

**AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PRAIRIE LAND REGIONAL DIVISION # 25

Legal Name of School Jurisdiction

BAG SERVICE 1400, HANNA, ALBERTA T0J 1P0

Mailing Address

PH: (403) 854-4481 fx: (403) 854-2803

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules (PRAIRIE LAND REGIONAL DIVISION # 25

(Name of School Jurisdiction)

presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

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 budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board 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 have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements and supporting schedules 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 Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
JOHN NEILL	
Name	Signature

SUPERINTENDENT	
WILLIAM LEE	
Name	Signature

SECRETARY TREASURER OR TREASURER	
SHARON ORUM	
Name	Signature

Nov 29, 2005
Board-approved Release Date

c.c. ALBERTA EDUCATION, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

TABLE OF CONTENTS

	Page
AUDITORS' REPORT	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF REVENUES AND EXPENSES	4
STATEMENT OF CASH FLOWS	5
STATEMENT OF CHANGES IN NET ASSETS	6
STATEMENT OF CAPITAL ALLOCATIONS	7
NOTES TO THE FINANCIAL STATEMENTS	

SUPPORTING SCHEDULES

SCHEDULE A	Allocation of Revenues and Expenses to Programs	8
SCHEDULE B	Alberta Education Revenues	9
SCHEDULE C	ECS to Grade 12 Instruction Programs Expense Details	10
SCHEDULE D	Calculation of Maximum Eligible Expense Limits for Board (Governance) and System Administration	11
SCHEDULE E	Source & Application of School Generated Funds (SGF)	12
SCHEDULE F	Operations & Maintenance Program Expenses	13
SCHEDULE G	Disclosure of Salaries and Benefits	14
SCHEDULE G1	Completion Information for Schedule G	15

ELL & ANDERSON

CHARTERED ACCOUNTANTS

TIM L. ELL, B. Mgmt., C.A. *
KELLY D. ANDERSON, B. Comm., C.A. *

203-2nd Avenue,
Box 2110, Hanna,
Alberta T0J 1P0

Phone: (403) 854-4421
Fax: (403) 854-2023

5015 Victoria Avenue
Box 720, Coronation,
Alberta T0C 1C0

Phone: (403) 578-4014
Fax: (403) 578-3561

Auditor's Report

To the Board of Trustees Prairie Land Regional Division #25

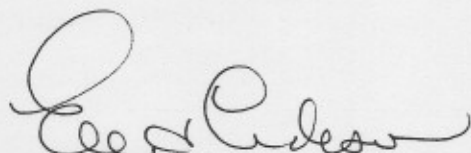
We have audited the statement of financial position of the Prairie Land Regional Division #25 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. 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 plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

HANNA, ALBERTA
NOVEMBER 16, 2005



CHARTERED ACCOUNTANTS



Member of
The Institute of Chartered Accountants of Alberta

* denotes operating as a professional corporation.

STATEMENT OF FINANCIAL POSITION
as at August 31, 2005
(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		\$5,790,535	\$5,580,091
Accounts receivable (net after allowances)		\$743,783	\$913,240
Prepaid expenses		\$48,081	\$16,467
Other current assets		\$0	\$0
Total current assets		\$6,582,399	\$6,509,798
School generated assets		\$297,516	\$299,730
Trust assets		\$681,724	\$686,538
Long term accounts receivable		\$0	\$0
Long term investments		\$0	\$0
Capital assets			
Land		\$574,670	\$574,670
Buildings	\$32,193,807		
Less: accumulated amortization	(\$14,414,875)	\$17,778,932	\$18,566,702
Equipment	\$1,623,310		
Less: accumulated amortization	(\$632,531)	\$990,779	\$667,284
Vehicles	\$4,518,535		
Less: accumulated amortization	(\$3,062,874)	\$1,455,661	\$1,451,528
Total capital assets		\$20,800,042	\$21,260,184
TOTAL ASSETS		\$28,361,681	\$28,756,250
LIABILITIES			
Current liabilities			
Bank indebtedness		\$0	\$0
Accounts payable and accrued liabilities		\$957,763	\$822,415
Deferred revenue		\$594,309	\$323,687
Deferred capital allocations		\$412,011	\$345,239
Current portion of all long term debt		\$518,474	\$545,974
Total current liabilities		\$2,482,557	\$2,037,315
School generated liabilities		\$297,516	\$299,730
Trust liabilities		\$681,724	\$686,538
Employee future benefits liability		\$0	\$0
Long term payables and accrued liabilities		\$0	\$0
Long term debt			
Supported: Debentures and other supported debt		\$3,036,656	\$3,582,630
Less: Current portion of supported debt		(\$518,474)	(\$545,974)
Unsupported: Debentures and Capital Loans		\$0	\$0
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion of unsupported debt		\$0	\$0
Unamortized capital allocations		\$14,572,768	\$14,487,524
Total long term liabilities		\$18,070,190	\$18,510,448
TOTAL LIABILITIES		\$20,552,747	\$20,547,763
NET ASSETS			
Unrestricted net assets		\$219,983	\$268,635
Operating Reserves		\$3,004,774	\$3,469,150
Accumulated Operating Surplus (Deficit)		\$3,224,757	\$3,737,785
Investment in capital assets		\$3,190,630	\$3,190,041
Capital Reserves		\$1,393,547	\$1,280,661
Total Capital Funds		\$4,584,177	\$4,470,702
Total net assets		\$7,808,934	\$8,208,487
TOTAL LIABILITIES AND NET ASSETS		\$28,361,681	\$28,756,250

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2005
(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	\$17,573,049	\$17,161,257	\$17,622,083
Federal Government and/or First Nations	\$9,730	\$3,500	\$13,321
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$528,456	\$583,056	\$481,951
Instruction resource fees	\$163,569	\$120,285	\$143,597
Transportation fees	\$0	\$0	\$0
Other sales and services	\$32,974	\$0	\$198,231
Investment income	\$173,313	\$200,000	\$189,582
Gifts and donations	\$0	\$0	\$1,241
Rentals of facilities	\$99,766	\$105,000	\$105,295
Net school generated funds	\$297,516	\$280,000	\$289,951
Gains on disposal of capital assets	\$27,207	\$15,000	\$52,210
Amortization of capital allocations	\$790,142	\$794,157	\$793,121
Total Revenues	\$19,695,722	\$19,262,255	\$19,890,583
EXPENSES			
Certificated salaries	\$9,123,500	\$8,880,505	\$9,248,968
Certificated benefits	\$880,616	\$1,078,604	\$993,478
Uncertificated salaries and wages	\$4,089,231	\$3,775,114	\$3,800,639
Uncertificated benefits	\$726,710	\$647,162	\$657,796
Services, contracts and supplies	\$3,394,682	\$3,595,346	\$3,389,837
Net school generated funds	\$297,516	\$280,000	\$289,951
Capital and debt services			
Amortization of capital assets			
Supported	\$790,142	\$793,121	\$793,121
Unsupported	\$493,031	\$541,000	\$526,706
Total Amortization of capital assets	\$1,283,173	\$1,334,121	\$1,319,827
Interest on capital debt			
Supported	\$297,731	\$322,100	\$351,968
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$297,731	\$322,100	\$351,968
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$2,116	\$0	\$0
Total Expenses	\$20,095,275	\$19,912,962	\$20,052,464
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(\$399,553)	(\$650,697)	(\$161,881)
Extraordinary Item	\$0	\$0	\$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	(\$399,553)	(\$650,697)	(\$161,881)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2005
(in dollars)

	2005	2004 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	(\$399,553)	(\$161,881)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	(\$790,142)	(\$793,121)
Total amortization expense	\$1,283,173	\$1,319,827
Gains on disposal of capital assets	(\$27,207)	(\$52,210)
Losses on sale of capital assets	\$2,116	\$0
Changes in accrued accounts:		
Accounts receivable	\$169,457	(\$316,210)
Prepays and other current assets	(\$31,614)	\$67,260
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	\$135,348	\$32,459
Deferred revenue	\$270,622	(\$399,453)
Employee future benefit expense (recovery)	\$0	\$0
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	\$612,200	(\$303,329)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$44,727)	(\$25,000)
Equipment	(\$433,096)	(\$65,539)
Vehicles	(\$368,902)	(\$335,240)
Net proceeds from disposal of capital assets	\$48,785	\$55,589
Other (describe) Unamortized Capital Allocation Adjustment	\$0	(\$40,909)
Total sources (uses) of cash from Investing activities	(\$797,940)	(\$411,099)
C. FINANCING ACTIVITIES		
Capital allocations	\$332,403	\$0
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$545,974)	(\$656,454)
Add back: supported portion	\$545,974	\$656,454
Other (describe) Donations	\$63,781	\$0
Total sources (uses) of cash from Financing activities	\$396,184	\$0
Net sources (uses) of cash during year	\$210,444	(\$714,428)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	\$5,580,091	\$6,294,519
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	\$5,790,535	\$5,580,091

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 1115

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 6 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O & M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	\$8,208,487	\$3,190,041	\$288,635	\$4,748,811	\$1,930,509	\$355,489	\$1,141,149	\$268,041	\$230,000	\$3,000	\$0	\$654,151	\$158,492	\$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
Adjusted Balance, Aug. 31, 2004	\$8,208,487	\$3,190,041	\$288,635	\$4,749,811	\$1,930,509	\$355,489	\$1,141,149	\$268,041	\$230,000	\$3,000	\$0	\$654,151	\$158,492	\$0
Surplus(def) of revenue over expenses	(\$300,553)		(\$300,553)											
Board funded capital transactions		\$517,313	\$0	(\$517,313)	(\$47,989)	(\$36,683)	(\$44,170)	(\$39,266)	\$0	(\$28,505)	\$0	(\$320,700)	\$0	\$0
Direct credits to net assets	\$0	\$0												
Amortization of capital assets		(\$1,283,173)	\$1,283,173											
Amortization of capital allocations		\$790,142	(\$790,142)											
Disposal of unsupported capital assets	\$0	(\$23,693)	(\$25,091)	\$48,784		\$3,067		\$18,500		\$25,505		\$1,712		\$0
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0		\$0		\$0		\$0		\$0		\$0
Debt principal payments (unsupported)		\$0	\$0											
Net transfers to operating reserves			(\$291,135)	\$291,135	\$46,151		\$0		\$0		\$242,984		\$0	
Net transfers from operating reserves			\$663,352	(\$663,352)	(\$224,866)		(\$365,071)		\$0		\$0		(\$73,416)	
Net transfers to capital reserves			(\$489,256)	\$489,256		\$101,933		\$76,403		\$20,771		\$290,149		\$0
Net transfers from capital reserves			\$0	\$0		\$0		\$0		\$0		\$0		\$0
Balance at August 31, 2005	\$7,608,934	\$3,190,630	\$219,983	\$4,398,321	\$1,714,806	\$423,788	\$731,908	\$323,678	\$230,000	\$20,771	\$242,984	\$625,312	\$85,076	\$0

**STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005
(in dollars)**

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	\$345,239	\$14,487,524
Prior period adjustment	\$0	\$0
Adjusted balance, August 31, 2004	\$345,239	\$14,487,524
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	\$0	
Other Government of Alberta	\$332,403	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$0	
Proceeds on disposal of supported capital assets	\$0	
Insurance proceeds	\$0	
Donated capital assets (amortizable, at Fair Market Value)		\$63,781
Transferred in capital assets (amortizable, at Net Book Value)		\$0
Current Year Debenture Principal Repayment		\$545,974
Expended capital allocations - current year	(\$265,631)	\$265,631
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		\$0
Capital allocations amortized to revenue		\$790,142
Balance at August 31, 2005	\$412,011	\$14,572,768

PRAIRIE LAND REGIONAL DIVISION #25
Notes to the Financial Statements
Year Ended August 31, 2005

1. AUTHORITY AND PURPOSE

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Revenue Recognition

Revenue is recognized as follows:

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

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

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

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

b) Capital Assets

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

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	2.5% to 20%

Capital assets with costs in excess of \$5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

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

d) Vacation Pay

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

PRAIRIE LAND REGIONAL DIVISION #25
Notes to the Financial Statements
Year Ended August 31, 2005

- e) Pensions —
Pension costs included in these statements comprise the cost 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 Prairie Land Regional Division #25 does not make pension contributions for certificated staff.
- The school board participates in the multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$181,508 for the Year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of \$1,288,924,000 (2003 deficiency of \$1,453,487,000).
- f) Prepaid Expenses
Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.
- g) Contributed Services
Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.
- h) Financial Instruments
These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.
- i) Operating and Capital Reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.
- j) Employee Future Benefits
The jurisdiction accrues annually its employee future benefits obligations, at this time there is no financial impact on the jurisdiction.
- k) Investments
Short term investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investments, at market value.

PRAIRIE LAND REGIONAL DIVISION #25
Notes to the Financial Statements
Year Ended August 31, 2005

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Learning	\$3,415	\$1,659
Federal Government	109,509	99,867
Other Alberta School Jurisdictions	2,611	29,066
Other Province of Alberta	2,800	2,800
Alberta Finance	506,148	693,679
Other	119,300	86,169
Total	\$743,783	\$913,240

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of \$500,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

5. DEFERRED REVENUE

	2005	2004
One Time Grant Funding – AISI	\$133,074	\$183,623
IMP	228,840	83,353
Classroom Initiative	119,697	15,000
Family Resource Worker	65,571	
Other	47,127	41,711
Total	\$594,309	\$323,687

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2005	2004
Scholarship Trusts		
Berry Creek	\$265,794	\$266,492
Cochrane	5,886	5,880
McLaren-Cook	3,830	3,817
Deugo	2,214	2,138
Fielding	58,986	59,160
Neutral Hills	64,314	64,608
Gourlay	3,658	3,655
Housch	1,125	1,123
Gramlich	2,029	2,038
Kush	8,335	8,344
Olsen	4,986	5,012
Shepherd	5,815	6,102
Todd	5,912	5,906
Ward	7,127	7,080
Prairie Land interest on \$200,000 fund	20,478	20,346
Wimmer	3,219	3,690
JC Charyk	32,161	34,797
Special Areas #2 Bursary	136,770	134,089
Faupel	49,085	52,261
Total	\$681,724	\$686,538

PRAIRIE LAND REGIONAL DIVISION #25
Notes to the Financial Statements
Year Ended August 31, 2005

7. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2005-2006	\$518,474	\$272,679	\$791,153
2006-2007	518,474	226,112	744,586
2007-2008	518,474	185,069	703,543
2008-2009	359,204	138,502	497,706
2009-2010	315,810	105,870	421,680
2010 to maturity	806,220	178,934	985,154
Total	\$3,036,656	\$1,107,166	\$4,143,822

b) Capital Leases – Unsupported

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

8. DEFERRED CAPITAL ALLOCATIONS

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

9. UNAMORTIZED CAPITAL ALLOCATIONS

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

10. CONTINGENCIES

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

11. ECONOMIC DEPENDANCE ON RELATED THIRD PARTY

The Prairie Land Regional Division #25's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependant on this funding.

12. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

PRAIRIE LAND REGIONAL DIVISION #25
Notes to the Financial Statements
Year Ended August 31, 2005

13. COMPARATIVE FIGURES

The comparative figures have been reclassified on the Statement of Cashflows to conform with the financial statement presentation adopted for the current year.

14. SUBSEQUENT EVENTS

In November 2005, Prairie Land Regional Division #25 approved the participation of certain eligible employees in the SiPP Non-registered supplementary pension program. The program supplements the ASBA Registered Supplemental Integrated Pension Plan. As at August 31, 2005 the participation agreement and documentation had not been finalized.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Code: 1115

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education Revenues	\$16,274,260	\$12,647,122	\$637,150	\$2,097,559	\$800,155	\$92,274
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	\$81,490	\$0	\$81,490			
(3) Regular Operations & Maintenance support	\$892,011		\$892,011			
(4) Other support	\$0	\$0	\$0			
(5) Total Alberta Infrastructure and Transportation Revenues	\$973,501	\$0	\$973,501			
(6) Alberta Finance	\$297,731		\$297,731			\$0
(7) Other - Government of Alberta	\$27,557	\$0	\$3,557	\$0	\$0	\$24,000
(8) Federal Government and/or First Nations	\$9,730	\$2,126	\$5,797	\$1,087	\$720	\$0
(9) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0
(10) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0
(11) Alberta municipalities (excl. supplementary requisitions)	\$528,456	\$0	\$0	\$315,000	\$0	\$213,456
(12) Instruction resource fees	\$163,569	\$163,569				
(13) Transportation fees	\$0			\$0		
(14) Other sales and services	\$32,974	\$2,518	\$2,234	\$27,866	\$356	\$0
(15) Investment income	\$173,313	\$0	\$0	\$0	\$173,313	\$0
(16) Gifts and donations	\$0	\$0	\$0	\$0		\$0
(17) Rentals of facilities	\$99,766	\$5,086	\$94,680	\$0	\$0	\$0
(18) Net school generated funds	\$297,516	\$297,516			\$0	
(19) Gains on disposal of capital assets	\$27,207	\$3,067	\$22,426	\$1,712	\$0	\$0
(20) Amortization of capital allocations	\$790,142	\$26,783	\$761,359	\$0		\$0
(21) TOTAL REVENUES	\$19,895,722	\$13,149,787	\$2,798,437	\$2,443,224	\$974,544	\$329,730
EXPENSES						
(22) Certificated salaries	\$9,123,500	\$8,929,261			\$194,239	\$0
(23) Certificated benefits	\$860,616	\$860,044			\$20,572	\$0
(24) Uncertificated salaries and wages	\$4,089,231	\$1,548,745	\$788,630	\$1,152,915	\$355,467	\$243,474
(25) Uncertificated benefits	\$726,710	\$322,961	\$159,091	\$111,985	\$81,242	\$51,451
(26) SUB - TOTAL	\$14,820,057	\$11,661,011	\$947,721	\$1,264,880	\$651,520	\$294,925
(27) Services, contracts & supplies	\$3,394,662	\$1,256,740	\$1,077,409	\$645,211	\$307,041	\$108,221
(28) Cost recoveries & charges to programs	\$0	\$0	\$0	\$0	\$0	\$0
(29) Net school generated funds	\$297,516	\$297,516				
Capital and debt services						
Amortization of capital assets						
(30) Supported	\$790,142	\$26,783	\$761,359	\$0	\$0	\$0
(31) Unsupported	\$493,031	\$109,788	\$77,111	\$290,149	\$15,983	\$0
(32) Total Amortization	\$1,283,173	\$136,571	\$838,470	\$290,149	\$15,983	\$0
Interest on capital debt						
(33) Supported	\$297,731	\$0	\$297,731	\$0	\$0	\$0
(34) Unsupported	\$0	\$0	\$0	\$0	\$0	\$0
(35) Other interest charges	\$0	\$0	\$0	\$0	\$0	\$0
(36) Losses on disposal of capital assets	\$2,116		\$2,116	\$0	\$0	\$0
(37) TOTAL EXPENSES	\$20,095,275	\$13,353,838	\$3,163,507	\$2,200,240	\$974,544	\$403,146
(38) SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM	(\$399,553)	(\$204,051)	(\$365,070)	\$242,984	\$0	(\$73,416)

**SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005**

	TOTAL
Base Funding	
Early Childhood Services (ECS)	\$277,984
Base Instruction (Gr 1-12)	\$8,033,278
Outreach Programs	\$52,020
Home Education	\$1,241
Differential Cost Funding *	\$7,320,994
Other Provincial Support	
Institutional Programs	\$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	\$0
Learning Resources Credit	\$16,310
Federal French Funding	\$1,439
Provincial Priority Targeted Funding	
Class Size Initiative	\$111,185
Student Health Initiative (SHI)	\$92,274
Alberta Initiative for School Improvement (AISI)	\$265,307
High Speed Networking	\$0
Children and Youth with Complex Needs	\$0
Other Alberta Education Revenues (describe): Videoconferencing, Prov Microsoft Licence Rebate, Testbook Resources	\$102,228
Total Alberta Education Revenues	\$16,274,260

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

SCHEDULE C the AFS
ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies ¹	Learning Resources	Cost Recoveries & Transfers	Other Expenses ²	TOTAL EXPENSES
School Administration & All Instruction Support	\$9,222,625	\$615,338	\$816,056		\$0	\$382,624	\$11,036,643
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	\$183,254	\$389,433	\$7,489		\$0		\$580,176
ECS Program Unit (PUF)	\$0	\$71,781	\$35,358		\$0		\$107,139
Severe Disabilities (Gr 1-12)	\$0	\$407,033	\$62,320		\$0		\$469,353
English as a Second Language	\$78,368	\$9,737	\$461		\$0		\$88,566
French Language Program & Francisation (all jurisdictions)	\$0	\$0	\$0		\$0		\$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
Home Education	\$0	\$0	\$0		\$0		\$0
Institutional Programs	\$0	\$0	\$0		\$0		\$0
Alberta Initiative for School Improvement	\$210,773	\$54,534	\$0	\$0	\$0		\$265,307
Student Health Initiative	\$0	\$61,764	\$30,510		\$0		\$92,274
High Speed Networking			\$0		\$0		\$0
Class Size	\$94,285	\$16,900	\$0	\$0	\$0		\$111,185
Children and Youth with Complex Needs (ECS - Gr 12)	\$0	\$0	\$0		\$0		\$0
All Other Student Instruction Expenses (ECS - Gr 12)	\$0	\$245,186	\$304,546	\$0	\$0	\$53,463	\$603,195
TOTAL EXPENSES	\$9,789,305	\$1,671,706	\$1,256,740	\$0	\$0	\$436,087	\$13,353,838

FULL-TIME-EQUIVALENCIES <small>(Board/Contract)</small>	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	2.4	17.2
ECS Program Unit (PUF)	0.0	3.2
Severe Disabilities (Gr 1-12)	0.0	18.0

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

**SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR
BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005**

TOTAL EXPENSES	\$20,095,275
STEP 1	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses	
If "Total Net Enrolled Students" are 6,000 and over = 4%	6.00%
If "Total Net Enrolled Students" are 2,000 and less = 6%	
<p>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE. EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%. Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.</p>	
STEP 2	
Calculate maximum expense limit AMOUNTS for Board and System Administration expenses	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$1,205,717
Considerations for Charter Schools and Small School Boards:	
If Charter School, enter \$56,100	\$0
If School Board, please enter your 04-05 Gr 1- 12 funded enrolment	0
	\$0
MAXIMUM EXPENSE LIMIT	\$1,205,717
STEP 3	
Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)	
Actual Board Governance & System Administration expenses	\$974,544
PLUS: transfers to Restricted - Operating (Board/System Administration)	\$0
LESS: transfers from Restricted - Operating (Board/System Administration)	\$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	\$974,544
MAXIMUM EXPENSE LIMIT	\$1,205,717
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-\$231,173

**SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005**

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)			\$299,730
Source of Net School Generated Funds:			
	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$391,505	\$143,764	\$247,741
Student fees (Non-Instructional) (Note 2)	\$80,188		\$80,188
Donations and grants to schools	\$50,475		\$50,475
Other (describe):	\$0	\$0	\$0
Net Additions to SGF	\$522,168	\$143,764	\$378,404
Net SGF Available for Discretionary Spending			\$678,134
Application of Net School Generated Funds:			
Extra-curricular activities			\$148,441
School beautification			\$5,709
Field Trips			\$19,031
Equipment			\$1,142
Family literacy and other community resources			\$38,061
Other (describe):			\$168,234
Net SGF Expended for Discretionary Purposes (Note 3)			\$380,618
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)			\$297,516
<p>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 fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the <i>School Act</i>, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)</p> <p>Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.</p> <p>Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the <i>School Act</i> (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.</p> <p>Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.</p> <p>Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.</p>			

**SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005**

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$470,845	\$265,480	\$0	\$5,340	\$46,965	\$788,630		\$788,630
Uncertificated benefits	\$96,412	\$50,769	\$0	\$424	\$11,486	\$159,091		\$159,091
Sub-total Remuneration	\$567,257	\$316,249	\$0	\$5,764	\$58,451	\$947,721		\$947,721
Contracted Services	\$0	\$122,153	\$1,368	\$0	\$32,513	\$156,034		\$156,034
Supplies	\$68,476	\$121,756	\$0	\$75,726	\$12,950	\$278,908		\$278,908
Electricity			\$285,215			\$285,215		\$285,215
Natural Gas/Heating Fuel			\$215,730			\$215,730		\$215,730
Sewer and Water			\$66,674			\$66,674		\$66,674
Telecommunications			\$12,542			\$12,542		\$12,542
Insurance					\$62,366	\$62,366		\$62,366
Amortization of capital assets								
Supported							\$761,359	\$761,359
Unsupported						\$77,111		\$77,111
Total Amortization						\$77,111	\$761,359	\$838,470
Interest on capital debt								
Supported							\$297,731	\$297,731
Unsupported				\$0		\$0		\$0
Other interest charges						\$0		\$0
Losses on disposal of capital assets						\$2,116		\$2,116
Cost recoveries & transfers						\$0		\$0
TOTAL EXPENSES	\$635,733	\$560,158	\$581,529	\$81,490	\$166,280	\$2,104,417	\$1,059,090	\$3,163,507
SQUARE METRES								
School Buildings								30,824.1
Non School Buildings								5,820.8
UNCERTIFICATED FTE'S (Board/Contract)	13.3	5.5						

Notes:

- Custodial:** All expenses related to activities undertaken to keep the school environment clean and safe.
- Maintenance:** All expenses associated with the repair, replacement 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.
- Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
- Expensed Block Mod/I.M.P. & Portable Relocations:** All expenses associated with non-capital activities related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and 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 and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), 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.

**SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)**

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name John Neill	1.0	\$12,202	\$2,453	\$0			\$14,655	\$8,549
Name	0.0	\$0	\$0	\$0			\$0	\$0
Other Board Members:								
Name Linda Danielsen	1.0	\$7,146	\$2,354	\$0			\$9,500	\$4,471
Name Andrea Heilman	1.0	\$8,197	\$2,392	\$0			\$10,589	\$3,712
Name John Hetherington	1.0	\$7,313	\$2,319	\$0			\$9,633	\$4,746
Name Elaine Homer	1.0	\$8,585	\$2,395	\$0			\$10,980	\$4,946
Name Gloria Nelson	1.0	\$11,176	\$2,435	\$0			\$13,610	\$6,620
Name Duane Roy	1.0	\$7,821	\$2,377	\$0			\$10,197	\$4,786
Name Sheila Taylor	1.0	\$9,204	\$341	\$0			\$9,545	\$4,206
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name Vern Thuroo	0.0	\$1,802	\$0	\$0			\$1,802	\$2,197
Name Richard Bailey	0.0	\$662	\$0	\$0			\$662	\$0
Name Angie Moe	0.0	\$1,042	\$0	\$0			\$1,042	\$1,176
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Subtotal	8.0	\$75,150	\$17,065	\$0			\$92,215	\$45,409
Superintendent Bill Lee	1.0	\$128,158	\$14,888	\$0	\$0	\$0	\$143,046	\$10,925
Superintendent	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer Sharon Orum	1.0	\$102,526	\$23,426	\$0	\$0	\$0	\$125,952	\$4,147
Secretary/Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Salaries	126.3	\$8,849,342	\$865,728	\$0	\$0	\$146,000	\$9,861,070	
Uncertificated Salaries & Wages	159.6	\$3,911,556	\$686,218	\$0	\$0	\$0	\$4,597,774	
TOTALS		\$13,006,732	\$1,607,325	\$0	\$0	\$146,000	\$14,820,057	

Note: Please refer to completion information on page 15.

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS (SECTION 148.1 OF THE SCHOOL ACT)
COMPLETION INFORMATION

(1)	Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.
(2)	Remuneration includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments EXCEPTING TERMINATION BENEFITS (See #10A below), any other direct cash remuneration EXCEPTING PERFORMANCE PAY (See #10 below).
(3)	Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.
(4)	Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.
(5)	Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.
(6)	Salary must include deferred salary accruals.
(7)	Salary includes only payments for services subject to an employer-employee relationship.
(8)	Benefits include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.
(9)	Allowances include all monies paid to an employee as miscellaneous negotiated allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES , as outlined in collective agreements, are included in Remuneration - NOT Allowances.
(10)	Performance Bonuses include those monies paid to employees of the school authority that are tied to the achievement of some specified goal or objective.
(10A)	Other includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).
(11)	Expenses will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee or on his/her behalf in performing the responsibilities of employment.
(12)	The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.
(13)	The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.
(13)	A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.
(14)	Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.
(15)	If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.