



Saskatchewan
Learning

Auditor's Report and Financial Statement

of the Living Sky School Division No. 202

School Division No. 2020500

For the Period Ending: August 31, 2007

Raymond Kopera, B. Comm., C.A.
Chief Financial Officer

Johnson Holm Svenkeson, Chartered Accountants, P.C. Ltd.
Auditor

Note - Copy to be sent to Saskatchewan Learning, Regina

Johnson Holm Svenkeson,
Chartered Accountants, P.C. Ltd.

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AUDITORS' REPORT

To the Chairman and Board Members of
Living Sky School Division No. 202

We have audited the statement of financial position of the Living Sky School Division No. 202 as at August 31, 2007 and the statements of financial activities and fund balances and changes in financial position for the year then ended. These financial statements are the responsibility of the school division'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 statement. 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 Living Sky School Division No. 202 as at August 31, 2007 and the results of its financial activities and the changes in its financial position for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Board and Electors of Living Sky School Division No. 202 and Saskatchewan Learning for the purpose of compliance with the Education Act of 1995. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

Johnson Holm Svenkeson

Chartered Accountants

North Battleford, Saskatchewan
December 21, 2007



Living Sky School Division No. 202
Statement of Financial Position
as at August 31, 2007

	Operating Fund	Capital Fund	Other Funds	Current Yr Total	Prior Period Total
Financial Assets					
Cash	878,291	-	66,300	944,591	929,664
Short Term Investments	-	-	100,614	100,614	110,889
Taxes Receivable 17,314,595					
Less Allowance (291,407)	17,023,188	-	-	17,023,188	15,178,601
Provincial Grants Receivable	4,776,756	-	-	4,776,756	123,162
Other Receivables	2,631,074	-	-	2,631,074	1,307,561
Prepaid Items	-	-	-	-	-
Inventories	-	-	-	-	-
Long Term Investments	50,111	124,190	-	174,301	170,398
Other Assets	-	-	-	-	-
Interfund Debt Receivable	-	1,551,737	20,340		
Total Financial Assets	25,359,420	1,675,927	187,254	25,650,524	17,820,275
Liabilities					
Bank Indebtedness	8,233,134	-	-	8,233,134	1,321,905
Provincial Grant Overpayment	-	-	-	-	-
Other Payables	2,925,520	-	-	2,925,520	2,286,997
Short Term Loans	-	-	-	-	-
Debentures	-	-	-	-	-
Capital Loans Note 3	-	202,300	-	202,300	404,600
Other Long Term Debt	-	-	-	-	-
Other Liabilities	1,094,061	-	-	1,094,061	1,268,870
Interfund Debt Payable	1,572,077	-	-		
Total Liabilities	13,824,792	202,300	-	12,455,015	5,282,372
Net Financial Assets	11,534,628	1,473,627	187,254	13,195,509	12,537,903
Physical Assets		93,955,010		93,955,010	97,377,450
Net Assets	11,534,628	95,428,637	187,254	107,150,519	109,915,353
Equity in Physical Assets		93,752,710		93,752,710	96,972,849
Fund Balances Note 9	11,534,628	1,675,927	187,254	13,397,809	12,942,504
School Position	11,534,628	95,428,637	187,254	107,150,519	109,915,353

Living Sky School Division No. 202
Statement of Financial Activities and Fund Balances
for the period ending August 31, 2007

	Operating Fund	Capital Fund	Other Funds	12 Months Current Yr Consolidated	12 Months Current Yr Budget	8 Months Prior Period Consolidated
REVENUES						
Property Taxation	29,334,439		-	29,334,439	26,722,225	17,770,308
Grants	13,151,314	665,240		13,816,554	14,603,215	9,170,341
Tuition and Related Fees	3,609,380	155,252		3,764,632	3,785,455	1,467,033
Supplementary Services	-			-	-	-
Complementary Services	7,243,386	895,739		8,139,125	6,191,571	4,277,980
External Services	158,612	21,394		180,006	145,000	541,898
Other	496,551	48,759	18,303	563,613	258,500	302,576
Total Revenues	53,993,682	1,786,384	18,303	55,798,369	51,705,966	33,530,136
EXPENDITURES						
Governance	306,114	-		306,114	406,002	215,842
Administration	1,311,091	31,772		1,342,863	1,203,116	831,081
Instruction	39,120,680	-		39,120,680	38,463,225	23,126,240
Plant	6,528,236	858,324		7,386,560	9,160,928	4,269,237
Transportation	4,993,491	681,583		5,675,074	5,978,261	3,068,547
Tuition and Related Fees	50,924	-		50,924	56,100	53,755
Complementary Services	726,196	-		726,196	667,081	392,730
External Services	64,411	608,913		673,324	263,761	1,935,572
Interest and Bank Charges	61,317	-	12	61,329	42,235	57,073
Total Expenditures	53,162,460	2,180,592	12	55,343,064	56,240,709	33,950,077
Excess(Deficiency) of Revenue over Expenditure	831,222	(394,208)	18,291	455,305	(4,534,743)	(419,941)
Interfund Transfers to (from)						
for Capital Expenditures	(708,741)	708,741	-			
for Debt Repayment	1,000	(1,000)	-			
for Reserves	(1,000)	1,000	-			
Excess (Deficiency) after Interfund Transfers	122,481	314,533	18,291	455,305	(4,534,743)	(419,941)
Long Term Capital Debt Issued		-		-	1,000,000	
Long Term Capital Debt Repaid		-		-	(46,517)	(136,815)
Surplus(Deficit) for the Year	122,482	314,533	18,291	455,305	(3,581,260)	(556,756)
Opening Fund Balances	11,412,147	1,361,394	168,963	12,942,504	12,942,504	13,499,260
Closing Fund Balances	11,534,628	1,675,927	187,254	13,397,809	9,361,244	12,942,504

Living Sky School Division No. 202
Statement of Changes in Financial Position
for the period ending August 31, 2007

	<u>Current Year</u>	<u>Prior Period</u>
Operations		
Net Revenue (Expenditure) before Financing	455,305	(419,941)
Decrease (Increase) in Taxes Receivable	(1,844,587)	(5,617,970)
Decrease (Increase) in Grants Receivable	(4,653,594)	243,164
Decrease (Increase) in Other Receivables	(1,323,513)	1,283,569
Decrease (Increase) in Prepaid Items	-	222,971
Decrease (Increase) in Other Assets	-	-
Increase (Decrease) in Provincial Grant Overpayment	-	-
Increase (Decrease) in Other Payables	638,523	288,973
Increase (Decrease) in Short Term Loans	-	-
Increase (Decrease) in Other Liabilities	(174,809)	(502,412)
Net Increase (Decrease) in Cash from Operations	<u>(6,902,675)</u>	<u>(4,501,646)</u>
Investing		
Decrease (Increase) in Inventories	-	1,841
Decrease (Increase) in Long Term Investments	(3,903)	3,723
Net Increase (Decrease) in Cash from Investing	<u>(3,903)</u>	<u>5,564</u>
Financing		
Debentures Issued	-	-
Debentures Repaid	-	-
Other Capital Loans and Long Term Debt Issued	-	-
Other Capital Loans and Long Term Debt Repaid	-	(136,815)
Net Increase (Decrease) in Cash from Financing	<u>-</u>	<u>(136,815)</u>
Net Change In Cash and Cash Equivalents	<u>(6,906,578)</u>	<u>(4,632,897)</u>
Opening Cash and Equivalents	(281,352)	4,351,545
Closing Cash and Cash Equivalents	<u>(7,187,930)</u>	<u>(281,352)</u>

Living Sky School Division No. 202
Expenditure by Function and Economic Classification
for the period ending August 31, 2007

Classification Function	Salaries & Benefits	Goods & Services	Debt Service	Capital Expenditures	Total
Governance	107,191	198,923		-	306,114
Administration	928,438	382,653		31,772	1,342,863
Instruction	34,629,810	4,490,870		-	39,120,680
Plant and Maintenance	2,566,980	3,961,256		858,324	7,386,560
Transportation	1,370,092	3,623,399		681,583	5,675,074
Tuition and Related Fees	-	50,924		-	50,924
Complementary Services	458,943	267,253		-	726,196
External Services	68,296	(3,885)		608,913	673,324
Interest and Bank Charges			61,329		61,329
Total	40,129,750	12,971,393	61,329	2,180,592	55,343,064

Living Sky School Division No. 202
Details of Revenue
for the period ending August 31, 2007

	12 Months Current Yr Consolidated	12 Months Current Yr Budget	8 Months Prior Period Consolidated
Property Taxation Revenue			
Operating Fund			
Tax Revenue:			
Property Tax Revenue (<i>net Education Tax Credit</i>)	29,287,336	26,695,840	17,643,406
Revenue from Supplemental Levies	-	-	-
Total Property Tax Revenue	29,287,336	26,695,840	17,643,406
Grants in Lieu of Taxes:			
Federal Government	176,314	200,030	111,593
Provincial Government	348,954	466,205	109,258
Railways	240	-	96
Other	188,983	15,870	12,837
Total Grants in Lieu of Taxes	714,491	682,105	233,784
Treaty Land Entitlement	322,345	286,425	206,534
House Trailer Fees	11,358	15,880	1,367
Additions to Levy:			
Penalties	327,822	293,735	87,201
Other	-	-	70,791
Total Additions to Levy	327,822	293,735	157,992
Deletions from Levy:			
Discounts	(1,127,441)	(1,160,635)	(403,101)
Cancellations	(156,712)	(21,895)	(69,674)
Other Deletions	(44,760)	(69,230)	-
Provision for Uncollectable Taxes	-	-	-
Total Deletions from Levy	(1,328,913)	(1,251,760)	(472,775)
Total Operating Property Tax Revenue to Summary	29,334,439	26,722,225	17,770,308
Other Funds			
Tax Levy:			
Special Tax Levy	-	-	-
Total Other Funds Property Tax Revenue to Summary	-	-	-
Total Property Taxation Revenue to Summary	29,334,439	26,722,225	17,770,308
Grants:			
Operating Fund			
Department of Learning Grants:			
Foundation Operating Grant	13,024,516	13,038,715	8,520,340
Other Department Grants	106,071	-	137,311
Total Department Grants	13,130,587	13,038,715	8,657,651
Other Provincial Grants	20,727	-	150
Federal Grants	-	-	-
Grants from Others	-	-	-
Total Operating Fund Grants To Summary	13,151,314	13,038,715	8,657,801
Capital Fund			
Capital Grants	665,240	1,564,500	512,540
Total Capital Fund Grants to Summary	665,240	1,564,500	512,540
Total Grants to Summary	13,816,554	14,603,215	9,170,341

Living Sky School Division No. 202

Details of Revenue

for the year ending August 31, 2007

	12 Months Current Yr Consolidated	12 Months Current Yr Budget	8 Months Prior Period Consolidated
Tuition and Related Fees Revenue			
Operating Fund			
Tuition Fees:			
School Boards	2,323	40,000	3,171
Federal Government and First Nations	3,591,565	3,380,455	1,342,489
Individuals and Other	-	-	43,534
Total Tuition Fees	3,593,888	3,420,455	1,389,194
Transportation Fees	15,416	50,000	7,450
Other Related Fees	76	315,000	-
Total Operating Fund Tuition and Fees to Summary	3,609,380	3,785,455	1,396,644
Capital Fund			
Federal/First Nations Capital Fees	155,252	-	70,389
Total Capital Fund Tuition and Fees to Summary	155,252	-	70,389
Total Tuition and Related Fees Revenue to Summary	3,764,632	3,785,455	1,467,033

Supplementary Services Revenue

Operating Fund

Adult Education			
Cafeteria			
Shared Services Reimbursements			
Summer School			
Distance Education			
Swimming Pools			
Residences			
Other			

Total Supplemental Services Revenue to Summary

Complementary Services

Operating Fund

Sk Learning Grants:

SK Learning Grants-Foundation Operating Grant	-	-	-
Sask Learning Grants-Property Tax Credit	6,899,352	6,136,571	4,101,846
Sask Learning Grants-Other	-	-	5,000
Other Provincial Grants	-	-	46,080
Federal Grants	-	50,000	-
Other Grants	56,517	-	16,996
Tuition Fees:			
Tuition Fees-School Divisions	(100)	-	-
Tuition Fees-Federal Government	-	-	-
Tuition Fees-First Nations	-	-	-
Tuition Fees-Individuals and Other Parties	-	-	396
Transporation Fees:			
Transp Fees-School Divisions	4,171	-	-
Transp Fees-Federal Government	-	-	-
Transp Fees-First Nations	-	-	-
Transp Fees-Individuals and Other Parties	2,783	-	146

Living Sky School Division No. 202

Details of Revenue
for the year ending August 31, 2007

	12 Months Current Yr Consolidated	12 Months Current Yr Budget	8 Months Prior Period Consolidated
Other Related Fees:			
Other Related Fees-School Divisions	-	-	-
Other Related Fees-Federal Government	-	-	-
Other Related Fees-First Nations	-	-	-
Other Related Fees-Individuals and Other Parties	-	-	3,108
Misc Revenue:			
Misc Revenue-User Fees	-	-	-
Misc Revenue-Reimbursements	-	-	-
Misc Revenue-Other Miscellaneous Revenue	280,163	-	104,408
Food Sales	-	-	-
Sale of Materials	-	-	-
Rentals	-	5,000	-
Sale of Non-Capital Assets	500	-	-
Other Sales and Rentals Revenue	-	-	-
Total Operating Fund Complementary Services Revenue to Summary	7,243,386	6,191,571	4,277,980
Capital Fund			
Sk Learning Capital Grants	-	-	-
Other Provincial Capital Grants	-	-	-
Federal Capital Grants	-	-	-
Capital Grants-other	-	-	-
Other Miscellaneous Revenue	44,171	-	-
Sale of Capital Assets	851,568	-	-
Interest and Dividends	-	-	-
Total Capital Fund Complementary Services Revenue to Summary	895,739	-	-
Total Complementary Services Revenue to Summary	8,139,125	6,191,571	4,277,980
External Services			
Operating Fund			
Foundation Operating Grant	-	-	-
Other Saskatchewan Learning Grants	-	-	-
Other Provincial Grants	61,000	-	464,531
Federal Grants	-	-	-
Other Grants	3,800	30,000	-
Tuition Fees:			
Tuition Fees-School Divisions	-	-	-
Tuition Fees-Federal Government	-	-	-
Tuition Fees-First Nations	-	-	-
Tuition Fees-Individuals and Other Parties	931	-	-
Transportation Fees:			
Transp Fees-School Divisions	-	-	-
Transp Fees-Federal Government	-	-	-
Transp Fees-First Nations	-	-	-
Transp Fees-Individuals and Other Parties	-	-	-
Other Related Fees:			
Other Related Fees-School Divisions	-	-	-
Other Related Fees-Federal Government	-	-	-
Other Related Fees-First Nations	-	-	-
Other Related Fees-Individuals and Other Parties	-	-	-

Living Sky School Division No. 202

Details of Revenue
for the year ending August 31, 2007

	12 Months Current Yr Consolidated	12 Months Current Yr Budget	8 Months Prior Period Consolidated
Misc Revenue:			
Misc Revenue-User Fees	-	-	-
Misc Revenue-Reimbursements	-	-	-
Misc Revenue-Other Miscellaneous Revenue	18	20,000	2,414
Food Sales	92,063	80,000	54,131
Sale of Materials	-	-	-
Rentals	800	15,000	796
Sale of Non-Capital Assets	-	-	-
Other Sales and Rentals Revenue	-	-	-
Total Operating Fund External Services Revenue to Summary	158,612	145,000	521,872
Capital Fund			
Sk Learning Capital Grants	-	-	-
Other Provincial Capital Grants	-	-	-
Federal Capital Grants	-	-	-
Capital Grants	-	-	-
Other Miscellaneous Revenue	21,394	-	11,826
Sale of Capital Assets	-	-	-
Interest and Dividends	-	-	8,200
Total Capital Fund External Services Revenue to Summary	21,394	-	20,026
Total External Services Revenue to Summary	180,006	145,000	541,898
Other Revenue			
Operating Fund			
Miscellaneous Revenue	22,028	13,500	49,555
Sales & Rentals	339,661	225,000	134,385
Investments	134,862	20,000	96,109
Total Operating Fund Other Revenue to Summary	496,551	258,500	280,049
Capital Fund			
Miscellaneous Revenue	-	-	-
Sales & Rentals	-	-	-
Investments	48,759	-	20,573
Total Capital Fund Other Revenue to Summary	48,759	-	20,573
Other Funds			
Miscellaneous Revenue	10,950	-	(950)
Investments	7,353	-	2,904
Total Other Funds Other Revenue to Summary	18,303	-	1,954
Total Other Revenue to Summary	563,613	258,500	302,576

Living Sky School Division No. 202
Details of Expenses
for the period ending August 31, 2007

	12 Months	12 Months	8 Months
	Current Yr	Current Yr	Prior Period
	Consolidated	Budget	Consolidated
Governance Expenses			
Operating Fund			
Board Members Expense	132,023	147,402	80,683
Conventions - Board Members	10,119	15,000	11,824
Local Boards/Advisory Committees	21,186	86,400	9,577
Conventions - Local Boards/Advisory Committees	4,080	12,800	281
Elections	5,960	6,400	-
Other Governance Expenses	132,746	128,000	113,477
Total Operating Fund Governance Expenses to Summary	306,114	396,002	215,842
Capital Fund			
Capital Equipment	-	10,000	-
Total Capital Fund Governance Expenses to Summary	-	10,000	-
Total Governance Expenses to Summary	306,114	406,002	215,842

Administration Expenses

Operating Fund			
Salaries	836,709	772,911	577,349
Benefits	91,729	93,705	85,916
Supplies/Services	140,027	64,600	47,710
Non-Capital Equipment	24,482	31,500	11,575
Building Operating Expenses	38,401	40,400	8,654
Communications	140,896	100,000	68,493
Travel	14,880	25,000	9,601
Professional Development	23,967	35,000	21,783
Total Operating Fund Administration to Summary	1,311,091	1,163,116	831,081
Capital Fund			
Capital Equipment	31,772	40,000	-
Total Capital Fund Administration to Summary	31,772	40,000	-
Total Administration Expenses to Summary	1,342,863	1,203,116	831,081

Living Sky School Division No. 202
Details of Expenses (continued)
for the period ending August 31, 2007

	<u>12 months</u> <u>Current Yr</u> <u>Consolidated</u>	<u>12 Months</u> <u>Current Yr</u> <u>Budget</u>	<u>8 Months</u> <u>Prior Period</u> <u>Consolidated</u>
Instruction Expenses			
Operating Fund			
Instructional Salaries:			
Instructional Salaries	27,024,055	26,591,640	16,481,249
Total Instructional Salaries	27,024,055	26,591,640	16,481,249
Instructional Benefits	1,329,016	1,192,373	1,105,044
Non-Teacher Support Salaries	5,471,107	5,484,427	3,215,099
Non-Instructional Support Benefits	805,632	838,716	410,918
Instructional Aids	993,597	1,225,712	608,102
Supplies and Services	1,978,448	1,359,445	593,775
Non-Capital Equipment	558,691	697,321	287,318
Communications	158,156	175,476	88,787
Travel	224,827	156,665	105,825
Professional Development	278,213	353,151	114,163
Student Related Expense	298,938	388,299	115,960
Total Operating Fund Instruction to Summary	39,120,680	38,463,225	23,126,240
Capital Fund			
Capital Equipment	-	-	-
Total Capital Fund Instruction to Summary	-	-	-
Total Instruction Expenses to Summary	39,120,680	38,463,225	23,126,240
Plant Operation & Maintenance Expenses			
Operating Fund			
Salaries	2,164,993	2,187,440	1,554,961
Benefits	401,987	418,488	311,289
Supplies/Services	53,501	33,000	654
Non-Capital Equipment	105,466	87,000	28,687
Building Operating Expenses	3,753,992	6,372,600	2,318,692
Communications	1,891	2,400	795
Travel	42,563	47,000	20,640
Professional Development	3,843	13,000	675
Total Operating Fund Plant & Maintenance to Summary	6,528,236	9,160,928	4,236,393
Capital Fund			
Capital Equipment and Building Costs	858,324	-	32,844
Total Capital Fund Plant & Maintenance to Summary	858,324	-	32,844
Total Plant Operation & Maintenance Expenses to Summary	7,386,560	9,160,928	4,269,237

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Living Sky School Division No. 202
Details of Expenses (continued)
for the period ending August 31, 2007

	<u>12 Months</u> Current Yr Consolidated	<u>12 Months</u> Current Yr Budget	<u>8 Months</u> Prior Period Consolidated
Student Transportation Expenses			
Operating Fund			
Salaries	1,194,717	1,141,083	694,575
Benefits	175,375	198,678	140,555
Supplies/Services	676,376	679,000	336,185
Non-Capital Equipment	588,008	602,500	300,747
Building Operating Expenses	10,358	3,000	2,095
Communications	3,201	1,000	349
Travel	7,545	20,000	12,186
Professional Development	1,679	5,000	648
Other	-	-	-
Contracted Transportation	2,336,232	2,653,000	1,354,186
Total Operating Fund Student Transportation to Summary	4,993,491	5,303,261	2,841,526
Capital Fund			
Capital Equipment	681,583	675,000	227,021
Total Capital Fund Student Transportation to Summary	681,583	675,000	227,021
Total Student Transportation Expenses to Summary	5,675,074	5,978,261	3,068,547
Tuition and Related Fees Expenses			
Operating Fund			
Tuition Fees	50,924	56,100	53,755
Transportation Fees	-	-	-
Other Fees	-	-	-
Total Operating Fund Tuition and Related Fees to Summary	50,924	56,100	53,755
Capital Fund			
Capital Equipment	-	-	-
Total Capital Fund Tuition and Related Fees to Summary	-	-	-
Total Tuition and Related Fees Expenses to Summary	50,924	56,100	53,755
Supplementary Services Expenses			
Operating Fund			
Adult Education			
Cafeteria			
Shared Services			
Summer School			
Distance Education			
Swimming Pool			
Residences			
Other			
Total Operating Fund Supplementary Services to Summary	-	-	-
Capital Fund			
Capital Equipment Costs			
Total Capital Fund Supplementary Services to Summary	-	-	-
Other Funds			
Other Supplementary Services Expenses			
Total Other Funds Supplementary Services to Summary	-	-	-
Total Supplementary Services Expenses to Summary	-	-	-

Living Sky School Division No. 202
Details of Expenses (continued)
for the period ending August 31, 2007

	12 Months Current Yr Consolidated	12 Months Current Yr Budget	8 Months Prior Period Consolidated
Complementary Services Expenses			
Operating Fund			
Tuition Fees	-	-	-
Transportation Fees	-	-	-
Other Fees	-	-	-
Administration Salaries & Benefits	-	-	3,525
Instructional Salaries & Benefits	-	-	-
Program Support (Non-Teacher Contract)	458,942	425,854	228,677
Plant Operation & Maint Salaries & Benefits	-	-	500
Transportation Salaries & Benefits	-	-	-
Instructional Aids	34,019	7,140	3,704
Supplies & Services	133,556	146,370	89,817
Non-Capital Furniture & Equipment	10,050	5,972	8,759
Building Operating Expenses	1,394	6,120	2,056
Communications	1,586	2,040	2,327
Travel	5,355	2,142	6,049
Professional Development (Non-Salary Costs)	4,686	7,140	2,039
Student Related Expenses	75,470	59,303	45,148
Contracted Transportation & Allowances	1,138	5,000	129
Total Operating Fund Complementary Services to Summary	726,196	667,081	392,730
Capital Fund			
Capital Expenditures	-	-	-
Total Capital Fund Complementary Services to Summary	-	-	-
Total Complementary Services Expenses to Summary	726,196	667,081	392,730
External Services			
Operating Fund			
Tuition Fees	-	-	-
Transportation Fees	-	-	-
Other Related Fees	-	-	-
Administration Salaries & Benefits	-	-	123,714
Instructional Salaries & Benefits	-	-	-
Program Support (Non-Teacher Contract) Salaries & Benefits	68,296	63,641	41,871
Plant Operation & Maintenance Salaries & Benefits	-	-	-
Transportation Salaries & Benefits	-	-	71,418
Instructional Aids	602	-	-
Supplies & Services	(10,896)	158,300	58,110
Non-Capital Furniture & Equipment	-	-	-
Building Operating Expenses	5,812	37,740	6,660
Communications	-	-	-
Travel	-	2,040	-
Professional Development (Non-Salary Costs)	-	-	3,743
Student Related Expenses	597	2,040	13,135
Contracted Transportation & Allowances	-	-	900
Total Operating Fund External Services to Summary	64,411	263,761	319,551
Capital Fund			
Capital Expenditures	608,913	-	1,616,021
Total Capital Fund External Services to Summary	608,913	-	1,616,021
Total Complementary Services Expenses to Summary	673,324	263,761	1,935,572

Living Sky School Division No. 202
Details of Expenses (continued)
for the period ending August 31, 2007

	<u>12 Months</u> <u>Current Yr</u> <u>Consolidated</u>	<u>12 Months</u> <u>Current Yr</u> <u>Budget</u>	<u>8 Months</u> <u>Prior Period</u> <u>Consolidated</u>
Interest and Bank Charges Expense			
Operating Fund			
Current Interest and Bank Charges	61,317	30,600	23,048
Total Operating Fund Interest and Bank Charges to Summary	61,317	30,600	23,048
Capital Fund			
Interest on Debentures			
Other Interest - School Facilities	-	-	-
- Other	-	-	-
Interest on Other Capital Loans and Long Term Debt			
Other Interest - School Facilities	-	-	-
- Other	-	11,635	34,025
Total Capital Fund Interest to Summary	-	11,635	34,025
Other Funds			
Current Interest and Bank Charges	12	-	-
Total Other Funds Interest and Bank Charges to Summary	12	-	-
Total Interest and Bank Charges Expense to Summary	61,329	42,235	57,073
Capital Fund Debt Principal Repayment			
Debenture Principal			
Other Debt - School Facilities	-	-	-
- Other	-	-	-
Other Capital Loan and Long Term Debt Principal			
Other Debt - School Facilities	-	-	-
- Other	-	46,517	136,815
Total Capital Fund Debt Principal Repayment to Summary	-	46,517	136,815

Living Sky School Division No. 202
Schedule of Physical Assets
for the period ending August 31, 2007

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Work-in-Progress</u>	<u>Current Yr Total</u>	<u>Prior Period Total</u>
<i>Physical Assets - at Cost:</i>						
Opening cost	852,591	83,069,665	13,455,194	-	97,377,450	95,773,294
Additions	375,000	969,493	791,929	-	2,136,422	1,875,886
Write-downs					-	(271,730)
Disposals	-	(5,558,862)	-	-	(5,558,862)	-
Transfers to (from)					-	
<i>Closing Cost of Physical Assets</i>	1,227,591	78,480,296	14,247,123	-	93,955,010	97,377,450
<i>Equity in Physical Assets:</i>						
Opening balance	852,591	82,665,065	13,455,194	-	96,972,850	95,231,880
Physical asset additions	375,000	969,493	791,929	-	2,136,422	1,875,886
Physical asset write-downs					-	(271,730)
Physical asset disposals	-	(5,558,862)	-	-	(5,558,862)	-
Debentures & LT Debt issued					-	
Debentures & LT Debt principal repaid	-	202,300	-	-	202,300	136,814
Transfers to (from)					-	
<i>Closing Equity in Physical Assets</i>	1,227,591	78,277,996	14,247,123	-	93,752,710	96,972,850

Living Sky School Division No. 202
Schedule of Unmatured Debenture Debt and Capital Loan Charges by Years
for the period ending August 31, 2007

School Facilities Department Recognized	2006/2007 Information Only	Unmatured Portion						Total Unmatured (2008 and beyond)
		2007/08	2008/09	2009/10	2010/11	2011/12	2012 to Maturity	
Debentures								
Principal								-
Interest								-
Total	-	-	-	-	-	-	-	-
Capital Loans								
Principal	202,300	202,300						202,300
Interest	17,410	11,961						11,961
Total	219,710	214,261	-	-	-	-	-	214,261
School Facilities School Division Share								
Debentures								
Principal								-
Interest								-
Total	-	-	-	-	-	-	-	-
Capital Loans								
Principal								-
Interest								-
Total	-	-	-	-	-	-	-	-
Other Facilities								
Debentures								
Principal								-
Interest								-
Total	-	-	-	-	-	-	-	-
Capital Loans								
Principal								-
Interest								-
Total	-	-	-	-	-	-	-	-
Recognized Reserve and Surplus Replenishments								
Reserves (specify)								
								-
								-
Total	-	-	-	-	-	-	-	-

Living Sky School Division No. 202
Notes to the Financial Statements
August 31, 2007

1. Purpose and authority

The Board of Education of the Living Sky School Division No. 202 was established by Ministerial Order and commenced operating as an amalgamated School Division on January 1, 2006. These statements reflect the amalgamated operations of the Living Sky School Division No. 202 for the period September 1, 2006 to August 31, 2007.

The Board of Education of the Living Sky School Division No. 202 of Saskatchewan delivers education programs under the authority of section 87 of *The Education Act*, 1995.

The Board is responsible for administering and managing the educational affairs of the school division in accordance with the intent of *The Education Act*, 1995 and Regulations.

2. Significant accounting policies

These financial statements have been prepared in accordance with accounting principles generally accepted for Saskatchewan school divisions as prescribed by Saskatchewan Learning and reflect the following policies:

Accounting policy and presentation

School divisions are required to net receipts and disbursements pertaining to long-term debt principal and interest applicable to amounts financed for Saskatchewan Learning.

Reserve funds that are set up and apply to potential operating fund transactions are recorded as appropriated fund balances in the operating fund. Reserve funds that were set up and apply to potential capital fund transactions are recorded as fund balances in the capital fund. Money received for Treaty Land Entitlement Settlements and not amortized is recorded as deferred revenue in other liabilities. In compliance with Saskatchewan Learning guidelines these amounts received are recognized as revenue on a straight line basis over 10 years. The balance of unrecognized receipts included in other liabilities was August 31, 2007 - \$1,027,060 and August 31, 2006 - \$1,201,865.

Further changes to school division accounting and reporting practices may be anticipated as the move to PSAB standards proceeds.

Fund accounting

A fund is a separate self-balancing group of accounts provided for each accounting entity established within the accounting system to segregate those transactions of a particular activity. The School Division has established the following funds:

Operating fund

The operating fund contains the current revenue, expenditures, assets, liabilities, and fund balances pertaining to the general operations of the school division.

Capital fund

The capital fund contains the capital assets, which are property and equipment, other capital related assets and long-term debt, transactions relating to capital fund activities, equity in capital fund assets, and fund balances.

Living Sky School Division No. 202
Notes to the Financial Statements
August 31, 2007

Other funds

Other funds contain the assets, liabilities, transactions, and fund balances of Scholarship Trusts that have been designated for specific projects or purposes.

Fund balances

A detailed breakout of the various fund balances between non-appropriated and appropriated is disclosed in Note 9 to the financial statements.

Physical assets

Physical assets are accounted for at cost in the capital fund irrespective of the sources of funding. They are retained at cost until sold or until expiry of their useful economic life at which time they are written off to equity in physical assets. Individual assets that cost more than \$5,000, have an estimated useful life greater than 2 years, and are new to the School Division are capitalized. Certain instructional and office equipment requiring replacement on a regular basis are not capitalized but expensed when purchased. Renovations to facilities are capitalized if they increase or change the use of existing space or are new additions to existing buildings. Expenditures consisting of roof, floor, and ceiling replacements, painting and other esthetic upgrades are expensed in the year as renovations in the operating fund regardless of the cost or source of funding.

That portion of asset acquisitions funded from current operations is included in interfund transfers for capital expenditures of the revenue fund.

That portion of asset acquisitions funded from other funds is included in inter-fund transfers for capital expenditures of the other funds.

That portion of asset acquisitions received from or funded for Saskatchewan Learning are included in the capital fund as revenue from provincial grants.

That portion of asset acquisitions funded from donations is included in the capital fund as other revenue.

Living Sky School Division No. 202 has assumed the agreement between the former Battlefords School Division No. 118 and North West Regional College to share the facility of the North Battleford Comprehensive High School. In the agreement the School Division will hold title to the property, with the College's identified portion of 15.5% of the cost of the project being held in trust for the College. There is no offsetting liability on the balance sheet to recognize this shared investment.

Capital loans

Principal repayments of long-term debt applicable to money borrowed to finance the School Division portion of capital projects are included in expenditures in the capital fund when they mature. Principal repayments of long-term debt applicable to money borrowed to finance the Saskatchewan Learning portion of capital projects has been offset with receipts from Saskatchewan Learning.

Interest on long-term debt applicable to money borrowed to finance the School Division portion of capital projects is not accrued, but is included in expenditures when it is due. Interest on long-term debt applicable to money borrowed to finance the Saskatchewan Learning portion of capital projects is not accrued, and has been offset with receipts from Saskatchewan Learning.

Living Sky School Division No. 202
Notes to the Financial Statements
August 31, 2007

Revenue recognition

Revenue from property taxation and related penalties, discounts, cancellations, and other adjustments are recorded when received or receivable.

Tuition fees charged pertaining to course instruction and capital are recognized as the course is delivered and recorded as revenue in the appropriate fund.

All grants, restricted and unrestricted, are recorded as revenue and receivables once the school division has the right to claim the funds. The school division records all grant overpayments as liabilities and reduces any revenue accordingly.

All revenues are accounted for in the period in which the transaction or event occurred that gave rise to the revenue, and ultimate collection is reasonably assured.

Accounts receivable

Accounts receivable represent amounts billed for services or work completed. Allowances are recorded for any amounts that may not be collected and these allowances are offset against the accounts receivable.

Long-term investments

Long-term investments are recorded at cost. Due to their immediate or short-term nature, cost approximates fair value for all investments.

Interest on investments

Interest earned on investments is credited to revenues for the specific funds when it is received.

Consumable supplies

Consumable supplies that are used within a normal operating cycle are expensed when purchased.

Other liabilities

Unpaid vacation pay and school days worked prior to August 31st are accrued and included in other payables. There is no obligation to payout accumulated and unused sick leave and as such there is no liability recorded in the accounts. Sick leave is recorded as part of regular salary when it is taken.

All pension deductions are remitted monthly to the various group plans along with any matching contributions required to be paid by the Board. All Board contributions to any pension plan are recorded as an expense when incurred.

Retirement gratuities stipulated in Board policy are not accrued due to the stipulations and nature of the payouts of these gratuities and are recorded as expenditures when paid. Retirement allowances recognized under contractual agreements are set up in the accounts as reserves under appropriated funds in the operating fund.

The School Division does not accrue liabilities for outstanding purchase orders until the goods and services are received. Also, the School Division does not accrue any liability for outstanding school fund balances carried forward. The School Division does record expenditures and accrued liabilities for personal professional development balances carried forward.

Living Sky School Division No. 202
Notes to the Financial Statements
August 31, 2007

Comparative figures

On January 1, 2006 the Living Sky School Division No. 202 assumed operational responsibility for the amalgamated School Division consisting of the former Battlefords School Division No. 118, Landswest School Division No. 123, and the Cando and Sonningdale School Districts in the former Biggar School Division No. 50. All assets, liabilities, fund balances, and agreements pertaining to operations in the previous school divisions were transferred to the new School Division. Also, as part of a Provincial initiative the year end for school divisions in the Province was changed from December 31, to August 31. As a result of these changes comparative financial information for revenues and expenditures for the 2006 fiscal period include the revenues and expenditures of the amalgamated operations for the 8 month period January 1, to August 31, 2006.

3. Capital loans

	Balance <u>Aug. 31, 2007</u>	Balance <u>Aug. 31, 2006</u>
Saskatchewan Learning portion of capital projects		
CUCORP Financial Services – loan repayable in annual principal installments of \$202,300 plus interest of 6.45% per annum	\$ <u>202,300</u>	\$ <u>404,600</u>

4. Inter-fund debt

Inter-fund debt represents the amount on money that has been advanced to or is repayable by the various funds to another fund. All inter-fund debt can be offset within each fund by cash or other short-term assets.

5. Budget amounts

The Budget was prepared by School Division management with Board of Education approval given on December 20, 2006. It is presented for information purposes only and has not been audited.

6. Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported as revenue or expenditures in the period in which they became known.

7. Financial instruments

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing, and certainty of future cash flows. The carrying amount of accounts receivable, accounts payable and accrued liabilities approximates their fair value due to their immediate or short-term nature.

8. Credit risk

The school division does not have a significant exposure to any individual customer or counter party. The school division conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific customers, historical trends, and other information. The allowance for doubtful accounts for August 31, 2007 was \$291,407 for taxes receivable. The allowance for doubtful accounts for August 31, 2006 was \$291,407 for taxes receivable and \$119,666 for other receivables.

Living Sky School Division No. 202
Notes to the Financial Statements
August 31, 2007

9. Fund Balances

Operating Fund

	Restated Balance Aug. 31, 2006	Net Surplus (Deficit) Aug. 31, 2007	Appropriations & Transfers Aug. 31, 2007	Balance Aug. 31, 2007
Unappropriated Surplus	\$3,965,146	\$122,481	(\$322,340)	\$3,765,287
Appropriated Surplus				
Tax Loss Compensation	\$2,441,682	0	322,340	\$2,764,022
Retirement Allowances	\$93,485	0	0	\$93,485
Future Expenditures	\$4,748,106	0	0	\$4,748,106
Busses	\$163,728	0	0	\$163,728
Total Appropriated Surplus	\$7,447,001	\$0	\$322,340	\$7,769,341
Fund Balances	\$11,412,147	\$122,481	\$0	\$11,534,628

Capital Fund

Equity In Physical AssetsFixed Assets	\$96,972,850	\$0	(\$3,220,140)	\$93,752,710
Unappropriated Surplus	\$29,995	\$484,869	\$0	\$514,864
Appropriated Surplus				
Capital Tuition Dept.	\$401,770	(114,046)	0	\$287,724
Capital Tuition Local	\$232,689	(57,667)		\$175,022
Bus Garage	\$250,000	0	0	\$250,000
Hafford School	\$120,287	3,903	0	\$124,190
Connaught School	\$889	0	0	\$889
McKittrick School	\$3,830	(1,000)	0	\$2,830
Bready School	\$1,080	40	0	\$1,120
Battleford Central School	\$100	0	0	\$100
Macklin Gym	\$306,000	0	0	\$306,000
Unity High School	\$2,261	0	0	\$2,261
Kerrobert Playground	\$5,466	(5,466)	0	\$0
Kerrobert Football Field	\$1,167	0	0	\$1,167
Major Playground	\$4,200	5,560	0	\$9,760
Hartley Clark Playground	\$1,660	(1,660)	0	\$0
Total Appropriated Surplus	\$1,331,399	(\$170,336)	\$0	\$1,161,063
Fund Balances	\$1,361,394	\$314,533	\$0	\$1,675,927

Capital Fund restatement of balances at August 31, 2006

Opening balances to capital fund accounts have been restated to reflect correct allocations between the various accounts. Equity in physical assets was increased by \$60,984 with Capital Tuition Dept. being reduced by \$40,859 and Capital Tuition Local being reduced by \$20,125. Also the opening balance in Unappropriated Surplus of the capital fund was reduced by \$5,860 to recognize contributions to the Major Playground of \$4,200 and the Hartley Clark Playground of \$1,660.

Other Funds

Appropriated Surplus				
Alex Harper Scholarship	\$27,400	(540)	0	\$26,860
Cyril Harper Scholarship	\$0	25,394	0	\$25,394
Stoik Family Scholarship	\$34,490	(1,019)	0	\$33,471
Knowles Scholarship	\$38,477	(3,065)	0	\$35,412
Ostrom Scholarship	\$4,548	(94)	0	\$4,454
Collins Webb	\$1,992	58	0	\$2,050
J. Campbell	\$3,283	(154)	0	\$3,129
McEachern	\$3,966	(886)	0	\$3,080
Bready	\$25,231	(2,267)	0	\$22,964
Wilgers	\$29,576	864	0	\$30,440
Fund Balances	\$168,963	\$18,291	\$0	\$187,254