

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

East Central Francophone Education Region No. 3

Legal Name of School Jurisdiction

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Mailing Address

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Telephone & Fax Numbers, and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of East Central Francophone Education Region No. 3 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

Ms. Michèle Dallaire

Name



Signature

SUPERINTENDENT

Mr. Marc Dumont

Name

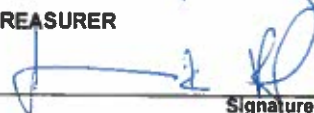


Signature

SECRETARY-TREASURER OR TREASURER

Ms. Jannick Roy-Plante

Name



Signature

November 29, 2016

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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JMD Group LLP CHARTERED ACCOUNTANTS
INDEPENDENT AUDITOR'S REPORT

Maurice R. Joly, CA, CFP*
Barbara K. McCarthy, CA*
Claude R. Dion, CA, CMA*
Richard R. Jean, CA*
Amie Anderson, CA*
Raymond Desjardins, CA, CA-IT*

*Denotes Professional Corporation

To The board of Trustees of the East Central Francophone Education Region No. 3;

We have audited the accompanying financial statements of the East Central Francophone Education Region No. 3, which comprise the statement of financial position as at August 31, 2016, and the statements of operations, cash flows, change in net financial assets, remeasurement gains and losses and schedules (pages 9 – 16) for the year ended August 31, 2016 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.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the East Central Francophone Education Region No. 3 as at August 31, 2016 and its operations, its cash flows, change in net financial assets and remeasurement gains and losses for the year ended August 31, 2016 in accordance with Canadian public sector accounting standards.

ST. PAUL, ALBERTA
November 29, 2016

JMD Group LLP
CHARTERED ACCOUNTANTS

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

		2016	2015
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5)	\$ 505,981	\$ 1,658,266
Accounts receivable (net after allowances)	(Note 3)	\$ 388,525	\$ 83,211
Portfolio investments	(Schedule 5)	\$ -	\$ -
Other financial assets		\$ -	\$ -
Total financial assets		\$ 894,506	\$ 1,741,477
LIABILITIES			
Bank indebtedness	(Note 4)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 5)	\$ 297,219	\$ 230,391
Deferred revenue	(Note 6)	\$ 33,179,932	\$ 35,107,098
Employee future benefit liabilities		\$ -	\$ -
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt	(Note 7)		
Supported: Debentures and other supported debt		\$ -	\$ -
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ 419,103	\$ 493,460
Capital leases		\$ -	\$ -
Total liabilities		\$ 33,896,254	\$ 35,830,949
Net financial assets (debt)		\$ (33,001,748)	\$ (34,089,472)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 5)		
Land		\$ 1,255,002	\$ 1,255,002
Construction in progress		\$ -	\$ -
Buildings		\$ 42,839,866	
Less: Accumulated amortization		\$ (10,674,720)	\$ 32,165,146
Equipment		\$ 4,913,069	
Less: Accumulated amortization		\$ (3,027,409)	\$ 1,885,660
Vehicles		\$ 306,784	
Less: Accumulated amortization		\$ (184,122)	\$ 122,662
Computer Equipment		\$ 74,937	
Less: Accumulated amortization		\$ (69,806)	\$ 5,131
Total tangible capital assets		\$ 35,433,601	\$ 36,830,306
Prepaid expenses	(Note 8)	\$ 248,767	\$ 86,434
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 35,682,368	\$ 36,916,740
Accumulated surplus	(Schedule 1; Note 9)	\$ 2,680,620	\$ 2,827,268
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 2,680,620	\$ 2,827,268
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 2,680,620	\$ 2,827,268
Contractual obligations			
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	\$ 14,154,655	\$ 14,969,380	\$ 14,085,477
Other - Government of Alberta	\$ -	\$ -	\$ -
Federal Government and First Nations	\$ 18,500	\$ -	\$ 20,800
Other Alberta school authorities	\$ 53,000	\$ 46,304	\$ 59,841
Out of province authorities	\$ 9,000	\$ 4,902	\$ 5,907
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 176,560	\$ 194,290	\$ 229,049
Other sales and services	\$ 120,262	\$ 283,955	\$ 133,538
Investment income	\$ 12,000	\$ 9,300	\$ 16,498
Gifts and donations	\$ 15,000	\$ 46,369	\$ 66,798
Rental of facilities	\$ 16,200	\$ 26,505	\$ 18,862
Fundraising	\$ 100,000	\$ 156,161	\$ 167,790
Gains on disposal of capital assets	\$ -	\$ 6,000	\$ 194,705
Other revenue	\$ -	\$ -	\$ -
Total revenues	\$ 14,675,177	\$ 15,743,166	\$ 14,999,265
EXPENSES			
Instruction - ECS	\$ 705,508	\$ 1,046,461	\$ 931,914
Instruction - Grades 1 - 12	\$ 8,701,269	\$ 8,955,447	\$ 8,644,639
Plant operations and maintenance	\$ 2,440,290	\$ 2,626,915	\$ 2,465,996
Transportation	\$ 1,344,240	\$ 1,401,645	\$ 1,359,311
Board & system administration	\$ 800,801	\$ 876,707	\$ 835,592
External services	\$ 837,695	\$ 982,639	\$ 875,854
Total expenses	\$ 14,829,803	\$ 15,889,814	\$ 15,113,306
Operating surplus (deficit)	\$ (154,626)	\$ (146,648)	\$ (114,041)

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

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

	2016	2015
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ (146,648)	\$ (114,041)
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 1,556,950	\$ 1,537,286
Gains on disposal of tangible capital assets	\$ (6,000)	\$ (194,705)
Losses on disposal of tangible capital assets	\$ -	\$ 531
Expended deferred capital revenue recognition	\$ (1,418,539)	\$ (1,418,134)
Deferred capital revenue write-down / adjustment	\$ 21,444	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ (305,314)	\$ 121,537
Prepays	\$ (162,333)	\$ 2,498
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ 66,828	\$ (171,404)
Deferred revenue (excluding EDCR)	\$ (508,627)	\$ 665,452
Employee future benefit liabilities	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from operating transactions	\$ (902,239)	\$ 429,020
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (134,497)	\$ (71,817)
Equipment	\$ (42,692)	\$ (177,765)
Vehicles	\$ (4,500)	\$ (80,681)
Computer equipment	\$ -	\$ -
Net proceeds from disposal of unsupported capital assets	\$ 6,000	\$ 208,704
Other (describe)	\$ -	\$ -
Total cash flows from capital transactions	\$ (175,689)	\$ (121,559)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ -	\$ -
Dispositions of portfolio investments	\$ -	\$ -
Remeasurement (gains) losses reclassified to the statement of operations	\$ -	\$ -
Change in endowments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ -	\$ -
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ 80,000
Repayment of debt	\$ (74,357)	\$ (256,540)
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	\$ (74,357)	\$ (176,540)
Increase (decrease) in cash and cash equivalents	\$ (1,152,285)	\$ 130,921
Cash and cash equivalents, at beginning of year	\$ 1,658,266	\$ 1,527,345
Cash and cash equivalents, at end of year	\$ 505,981	\$ 1,658,266

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)

	2016	2015
<u>Operating surplus (deficit)</u>	\$ (146,648)	\$ (114,041)
<u>Effect of changes in tangible capital assets</u>		
Acquisition of tangible capital assets	\$ (181,689)	\$ (330,263)
Amortization of tangible capital assets	\$ 1,556,950	\$ 1,537,286
Net carrying value of tangible capital assets disposed of	\$ 21,444	\$ 14,530
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ 1,396,705	\$ 1,221,553
<u>Changes in:</u>		
Prepaid expenses	\$ (162,333)	\$ 2,498
Other non-financial assets	\$ -	\$ -
<u>Net remeasurement gains and (losses)</u>		
Endowments	\$ -	\$ -
Increase (decrease) in net financial assets (net debt)	\$ 1,087,724	\$ 1,110,010
Net financial assets (net debt) at beginning of year	\$ (34,089,472)	\$ (35,199,482)
Net financial assets (net debt) at end of year	\$ (33,001,748)	\$ (34,089,472)

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

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

SCHEDULE 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	\$ 2,827,268	\$ -	\$ 2,827,268	\$ 2,212,341	\$ -	\$ 514,927	\$ 100,000	\$ -
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2015	\$ 2,827,268	\$ -	\$ 2,827,268	\$ 2,212,341	\$ -	\$ 514,927	\$ 100,000	\$ -
Operating surplus (deficit)	\$ (146,648)		\$ (146,648)			\$ (146,648)		
Board funded tangible capital asset additions				\$ 159,839		\$ (159,839)		
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		
Net remeasurement gains (losses) for the year	\$ -	\$ -	\$ -					
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Reinvested endowment income	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -					
Amortization of tangible capital assets	\$ -		\$ -	\$ (1,556,950)		\$ 1,556,950		
Capital revenue recognized	\$ -		\$ -	\$ 1,418,539		\$ (1,418,539)		
Debt principal repayments (unsupported)	\$ -		\$ -	\$ 74,357		\$ (74,357)		
Additional capital debt or capital leases	\$ -		\$ -	\$ -				
Net transfers to operating reserves	\$ -		\$ -				\$ -	
Net transfers from operating reserves	\$ -		\$ -			\$ 100,000	\$ (100,000)	
Net transfers to capital reserves	\$ -		\$ -					\$ -
Net transfers from capital reserves	\$ -		\$ -					\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -		\$ -	\$ -		\$ -
Other Changes	\$ -		\$ -		\$ -	\$ -		\$ -
Balance at August 31, 2016	\$ 2,680,620	\$ -	\$ 2,680,620	\$ 2,308,126	\$ -	\$ 372,494	\$ -	\$ -

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	Operating Reserves	Capital Reserves
Balance at August 31, 2015	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments:												
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2015	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating surplus (deficit)												
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported												
Write-down of unsupported tangible capital assets or board funded portion of supported												
Net remeasurement gains (losses) for the year												
Endowment expenses & disbursements												
Endowment contributions												
Reinvested endowment income												
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets												
Capital revenue recognized												
Debt principal repayments (unsupported)												
Additional capital debt or capital leases												
Net transfers to operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers from operating reserves	\$ -	\$ -	\$ (100,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to capital reserves												
Net transfers from capital reserves												
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2015	\$ 157,637	\$ -	\$ -	\$ -	\$ 34,124,506
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2015	\$ 157,637	\$ -	\$ -	\$ -	\$ 34,124,506
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$ -				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Unexpended capital revenue receivable from:					
Alberta Education school building & modular (excl. IMR)	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
Other unexpended capital revenue				\$ -	
Proceeds on disposition of supported capital			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					
Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (21,850)	\$ -	\$ -	\$ -	\$ 21,850
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ 21,444
Other adjustments:		\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 1,418,539
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2016	\$ 135,787	\$ -	\$ -	\$ -	\$ 32,706,373
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2016 (A) + (B) + (C) + (D)					\$ 135,787

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 Maintenance	Transportation	Board & System Administration	External Services	TOTAL
	ECS	Grades 1 - 12					
(1) Alberta Education	\$ 728,368	\$ 8,481,949	\$ 2,451,517	\$ 1,500,563	\$ 858,050	\$ 948,943	\$ 14,969,380
(2) Other - Government of Alberta	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(3) Federal Government and First Nations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ 28,000	\$ 18,304	\$ 46,304
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,902	\$ 4,902
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 41,105	\$ 153,185	\$ -	\$ -	\$ -	\$ -	\$ 194,290
(9) Other sales and services	\$ -	\$ 267,465	\$ 6,000	\$ -	\$ -	\$ 10,490	\$ 283,955
(10) Investment income	\$ -	\$ 9,300	\$ -	\$ -	\$ -	\$ -	\$ 9,300
(11) Gifts and donations	\$ -	\$ 46,369	\$ -	\$ -	\$ -	\$ -	\$ 46,369
(12) Rental of facilities	\$ -	\$ -	\$ 26,505	\$ -	\$ -	\$ -	\$ 26,505
(13) Fundraising	\$ -	\$ 156,161	\$ -	\$ -	\$ -	\$ -	\$ 156,161
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ 6,000	\$ -	\$ 6,000
(15) Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(16) TOTAL REVENUES	\$ 769,463	\$ 9,114,429	\$ 2,484,022	\$ 1,500,563	\$ 892,050	\$ 982,639	\$ 15,743,166
EXPENSES							
(17) Certificated salaries	\$ 518,937	\$ 4,984,241	\$ -	\$ -	\$ 214,168	\$ 197,371	\$ 5,914,717
(18) Certificated benefits	\$ 113,774	\$ 1,103,889	\$ -	\$ -	\$ 33,362	\$ 43,228	\$ 1,294,253
(19) Non-certificated salaries and wages	\$ 290,577	\$ 802,141	\$ 311,815	\$ 52,494	\$ 283,591	\$ 105,077	\$ 1,845,695
(20) Non-certificated benefits	\$ 38,181	\$ 201,773	\$ 54,940	\$ 10,876	\$ 48,053	\$ 22,449	\$ 376,272
(21) SUB - TOTAL	\$ 961,469	\$ 7,092,044	\$ 366,755	\$ 63,370	\$ 579,174	\$ 368,125	\$ 9,430,937
(22) Services, contracts and supplies	\$ 84,992	\$ 1,491,130	\$ 1,134,287	\$ 1,320,912	\$ 237,549	\$ 614,514	\$ 4,883,384
(23) Amortization of supported tangible capital assets	\$ -	\$ 334,849	\$ 1,083,690	\$ -	\$ -	\$ -	\$ 1,418,539
(24) Amortization of unsupported tangible capital assets	\$ -	\$ 37,424	\$ 38,475	\$ 13,655	\$ 48,857	\$ -	\$ 138,411
(25) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ 2,460	\$ 2,460	\$ 7,381	\$ -	\$ 12,301
(27) Other interest and finance charges	\$ -	\$ -	\$ 1,248	\$ 1,248	\$ 3,746	\$ -	\$ 6,242
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 1,046,461	\$ 8,955,447	\$ 2,626,915	\$ 1,401,645	\$ 876,707	\$ 982,639	\$ 15,113,306
(31) OPERATING SURPLUS (DEFICIT)	\$ (276,998)	\$ 158,982	\$ (142,893)	\$ 86,918	\$ 15,343	\$ -	\$ (146,648)

SCHEDULE 4

School Jurisdiction Code: 8060

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	\$ 65,923	\$ 115,592	\$ -	\$ -	\$ 100,300			\$ 311,015	\$ 245,907
Uncertificated benefits	\$ 9,309	\$ 22,980	\$ -	\$ -	\$ 22,651			\$ 54,940	\$ 48,636
Sub-total Remuneration	\$ 105,232	\$ 138,572	\$ -	\$ -	\$ 122,951			\$ 366,755	\$ 294,543
Supplies and services	\$ 283,435	\$ 376,689	\$ 39,872	\$ 82,710	\$ 20,694			\$ 812,380	\$ 719,076
Electricity			\$ 181,782					\$ 181,782	\$ 172,199
Natural gas/heating fuel			\$ 61,481					\$ 61,481	\$ 75,750
Sewer and water			\$ 4,995					\$ 4,995	\$ 6,919
Telecommunications			\$ -					\$ -	\$ -
Insurance			\$ -		\$ 57,607			\$ 57,607	\$ 56,484
ASAP maintenance & renewal payments								\$ -	\$ -
Amortization of tangible capital assets								\$ -	\$ -
Supported								\$ -	\$ -
Unsupported							\$ 1,083,690	\$ 1,083,690	\$ 1,087,150
Total Amortization						\$ 38,475	\$ 1,083,690	\$ 38,475	\$ 35,176
Interest on capital debt						\$ 38,475	\$ 1,122,165	\$ 1,122,165	\$ 1,122,326
Supported								\$ -	\$ -
Unsupported						\$ 2,460	\$ -	\$ 2,460	\$ 3,722
Lease payments for facilities				\$ 16,042			\$ -	\$ 16,042	\$ 13,939
Other interest charges						\$ 1,245	\$ -	\$ 1,245	\$ 1,058
Losses on disposal of capital assets						\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 398,667	\$ 517,241	\$ 285,130	\$ 98,752	\$ 201,252	\$ 42,163	\$ 1,083,690	\$ 2,626,915	\$ 2,465,996
SQUARE METRES									
School buildings								16,477.6	16,377.6
Non school buildings								2,496.6	2,496.6

Note:

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

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

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

Expensed IMR & Modular Unit Relocation & Lease Pmts: All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

Unsupported Amortization & Other Expenses: All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.

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

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

Cash & Cash Equivalents

	Average Effective (Market) Yield	2016		2015
		Cost	Amortized Cost	Amortized Cost
Cash	0%	\$ 505,981	\$ 505,981	\$ 1,658,268
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents	0.00%	\$ 505,981	\$ 505,981	\$ 1,658,268

See Note 3 for additional detail.

Portfolio Investments

	Average Effective (Market) Yield	2016			2015
		Cost	Fair Value	Balance	Balance
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed interest certificates	0.00%	-	-	-	-
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	0.00%	-	-	-	-
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ -
Foreign	0.00%	-	-	-	-
Total equities	0.00%	-	-	-	-
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total portfolio investments	0.00%	\$ -	\$ -	\$ -	\$ -

See Note 5 for additional detail.

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

	2016	2015
Under 1 year	100.0%	100.0%
1 to 5 years	0.0%	0.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	100.0%	100.0%

SCHEDULE 6

School Jurisdiction Code: **8060**

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

	2016							2015
	Land	Construction In Progress	Buildings 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total	Total
Estimated useful life								
Historical cost								
Beginning of year	\$ 1,255,002	\$ -	\$ 42,812,589	\$ 4,870,377	\$ 339,862	\$ 74,937	\$ 49,352,767	\$ 49,058,830
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	-	134,497	42,692	4,500	-	181,689	330,263
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	(107,220)	-	(37,578)	-	(144,798)	(36,326)
	\$ 1,255,002	\$ -	\$ 42,839,866	\$ 4,913,069	\$ 306,784	\$ 74,937	\$ 49,389,658	\$ 49,352,767
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 9,644,900	\$ 2,646,947	\$ 175,895	\$ 54,819	\$ 12,522,461	\$ 11,006,971
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	1,115,596	380,562	45,805	14,987	1,556,950	1,537,286
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	(85,776)	-	(37,578)	-	(123,354)	(21,796)
	\$ -	\$ -	\$ 10,674,720	\$ 3,027,409	\$ 184,122	\$ 69,806	\$ 13,956,057	\$ 12,522,461
Net Book Value at End of Year	\$ 1,255,002	\$ -	\$ 32,165,146	\$ 1,885,660	\$ 122,662	\$ 5,131	\$ 35,433,601	\$ 36,830,306

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

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
Chair	-	\$0	\$0	\$0	\$0		\$0	\$0
Michelle Dallaire	1.00	\$12,755	\$248	\$0	\$0		\$0	\$15,036
Other members	-	\$0	\$0	\$0	\$0		\$0	\$0
Daniel Aubertin	1.00	\$6,675	\$70	\$0	\$0		\$0	\$9,305
Sonia Vincent	1.00	\$3,785	\$23	\$0	\$0		\$0	\$2,147
Natale Beland	1.00	\$5,230	\$38	\$0	\$0		\$0	\$2,180
Reginald Roy	1.00	\$4,165	\$9	\$0	\$0		\$0	\$2,355
Guy Genereux	1.00	\$465	\$1	\$0	\$0		\$0	\$80
	-	\$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	6.00	\$33,075	\$389	\$0	\$0		\$0	\$30,103
Marc Dumoni, Superintendent	1.00	\$214,168	\$33,362	\$0	\$0	\$0	\$0	\$22,358
Marc Labonte, Secretary/Treasurer	1.00	\$156,205	\$28,657	\$0	\$0	\$0	\$0	\$6,126
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated teachers	55.34	\$5,700,549	\$1,260,891	\$0	\$0	\$0	\$0	\$0
Non-certificated - other	35.99	\$1,656,415	\$347,226	\$0	\$0	\$0	\$0	\$0
TOTALS	99.33	\$7,760,412	\$1,670,525	\$0	\$0	\$0	\$0	\$58,587

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2016

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 funding for instruction and support under Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

The jurisdiction is exempt from tax under the Income Tax Act.

2. Summary of Significant Accounting Policies

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

a) Cash and cash equivalents

Cash and cash equivalents include 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:

- i) Tangible capital assets acquired or constructed are recorded at cost, including amounts 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.
- ii) 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.
- iii) Work-in-progress is recorded as a transfer to the applicable asset class at substantial completion.

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2016

2. Summary of Significant Accounting Policies (continued)

c) Tangible capital assets (continued)

- iv) Buildings include site and leasehold improvements as well as assets under capital lease.
- v) Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the School 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.
- vi) Buildings that are demolished or destroyed are written-off.
- vii) Tangible capital assets with costs in excess of \$5,000 are capitalized.
- viii) Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles	10% to 20%
Computer hardware and software	20% to 25%
Other equipment and furnishings	10% to 20%

d) Deferred revenue

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

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

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

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2016

2. Summary of Significant Accounting Policies (continued)

e) Asset retirement obligations

The School Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be discharged in the future by funding through the Alberta Government. The School Division believes that there is insufficient information to estimate the fair value of the asset retirement obligation because the settlement date or the range of potential settlement dates has not been determined and information is not available to apply an expected present value technique.

f) Operating and capital reserves

Certain amounts are internally or externally 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) Revenue recognition

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

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

Eligibility criteria are criteria that the School District has to meet in order to receive certain contributions. *Stipulations* describe what the School District must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with stipulations are recognized as revenue in the period the stipulations are met, except when and to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with Section PS 3200. Such liabilities are recorded as deferred revenue.

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2016

2. Summary of Significant Accounting Policies (continued)

h) 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:

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

i) 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 East Central Francophone Education Region No. 3 does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2016, the amount contributed by the Government was \$677,376 (2015 - \$699,677).

The school board along with the active non-certificated members contribute to an RRSP plan. The employer expense for this pension plan is \$141,120 for the year ended August 31, 2016 (2015 - \$128,105).

j) Program reporting

The Division's operations have been segmented as follows:

i) ECS instruction

The provision of Early Childhood Services education instructional services that fall under the basic public education mandate.

ii) Grade 1-12 instruction

The provision of instructional services for grades 1 – 12 that fall under the basic public education mandate.

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2016

2. Summary of Significant Accounting Policies (continued)

j) Program reporting (continued)

iii) Plant operations and maintenance

The operation and maintenance of all school buildings and maintenance shop facilities.

iv) Transportation

The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facility expenses.

v) Board and system administration

The provision of board governance and system-based/central office administration.

vi) External services

All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education must be self-supporting, and Alberta Education funding may not be utilized to support these programs.

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

k) Financial instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

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

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2016

2. Summary of Significant Accounting Policies (continued)

l) Measurement uncertainty

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets and rates for amortization.

3. Accounts Receivable

	2016			2015
	Gross <u>Amount</u>	Allowance For Doubtful <u>Accounts</u>	Net Realizable <u>Value</u>	Net Realizable <u>Value</u>
Alberta Education - Grants	\$ 306,172	\$ --	\$ 306,172	\$ --
Other Alberta school jurisdictions	--	--	--	19,095
Other	<u>82,353</u>	<u>--</u>	<u>82,353</u>	<u>64,116</u>
Total	<u>\$ 388,525</u>	<u>\$ --</u>	<u>\$ 388,525</u>	<u>\$ 83,211</u>

4. Bank Indebtedness

The jurisdiction has negotiated a line of credit in the amount of \$83,211 that bears interest at bank prime. This line of credit is secured by a borrowing resolution and a general security agreement and is due November 30, 2016. There was no balance at August 31, 2016 (2015 - \$nil).

5. Accounts Payable and Accrued Liabilities

	<u>2016</u>	<u>2015</u>
Alberta Education	\$ --	\$ 10,983
Other Alberta school jurisdictions	83,450	66,158
Other salaries and benefits cost	1,864	1,075
Interest on long-term debt	973	1,095
Other trade payables and accrued liabilities	<u>210,932</u>	<u>151,080</u>
	<u>\$ 297,219</u>	<u>\$ 230,391</u>

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2016

6. Deferred Revenue

<u>Source and Grant or Fund Type</u>	<u>Deferred Revenue as at Aug. 31, 2015</u>	<u>Add: 2015/2016 Restricted Funds Received/ Receivable</u>	<u>Deduct: 2015/2016 Restricted Funds Expended Paid/Payable</u>	<u>Deferred Revenue as at Aug. 31, 2016</u>
Unexpended deferred operating revenue				
Alberta Education:				
Infrastructure Maintenance Renewal	\$ 227,552	\$ 131,845	\$ (82,710)	\$ 276,687
SuperNet Service	--	48,000	(48,000)	--
Other Government of Alberta:				
Francophone Distance Learning	529,518	220,355	(746,664)	3,209
Other Deferred Revenue:				
School Generated Funds	<u>67,885</u>	<u>429,723</u>	<u>(439,732)</u>	<u>57,876</u>
Total unexpended deferred operating revenue	824,955	829,923	(1,317,106)	337,772
Unexpended deferred capital revenue (schedule 2)	157,637	--	(21,850)	135,787
Expended deferred capital revenue (schedule 2)	<u>34,124,506</u>	<u>21,850</u>	<u>(1,439,983)</u>	<u>32,706,373</u>
Total	<u>\$ 35,107,098</u>	<u>\$ 851,773</u>	<u>\$ (2,778,939)</u>	<u>\$ 33,179,932</u>

7. Debt

	<u>2016</u>	<u>2015</u>
Lakeland Credit Union mortgage bearing interest at prime per annum, repayable in monthly blended payments of \$7,232. The mortgage is due on demand and is secured by a first collateral mortgage in the amount of \$750,000 and assignment of rents.	<u>\$ 419,103</u>	<u>\$ 493,460</u>

Unsupported mortgages:

The following is a summary of principal and interest payments on related long-term debt outstanding at August 31, 2016:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016 - 2017	\$ 76,405	\$ 10,375	\$ 86,780
2017 - 2018	78,494	8,286	86,780
2018 - 2019	80,640	6,140	86,780
2019 - 2020	82,844	3,936	86,780
2020 - 2021	85,109	1,671	86,780
2021 - maturity	<u>15,611</u>	<u>55</u>	<u>15,666</u>
Total	<u>\$ 419,103</u>	<u>\$ 30,463</u>	<u>\$ 449,566</u>

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2016

8. Prepaid Expenses

Prepaid expenses consist of the following:

	<u>2016</u>	<u>2015</u>
Prepaid insurance	\$ 23,737	\$ --
Prepaid school supplies	165,762	85,447
Prepaid power rebate program	58,557	--
Other	<u>711</u>	<u>987</u>
Total	<u>\$ 248,767</u>	<u>\$ 86,434</u>

9. 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:

	<u>2016</u>	<u>2015</u>
Unrestricted surplus	\$ <u>372,494</u>	\$ <u>514,927</u>
Accumulated surplus from operations	372,494	514,927
Investment in tangible capital assets	2,308,126	2,212,341
Operating reserves	<u>--</u>	<u>100,000</u>
Accumulated surplus	<u>\$ 2,680,620</u>	<u>\$ 2,827,268</u>

Accumulated surplus from operations include funds of \$108,489 that are raised at school level and are not available to spend at board level. The school jurisdiction's adjusted surplus from operations is calculated as follows:

	<u>2016</u>	<u>2015</u>
Accumulated surplus from operations	\$ 372,494	\$ 514,927
Deduct school generated funds included in accumulated surplus (note 10)	(108,489)	(106,320)
Adjusted accumulated surplus from operations	<u>\$ 264,005</u>	<u>\$ 408,607</u>

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2016

10. School Generated Funds

	<u>2016</u>	<u>2015</u>
School Generated Funds, beginning of year	\$ <u>174,205</u>	\$ <u>146,724</u>
Gross Receipts:		
Fundraising	156,161	155,139
Fees	68,473	119,731
Gifts and donations	2,000	23,779
Other sales and services	205,244	92,390
Interest	<u>14</u>	<u>75</u>
Total gross receipts	<u>431,892</u>	<u>391,114</u>
Total related expenses and uses of funds	(219,953)	(179,700)
Total direct costs including cost of goods sold to raise funds	<u>(219,779)</u>	<u>(183,933)</u>
	<u>(439,732)</u>	<u>(363,633)</u>
School Generated Funds, end of year	\$ <u>166,365</u>	\$ <u>174,205</u>
Balance included in Deferred Revenue	\$ <u>57,876</u>	\$ <u>67,885</u>
Balance included in Accumulated Surplus	\$ <u>108,489</u>	\$ <u>106,320</u>

11. Related Party Transactions

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	<u>Balances</u>		<u>Transactions</u>	
	<u>Financial Assets</u> at cost or net <u>realizable value</u>	<u>Liabilities at</u> <u>amortized cost</u>	<u>Revenues</u>	<u>Expenses</u>
Government of Alberta (GOA):				
Education				
Accounts receivable/Accounts payable	\$ 306,172	\$ --	\$ --	\$ --
Deferred revenue	--	276,687	--	--
Unexpended deferred capital revenue	--	135,787	--	--
Expended deferred capital revenue	--	32,706,373	--	--
Grant revenue	--	--	14,969,380	--
Other Alberta school jurisdictions	<u>--</u>	<u>83,450</u>	<u>46,304</u>	<u>500,625</u>
Total 2015/2016	<u>\$ 306,172</u>	<u>\$ 33,202,297</u>	<u>\$ 15,015,684</u>	<u>\$ 500,625</u>
Total 2014/2015	<u>\$ 19,095</u>	<u>\$ 35,586,836</u>	<u>\$ 14,109,318</u>	<u>\$ 392,027</u>

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2016

12. Economic Dependence on Related Party

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

13. Budget Amounts

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 25, 2015. It is presented for information purposes only and has not been audited.

14. Comparative Figures

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

SCHEDULE 8

School Jurisdiction Code: 8060

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

	Actual 2016	Actual 2015
FEES		
Transportation fees	\$0	\$0
Basic instruction supplies (text books, including lost or replacement fees, course materials)	\$33,515	\$38,234
Technology user fees	\$32,747	\$33,123
Alternative program fees	\$0	\$0
Fees for optional courses (band, art, etc.)	\$18,450	\$0
Fees for students from other boards	\$0	\$0
Tuition fees (international & out of province)	\$0	\$0
Kindergarten & preschool	\$41,105	\$40,400
Extracurricular fees (sports teams and clubs)	\$55,649	\$35,668
Field trips (related to curriculum)	\$12,824	\$81,624
Lunch supervision fees	\$0	\$0
Locker rental; locks; student ID; uniforms; library, student union, and fitness fees	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
TOTAL FEES	\$194,290	\$229,049

**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	\$40,469	\$29,418
Special events, graduation, tickets	\$22,384	\$20,954
Student travel (international, recognition trips, non-curricular)	\$81,851	\$20,926
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$70,548	\$21,092
Adult education revenue	\$0	\$0
Child care & before and after school care	\$52,213	\$18,959
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
Other (describe)	\$0	\$0
TOTAL	\$267,465	\$111,349

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	11	3	30		
Federally Funded Students					
REVENUES					
Alberta Education allocated funding	\$ 11,192	\$ 72,398	\$ 35,343	\$ 462,081	\$ 1,554,799
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 11,192	\$ 72,398	\$ 35,343	\$ 462,081	\$ 1,554,799
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 10,667	\$ 10,464	\$ 21,235	\$ 28,824	
Instructional non-certificated salaries & benefits	\$ -	\$ 64,461	\$ 2,791	\$ 403,348	
SUB TOTAL	\$ 10,667	\$ 74,925	\$ 24,026	\$ 432,172	
Supplies, contracts and services	\$ -	\$ 28,772	\$ 538	\$ 65,769	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Training	\$ -	\$ 231	\$ -	\$ 913	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 10,667	\$ 103,928	\$ 24,564	\$ 498,854	
NET FUNDING SURPLUS (SHORTFALL)	\$ 525	\$ (31,530)	\$ 10,779	\$ (36,773)	

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	TOTAL	
Office of the superintendent	\$ 247,530	\$ 25,253	\$ -	\$ 272,783	\$ -	\$ -	\$ -	\$ 272,783	
Educational administration (excluding superintendent)	\$ 71,457	\$ 38,643	\$ -	\$ 110,100	\$ -	\$ -	\$ -	\$ 110,100	
Business administration	\$ 92,432	\$ 51,274	\$ -	\$ 143,706	\$ 92,430	\$ 62,728	\$ -	\$ 298,864	
Board governance (Board of Trustees)	\$ 33,464	\$ 30,103	\$ -	\$ 63,567	\$ -	\$ -	\$ -	\$ 63,567	
Information technology	\$ -	\$ 27,018	\$ -	\$ 27,018	\$ -	\$ -	\$ -	\$ 27,018	
Human resources	\$ 49,376	\$ 9,484	\$ -	\$ 58,860	\$ 104,924	\$ 30,296	\$ -	\$ 194,080	
Central purchasing, communications, marketing	\$ 59,182	\$ 29,781	\$ -	\$ 88,963	\$ 17,155	\$ 102,851	\$ -	\$ 208,969	
Payroll	\$ 25,733	\$ 20,518	\$ -	\$ 46,251	\$ 17,155	\$ -	\$ -	\$ 63,406	
Administration - insurance			\$ 5,475	\$ 5,475			\$ 3,650	\$ 9,125	
Administration - amortization			\$ 48,857	\$ 48,857			\$ 27,310	\$ 76,167	
Administration - other (admin building, interest)			\$ 11,127	\$ 11,127			\$ 7,416	\$ 18,543	
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 579,174	\$ 232,074	\$ 65,459	\$ 876,707	\$ 231,664	\$ 195,875	\$ 38,376	\$ 1,342,622	