

Financial Statements of

**ALBERTA SCHOOL
BOARDS ASSOCIATION**

Year ended August 31, 2008



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AUDITORS' REPORT TO THE MEMBERS OF ALBERTA SCHOOL BOARDS ASSOCIATION

We have audited the balance sheet of Alberta School Boards Association as at August 31, 2008 and the statements of revenues, expenditures and fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Association'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 an audit to obtain reasonable assurance 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 Association as at August 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and extends to the right, ending under the 'P'.

Chartered Accountants

Edmonton, Canada
November 18, 2008

ALBERTA SCHOOL BOARDS ASSOCIATION

Financial Statements

Year ended August 31, 2008

Financial Statements

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ALBERTA SCHOOL BOARDS ASSOCIATION

Balance Sheet

August 31, 2008, with comparative figures for 2007

| | Operating Fund | Capital Fund | Reserve Fund | 2008 Total | 2007 Total |
|---|-------------------|-----------------|-----------------|---------------|---------------|
| Assets | | | | | |
| Current assets: | | | | | |
| Cash (note 2): | | | | | |
| Unrestricted | \$ 1,584,730 | \$ - | \$ 431,720 | \$ 2,016,450 | \$ 1,714,387 |
| Restricted | 165,129 | - | - | 165,129 | 84,202 |
| | 1,749,859 | - | 431,720 | 2,181,579 | 1,798,589 |
| Accounts receivable | 479,137 | - | - | 479,137 | 493,649 |
| Prepaid expenses | 83,379 | - | - | 83,379 | 88,239 |
| Deferred charges (note 4) | - | - | - | - | 44,040 |
| | 2,312,375 | - | 431,720 | 2,744,095 | 2,424,517 |
| Investments (note 2) | 320,028 | - | 600,000 | 920,028 | 872,972 |
| Investment in ALARIE Attorney in Fact Ltd., at cost | - | - | - | - | 1 |
| Advances to PICA Electrical Aggregation Program (note 5) | 170,907 | - | - | 170,907 | 170,907 |
| Membership | 250 | - | - | 250 | 250 |
| Capital assets (note 6) | - | 359,560 | - | 359,560 | 369,280 |
| | \$ 2,803,560 | \$ 359,560 | \$ 1,031,720 | \$ 4,194,840 | \$ 3,837,927 |

Liabilities and Fund Balances

| | | | | | |
|---|--------------|------------|--------------|--------------|--------------|
| Current liabilities: | | | | | |
| Accounts payable and accrued liabilities | \$ 621,791 | \$ - | \$ - | \$ 621,791 | \$ 531,548 |
| Due to Board Learning Centre (note 2) | 45,129 | - | - | 45,129 | 44,202 |
| Due to AADAC Steering Committee (note 2) | 20,000 | - | - | 20,000 | 40,000 |
| Due to Legal Trust Account (note 2) | 100,000 | - | - | 100,000 | - |
| | 786,920 | - | - | 786,920 | 615,750 |
| Deferred tenant allowance | - | 35,439 | - | 35,439 | 59,064 |
| Pension obligation (note 7) | 95,400 | - | - | 95,400 | 69,500 |
| Fund balances | 1,921,240 | 324,121 | 1,031,720 | 3,277,081 | 3,093,613 |
| Commitments (note 8) | | | | | |
| | \$ 2,803,560 | \$ 359,560 | \$ 1,031,720 | \$ 4,194,840 | \$ 3,837,927 |

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director

ALBERTA SCHOOL BOARDS ASSOCIATION

Statement of Revenues, Expenditures and Fund Balances

Year ended August 31, 2008, with comparative figures for 2007

| | Operating Fund | Capital Fund | Reserve Fund | 2008 Total | 2007 Total |
|---|-------------------|-----------------|-----------------|---------------|---------------|
| Operating revenue (Schedule A) | \$ 4,247,077 | \$ - | \$ - | \$ 4,247,077 | \$ 4,137,292 |
| Expenditures: | | | | | |
| Operating (Schedule B) | 3,710,725 | - | - | 3,710,725 | 3,559,761 |
| Governance and task force | 470,488 | - | - | 470,488 | 572,510 |
| | 4,181,213 | - | - | 4,181,213 | 4,132,271 |
| | 65,864 | - | - | 65,864 | 5,021 |
| Self-supporting functions: | | | | | |
| General meetings and seminars: | | | | | |
| Revenue | 686,143 | - | - | 686,143 | 507,829 |
| Direct expense | (497,860) | - | - | (497,860) | (378,212) |
| Salary & benefit allocation (note 10) | (123,689) | - | - | (123,689) | (133,931) |
| | 64,594 | - | - | 64,594 | (4,314) |
| Other revenue (expense): | | | | | |
| Investment income (note 2) | 145,542 | - | - | 145,542 | 128,070 |
| Amortization of capital assets | - | (116,157) | - | (116,157) | (113,167) |
| Amortization of deferred tenant allowance | - | 23,625 | - | 23,625 | 23,625 |
| | 145,542 | (92,532) | - | 53,010 | 38,528 |
| Excess of revenues over expenditures (expenditures over revenues) | 276,000 | (92,532) | - | 183,468 | 39,235 |
| Fund balances, beginning of year | 1,779,862 | 310,216 | 1,003,535 | 3,093,613 | 3,054,378 |
| Fund transfers to (from): | | | | | |
| Operating Fund | (18,465) | - | 18,465 | - | - |
| Capital Fund | - | 106,437 | (106,437) | - | - |
| Reserve Fund | (116,157) | - | 116,157 | - | - |
| | (134,622) | 106,437 | 28,185 | - | - |
| Fund balances, end of year | \$ 1,921,240 | \$ 324,121 | \$ 1,031,720 | \$ 3,277,081 | \$ 3,093,613 |

See accompanying notes to financial statements.

ALBERTA SCHOOL BOARDS ASSOCIATION

Statement of Cash Flows

Year ended August 31, 2008, with comparative figures for 2007

| | 2008 | 2007 |
|--|--------------|--------------|
| Cash provided by (used in): | | |
| Operations: | | |
| Excess of revenues over expenditures | \$ 183,468 | \$ 39,235 |
| Items not involving cash: | | |
| Amortization of capital assets | 116,157 | 113,167 |
| Amortization of deferred tenant allowance | (23,625) | (23,625) |
| Increase in fair market value of investments | 16,304 | - |
| Change in non-cash operating working capital: | | |
| Increase in restricted cash | (80,927) | (40,202) |
| Decrease (increase) in accounts receivable | 14,512 | (124,486) |
| Decrease in prepaid expenses | 4,860 | 5,005 |
| Decrease (increase) in deferred charges | 44,040 | (18,350) |
| Increase in accounts payable and accrued liabilities | 90,243 | 139,586 |
| Decrease in deferred contributions | - | (12,500) |
| Increase in pension obligation | 25,900 | 22,700 |
| Increase in due to Board Learning Centre | 927 | 202 |
| Increase (decrease) in due to AADAC Steering Committee | (20,000) | 40,000 |
| Increase in due to legal trust account | 100,000 | - |
| | 471,859 | 140,732 |
| Investments: | | |
| Increase in investments | (63,359) | (31,457) |
| Purchase of capital assets | (106,437) | (54,640) |
| Increase in unrestricted cash | 302,063 | 54,635 |
| Unrestricted cash, beginning of year | 1,714,387 | 1,659,752 |
| Unrestricted cash, end of year | \$ 2,016,450 | \$ 1,714,387 |

See accompanying notes to financial statements.

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements

Year ended August 31, 2008

Alberta School Boards Association (the "Association") is incorporated under the Alberta School Boards Association Act. Its principal activity is to further the interest of public education within the Province of Alberta. The Association is a non-taxable organization.

1. Significant accounting policies:

(a) Basis of accounting:

The Alberta School Boards Association follows the restricted fund method of accounting for contributions and maintains an Operating Fund, a Capital Fund and a Reserve Fund.

The Operating Fund is used to finance the daily operations of the Association. This fund reports unrestricted resources and restricted operating revenue.

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Association's capital assets.

The Reserve Fund is used to maintain reserves for contingencies, repair, maintenance and replacement of equipment and rental expenses as designated by the Board of Directors and consists of the capital asset reserve and the rental offset reserve.

The Alberta School Employee Benefit Plan (the "Plan") is sponsored through a Deed of Trust jointly by the Alberta School Boards Association and the Alberta Teachers' Association. Separate financial statements are prepared for the Plan.

(b) Financial assets and financial liabilities:

On September 1, 2007, the Association adopted the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3855 "Financial Instruments - Recognition and Measurement" and Section 3861 "Financial Instruments - Disclosure and Presentation" recommendations. Under these standards, all financial instruments are required to be measured at fair value on initial recognition. Measurement in subsequent periods is dependent upon the classification of the financial instrument as held-for-trading, held-to-maturity, available-for-sale, loans and receivables, or other financial liabilities. The held-for-trading classification is applied when an entity is "trading" in an instrument or alternatively the standard permits that any financial instrument be irrevocably designated as held-for-trading. The held-to-maturity classification is applied only if the asset has specified characteristics and the entity has the ability and intent to hold the asset until maturity. An asset can be classified as available-for-sale when it has not been classified as held-for-trading or held-to-maturity. Transaction costs are expensed as incurred for financial instruments classified or designated as held-for-trading. For other financial instruments, transaction costs are capitalized on initial recognition.

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

1. Significant accounting policies (continued):

(b) Financial assets and financial liabilities (continued)

Financial assets and financial liabilities classified as held-for-trading are measured at fair value with changes in those fair values recognized in the Statement of Revenues, Expenditures and Fund Balances. Financial assets classified as held-to-maturity, loans and receivables, or other financial liabilities are measured at amortized cost using the effective interest method of amortization

Upon implementation of the new standards, the Association has classified its significant financial assets and financial liabilities as follows:

- Cash, consolidated cash investment trust fund, bonds and guaranteed investment certificates are classified as held-for-trading.
- Accounts receivable are classified as loans and receivables; and
- Accounts payable and accrued liabilities and due to other organizations are classified as other financial liabilities.

In accordance with the transitional provisions of the standards, prior periods have not been restated for the adoption of these new accounting standards.

The transition adjustments attributable to the re-measurement of financial assets was not significant, with fair value of these investments approximating their carrying value. Therefore there was no adjustment recognized in the Fund Balances of the Association as at September 1, 2007.

The Association has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include credit risk, liquidity risk and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices. The Association does not use derivative financial instruments to alter the effects of these risks. The Association invests surplus funds in guaranteed investments certificates and other similar investments.

The Association's accounts receivable are substantially comprised of amounts due from members of the Association. Funds on deposit are maintained with Schedule 1 institutions. Accordingly, the Association is not exposed to significant credit risk. The Association has no long-term debt which eliminates liquidity and price risk.

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

1. Significant accounting policies (continued):

(c) Capital assets:

Capital assets are recorded at cost. Capital assets are amortized on the straight-line basis over their estimated useful lives as follows:

| Asset | Rate |
|------------------------|-----------------|
| Furniture | 10 years |
| Office equipment | 5 years |
| Leasehold improvements | Over lease term |

(d) Deferred tenant allowance:

Deferred tenant allowance is recorded when received and amortized to revenue over the term of the lease.

(e) Revenue recognition:

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue of the Operating Fund when earned.

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

1. Significant accounting policies (continued):

(f) Employee future benefits:

The Association participates in three pension plans. The Association participates in the Local Authorities Pension Plan ("LAPP") and a registered Supplemental Integrated Pension Plan ("SiPP"). These plans are multi-employer defined benefit pension plans that provide pensions for the Association's participating employees, based on years of service, final average earnings and age.

LAPP and registered SiPP contributions are accounted for using defined contribution accounting, wherein contributions for current and past service pension benefits are recorded as expenditures in the year in which they become due.

LAPP and registered SiPP costs included in these financial statements comprise the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the pension plan. The Association's portion of the pension plans' deficit or surplus is not recorded by the Association.

The Association also has a non-registered Supplementary Executive Retirement Plan ("SERP"), which is a defined benefit pension plan, effective September 1, 2004. It is designed to provide designated employees with benefits that supplement the Local Authorities Pension Plan.

The actual determination of the accrued benefit obligation for pension benefits uses the projected accrued benefit cost method with proration on service and incorporates management's best estimate of salary escalation, retirement ages of employees and other actuarial factors.

For the purposes of calculating the expected return on plan assets, those assets are valued at fair value. There are currently no plan assets.

Actuarial gains (losses) arise from the difference between actual long-term rate of return on plan assets for a period and the expected long-term rate of return on plan assets for that period or from changes in actuarial assumptions used to determine the accrued benefit obligation. The average remaining service period of the active employees covered by the pension plan is 2 years.

Past service costs arising from plan initiation are deferred and amortized on a straight-line basis over the remaining service period of employees active at the date of initiation.

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

1. Significant accounting policies (continued):

(g) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

2. Cash and investments:

| | 2008 | 2007 |
|---|--------------|--------------|
| Unrestricted cash: | | |
| Consolidated Cash Investment Trust Fund | \$ 2,016,450 | \$ 1,714,387 |

The Consolidated Cash Investment Trust Fund of the Province of Alberta is a demand account managed by Alberta Treasury with the objective of providing competitive interest income to depositors while maintaining security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term fixed income securities with a maximum term to maturity of five years. Interest is earned on the daily cash balance and the average rate of earnings of the Fund varies depending on prevailing market interest rates.

Cash includes restricted amounts designated for use in projects of the following organizations and accordingly, are not available for operating purposes.

| | 2008 | 2007 |
|--------------------------|------------|-----------|
| Restricted cash: | | |
| Board Learning Centre | \$ 45,129 | \$ 44,202 |
| AADAC Steering Committee | 20,000 | 40,000 |
| Funds held in trust | 100,000 | - |
| | \$ 165,129 | \$ 84,202 |

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

2. Cash and investments (continued):

| | 2008 | 2007 |
|--|-------------------|-------------------|
| Investments: | | |
| Guaranteed investment certificates, bearing interest at 3.50%, maturing September 2008 | \$ 95,780 | \$ 92,757 |
| Bonds: | | |
| Provincial government and provincial government backed bonds, bearing yield rates of 3.70% to 4.75%, due September 2008 to June 2013 | 770,692 | 762,549 |
| Cash | 53,556 | 17,666 |
| | <u>\$ 920,028</u> | <u>\$ 872,972</u> |

Investment income is comprised of the following:

| | 2008 | 2007 |
|--|-------------------|-------------------|
| Increase of fair market value of investments | \$ 16,304 | \$ - |
| Interest | 129,238 | 128,070 |
| | <u>\$ 145,542</u> | <u>\$ 128,070</u> |

The Association does not use derivative instruments to alter the effects of interest or market risks.

3. Available credit facilities:

The Association has a demand operating loan available for use, up to a maximum of \$150,000, bearing interest at prime rate and is unsecured. As at August 31, 2008 nil (2007 - nil) was drawn against the available operating loan.

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

4. Deferred charges and contributions:

Deferred charges represent operating fund expenditures in the current year related to a subsequent period. Deferred contributions represent operating funding received in the current year that is related to a subsequent period. Deferred contributions will be recognized as revenue in the year the related expenditures are incurred.

| | Balance beginning of year | Expenses incurred during the year | Amounts recovered during the year | Balance end of of year |
|---|---------------------------------|--|--|------------------------------|
| Deferred charges | | | | |
| Supplemental Integrated Pension Plan | \$ 44,040 | \$ 73,727 | \$ 117,767 | \$ - |

5. Advances to PICA Electrical Aggregation Program:

The Association has entered into a consortium (the Public Institutional Consumers Association - "PICA") with the Provincial Healthcare Association and the Public Colleges and Technical Institutes of Alberta to advance the interest of their members with regard to energy utility matters. PICA makes representations at hearings of the Energy Utilities Board ("EUB"). Typically, these representations incur costs and the EUB has the discretion to order the applicant to reimburse the consortium for these costs if the intervention is in the public interest. Since its inception, PICA has had all costs of its interventions reimbursed.

As this item is a fund from which PICA interventions are "front-ended", management does not believe the amount will be repaid in the next fiscal year and accordingly, the amount has been recorded as a long-term receivable.

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

6. Capital assets:

| | | | 2008 | 2007 |
|------------------------|--------------|--------------------------|----------------|----------------|
| | Cost | Accumulated amortization | Net book value | Net book value |
| Furniture | \$ 278,856 | \$ 169,981 | \$ 108,875 | \$ 106,657 |
| Office equipment | 444,198 | 273,371 | 170,827 | 147,800 |
| Leasehold improvements | 365,138 | 285,280 | 79,858 | 114,823 |
| | \$ 1,088,192 | \$ 728,632 | \$ 359,560 | \$ 369,280 |

7. Employee future benefits:

- (i) The Association participates in the Local Authorities Pension Plan ("LAPP") which is a multi-employer defined benefit plan. The pension expense recorded in these financial statements is equal to the annual contributions of \$149,681 for the year ended August 31, 2008 (2007 - \$149,021). At December 31, 2007, LAPP reported a deficit of \$1,183,334,000 (2006 - \$746,651,000).

The Association participates in a registered Supplementary Integrated Pension Plan ("SiPP") which is also a multi-employer defined benefit plan. The pension expense recorded in these financial statements is equal to the annual contributions of \$5,741 for the year ended August 31, 2008 (2007 - \$5,463).

- (ii) The Association also has a non-registered Supplementary Executive Retirement Plan ("SERP"), which is a defined benefit plan for designated employees. The benefits are based on years of service and the employee's final average earnings. The cost of this program is not currently being funded.

The Association accrues its obligations under employee defined benefit plans as the employees render the services necessary to earn the pension.

The Association measures its accrued benefit obligations and fair value of plan assets, if any, for accounting purposes as at August 31 each year. The actuarial valuation of the plan was done at December 31, 2007.

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

7. Employee future benefits (continued):

Defined benefit plan obligations are as follows:

| | 2008 | 2007 |
|--|-----------|-----------|
| Accrued benefit obligation: | | |
| Balance, beginning of the year | \$ 69,500 | \$ 46,800 |
| Current service cost | 2,800 | 1,200 |
| Interest cost | 5,700 | 4,600 |
| Amortization of past service cost obligation | 16,900 | 16,900 |
| Net actuarial loss on accrued benefit obligation | 500 | - |
| | \$ 95,400 | \$ 69,500 |

There are no defined benefit plan assets.

Reconciliation of the funded status of the benefit plans to the amounts recorded in the financial statements:

| | 2008 | 2007 |
|--|------------|-----------|
| Pension obligation | \$ 121,600 | \$ 96,500 |
| Plan deficit | (121,600) | (96,500) |
| Unamortized past service cost obligation | - | 16,900 |
| Experience losses | 26,200 | 10,100 |
| Accrued benefit obligation | \$ 95,400 | \$ 69,500 |

The significant actuarial assumptions adopted in measuring the Association's accrued benefit obligations are as follows:

| | 2008 | 2007 |
|---|-------|-------|
| Accrued benefit obligation as of August 31: | | |
| Discount rate | 6.25% | 5.75% |
| Rate of compensation increase | 4.00% | 4.00% |

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

8. Commitments:

The Association leases its office premises under a long-term operating lease. The minimum annual lease commitments are as follows:

| | | |
|------|----|---------|
| 2009 | \$ | 114,487 |
| 2010 | | 73,098 |
| | \$ | 187,585 |

Under the terms of the premises lease that expires April 2010, the Association is also responsible for its proportionate share of operating costs.

9. Alberta School Boards Insurance Exchange:

The Association exercises control over Alberta School Boards Insurance Exchange ("ASBIE") by virtue of its ability to appoint the members of ASBIE's Board of Directors. ASBIE was formed under the Reciprocal Insurance Exchange Agreement for Municipalities in the Province of Alberta by way of various municipalities subscribing to the agreement. ASBIE commenced operations on January 1, 2003.

There were no related party transactions between the Association and ASBIE during the year.

The net assets and results from operations of ASBIE are not included in the statements of the Association. A financial summary of ASBIE for the periods ended August 31 is as follows:

| | 2008 | 2007 |
|--------------|--------------|--------------|
| | (Unaudited) | (Unaudited) |
| Assets | \$ 4,075,290 | \$ 3,242,002 |
| Liabilities | (2,981,536) | (2,285,642) |
| Net assets | \$ 1,093,754 | \$ 956,360 |
| Revenue | 1,808,220 | 1,133,342 |
| Expenditures | (1,605,866) | (887,544) |
| Net income | \$ 202,354 | \$ 245,798 |

ALBERTA SCHOOL BOARDS ASSOCIATION

Notes to Financial Statements (continued)

Year ended August 31, 2008

10. Salary and benefit internal allocation:

Direct salary and benefit costs have been allocated from the various departments to self-supporting functions expense based on an estimate of time incurred by the departments areas, at the following proportion of the total salary and benefits costs of each department:

| Department | % |
|---------------------|------|
| Corporate Services | 59.0 |
| Finance | 5.6 |
| Communications | 3.2 |
| Executive Office | 8.6 |
| Association Affairs | 8.8 |
| Member Services | 14.8 |

11. Supplementary Integrated Pension Plan:

The Association exercises control over the Registered Supplementary Integrated Pension Plan ("SiPP") by virtue of its ability to appoint the members of SiPP's Governance Board. SiPP is a registered pension plan subject to pension legislation and is registered with Alberta Finance and the Canada Revenue Agency. SiPP commenced operations on January 1, 2004. The fiscal year for SiPP is January 1 to December 31.

The Association pays expenses on behalf of SiPP and invoices the plan to recover these expenses.

The net assets and results from operations of SiPP are not included in the statements of the Association. A financial summary of SiPP for the periods ended August 31 is as follows.

| | 2008 | 2007 |
|--------------|--------------|--------------|
| | (Unaudited) | (Unaudited) |
| Assets | \$ 1,767,882 | \$ 1,531,000 |
| Liabilities | (1,685,900) | (1,542,000) |
| Net assets | \$ 81,982 | \$ (11,000) |
| Revenue | \$ 73,727 | \$ 75,205 |
| Expenditures | (73,727) | (75,205) |
| Net income | \$ - | \$ - |

ALBERTA SCHOOL BOARDS ASSOCIATION

Schedule A - Operating Fund Revenue

Year ended August 31, 2008, with comparative figures for 2007

| | 2008 | 2007 |
|--|---------------------|---------------------|
| Memberships | \$ 2,712,624 | \$ 2,685,773 |
| Fee for service | 1,376,232 | 1,270,893 |
| Trustee development grant | 75,000 | 75,000 |
| Alberta School Employee Benefit Plan service fee | 37,975 | 37,824 |
| Rental income | 29,108 | 14,252 |
| Miscellaneous | 16,138 | 3,550 |
| Anaphylaxis Grant | - | 25,000 |
| School Fees and Fundraising grant | - | 25,000 |
| | \$ 4,247,077 | \$ 4,137,292 |

Schedule B - Operating Fund Expenditures

Year ended August 31, 2008, with comparative figures for 2007

| | 2008 | 2007 |
|----------------------------|---------------------|---------------------|
| Member services | \$ 1,897,458 | \$ 1,755,738 |
| Association affairs | 478,751 | 427,336 |
| Executive Director | 475,613 | 501,410 |
| Finance and administration | 431,840 | 449,687 |
| Communications | 267,746 | 255,891 |
| Corporate services | 159,317 | 169,699 |
| | \$ 3,710,725 | \$ 3,559,761 |