Ministry of Education

Auditor's Report and Financial Statement

Of the Living Sky School Division No. 202

School Division No. 2020500

For the Period Ending: August 31, 2011

Raymond Kopera

Chief Financial Officer

Holm Clements Kwong Mestsen Raiche

Auditor

Note - Copy to be sent to Ministry of Education, Regina

Holm Clements Kwong Svenkeson Raiche

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Living Sky School Division No. 202, which comprise the statement of financial position as at August 31, 2011, and the statements of operations and accumulated surplus (deficit), changes in net financial assets (net debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Living Sky School Division No. 202 as at August 31, 2011, and the results of its operations, change in net financial assets (net debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Holm Clements Kwong Svenkeson Raiche

North Battleford, Saskatchewan
February 15, 2012

Chartered Accountants

Living Sky School Division No. 202
Statement of Financial Position
as at August 31, 2011

	2011	2010
Financial Assets		
Cash and Cash Equivalents	18,118,017	9,918,570
Short-term Investments (Note 3)	88,600	88,600
Accounts Receivable (Note 4)	12,148,088	17,304,224
Long-term Investments (Note 5)	185,111	187,795
Total Financial Assets	**30,539,816**	**27,499,189**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 7)	3,829,068	2,833,130
Long-term Debt (Note 8)	700,000	800,000
Liability for Employee Future Benefits (Note 9)	659,000	593,400
Deferred Revenue (Note 10)	1,800,666	1,723,310
Other Liabilities	-	67,000
Total Liabilities	**6,988,734**	**6,016,840**
Net Financial Assets (Net Debt)	**23,551,082**	**21,482,349**
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	32,215,392	30,570,237
Prepaid Expenses	177,108	42,535
Total Non-Financial Assets	**32,392,500**	**30,612,772**
Accumulated Surplus (Deficit) (Note 11)	**55,943,582**	**52,095,121**

Contractual Obligations and Commitments (Note 18)

The accompanying notes and schedules are an integral part of these statements

Approved by the Board:

Kim [signature] Chairperson

Raymond Kopera Chief Financial Officer

Living Sky School Division No. 202

Statement of Operations and Accumulated Surplus (Deficit)
for the year ended August 31, 2011

	2011 Budget (Note 19)	2011 Actual	2010 Actual
REVENUES			
Property Taxation	24,411,574	21,150,465	21,247,897
Grants	41,270,103	42,072,664	43,400,027
Tuition and Related Fees	4,150,000	5,296,287	5,258,066
School Generated Funds	2,158,745	1,881,413	1,974,894
Complementary Services (Note 12)	1,022,654	1,136,425	1,092,012
External Services (Note 13)	101,000	169,061	532,620
Other	370,000	989,530	478,248
Total Revenues (Schedule A)	**73,484,076**	**72,695,845**	**73,983,764**
EXPENSES			
Governance	488,874	383,360	433,338
Administration	1,601,859	1,418,314	1,397,569
Instruction	46,043,149	44,986,578	46,844,405
Plant	13,051,192	11,228,743	10,228,676
Transportation	6,291,582	5,986,233	5,539,916
Tuition and Related Fees	325,000	272,824	374,781
School Generated Funds	2,158,745	1,867,992	1,803,358
Complementary Services (Note 12)	2,003,724	2,292,171	1,219,595
External Services (Note 13)	449,571	315,665	471,409
Other Expenses	65,000	95,504	59,912
Total Expenses (Schedule B)	**72,478,696**	**68,847,384**	**68,372,959**
Surplus (Deficit) for the Year	**1,005,380**	**3,848,461**	**5,610,805**
Accumulated Surplus (Deficit), Beginning of Year	**52,095,121**	**52,095,121**	**46,484,316**
Accumulated Surplus (Deficit), End of Year	**53,100,501**	**55,943,582**	**52,095,121**

The accompanying notes and schedules are an integral part of these statements

Living Sky School Division No. 202

Statement of Changes in Net Financial Assets (Net Debt)
for the year ended August 31, 2011

	2011 Budget (Note 19)	2011 Actual	2010 Actual
Net Financial Assets (Net Debt), Beginning of Year	**21,482,349**	**21,482,349**	**15,960,142**
Changes During the Year:			
Surplus (Deficit) for the Year	1,005,380	3,848,461	5,610,805
Acquisition of Tangible Capital Assets (Schedule C)	(6,162,000)	(3,829,032)	(2,216,749)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	16,094	79,611
Net Loss (Gain) on Disposal of Capital Assets (Schedule C)	-	33,056	(9,660)
Amortization of Tangible Capital Assets (Schedule C)	2,310,338	2,134,727	2,073,070
Net Acquisition of Prepaid Expenses	-	(134,573)	(14,870)
Change in Net Financial Assets / Net Debt	**(2,846,282)**	**2,068,733**	**5,522,207**
Net Financial Assets (Net Debt), End of Year	**18,636,067**	**23,551,082**	**21,482,349**

The accompanying notes and schedules are an integral part of these statements

Living Sky School Division No. 202
Statement of Cash Flows
for the year ended August 31, 2011

	2011	2010
OPERATING ACTIVITIES		
Surplus (Deficit) for the Year	3,848,461	5,610,805
Add (Deduct) Non-Cash Items Included in Surplus / Deficit (Schedule D)	2,167,783	2,063,410
Net Change in Non-Cash Operating Activities (Schedule E)	6,093,457	(4,261,309)
Cash Provided (Used) by Operating Activities	**12,109,701**	**3,412,906**
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(3,829,032)	(2,216,749)
Proceeds on Disposal of Tangible Capital Assets	16,094	79,611
Cash Provided (Used) by Capital Activities	**(3,812,938)**	**(2,137,138)**
INVESTING ACTIVITIES		
Proceeds on Disposal of Investments	2,684	13,894
Cash Provided (Used) by Investing Activities	**2,684**	**13,894**
FINANCING ACTIVITIES		
Repayment of Long Term Debt	(100,000)	(100,000)
Cash Provided (Used) by Financing Activities	**(100,000)**	**(100,000)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**8,199,447**	**1,189,662**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**9,918,570**	**8,728,908**
CASH AND CASH EQUIVALENTS, END OF YEAR	**18,118,017**	**9,918,570**

REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash and Cash Equivalents	18,118,017	9,918,570
CASH AND CASH EQUIVALENTS, END OF YEAR	**18,118,017**	**9,918,570**

The accompanying notes and schedules are an integral part of these statements

Living Sky School Division No. 202
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget (Note 19)	2011 Actual	2010 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	24,846,140	21,915,053	21,196,146
Total Property Tax Revenue	**24,846,140**	**21,915,053**	**21,196,146**
Grants in Lieu of Taxes:			
Federal Government	195,000	81,702	129,293
Provincial Government	310,000	304,371	243,159
Railways	300	28	85
Other	184,511	172,570	109,853
Total Grants in Lieu of Taxes	**689,811**	**558,671**	**482,390**
Other Tax Revenues:			
Treaty Land Entitlement - Rural	-	66,253	693,738
House Trailer Fees	12,896	11,889	12,896
Total Other Tax Revenues	**12,896**	**78,142**	**706,634**
Additions to Levy:			
Penalties	216,720	216,735	216,720
Total Additions to Levy	**216,720**	**216,735**	**216,720**
Deletions from Levy:			
Discounts	(1,163,657)	(1,310,299)	(1,163,657)
Cancellations	(190,336)	(307,837)	(190,336)
Total Deletions from Levy	**(1,353,993)**	**(1,618,136)**	**(1,353,993)**
Total Property Taxation Revenue	**24,411,574**	**21,150,465**	**21,247,897**
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	39,238,031	40,909,844	41,806,525
Other Ministry Grants	-	76,000	-
Total Ministry Grants	**39,238,031**	**40,985,844**	**41,806,525**
Federal Grants	-	8,944	-
Grants from Others	-	12,995	-
Total Operating Grants	**39,238,031**	**41,007,783**	**41,806,525**
Capital Grants			
Ministry of Education Capital Grants	2,032,072	1,064,881	1,593,502
Total Capital Grants	**2,032,072**	**1,064,881**	**1,593,502**
Total Grants	**41,270,103**	**42,072,664**	**43,400,027**

Living Sky School Division No. 202
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget (Note 19)	2011 Actual	2010 Actual
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
Federal Government and First Nations	4,000,000	5,252,468	5,258,066
Individuals and Other	-	-	-
Total Tuition Fees	**4,000,000**	**5,252,468**	**5,258,066**
Transportation Fees	-	35,819	-
Other Related Fees	-	8,000	-
Total Operating Tuition and Related Fees	**4,000,000**	**5,296,287**	**5,258,066**
Capital Fees:			
Federal/First Nations Capital Fees	150,000	-	-
Total Capital Tuition and Fees	**150,000**	**-**	**-**
Total Tuition and Related Fees Revenue	**4,150,000**	**5,296,287**	**5,258,066**
School Generated Funds Revenue			
Curricular Fees:			
Student Fees	166,036	160,814	207,266
Total Curricular Fees	**166,036**	**160,814**	**207,266**
Non-Curricular Fees:			
Commercial Sales - Non-GST	249,015	296,474	281,822
Fundraising	788,132	699,752	721,990
Grants and Partnerships	65,781	50,913	44,154
Students Fees	413,914	419,156	382,694
Other	475,867	254,304	336,968
Total Non-Curricular Fees	**1,992,709**	**1,720,599**	**1,767,628**
Total School Generated Funds Revenue	**2,158,745**	**1,881,413**	**1,974,894**
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	972,154	998,154	960,247
Ministry of Education Grants-Other	-	49,852	7,000
Other Provincial Grants	10,000	23,849	3,652
Federal Grants	-	9,420	-
Other Grants	25,000	54,576	30,000
Total Operating Grants	**1,007,154**	**1,135,851**	**1,000,899**
Fees and Other Revenue			
Tuition and Related Fees	5,500	574	10,185
Other Revenue	10,000	-	80,928
Total Fees and Other Revenue	**15,500**	**574**	**91,113**
Total Complementary Services Revenue	**1,022,654**	**1,136,425**	**1,092,012**

Living Sky School Division No. 202
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
	(Note 19)		
External Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education Grants-Other	-	20,000	-
Other Provincial Grants	-	2,000	-
Other Grants	-	500	-
Total Operating Grants	**-**	**22,500**	**-**
Capital Grants			
Ministry of Education Capital Grants	-	-	376,122
Total Capital Grants	**-**	**-**	**376,122**
Fees and Other Revenue			
Gain on Disposal of Capital Assets	-	-	12,769
Other Revenue	101,000	146,561	143,729
Total Fees and Other Revenue	**101,000**	**146,561**	**156,498**
Total External Services Revenue	**101,000**	**169,061**	**532,620**
Other Revenue			
Miscellaneous Revenue	15,000	413,312	74,129
Sales & Rentals	255,000	363,216	329,928
Investments	100,000	199,408	74,191
Gain on Disposal of Capital Assets	-	13,594	-
Total Other Revenue	**370,000**	**989,530**	**478,248**
TOTAL REVENUE FOR THE YEAR	**73,484,076**	**72,695,845**	**73,983,764**

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
	(Note 19)		
Governance Expense			
Board Members Expense	177,819	158,753	159,878
Conventions - Board Members	31,000	18,034	42,819
School Community Councils	51,000	34,354	42,065
Conventions - School Community Councils	6,000	-	-
Elections	10,000	-	12,556
Other Governance Expenses	212,000	172,219	176,020
Amortization of Tangible Capital Assets	1,055	-	-
Total Governance Expense	**488,874**	**383,360**	**433,338**
Administration Expense			
Salaries	1,022,954	1,043,709	906,621
Benefits	134,939	145,405	122,637
Supplies & Services	98,500	78,393	40,022
Non-Capital Furniture & Equipment	40,000	34,732	42,336
Building Operating Expenses	90,932	22,445	51,865
Communications	122,000	38,172	181,224
Travel	35,500	11,093	12,513
Professional Development	38,000	23,695	20,996
Amortization of Tangible Capital Assets	19,034	20,670	19,355
Total Administration Expense	**1,601,859**	**1,418,314**	**1,397,569**
Instruction Expense			
Instructional (Teacher & LEADS Contract) Salaries	31,521,776	30,550,467	30,771,724
Instructional (Teacher & LEADS Contract) Benefits	1,564,185	1,522,384	1,517,236
Program Support (Non-Teacher Contract) Salaries	6,769,806	6,727,753	7,057,633
Program Support (Non-Teacher Contract) Benefits	1,053,658	1,264,071	1,074,310
Instructional Aids	1,746,669	1,391,517	2,285,644
Supplies & Services	598,796	1,170,089	589,163
Non-Capital Furniture & Equipment	861,810	612,566	600,174
Communications	389,090	336,074	247,069
Travel	272,787	297,984	327,879
Professional Development	662,997	429,363	543,751
Student Related Expense	309,117	315,570	278,266
Amortization of Tangible Capital Assets	292,458	368,740	1,551,556
Total Instruction Expense	**46,043,149**	**44,986,578**	**46,844,405**

Living Sky School Division No. 202

Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
	(Note 19)		
Plant Operation & Maintenance Expense			
Salaries	2,696,628	2,596,940	2,532,255
Benefits	558,008	563,577	506,191
Supplies & Services	10,504	7,447	41,222
Non-Capital Furniture & Equipment	63,887	31,269	32,264
Building Operating Expenses	8,173,784	6,640,520	7,020,708
Communications	7,000	9,758	7,375
Travel	46,700	60,820	51,943
Professional Development	15,729	6,012	5,747
Amortization of Tangible Capital Assets	1,478,952	1,312,400	30,971
Total Plant Operation & Maintenance Expense	**13,051,192**	**11,228,743**	**10,228,676**
Student Transportation Expense			
Salaries	1,399,976	1,404,884	1,360,348
Benefits	244,703	269,136	214,864
Supplies & Services	797,000	681,797	593,687
Non-Capital Furniture & Equipment	690,000	557,718	595,846
Building Operating Expenses	1,500	-	-
Communications	28,000	17,760	17,279
Travel	2,000	1,442	1,253
Professional Development	30,000	8,389	8,733
Contracted Transportation	2,582,750	2,615,739	2,276,718
Amortization of Tangible Capital Assets	515,653	429,368	471,188
Total Student Transportation Expense	**6,291,582**	**5,986,233**	**5,539,916**
Tuition and Related Fees Expense			
Tuition Fees	250,000	213,634	188,114
Other Fees	75,000	59,190	186,667
Total Tuition and Related Fees Expense	**325,000**	**272,824**	**374,781**
School Generated Funds Expense			
Supplies & Services	135,207	107,683	94,118
Cost of Sales	425,388	339,353	384,370
Non-Capital Furniture & Equipment	85,771	56,521	80,508
Special Programs	-	736	-
School Fund Expenses	1,512,379	1,363,699	1,244,362
Total School Generated Funds Expense	**2,158,745**	**1,867,992**	**1,803,358**

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
	(Note 19)		
Complementary Services Expense			
Tuition Fees	-	12,119	-
Administration Salaries & Benefits	-	-	77,584
Instructional (Teacher & LEADS Contract) Salaries & Benefits	356,484	406,390	357,181
Program Support (Non-Teacher Contract) Salaries & Benefits	1,553,740	1,724,585	624,927
Instructional Aids	-	31,046	1,082
Supplies & Services	93,500	93,622	136,063
Non-Capital Furniture & Equipment	-	7,181	368
Building Operating Expenses	-	1,016	15,000
Communications	-	920	888
Travel	-	1,981	1,848
Professional Development (Non-Salary Costs)	-	2,580	134
Student Related Expenses	-	4,118	4,520
Contracted Transportation & Allowances	-	6,613	-
Total Complementary Services Expense	**2,003,724**	**2,292,171**	**1,219,595**

	2011 Budget	2011 Actual	2010 Actual
External Service Expense			
Administration Salaries & Benefits	10,000	145	-
Program Support (Non-Teacher Contract) Salaries & Benefits	88,885	95,015	79,411
Supplies & Services	140,000	144,778	154,665
Building Operating Expenses	11,500	6,415	10,106
Travel	2,000	-	172
Professional Development (Non-Salary Costs)	-	-	43
Student Related Expenses	-	61	3,877
Contracted Transportation & Allowances	194,000	65,702	221,102
Amortization of Tangible Capital Assets	3,186	3,549	-
Loss on Disposal of Tangible Capital Assets	-	-	2,033
Total External Services Expense	**449,571**	**315,665**	**471,409**

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget (Note 19)	2011 Actual	2010 Actual
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	-	4,849	9,791
School Facilities	65,000	44,005	50,121
Total Interest and Bank Charges	65,000	48,854	59,912
Loss on Disposal of Tangible Capital Assets	-	46,650	-
Total Other Expense	**65,000**	**95,504**	**59,912**
TOTAL EXPENSES FOR THE YEAR	**72,478,696**	**68,847,384**	**68,372,959**

Living Sky School Division No. 202

Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2011

	Land	Land Improvements	Buildings	Buildings Short term	School Buses	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	Work-in-Progress	2011	2010
Tangible Capital Assets - at Cost:												
Opening Balance as of September 1	1,004,246		74,058,540	1,553,351	7,005,544	246,528	7,910,362	1,107,421	117,198	296,633	**93,299,823**	**91,910,689**
Additions/Purchases			8,775		1,002,682	43,415	1,437,278	491,587		845,295	**3,829,032**	**2,216,749**
Disposals	(2,052)		(181,145)		(550,148)	(23,476)					**(756,821)**	**(827,615)**
Closing Balance as of August 31	**1,002,194**	**-**	**73,886,170**	**1,553,351**	**7,458,078**	**266,467**	**9,347,640**	**1,599,008**	**117,198**	**1,141,928**	**96,372,034**	**93,299,823**
Tangible Capital Assets - Amortization:												
Opening Balance as of September 1			49,049,029	820,786	4,103,215	159,222	7,617,735	956,159	23,440	-	**62,729,586**	**61,414,180**
Amortization of the Period			1,248,169	60,407	419,418	35,980	211,186	136,128	23,439	-	**2,134,727**	**2,073,070**
Disposals			(134,047)		(550,148)	(23,476)					**(707,671)**	**(757,664)**
Closing Balance as of August 31	**N/A**	**-**	**50,163,151**	**881,193**	**3,972,485**	**171,726**	**7,828,921**	**1,092,287**	**46,879**	**-**	**64,156,642**	**62,729,586**
Net Book Value:												
Opening Balance as of September 1	1,004,246		25,009,511	732,565	2,902,329	87,306	292,627	151,262	93,758	296,633	**30,570,237**	**30,496,509**
Closing Balance as of August 31	1,002,194	-	23,723,019	672,158	3,485,593	94,741	1,518,719	506,721	70,319	1,141,928	**32,215,392**	**30,570,237**
Change in Net Book Value	**(2,052)**	**-**	**(1,286,492)**	**(60,407)**	**583,264**	**7,435**	**1,226,092**	**355,459**	**(23,439)**	**845,295**	**1,645,155**	**73,728**
Disposals:												
Historical Cost	2,052		181,145		550,148	23,476					**756,821**	**827,615**
Accumulated Amortization			134,047		550,148	23,476					**707,671**	**757,664**
Net Cost	**2,052**	**-**	**47,098**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**49,150**	**69,951**
Price of Sale	2,000		500		12,969	625					**16,094**	**79,611**
Gain/loss on Disposal	**(52)**	**-**	**(46,598)**	**-**	**12,969**	**625**	**-**	**-**	**-**	**-**	**(33,056)**	**9,660**

Living Sky School Division No. 202

Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2011

	2011	2010
Non-Cash Items Included in Surplus / Deficit:		
Amortization of Tangible Capital Assets (Schedule C)	2,134,727	2,073,070
Net (Gain) Loss on Disposal of Tangible Capital Assets	33,056	(9,660)
Total Non-Cash Items Included in Surplus / Deficit	**2,167,783**	**2,063,410**

Living Sky School Division No. 202

Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2011

	2011	2010
Net Change in Non-Cash Operating Activities:		
Decrease (Increase) in Accounts Receivable	5,156,136	(3,990,733)
Increase (Decrease) in Provincial Grant Overpayment	-	(327,139)
Increase (Decrease) In Accounts Payable and Accrued Liabilities	995,938	1,186,755
Increase (Decrease) in Liability for Employee Future Benefits	65,600	40,200
Increase (Decrease) in Deferred Revenue	77,356	(1,155,522)
Increase (Decrease) in Other Liabilities	(67,000)	-
Decrease (Increase) in Prepaid Expenses	(134,573)	(14,870)
Total Net Change in Non-Cash Operating Activities	**6,093,457**	**(4,261,309)**

1. AUTHORITY AND PURPOSE

The School Division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of "The Board of Education of the Living Sky School Division No. 202" and operates as "the Living Sky School Division No. 202". The School Division provides education services to residents within its geographic region and is governed by an elected board of trustees.

The School Division is funded mainly by grants from the Government of Saskatchewan and a levy on the property assessment included in the School Division's boundaries at mill rates determined by the provincial government. The School Division is exempt from income tax and is a registered charity under the *Income Tax Act.*

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian public sector accounting standards for other government organizations as established by the Public Sector Accounting Board (PSAB) and as published by the Canadian Institute of Chartered Accountants (CICA).

Significant aspects of the accounting policies adopted by the School Division are as follows:

a) Reporting Entity

The financial statements include all of the assets, liabilities, revenues and expenses of the School Division reporting entity. The School Division reporting entity is comprised of all the organizations which are controlled by the School Division.

b) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

c) Measurement Uncertainty and the Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 amounts of revenues and expenses during the year.

Measurement uncertainty that may be material to these financial statements exists for:

- The liability for employee future benefits of $659,000 (2010: $593,400) because actual experience may differ significantly from actuarial estimations.
- Property taxation revenue of $21,150,465 (2010: $21,247,897) because final tax assessments may differ from initial estimates.
- Uncollectible taxes of $341,407 (2010: $341,407) because actual collectability may differ from initial estimates.
- Useful lives of tangible capital assets and related amortization of $2,134,727 (2010: $2,073,070).

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

While best estimates are used for reporting items subject to measurement uncertainty, it is reasonably possible that changes in future conditions, occurring within one fiscal year, could require material changes in the amounts recognized or disclosed.

d) Financial Instruments
Financial instruments include cash, short-term investments, accounts receivable, investments, bank indebtedness, accounts payable and accrued liabilities, long-term debt and other liabilities. Except as otherwise disclosed, the School Division is not exposed to significant interest, currency or credit risk arising from these financial instruments that may affect the amount, timing and certainty of future cash flows. The School Division is exposed to credit risk from the potential non-payment of accounts receivable. However, the majority of the receivables are from local, provincial and federal governments, and therefore, the credit risk is minimal.

e) Financial Assets
Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Valuation allowances are used where considered necessary to reduce the amounts reported for financial assets to their net realizable value.

Cash and Cash Equivalents consist of cash and bank deposits.

Short-term Investments consist of highly liquid securities made to obtain a return on a temporary basis with maturity terms between three months and one year. Short-term investments are recorded at the lower of cost or market.

Accounts Receivable includes taxes receivable, provincial grants receivable and other receivables. Taxes receivable represent education property taxes assessed or estimated owing to the end of the fiscal period but not yet received. The allowance for uncollected taxes is a valuation allowance used to reduce the amount reported for taxes receivable to the estimated net recoverable amount. The allowance represents management's estimate of the amount of taxes that will not be collected taking into consideration prior years' tax collections and information provided by municipalities regarding collectability of outstanding balances. Provincial grants receivable represent operating, capital, and other grants earned but not received at the end of the fiscal year, provided reasonable estimates of the amounts can be made. Grants are earned when the events giving rise to the grant have occurred, the grant is authorized and any eligibility criteria have been met. Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful.

Long-term Investments consist of guaranteed investment certificates and are carried at cost. Where there has been a permanent impairment in value of a long-term investment, the investment is written down to reflect the loss in value.

f) Non-Financial Assets

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the School Division unless they are sold.

Tangible Capital Assets have useful lives extending beyond the accounting period, are used by the School Division to provide services to the public and are not intended for sale in the ordinary course of operations. Tangible capital assets include land, buildings, school buses, other vehicles, furniture and equipment, computer hardware and software, and assets under construction. Tangible capital assets are recorded at cost and include all costs directly attributable to the acquisition, design, construction, development, installation and betterment of the tangible capital asset. The School Division does not capitalize interest incurred while a tangible capital asset is under construction.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings	50 years
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger and light duty trucks and vans	5 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

Prepaid Expenses are prepaid amounts for goods or services such as, Saskatchewan School Board Association fees, legal fees and insurance, which will provide economic benefits in one or more future periods.

g) Liabilities

Liabilities are present obligations arising from transactions and events occurring prior to year-end, which will be satisfied in the future through the use of assets or another form of economic settlement.

Accounts Payable and Accrued Liabilities include accounts payable and accrued liabilities owing to third parties and employees for work performed, goods supplied and services rendered, but not yet paid, at the end of the fiscal period. Amounts are payable within one year.

Long-term Debt is comprised of capital loans with initial maturities of more than one year and is incurred for the purpose of financing capital expenditures in accordance with the provisions of *The Education Act, 1995.*

Liability for Employee Future Benefits represent post-employment and compensated absence benefits that accrue to the School Division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of expected discount rate, inflation, salary escalation, termination and retirement rates and mortality. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups. Actuarial valuations are performed periodically. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year.

Recognition of employee future benefits obligations commenced on September 1, 2008. The School Division recorded the full value of the obligation related to these benefits for employees' past service at this time.

Deferred revenue represents revenue received pursuant to legislation, regulation or agreement that may only be used for specific purposes. Revenue is recognized in the fiscal year in which the resources are used for the purpose specified.

h) Employee Pension Plans

Employees of the School Division participate in the following pension plans:

Multi-Employer Defined Benefit Plans

The School Division's employees participate in one of the following multi-employer defined benefit plans:

i) Teachers participate in the retirement plan of the Saskatchewan Teachers' Retirement Plan (STRP) or Saskatchewan Teachers' Superannuation Plan (STSP). The School Division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.

ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). In accordance with PSAB, the plan is accounted for as a defined contribution plan whereby the School Division's contributions are expensed when due.

i) Revenue Recognition

Revenues are recognized in the year they are earned provided the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted revenues are amounts received pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions. Restricted revenues are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

The School Division's two major sources of revenues are provincial grants and property taxation.

i) Provincial grants:

Provincial grants are recognized in the financial statements in the period which the events giving rise to the grant occur provided the grant is authorized, eligibility criteria are met, and a reasonable estimate of the amount can be made. Grants that restrict how those resources are to be used are recognized as revenue in the fiscal year the related expenses are incurred or services are performed. Provincial operating grants are recognized on a 12 month basis with $1/12^{th}$ of the grant recognized as revenue each month. Capital grants are recognized over the course of the construction project as the entitlement to the grant is earned and the amount is measurable. Restricted grants received, but not yet earned, are recorded as deferred revenue.

ii) Property taxation:
Property tax is levied and collected on a calendar year basis. Effective the 2009 calendar year, uniform education property tax mill rates are set by the Province. Prior to 2009, each School Division set the education property tax mill rate for properties in its jurisdiction. Tax revenues are recognized on the basis of time with 1/12th of estimated total tax revenue recorded in each month of the School Division's fiscal year. The tax revenue for the September to December portion of the fiscal year is based on the actual amounts reported by the municipalities for the calendar taxation year. For the January to August portion of its fiscal year, the School Division estimates tax revenue based on estimate information provided by municipalities who levy and collect the property tax on behalf of the School Division. The final annual taxation amounts are reported to the School Division by each municipality following the conclusion of each calendar taxation year, and any difference between final amounts and the School Division's estimates is recorded as an adjustment to revenue in the next fiscal year.

Tuition fee revenue and other services revenue are recognized when the service is provided.

3. SHORT-TERM INVESTMENTS

Short-term investments consist of term deposits, and marketable securities with maturities between three months and one year. Due to the short-term nature of the investments, market value approximates cost.

4. ACCOUNTS RECEIVABLE

All accounts receivable presented in the Statement of Financial Position are net of any valuation allowances for doubtful accounts. Details of account receivable balances and allowances are as follows:

	2011			2010		
	Total Receivables	Valuation Allowance $	Net of Allowance	Total Receivables	Valuation Allowance	Net of Allowance
Taxes Receivable	$ 10,465,550	$ 341,407	$10,124,143	$ 11,237,871	$ 341,407	$10,896,464
Provincial Grants Receivable	708,095	-	708,095	4,365,241	-	4,365,241
Other Receivables	1,315,850	-	1,315,850	2,042,519	-	2,042,519
Total Accounts Receivables	**$ 12,489,495**	**$ 341,407**	**$12,148,088**	**$ 17,645,631**	**$ 341,407**	**$17,304,224**

5. LONG-TERM INVESTMENTS

Long-term investments are comprised of the following:

	Cost/Book Value		Market Value	
	2011	2010	2011	2010
Member Equity in Co-op Organizations	$ 54,518	$ 58,167	$ 54,518	$ 58,167
CIBC – Guaranteed Money Market Fund, floating interest rate, no specified maturity date.	130,593	129,628	130,593	129,628
Total Long-term Investments	**$ 185,111**	**$ 187,795**	**$ 185,111**	**$ 187,795**

6. BANK INDEBTEDNESS

The School Division has a demand operating line of credit with a maximum borrowing limit of $ 10,000,000 that bears interest at Bank prime rate less .50% per annum. This line of credit is authorized by a borrowing resolution by the Board of Education and is secured by Provincial Grant receipts. This line of credit was approved by the Minister of Education on October 29, 2010. There was no balance outstanding on the line of credit at August 31, 2011 or August 31, 2010.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of account payable and accrued liabilities are as follows:

	2011	2010
Accrued Salaries	$ 1,365,508	$ 711,973
Supplier Payments	2,463,560	2,121,157
Total Accounts Payable and Accrued Liabilities	**$ 3,829,068**	**$ 2,833,130**

8. LONG-TERM DEBT

Details of long-term debt are as follows:

Capital Loan	**2011**	**2010**
Innovation Credit Union – loan repayable in annual principal installments of $100,000 plus interest at 6.00% paid monthly	$ 700,000	$ 800,000
Total Long-term Debt	**$ 700,000**	**$ 800,000**

Principal repayments over the next 5 years are as follows:	**2011**	**2010**
2012	$ 100,000	$ 100,000
2013	$ 100,000	$ 100,000
2014	$ 100,000	$ 100,000
2015	$ 100,000	$ 100,000
2016	$ 100,000	$ 100,000
Thereafter	$ 200,000	$ 300,000
Total	**$ 700,000**	**$ 800,000**

Principal and interest payments on long-term debt are as follows:		
	2011	**2010**
Principal	$ 100,000	$ 100,000
Interest	$ 44,005	$ 50,121
Total	**$ 144,005**	**$ 150,121**

9. LIABILITY FOR EMPLOYEE FUTURE BENEFITS

The School Division provides certain post-employment and compensated absence benefits to its employees. These benefits include: non vested sick leave payout, retirement gratuity, paid time off benefit, vested sick leave payout, and vacation payout. In order to calculate the actuarial liability and estimated future cost of the various benefits, it is necessary to make assumptions about the plan's future experience. The assumptions are intended to reflect the anticipated long-term future experience of the plan. Demographic assumptions, those that predict future employee behaviour, have been harmonized where possible with the pension plan that employees belong to. Assumptions regarding the buildup and usage of certain benefits have been developed based on the experience of the employees noted in the data submitted by the School Divisions, supplemented where required by experience for other organizations with similar programs. The discount rate has been determined based on Province of Saskatchewan borrowing costs for durations similar to the benefit obligation, provided by the Ministry of Finance. Experience emerging under the plan that differs from that assumed would produce actuarial gains or losses, which will be revealed in subsequent actuarial valuations. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the Statement of Financial Position.

Details of the liability for employee future benefits are as follows:

	2011	2010
Actuarial valuation date	08/31/2011	08/31/2010
Long-term assumptions used:		
Salary escalation rate – teacher staff	3.30%	3.50%
Salary escalation rate – non-teaching staff	4.20%	4.20%
Discount rate (percentage)	3.40%	3.60%
Expected average remaining service life (years)	14	14

Liability for Employee Future Benefits	**2011**	**2010**
Accrued Benefit Obligation – beginning of year	**$ 641,400**	**$ 553,200**
Current period benefit cost	61,200	55,300
Interest cost	24,900	24,500
Benefit payments	(24,000)	(23,900)
Actuarial (gains) / losses	(20,700)	32,300
Plan amendments	-	-
Accrued Benefit Obligation – end of year	**682,800**	**641,400**
Unamortized Net Actuarial Gains / Losses	**(23,800)**	**(48,000)**
Liability for Employee Future Benefits	**$ 659,000**	**$ 593,400**

Employee Future Benefits Expense	**2011**	**2010**
Current period benefit cost	$ 61,200	$ 55,300
Amortization of net actuarial gain / loss	3,500	1,200
Plan amendments	-	-
Benefit cost	**64,700**	**56,500**
Interest cost on unfunded employee future benefits obligation	24,900	24,500
Total Employee Future Benefits Expense	**$ 89,600**	**$ 81,000**

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2010	Additions (Deletions) during the Year	Revenue Recognized in the Year	Balance as at Aug. 31, 2011
Capital Projects:				
Federal Capital Tuition	$ 500,155	$ 186,644	$ -	$ 686,799
Total Capital Projects Deferred Revenue	**$ 500,155**	**$ 186,644**	**$ -**	**$ 686,799**
Other Deferred Revenue:				
Cash Receipts from Municipalities exceeding tax assessments	$ 1,223,155	$ (109,288)	$ -	$ 1,113,867
Total Other deferred Revenue	**$ 1,223,155**	**$ (109,288)**	**$ -**	**$ 1,113,867**
Total Deferred Revenue	**$ 1,723,310**	**$ 77,356**	**$ -**	**$ 1,800,666**

11. ACCUMULATED SURPLUS

Accumulated Surplus represents the financial assets and non-financial assets of the School Division less liabilities. This represents the accumulated balance of net surplus arising from the operations of the School Division and school generated funds.

Certain amounts of the Accumulated Surplus, as approved by the board of education, have been designated for specific future purposes. These internally restricted amounts are included in the Accumulated Surplus presented in the Statement of Financial Position. The School Division does not maintain separate bank accounts for the internally restricted amounts.

Details of accumulated surplus are as follows:

	2011	2010
Invested in Tangible Capital Assets:		
Net Book Value of Tangible Capital Assets	$ 32,215,392	$ 30,570,237
Less: Debt owing on Tangible Capital Assets	700,000	800,000
	31,515,392	**29,770,237**
S.286 Pre-April 2009 Capital Reserves from Prior Years' Operating Surpluses	**-**	**697,028**
Internally Restricted Surplus:		
School generated funds	839,472	824,415
Scholarship funds	202,433	152,454
Other – School Specific Projects	11,400	-
Other – Tax Loss Compensation	3,819,650	3,819,650
Other – Future Expenditure	4,748,106	4,748,106
Other – Retirement Allowance	-	93,485
Other – Bus Replacement	163,728	163,728
	9,784,789	**9,801,838**
Unrestricted Surplus	**14,643,401**	**11,826,018**
Total Accumulated Surplus	**$ 55,943,582**	**$ 52,095,121**

S.286 Pre-April 2009 Capital Reserves from Prior Years' Operating Surpluses represents capital reserves that were created by pre-April 2009 Board of Education motions that designated certain prior years' operating surpluses to be set aside for the purpose of future capital expenditures. Pursuant to S.286 of *The Education Act, 1995* the School Division is required to hold these reserves as a special fund for the purpose of constructing or acquiring any capital works that may be approved by the minister. These reserves were used during the year to fund two capital projects, the maintenance shop/bus garage and Hafford School renovations.

12. COMPLEMENTARY SERVICES

Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the School Division's ability to successfully deliver its K-12 curriculum/learning programs.

Following is a summary of the revenue and expenses of the Complementary Services programs operated by the School Division in 2011:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Community and Inter-Agency Liaison	Pre-Natal Outreach	Other Programs	2011	2010
Revenue:						
Grants	$ 481,603	$ 516,551	$ -	$ 137,697	$1,135,851	$1,000,899
Tuition and Related Fees	-	-	-	574	574	10,185
Miscellaneous Revenue	-	-	-	-	-	80,928
Sales and Rentals	-	-	-	-	-	-
Total Revenue	481,603	516,551	-	138,271	1,136,425	1,092,012
Expenses:						
Tuition Fees	12,119	-	-	-	12,119	-
Salaries & Benefits	558,083	1,547,304		25,588	2,130,975	1,059,692
Instructional Aids	29,971	-	-	1,075	31,046	1,082
Supplies and Services	1,326	-	-	92,296	93,622	136,063
Non-Capital Equipment	7,181	-	-	1,016	8,197	368
Building Operating Expenses	-	-	-	-	-	15,000
Communications	-	-	-	920	920	888
Travel	860	-	-	1,120	1,980	1,848
Professional Development	2,400	-	-	180	2,580	134
Student Related Expenses	893	-	-	3,226	4,119	4,520
Contacted Transportation & Allowances	6,613	-	-	-	6,613	-
Loss on Disposal of Tangible Capital Assets	-	-	-	-	-	-
Total Expenses	619,446	1,547,304	-	125,421	2,292,171	1,219,595
Excess (Deficiency) of Revenue over Expenses	**$<137,843>**	**$<1,030,753>**	**$ -**	**$ 12,850**	**$<1,155,746>**	**$<127,583>**

13. EXTERNAL SERVICES

External services represent those services and programs that are outside of the School Division's learning/learning support and complementary programs. These services have no direct link to the delivery of the School Division's K-12 programs nor do they directly enhance the School Division's ability to deliver its K-12 programs.

Following is a summary of the revenue and expenses of the External Services programs operated by the School Division in 2011:

Summary of External Services Revenues and Expenses, by Program	**Adult Education**	**Summer School**	**Cafeteria**	**Other Programs**	**2011**	**2010**
Revenue:						
Grants	$ -	$ -	$ -	$ 22,500	$ 22,500	$ 376,122
Tuition and Related Fees	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	24,142	24,142	19,434
Sales and Rentals	-	-	122,419	-	122,419	124,295
Gain on Disposal of TCA	-	-	-	-	-	12,769
Total Revenue	-	-	122,419	46,642	169,061	532,620
Expenses:						
Tuition Fees	-	-	-	-	-	-
Salaries & Benefits	-	-	95,015	145	95,160	79,411
Instructional Aids	-	-	-	-	-	-
Supplies and Services	-	-	144,778	-	144,778	154,665
Non-Capital Equipment	-	-	-	-	-	-
Building Operating Expenses	-	-	-	6,415	6,415	10,106
Communications	-	-	-	-	-	-
Travel	-	-	-	61	61	172
Professional Development	-	-	-	-	-	43
Student Related Expenses	-	-	-	-	-	3,877
Contracted Transportation & Allowances	-	-	-	65,702	65,702	221,102
Loss on disposal of Tangible Capital Assets	-	-	-	-	-	2,033
Amortization of Tangible Capital Assets	-	-	-	3,549	3,549	-
Total Expenses	-	-	239,793	75,872	315,665	471,409
Excess (Deficiency) of Revenue over Expenses	**$ -**	**$ -**	**$<117,374>**	**$ <29,230>**	**$<146,604>**	**$ 61,211**

14. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2011 Budget	2011 Actual	2010 Actual
Governance	$ 136,942	$ 246,418	$ -	$ -	$ 488,874	$ 383,360	$ 433,338
Administration	1,189,114	208,530	-	20,670	1,601,859	1,418,314	1,397,569
Instruction	40,064,675	4,553,163	-	368,740	46,043,149	44,986,578	46,844,405
Plant	3,160,517	6,755,826	-	1,312,400	13,051,192	11,228,743	10,228,676
Transportation	1,674,020	3,882,845	-	429,368	6,291,582	5,986,233	5,539,916
Tuition and Related Fees	-	272,824	-	-	325,000	272,824	374,781
School Generated Funds	-	1,867,992	-	-	2,158,745	1,867,992	1,803,358
Complementary Services	2,130,975	161,196	-	-	2,003,724	2,292,171	1,219,595
External Services	95,160	216,956	-	3,549	449,571	315,665	471,409
Other	-	46,649	48,855	-	65,000	95,504	59,912
TOTAL	**$48,451,403**	**$18,212,399**	**$ 48,855**	**$ 2,134,727**	**$72,478,696**	**$68,847,384**	**$68,372,959**

15. SUBSEQUENT EVENTS

Teachers' 2010-13 Provincial Collective Bargaining Agreement

The Saskatchewan Teachers' Provincial Collective bargaining Agreement expired on August 31, 2010. The Saskatchewan Teachers' Federation (STF) and the Government Trustee Bargaining Committee (GTBC) reached a new collective agreement which was ratified on October 4, 2011 and covers the period September 1, 2010 to August 31, 2013. The new agreement provides for retroactive wage increases for teachers of the School Division for the period September 1, 2010 to August 31, 2011 with an estimated cost of $738,548 which was recorded as an expense in the 2010-11 financial statement. The agreement provides for further wage increases in 2011-12 and 2012-13.

Property Tax reconciliation

The Ministry of Education tax reconciliation for December 31, 2010 was received on November 7, 2011. The Ministry will provide a grant adjustment for the difference between their reconciliation and the amount of tax revenue estimated on budget day in March 2010. The reconciliation shows a grant to the School Division of $2,495,077 which will be recorded as revenue in the 2011-12 financial statements.

16. RELATED PARTIES

These financial statements include transactions with related parties. The School Division is related to all Province of Saskatchewan ministries, agencies, boards, school divisions, health authorities, colleges, and crown corporations under the common control of the Government of Saskatchewan. The School Division is also related to non-crown enterprises that the Government jointly controls or significantly influences. In addition, the School Division is related to other non-government organizations by virtue of its economic interest in these organizations.

a) Related Party Transactions:

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the financial statements and the table below. They are recorded at exchange amounts which approximate prevailing market rates charged by those organizations and are settled on normal trade terms.

Living Sky School Division No. 202
Notes to the Financial Statements
As at August 31, 2011

	2011	2010
Revenues:		
Ministry of Education	$ 43,193,620	$ 44,747,048
Sask Workers' Compensation Board	16,416	13,639
Light of Christ School Division No. 16	23,872	15,272
North West Regional College	250,763	245,137
Sask Power Corp	63,965	63,325
Saskatchewan Rivers School Division No. 119	57,842	-
Ministry of Finance	128,400	-
Treaty Land Fund	66,253	693,738
Heartland Health Region	-	30,000
Other	2,000	-
	$ 43,803,131	**$ 45,808,159**
Expenses:		
Chinook School Division No. 211	$ 250	$ 21,125
Good Spirit School Division No. 204	15,814	13,229
Light of Christ School Division No. 16	20,172	148
Ministry of Finance	10,394	27,634
North West Regional College	163,318	128,790
Northwest School Division No. 203	2,461	10,806
Prairie North Health Region	31,189	170
Saskatoon School Division No. 13	2,067	4,465
St. Paul's R.C.S.S.D. No. 20	11,697	21,500
Western Development Museum	3,717	9,870
Sask Tel	333,187	827,859
SGI Auto Fund	42,572	40,418
Sask Energy	906,669	839,827
Sask Power Corp	915,643	890,813
Sask Workers' Compensation Board	125,086	130,529
Other	14,190	9,496
	$ 2,598,426	**$ 2,976,679**
Accounts Receivable:		
Ministry of Education	$ 708,095	$ 4,365,241
Light of Christ School Division No. 16	15,807	7,080
North West Regional College	39,640	23,849
Sask Power Corp	17,115	16,475
Ministry of Finance	25,056	-
	$ 805,713	**$ 4,412,645**
Tangible Capital Asset Additions:		
Sask Tel	$ 1,233,979	$ -
	$ 1,233,979	**$ -**
Accounts Payable and Accrued Liabilities:		
Chinook School Division No. 211	$ -	$ 16,590
Sask Power Corp	18,328	21,434
Other	1,393	1,414
	$ 19,721	**$ 39,438**

In addition, the School Division pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases and customer sales on items that are deemed taxable. Taxes paid are recorded as part of the cost of those purchases.

b) Ministry of Education Capital Transfers:
The Ministry of Education has approved $986,213 (2010: $2,294,696) in capital transfers to the School Division for projects in which construction has not yet started and/or been completed. Approved capital transfers that have not yet been reflected in the financial statements of the School Division are as follows:

	2011	2012
Total Ministry Obligation at August 31	$ 986,213	$ 2,294,696
Less: Revenue reported in the financial statements	708,095	1,391,302
Unrecorded balance of approved capital transfers	**$ 278,118**	**$ 903,394**

In March 2011, PSAB issued revised section PS 3410 Government Transfers. Revised PS 3410 provides revised guidance for the recognition of government transfers and is effective for fiscal years beginning on or after April 1, 2012 (earlier adoption is encouraged), and may affect the future accounting treatment for these capital transfers to school divisions.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements or notes thereto.

17. PENSION PLANS

Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the School Division contributes is as follows:

i) Saskatchewan Teachers' Retirement Plan (STRP) or Saskatchewan Teachers' Superannuation Plan (STSP):

The STRP and STSP provide retirement benefits based on length of service and pensionable earnings.

The STRP and STSP are funded by contributions by the participating employee members and the Government of Saskatchewan. The School Division's obligation to the STRP and STSP is limited to collecting and remitting contributions of the employees at rates determined by the plans. Accordingly, these financial statements do not include any expense for employer contributions to these plans. Net pension assets or liabilities for these plans are not reflected in these financial statements as ultimate responsibility for retirement benefits rests with the Saskatchewan Teachers' Federation for the STRP and with the Government of Saskatchewan for the STSP.

Details of the contributions to these plans for the School Division's employees are as follows:

	2011			2010
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	417	31	448	495
Member contribution rate (percentage of salary)	7.00%-9.00%	6.05%-7.85%	6.05%-9.00%	6.05%-7.00%
Member contributions for the year	$2,000,900	$ 155,960	$2,156,860	$2,230,334

ii) Municipal Employees' Pension Plan (MEPP)
The MEPP provides retirement benefits based on length of service and pensionable earnings.

The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees which could affect future contribution rates and/or benefits.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. In accordance with PSAB requirements, the plan is accounted for as a defined contribution plan whereby the School Division's contributions are expensed when due.

Details of the MEPP are as follows:

	2011	2010
Number of active School Division members	421	408
Member contribution rate (percentage of salary)	6.40%-7.40%	6.40%
School Division contribution rate (percentage of salary)	6.40%-7.40%	6.40%
Member contributions for the year	$ 866,622	$ 693,195
School Division contributions for the year	$ 866,622	$ 693,195
Actuarial valuation date	31 Dec 10	31 Dec 09
Plan Assets (in thousands)	$ 1,399,241	$ 1,284,959
Plan Liabilities (in thousands)	$ 1,381,094	$ 1,233,841
Plan Surplus (Deficit) (in thousands)	$ 18,147	$ 51,118

18. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Significant contractual obligations and commitments of the School Division are as follows:

- Construction contract for office addition in the amount of $1,292,130 over two (2) years
- Construction contract for maintenance shops and bus garage addition in the amount of $3,295,832 over two (2) years.

19. BUDGET AMOUNTS

The budget figures included in the financial statements were approved by the Board of Education on June 09, 2010 and the Minister of Education on August 31, 2010.

2011 Budget amounts have been reclassified between Revenue categories for Grants and Complimentary Services and Expense categories for Instruction and Complimentary Services to conform to the revised financial statement format.

20. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the current year's presentation.