. 31, 2016
Unexpended deferred operating revenue				
Alberta Education:				
Infrastructure Maintenance Renewal	\$ 1,365,545	\$ 898,291	-\$ 589,386	\$ 1,674,450
Other Alberta Education def'd revenue (COLA)	242,580	6,933,676	(7,079,832)	96,424
Other Government of Alberta:				
Funding for Teacherages	239,716	-	(14,677)	225,039
Other Deferred Revenue:				
School Generated Funds	956,791	982,585	(1,700,013)	239,363
Fees	456,300	998,231	(1,158,171)	296,360
Other (Peak Program)	10,510	238,473	(225,584)	23,399
Other (Greely Road School Apple)	-	4,000	(2,000)	2,000
Other ECDP fee adj.	-	8,625	-	8,625
Total unexpended deferred operating revenue	\$ 3,271,442	\$ 10,063,881	\$ (10,769,663)	\$ 2,565,660
Unexpended deferred capital revenue (Schedule 2)	9,763,473	3,474,384	(2,627,971)	10,609,886
Expended deferred capital revenue (Schedule 2)	95,160,675	22,720,067	(6,312,158)	111,568,584
Total	\$ 108,195,590	\$ 36,258,332	\$ (19,709,792)	\$ 124,744,130

7. PREPAID EXPENSES

Prepaid expenses consist of the following:

	2016	2015
Prepaid insurance	\$ 22,019	\$ 44,112
Prepaid rights Wood Buffalo housing	225,039	239,716
Other	172,201	222,911
Total	\$ 419,259	\$ 506,739

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements
For the year ended August 31, 2016

8. ACCUMULATED SURPLUS

Detailed information related to accumulated surplus is available on the Schedule of Changes in Accumulated Surplus. Accumulated surplus may be summarized as follows:

	2016	2015
Unrestricted surplus	\$ 5,316	\$ 1,610
Operating reserves	8,847,969	7,965,900
Accumulated surplus (deficit) from operations	8,853,285	7,967,510
Investment in tangible capital assets	7,177,315	6,945,780
Capital reserves	657,317	702,827
Accumulated surplus (deficit)	<u>\$ 16,687,917</u>	<u>\$ 15,616,117</u>

Accumulated surplus from operations includes school generated funds of \$835,132 (2015 - \$452,470). These funds are raised at school level and are not available to spend at the board level. The District's adjusted surplus from operations is calculated as follows:

	2016	2015
Accumulated surplus (deficit) from operations	\$ 8,853,285	\$ 7,967,510
Deduct: School generated funds included in accumulated surplus (Note 11)	<u>835,132</u>	<u>452,470</u>
Adjusted accumulated surplus (deficit) from operations ⁽¹⁾	<u>\$ 8,018,153</u>	<u>\$ 7,515,040</u>

- (1) Adjusted accumulated surplus from operations represents funding available for use by the District after deducting funds committed for use by the schools.

9. CONTRACTUAL OBLIGATIONS

	2016	2015
Building projects ⁽¹⁾	\$ 500,000	\$ 1,500,000
Service providers (2)	144,000	444,000
Xerox Equipment Lease (3)	386,895	527,383
Total	<u>\$ 1,030,895</u>	<u>\$ 2,471,383</u>

Building projects (1): The District has committed to expenditures of \$500,000 for architect fees in 2017 related to building projects.

Service providers (2): The District has committed to service contracts for Meta, fire alarm and elevator service for an annual amount \$144,000 expiring in 2016.

Xerox Equipment Lease (3): The School District has entered a lease agreement for the rental of photocopiers for an annual amount of \$140,488, expiring in 2018.

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements
For the year ended August 31, 2016

9. CONTRACTUAL OBLIGATIONS (continued)

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

	Building Projects	Service Providers	Xerox Lease
2016-2017	\$ 500,000	\$ 144,000	\$ 140,488
2017-2018	-	-	140,488
2018-2019	-	-	105,919
Thereafter	-	-	-
	\$ 500,000	\$ 144,000	\$ 386,895

10. TRUSTS UNDER ADMINISTRATION

These balances represent assets that are held in trust by the District. They are not recorded on the statements of the District.

	2016	2015
Deferred salary leave plan	\$ -	\$ -
Scholarship trusts	135,464	143,584
Regional Collaborative Service Delivery (Banker board)	385,742	197,281
Total	\$ 521,206	\$ 340,865

11. SCHOOL GENERATED FUNDS

	2016	2015
School Generated Funds, Beginning of Year	\$ 1,409,261	\$ 1,193,377
Gross Receipts:		
Fees	791,821	923,040
Fundraising	453,748	169,889
Gifts and donations	76,919	18,420
Other sales and services	451,918	35,363
Total gross receipts	1,774,406	1,146,712
Total Related Expenses and Uses of Funds	1,633,905	442,228
Total Direct Costs Including Cost of Goods Sold to Raise Funds	475,247	488,600
School Generated Funds, End of Year	\$ 1,074,515	\$ 1,409,261
Balance included in Deferred Revenue	\$ 239,363	\$ 956,791
Balance included in Accumulated Surplus (Operating Reserves)	\$ 835,152	\$ 452,470

FORT MCMURRAY PUBLIC SCHOOL DISTRICT NO. 2833

Notes to Financial Statements
For the year ended August 31, 2016

12. RELATED PARTY TRANSACTIONS

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school districts. These include government departments, health authorities, post-secondary institutions and other school districts 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	\$ 222,192	\$ 233,752	\$ -	\$ -
Prepaid expenses / Deferred operating revenue	-	1,995,913	-	-
Unexpended deferred capital revenue	-	6,091,047	-	-
Expended deferred capital revenue		111,568,584	6,025,182	
Grant revenue & expenses	-	-	67,045,994	-
ATRF payments made on behalf of district			4,005,788	
Other Alberta school jurisdictions	-	-	107,216	1,366
Post-secondary institutions	-	-	-	221,002
Alberta Infrastructure	-	-	-	
Other GOA ministry - Government of Alberta	-	-	994,688	-
TOTAL 2015/2016	<u>\$ 222,192</u>	<u>\$ 119,889,296</u>	<u>\$ 78,178,868</u>	<u>\$ 222,368</u>
TOTAL 2014/2015	<u>\$ 1,225,158</u>	<u>\$ 102,841,633</u>	<u>\$ 76,715,754</u>	<u>\$ 224,762</u>

13. 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.

14. BUDGET AMOUNTS

The budget was prepared by the District and approved by the Board of Trustees on June 17, 2015

15. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2015/2016 presentation.

16. SIGNIFICANT EVENT

On May 3, 2016 the City of Fort McMurray experienced a major wild fire event and the city and surrounding area was under a mandatory evacuation from May 3, 2016 to June 1, 2016. All Fort McMurray Public Schools were evacuated safely on May 3rd and remained closed for the remainder of the 2015-2016 school year and reopened on September 2nd for the new school year.

Although the District did not lose any buildings to the wildfire, all facilities suffered significant smoke damage requiring significant restoration work. While the District has completed a substantial portion of the work to restore buildings to pre-fire conditions, it is expected that remediation and mitigation efforts will continue into 2017.

The District is insured through the Urban School Boards Insurance Consortium ("USIC"). This insurance provider has been and will be used to fund the cost of the remediation and recovery efforts. Costs incurred as a result of remediation or mitigation efforts are capitalized or expensed in accordance with accounting policies in Note 2. Only costs that represent a betterment, enhancement or new asset are capitalized, with repairs and maintenance being expensed.

As of December 5, 2016 USIC has projected costs of \$44 million on behalf of the District, related to remediation and restoration of buildings and equipment. The District has determined that this cost is related to remediation and does not represent a betterment to any of its assets.

These amounts will be recorded as revenue and expenses in the fiscal year the work is performed. As of December 14, 2016, the gross expenses incurred and gross revenue recovered from insurance by USIC for the year ending August 31, 2016 is not known; however, the net impact to the District's operating surplus (deficit) is \$nil.

Due to significant uncertainty in measurement, as well as significant uncertainty of collectability, the District has not recognized the cost it expects to receive in the future related to remediation and mitigation costs. These amounts will be recorded as revenue and expense in the fiscal year the work is performed.

SCHEDULE 8

UNAUDITED SCHEDULE OF FEE REVENUES
for the Year Ending August 31, 2016 (in dollars)

	Actual 2016	Actual 2015
FEES		
Transportation fees	\$400,758	\$462,197
Basic instruction supplies (text books, including lost or replacement fees, course materials)	\$430,645	\$236,017
Technology user fees	\$0	\$0
Alternative program fees	\$247,990	\$201,878
Fees for optional courses (band, art, etc.)	\$512,823	\$7,549
Fees for students from other boards	\$0	\$239,791
Tuition fees (international & out of province)	\$6,900	\$14,000
Kindergarten & preschool	\$406,453	\$369,545
Extracurricular fees (sports teams and clubs)	\$356,062	\$40,078
Field trips (related to curriculum)	\$279,138	\$12,705
Lunch supervision fees	\$0	\$0
Locker rental; locks; student ID; uniforms; library, student union, and fitness fees	\$119,973	\$17,391
Other (describe)* Music	\$9,094	\$23,918
Other (describe)* Wellness (we day)	\$29,997	\$0
Other (describe)* School based	\$10,251	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
TOTAL FEES	\$2,810,084	\$1,625,069

*PLEASE DO NOT USE "SCHOOL GENERATED FUNDS" AS A CATEGORY

Please disclose amounts paid by parents of students that are recorded as "Other sales and services" or "Other revenue" (rather than fee revenue):	Actual 2016	Actual 2015
Cafeteria sales, hot lunch, milk programs	\$159,632	\$176,194
Special events, graduation, tickets	\$197,401	\$100,250
Student travel (international, recognition trips, non-curricular)	\$131,014	\$124,525
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$144,959	\$99,002
Adult education revenue	\$0	\$3,000
Child care & before and after school care	\$0	\$0
Other (describe) Book fairs	\$85,446	\$9,248
Other (describe) Comissions	\$12,741	\$0
Other (describe) Market revenue & rental income	\$63,310	\$0
TOTAL	\$794,503	\$512,219

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2016 (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	504	96	1,370		
Federally Funded Students	8				
REVENUES					
Alberta Education allocated funding	\$ 569,022	\$ 2,205,910	\$ 1,196,950	\$ 5,770,201	\$ 339,726
Other funding allocated by the board to the program	\$ 87,471	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 656,493	\$ 2,205,910	\$ 1,196,950	\$ 5,770,201	\$ 339,726
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 585,700	\$ 68,308	\$ 853,516	\$ 1,490,776	
Instructional non-certificated salaries & benefits	\$ 135,684	\$ 2,030,165	\$ 413,386	\$ 4,689,860	
SUB TOTAL	\$ 721,384	\$ 2,098,473	\$ 1,266,902	\$ 6,180,636	
Supplies, contracts and services	\$ 10,931	\$ 223,297	\$ 6,757	\$ 266,605	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ 61,500	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 732,315	\$ 2,321,770	\$ 1,273,659	\$ 6,508,741	
NET FUNDING SURPLUS (SHORTFALL)	\$ (75,822)	\$ (115,860)	\$ (76,709)	\$ (738,540)	

SCHEDULE 10

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2016 (in dollars)								
EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
Office of the superintendent	\$ 582,014	\$ 48,428	\$ -	\$ 630,442	\$ -	\$ -	\$ -	\$ 630,442
Educational administration (excluding superintendent)	\$ 117,420	\$ 20,715	\$ -	\$ 138,135	\$ 348,974	\$ -	\$ -	\$ 487,109
Business administration	\$ 747,735	\$ 252,428	\$ -	\$ 1,000,163	\$ 51,093	\$ -	\$ -	\$ 1,051,256
Board governance (Board of Trustees)	\$ 131,974	\$ 130,933	\$ -	\$ 262,907	\$ -	\$ -	\$ -	\$ 262,907
Information technology	\$ 40,487	\$ 23,200	\$ -	\$ 63,687	\$ -	\$ -	\$ -	\$ 63,687
Human resources	\$ 558,908	\$ 58,415	\$ -	\$ 617,323	\$ 47,951	\$ -	\$ -	\$ 665,274
Central purchasing, communications, marketing	\$ 80,104	\$ 13,936	\$ -	\$ 94,040	\$ -	\$ -	\$ -	\$ 94,040
Payroll	\$ 78,213	\$ 12,225	\$ -	\$ 90,438	\$ -	\$ -	\$ -	\$ 90,438
Administration - insurance			\$ 4,556	\$ 4,556				\$ 4,556
Administration - amortization			\$ 68,015	\$ 68,015				\$ 68,015
Administration - other (admin building, interest)			\$ 15,797	\$ 15,797				\$ 15,797
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 2,336,855	\$ 560,280	\$ 88,368	\$ 2,985,503	\$ 448,018	\$ -	\$ -	\$ 3,433,521