



Ministry of
Education

Auditor's Report and Financial Statement

Of the Lloydminster Public School Division No. 99

School Division No. 6050000

For the Period Ending: August 31, 2011

Handwritten signature of Walter Hardy in blue ink.

Chief Financial Officer Walter Hardy, BComm, CMA

Handwritten signature of Wilkinson Livingston Stevens LLP in blue ink.

Auditor Wilkinson Livingston Stevens LLP
Chartered Accountants

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

LLOYDMINSTER PUBLIC SCHOOL DIVISION NO. 99

FINANCIAL STATEMENTS

AUGUST 31, 2011

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Management's Responsibility for the Financial Statements

The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

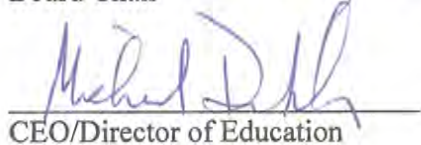
The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible for the appointment of the school division's external auditors.

The external auditors, Wilkinson Livingston Stevens LLP, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the school division's financial statements. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

On behalf of the Lloydminster Public School Division No. 99:


Board Chair


CEO/Director of Education


Chief Financial Officer

November 30, 2011



Wilkinson Livingston Stevens LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Lloydminster Public School Division No. 99
Lloydminster, Saskatchewan

We have audited the accompanying financial statements of the Lloydminster Public School Division No. 99, which comprise the statement of financial position as at August 31, 2011, and the statement of operations and accumulated surplus, changes in net financial assets 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 generally accepted accounting principles established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained 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 Lloydminster Public School Division No. 99 as at August 31, 2011, and the results of its operations and changes in net financial assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board.

Lloydminster, Alberta
November 30, 2011

Wilkinson Livingston Stevens LLP
Chartered Accountants

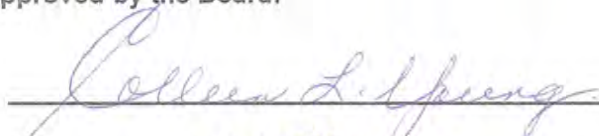
Lloydminster Public School Division No. 99
Statement of Financial Position
as at August 31, 2011

	2011	2010
Financial Assets		
Cash and Cash Equivalents	4,529,983	6,436,895
Short Term Investments	-	4,000,000
Accounts Receivable (Note 7)	2,660,568	2,825,772
Inventories for Sale	-	-
Long Term Investments (Note 3)	6,000,000	132,618
Other Assets	121,104	114,256
Total Financial Assets	13,311,655	13,509,541
Liabilities		
Bank Indebtedness	-	-
Provincial Grant Overpayment	-	-
Accounts Payable and Accrued Liabilities (Note 8)	2,067,401	2,151,962
Short Term Loans	-	-
Long Term Debt	-	-
Liability for Employee Future Benefits (Note 5)	301,800	297,239
Deferred Revenue (Note 9)	3,183,635	4,118,366
Other Liabilities	-	-
Total Liabilities	5,552,836	6,567,567
Net Financial Assets	7,758,819	6,941,974
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	36,737,423	36,152,225
Inventory of Supplies for Consumption	315,271	416,799
Prepaid Expenses	230,297	249,870
Total Non-Financial Assets	37,282,991	36,818,894
Accumulated Surplus (Note 12)	45,041,810	43,760,868

Contractual Obligations and Commitments (Note 16)

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

Approved by the Board:



Chairperson



Secretary-Treasurer

Lloydminster Public School Division No. 99
Statement of Operations and Accumulated Surplus
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
REVENUES	(Note 13)		
Property Taxation	12,037,496	10,126,656	12,049,190
Grants	24,237,292	25,752,392	22,854,619
Tuition and Related Fees	18,218	-	34,578
School Generated Funds	37,905	1,178,660	1,212,756
Complementary Services (Note 10)	34,029	34,029	81,000
External Services (Note 11)	92,500	88,272	88,789
Other	219,840	312,578	346,804
Total Revenues (Schedule A)	36,677,280	37,492,587	36,667,736
EXPENSES			
Governance	214,510	200,002	193,809
Administration	788,892	814,613	818,628
Instruction	30,696,646	29,179,993	28,736,079
Plant	4,350,024	3,636,118	3,790,725
Transportation	916,690	856,403	779,934
Tuition and Related Fees	38,500	37,519	30,164
School Generated Funds	37,905	1,185,999	1,092,673
Complementary Services (Note 10)	232,693	223,648	288,023
External Services (Note 11)	71,600	71,601	70,800
Other Expenses	13,100	5,749	22,758
Total Expenses (Schedule B)	37,360,560	36,211,645	35,823,593
Surplus for the Year	(683,280)	1,280,942	844,143
Accumulated Surplus, Beginning of Year	43,760,868	43,760,868	42,916,725
Accumulated Surplus, End of Year	43,077,588	45,041,810	43,760,868

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

Lloydminster Public School Division No. 99
Statement of Changes in Net Financial Assets
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
	(Note 13)		
Net Financial Assets, Beginning of Year	6,941,974	6,941,974	7,065,086
Changes During the Year:			
Surplus for the Year	(683,280)	1,280,942	844,143
Acquisition of Tangible Capital Assets (Schedule C)	(2,259,131)	(2,401,781)	(2,506,492)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	-	9,369
Net Loss on Disposal of Capital Assets (Schedule C)	-	-	4,321
Write-Down of Tangible Capital Assets (Schedule C)	-	66,301	34,864
Amortization of Tangible Capital Assets (Schedule C)	1,816,566	1,750,282	1,570,583
Net Acquisition of Inventory of Supplies	-	101,528	7,890
Net Acquisition of Prepaid Expenses	-	19,573	(87,790)
Change in Net Financial Assets	(1,125,845)	816,845	(123,112)
Net Financial Assets, End of Year	5,816,129	7,758,819	6,941,974

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

Lloydminster Public School Division No. 99
Statement of Cash Flows
for the year ended August 31, 2011

	2011	2010
OPERATING ACTIVITIES		
Surplus (Deficit) for the Year	1,280,942	844,143
Add Non-Cash Items Included in Surplus (Schedule D)	1,816,583	1,609,768
Net Change in Non-Cash Operating Activities (Schedule E)	(735,274)	2,609,101
Cash Provided (Used) by Operating Activities	2,362,251	5,063,012
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(2,401,781)	(2,506,492)
Proceeds on Disposal of Tangible Capital Assets	-	9,369
Cash Provided (Used) by Capital Activities	(2,401,781)	(2,497,123)
INVESTING ACTIVITIES		
Cash Used to Acquire Investments	(2,000,000)	(132,618)
Proceeds on Disposal of Investments	132,618	1,000,000
Cash Provided (Used) by Investing Activities	(1,867,382)	867,382
FINANCING ACTIVITIES		
Proceeds from Issuance of Long Term Debt		
Repayment of Long Term Debt		
Cash Provided (Used) by Financing Activities	-	-
(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,906,912)	3,433,271
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,436,895	3,003,624
CASH AND CASH EQUIVALENTS, END OF YEAR	4,529,983	6,436,895
REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash and Cash Equivalents	4,529,983	6,436,895
Bank Indebtedness	-	-
CASH AND CASH EQUIVALENTS, END OF YEAR	4,529,983	6,436,895

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

Lloydminster Public School Division No. 99
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	12,037,496	10,241,506	11,997,683
Revenue from Supplemental Levies	-	-	-
Total Property Tax Revenue	12,037,496	10,241,506	11,997,683
Grants in Lieu of Taxes:			
Federal Government	-	3,395	4,141
Provincial Government	-	58,504	67,486
Railways	-	-	-
Other	-	25,591	28,773
Total Grants in Lieu of Taxes	-	87,490	100,400
Other Tax Revenues:			
Treaty Land Entitlement - Urban	-	-	-
Treaty Land Entitlement - Rural	-	-	-
House Trailer Fees	-	31,783	35,305
Total Other Tax Revenues	-	31,783	35,305
Additions to Levy:			
Penalties	-	63,630	36,209
Other	-	-	-
Total Additions to Levy	-	63,630	36,209
Deletions from Levy:			
Discounts	-	(280,446)	(114,674)
Cancellations	-	(7,648)	(208)
Other Deletions	-	(9,659)	(5,525)
Total Deletions from Levy	-	(297,753)	(120,407)
Total Property Taxation Revenue	12,037,496	10,126,656	12,049,190
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	8,067,379	8,757,521	7,523,237
Other Ministry Grants	-	-	19,663
Total Ministry Grants	8,067,379	8,757,521	7,542,900
Other Provincial Grants	-	-	3,799
Federal Grants	-	-	-
Grants from Others	15,603,306	15,841,931	15,068,612
Total Operating Grants	23,670,685	24,599,452	22,615,311
Capital Grants			
Ministry of Education Capital Grants	203,865	383,166	152,974
Other Provincial Capital Grants	-	-	-
Other Capital Grants	362,742	769,774	86,334
Total Capital Grants	566,607	1,152,940	239,308
Total Grants	24,237,292	25,752,392	22,854,619

Lloydminster Public School Division No. 99
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
School Boards	-	-	16,976
Federal Government and First Nations	-	-	-
Individuals and Other	18,218	-	17,602
Total Tuition Fees	18,218	-	34,578
Transportation Fees	-	-	-
Other Related Fees	-	-	-
Total Operating Tuition and Related Fees	18,218	-	34,578
Capital Fees:			
Federal/First Nations Capital Fees	-	-	-
Total Capital Tuition and Fees	-	-	-
Total Tuition and Related Fees Revenue	18,218	-	34,578
School Generated Funds Revenue			
Curricular Fees:			
Student Fees	-	297,126	107,425
Other	-	-	33,478
Total Curricular Fees	-	297,126	140,903
Non-Curricular Fees:			
Commercial Sales - GST	-	-	-
Commercial Sales - Non-GST	37,905	263,049	237,724
Fundraising	-	120,731	88,491
Grants and Partnerships	-	8,500	2,218
Students Fees	-	187,361	415,445
Other	-	301,893	327,975
Total Non-Curricular Fees	37,905	881,534	1,071,853
Total School Generated Funds Revenue	37,905	1,178,660	1,212,756
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	-	-	-
Ministry of Education Grants-Other	-	-	-
Other Provincial Grants	-	-	-
Federal Grants	-	-	-
Other Grants	34,029	34,029	81,000
Total Operating Grants	34,029	34,029	81,000
Capital Grants			
Ministry of Education Capital Grants	-	-	-
Other Provincial Capital Grants	-	-	-
Other Capital Grants	-	-	-
Total Capital Grants	-	-	-
Fees and Other Revenue			
Tuition and Related Fees	-	-	-
Gain on Disposal of Capital Assets	-	-	-
Other Revenue	-	-	-
Total Fees and Other Revenue	-	-	-
Total Complementary Services Revenue	34,029	34,029	81,000

Lloydminster Public School Division No. 99
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
External Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	-	-	-
Ministry of Education Grants-Other	72,500	72,500	71,700
Other Provincial Grants	-	-	-
Federal Grants	-	-	-
Other Grants	-	-	-
Total Operating Grants	72,500	72,500	71,700
Capital Grants			
Ministry of Education Capital Grants	-	-	-
Other Provincial Capital Grants	-	-	-
Other Capital Grants	-	-	-
Total Capital Grants	-	-	-
Fees and Other Revenue			
Tuition and Related Fees	-	-	-
Gain on Disposal of Capital Assets	-	-	-
Other Revenue	20,000	15,772	17,089
Total Fees and Other Revenue	20,000	15,772	17,089
Total External Services Revenue	92,500	88,272	88,789
Other Revenue			
Miscellaneous Revenue	57,890	86,053	151,248
Sales & Rentals	26,750	30,454	30,662
Investments	135,200	196,071	160,525
Gain on Disposal of Capital Assets	-	-	4,369
Total Other Revenue	219,840	312,578	346,804
TOTAL REVENUE FOR THE YEAR	36,677,280	37,492,587	36,667,736

Lloydminster Public School Division No. 99
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Governance Expense			
Board Members Expense	46,510	60,025	52,672
Conventions - Board Members	17,000	19,542	9,960
School Community Councils	5,000	943	799
Conventions - School Community Councils	-	-	-
Elections	2,000	-	7,477
Other Governance Expenses	144,000	119,492	122,901
Amortization of Tangible Capital Assets	-	-	-
Total Governance Expense	214,510	200,002	193,809
Administration Expense			
Salaries	398,946	398,390	433,938
Benefits	63,184	52,943	56,283
Supplies & Services	67,661	76,568	73,545
Non-Capital Furniture & Equipment	61,225	64,005	52,148
Building Operating Expenses	44,379	44,807	39,852
Communications	30,500	48,342	40,462
Travel	2,500	383	1,960
Professional Development	8,500	11,611	4,253
Amortization of Tangible Capital Assets	111,997	117,564	116,187
Total Administration Expense	788,892	814,613	818,628
Instruction Expense			
Instructional (Teacher & LEADS Contract) Salaries	20,546,113	19,780,777	18,868,700
Instructional (Teacher & LEADS Contract) Benefits	1,025,963	1,026,815	975,995
Program Support (Non-Teacher Contract) Salaries	4,272,774	4,159,269	4,576,941
Program Support (Non-Teacher Contract) Benefits	643,694	572,299	624,636
Instructional Aids	1,065,694	783,560	1,023,866
Supplies & Services	520,995	536,904	641,277
Non-Capital Furniture & Equipment	220,001	87,208	109,519
Communications	321,280	269,932	130,653
Travel	30,250	43,825	23,776
Professional Development	447,286	422,492	431,211
Student Related Expense	87,700	61,980	66,863
Amortization of Tangible Capital Assets	1,514,896	1,434,932	1,262,642
Total Instruction Expense	30,696,646	29,179,993	28,736,079

Lloydminster Public School Division No. 99
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Plant Operation & Maintenance Expense			
Salaries	2,007,194	1,852,083	1,847,607
Benefits	306,265	252,309	261,158
Supplies & Services	1,000	525	55
Non-Capital Furniture & Equipment	14,000	20,688	9,225
Building Operating Expenses	1,921,563	1,411,815	1,579,953
Communications	5,500	6,673	2,960
Travel	30,500	31,911	24,904
Professional Development	12,000	4,863	8,854
Amortization of Tangible Capital Assets	52,002	55,251	56,009
Total Plant Operation & Maintenance Expense	4,350,024	3,636,118	3,790,725
Student Transportation Expense			
Salaries	386,045	400,696	346,906
Benefits	58,839	55,043	50,227
Supplies & Services	109,400	123,146	94,756
Non-Capital Furniture & Equipment	89,000	75,097	75,643
Building Operating Expenses	-	-	-
Communications	660	687	619
Travel	2,000	2,983	3,113
Professional Development	2,975	2,166	720
Contracted Transportation	130,100	54,050	72,205
Amortization of Tangible Capital Assets	137,671	142,535	135,745
Total Student Transportation Expense	916,690	856,403	779,934
Tuition and Related Fees Expense			
Tuition Fees	38,500	37,519	30,164
Transportation Fees	-	-	-
Other Fees	-	-	-
Total Tuition and Related Fees Expense	38,500	37,519	30,164
School Generated Funds Expense			
Supplies & Services	-	-	-
Cost of Sales	37,905	252,781	225,195
Non-Capital Furniture & Equipment	-	-	-
Special Programs	-	-	-
School Fund Expenses	-	933,218	867,478
Amortization of Tangible Capital Assets	-	-	-
Total School Generated Funds Expense	37,905	1,185,999	1,092,673

Lloydminster Public School Division No. 99
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Complementary Services Expense			
Tuition Fees	-	-	-
Transportation Fees	-	-	-
Other Fees	-	-	-
Administration Salaries & Benefits	-	-	-
Instructional (Teacher & LEADS Contract) Salaries & Benefits	-	-	-
Program Support (Non-Teacher Contract) Salaries & Benefits	179,793	174,634	221,366
Plant Operation & Maintenance Salaries & Benefits	-	-	-
Transportation Salaries & Benefits	-	-	-
Instructional Aids	-	-	235
Supplies & Services	5,000	854	4,049
Non-Capital Furniture & Equipment	-	-	-
Building Operating Expenses	-	-	-
Communications	-	-	1,245
Travel	1,000	872	1,370
Professional Development (Non-Salary Costs)	3,000	1,365	3,450
Student Related Expenses	43,900	45,923	56,308
Contracted Transportation & Allowances	-	-	-
Amortization of Tangible Capital Assets	-	-	-
Loss on Disposal of Tangible Capital Assets	-	-	-
Write-Down of Tangible Capital Assets	-	-	-
Total Complementary Services Expense	232,693	223,648	288,023
External Service Expense			
Tuition Fees	-	-	-
Transportation Fees	-	-	-
Other Fees	71,600	71,601	70,800
Administration Salaries & Benefits	-	-	-
Instructional (Teacher & LEADS Contract) Salaries & Benefits	-	-	-
Program Support (Non-Teacher Contract) Salaries & Benefits	-	-	-
Plant Operation & Maintenance Salaries & Benefits	-	-	-
Transportation Salaries & Benefits	-	-	-
Instructional Aids	-	-	-
Supplies & Services	-	-	-
Non-Capital Furniture & Equipment	-	-	-
Building Operating Expenses	-	-	-
Communications	-	-	-
Travel	-	-	-
Professional Development (Non-Salary Costs)	-	-	-
Student Related Expenses	-	-	-
Contracted Transportation & Allowances	-	-	-
Amortization of Tangible Capital Assets	-	-	-
Loss on Disposal of Tangible Capital Assets	-	-	-
Write-Down of Tangible Capital Assets	-	-	-
Total External Services Expense	71,600	71,601	70,800

Lloydminster Public School Division No. 99
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	13,100	14,448	14,068
Interest on Debentures			
School Facilities	-	-	-
Other	-	-	-
Interest on Other Capital Loans and Long Term Debt			
School Facilities	-	-	-
Other	-	-	-
Total Interest and Bank Charges	13,100	14,448	14,068
Loss on Disposal of Tangible Capital Assets	-	-	8,690
Write-Down of Tangible Capital Assets	-	66,301	-
Provision for Uncollectable Taxes	-	(75,000)	-
Total Other Expense	13,100	5,749	22,758
TOTAL EXPENSES FOR THE YEAR	37,360,560	36,211,645	35,823,593

Lloydminster Public School Division No. 99
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
Opening Balance as of September 1	577,580	857,707	43,209,665	1,427,396	1,532,330	315,237	2,961,353	1,056,973	60,319	669,635	52,668,195	50,231,502
Additions/Purchases			780,347	556,246	81,486		98,092	754,648	5,811	125,151	2,401,781	2,506,492
Disposals							(161,919)	(59,842)			(221,761)	(35,140)
Write-Downs							(66,723)		(6,251)		(72,974)	(34,659)
Transfers to (from)			497,494	148,157					16,881	(662,532)		
Closing Balance as of August 31	577,580	857,707	44,487,506	2,131,799	1,613,816	315,237	2,830,803	1,751,779	76,760	132,254	54,775,241	52,668,195

Tangible Capital Assets - Amortization:

Opening Balance as of September 1	425,260	12,472,787	547,909	795,414	194,719	1,619,179	441,312	19,390	16,515,970	14,966,632		
Amortization of the Period	42,885	842,759	94,474	134,485	24,401	248,932	346,994	15,352	1,750,282	1,570,583		
Disposals						(161,919)	(59,842)		(221,761)	(21,450)		
Write-Downs						(6,673)			(6,673)	205		
Transfers to (from)												
Closing Balance as of August 31	N/A	468,145	13,315,546	642,383	929,899	219,120	1,699,519	728,464	34,742	N/A	18,037,818	16,515,970

Net Book Value:

Opening Balance as of September 1	577,580	432,447	30,736,878	879,487	736,916	120,518	1,342,174	615,661	40,929	669,635	36,152,225	35,264,870
Closing Balance as of August 31	577,580	389,562	31,171,960	1,489,416	683,917	96,117	1,131,284	1,023,315	42,018	132,254	36,737,423	36,152,225
Change in Net Book Value	-	(42,885)	435,082	609,929	(52,999)	(24,401)	(210,890)	407,654	1,089	(537,381)	585,198	887,355

Disposals:

Historical Cost							161,919	59,842			221,761	35,140
Accumulated Amortization							161,919	59,842			221,761	21,450
Net Cost							-	-			-	13,690
Price of Sale												9,369
Gain/Loss on Disposal												(4,321)

Net Book Value (NBV) of Assets Pledged as Security for Debt

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Lloydminster Public School Division No. 99
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)	1,750,282	1,570,583
Net (Gain) Loss on Disposal of Tangible Capital Assets	-	4,321
Write-Down of Tangible Capital Assets (Schedule C)	66,301	34,864
Total Non-Cash Items Included in Surplus / Deficit	1,816,583	1,609,768

Lloydminster Public School Division No. 99
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	165,204	4,006,018
Decrease (Increase) in Inventories for Sale	-	-
Decrease (Increase) in Other Assets	(6,848)	(7,197)
Increase (Decrease) in Provincial Grant Overpayment	-	-
Increase (Decrease) In Accounts Payable and Accrued Liabilities	(84,561)	(1,473,417)
Increase (Decrease) In Short Term Loans	-	-
Increase (Decrease) in Liability for Employee Future Benefits	4,561	23,939
Increase (Decrease) in Deferred Revenue	(934,731)	139,658
Increase (Decrease) in Other Liabilities	-	-
Decrease (Increase) in Inventory of Supplies for Consumption	101,528	7,890
Decrease (Increase) in Prepaid Expenses	19,573	(87,790)
Total Net Change in Non-Cash Operating Activities	(735,274)	2,609,101

LLOYDMINSTER PUBLIC SCHOOL DIVISION NO. 99
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2011

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 Lloydminster Public School Division No. 99” and operates as “the Lloydminster Public School Division No. 99”. 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 Alberta 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.

b) Trust Funds

Trust funds are properties assigned to the school division (trustee) under a trust agreement or statute to be administered for the benefit of the trust beneficiaries. As trustee, the school division merely administers the terms and conditions embodied in the agreement and has no unilateral authority to change the conditions set out in the trust indenture.

Trust funds are not included in the financial statements as they are not controlled by the school division.

c) 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.

d) 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 \$301,800 (2010 - \$297,239) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of \$ 10,126,656 (2010 - \$12,049,190) because final tax assessments may differ from initial estimates,
- uncollectible taxes of \$75,000 (2010 - \$150,000) because actual collectability may differ from initial estimates.
- useful lives of tangible capital assets and related amortization for buildings, vehicles, and equipment because these assets may become obsolete prior to the end of their estimated useful lives.
- prior years tangible capital asset historical costs and related amortization for buildings, vehicles and equipment because these assets may become obsolete prior to the end of their estimated useful lives.

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.

e) Financial Instruments

Financial instruments include cash and cash equivalents, accounts receivable, investments, and accounts payable and accrued 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.

f) 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, bank deposits and highly liquid investments with initial maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

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 with a maturity in excess of one year and are carried at cost.

Other Assets consist of common shares held at Servus Credit Union and Lloydminster & District Co-op.

g) 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, audio visual equipment, and assets under construction.

Tangible capital assets are recorded at cost (or estimated cost when the actual cost is unknown) 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	75 years
Buildings - Short Term (portables, storage sheds, outbuildings, garages)	20 years
School Buses	12 years
Other Vehicles - passenger	5 years
Other Vehicles - heavy (graders, 1 ton truck, etc.)	10 years
Furniture and Equipment	10 years
Computer Hardware and Audio Visual Equipment	5 years
Computer Software	5 years

Assets that have a historical or cultural significance, such as works of art, monuments and other cultural artifacts, are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with these properties cannot be made.

Inventory of Supplies for Consumption consists of supplies held for consumption by the school division in the course of normal operations and are recorded at the lower of cost and replacement cost.

Prepaid Expenses are prepaid amounts for goods or services which will provide economic benefits in one or more future periods. This includes prepaid insurance, membership fees, copier leases and WCB premiums.

h) 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.

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.

i) 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), the Saskatchewan Teachers' Superannuation Plan (STSP), or the Alberta Teachers Retirement Fund (ATRF). 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) Two employees participate in the Municipal Employees' Pension Plan (MEPP). The school division's contributions to the plan are expensed when due.

Defined Contribution Plans

The school division's support staff, excluding two support staff participating in MEPP mentioned above, participate in a defined contribution pension plan. The school division's contributions to the plan are expensed when due.

j) 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 1/12th of the grant recognized as revenue each month. Capital grants are recognized over the course of the construction project as 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 Government of Saskatchewan. 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 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.

3. LONG-TERM INVESTMENTS

Long-Term Investments are comprised of the following:

	Cost / Book Value		Market Value	
	2011	2010	2011	2010
Servus CU GIC; 2.05%; matures 31/10/2011	\$ -	\$ 38,718	\$ -	\$ 38,718
Servus CU GIC; 2.05%; matures 25/11/2011		93,900		93,900
Servus CU GIC; 2.35%; matures 06/03/2013	6,000,000		6,000,000	
Total Long Term Investments	\$ 6,000,000	\$ 132,618	\$ 6,000,000	\$ 132,618

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2011 Actual	2011 Budget	2010 Actual
Governance	\$ 56,889	\$ 143,113			\$ 200,002	\$ 214,510	\$ 193,809
Administration	\$ 451,333	\$ 245,716		\$ 117,564	\$ 814,613	\$ 788,892	818,628
Instruction	\$ 25,539,160	\$ 2,205,901		\$ 1,434,932	\$ 29,179,993	\$ 30,696,646	28,736,079
Plant	\$ 2,104,392	\$ 1,476,475		\$ 55,251	\$ 3,636,118	\$ 4,350,024	3,790,725
Transportation	\$ 455,739	\$ 258,129		\$ 142,535	\$ 856,403	\$ 916,690	779,934
Tuition and Related Fees		\$ 37,519			\$ 37,519	\$ 38,500	30,164
School Generated Funds	\$ 33,794	\$ 1,152,205			\$ 1,185,999	\$ 37,905	1,092,673
Complementary Services	\$ 174,634	\$ 49,014			\$ 223,648	\$ 232,693	288,023
External Services		\$ 71,601			\$ 71,601	\$ 71,600	70,800
Other			\$ 5,749		\$ 5,749	\$ 13,100	22,758
TOTAL	\$ 28,815,941	\$ 5,639,673	\$ 5,749	\$ 1,750,282	\$ 36,211,645	\$ 37,360,560	\$ 35,823,593

5. EMPLOYEE FUTURE BENEFITS

The school division provides certain post-employment, compensated absence and termination benefits to its employees. These benefits include accumulating non-vested sick leave, severance, and vacation banks. Actuarial assumptions are necessary to predict future benefits and include estimates of inflation, discount rates and future employee behavior. 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 employee future benefits are as follows:

	2011	2010
Actuarial valuation date: September 1, 2008		
Long-term assumptions used:		
Salary escalation rate (percentage) - Teachers	3.30%	3.50%
Salary escalation rate (percentage) - Non-Tchrs	4.20%	4.20%
Discount rate (percentage)	3.40%	3.60%
Inflation rate (percentage)	2.50%	N/A
Expected average remaining service life (years)	14	14

Liability for Employee Future Benefits	2011	2010
Accrued Benefit Obligation - beginning of year	\$ 319,739	\$ 281,100
Current period benefit cost	28,700	25,700
Interest cost	11,600	12,100
Benefit payments	(30,139)	(14,461)
Actuarial gains / losses	(15,100)	15,300
Accrued Benefit Obligation - end of year	314,800	319,739
Unamortized Net Actuarial Gains / Losses	(13,000)	(22,500)
Liability for Employee Future Benefits	\$ 301,800	\$ 297,239

Employee Future Benefits Expense	2011	2010
Current period benefit cost	\$ 28,700	\$ 25,700
Amortization of net actuarial gain / loss	2,300	600
Plan amendments		
Benefit cost	31,000	26,300
Interest cost on unfunded employee future benefits obligation	11,600	12,100
Total Employee Future Benefits Expense	\$ 42,600	\$ 38,400

6. 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), Saskatchewan Teachers' Superannuation Plan (STSP), or Alberta Teachers Retirement Fund (ATRF):

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

The STRP, STSP and ATRF are funded by contributions by the participating employee members and the Government of Saskatchewan or Alberta. The school division's obligation to the STRP, STSP, and ATRF 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, with the Government of Saskatchewan for the STSP and the Government of Alberta for the ATRF.

Details of the contributions to these plans for the school division's employees are as follows:

	2011			2010	
	ATRF	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	42	239	8	289	314
Member contribution rate (up to CPP amount)	9.04%	7.00%	6.05%		
Member contribution rate (above CPP amount)	12.91%	9.00%	7.85%		
Member contributions for the year	\$ 292,239	\$ 1,246,557	\$ 51,128	\$ 1,589,924	\$ 1,665,318

- 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 LPSD members	2	2
Member contribution rate (percentage of salary)	7.40%	6.40%
School Division contribution rate (percentage of salary)	7.40%	6.40%
Actuarial valuation date: December 31, 2010		
Plan Assets - Province wide (thousands)	\$ 1,404,006	\$ 1,320,772
Plan Liabilities - Province wide (thousands)	\$ (1,344,380)	\$ (1,246,922)
Plan Surplus (Deficit)	\$ 59,626	\$ 73,850

Defined Contribution Plans

The Manulife Pension Plan is funded by the school division making required payments to match amounts contributed by employees for current services. The employer rate is set by the school division and is currently 6.0%. Pension benefits are based on accumulated contributions and investment earnings. Under the defined contribution plan, the school division's obligations are limited to its contributions.

Details of the Manulife pension plan are as follows:

	2011	2010
Number of active LPSD members	149	209
Member contribution rate (percentage of salary)	6.00%	6.00%
School Division contribution rate (percentage of salary)	6.00%	6.00%
Member contributions for the year	\$ 323,041	\$ 317,338
School Division contributions for the year	\$ 312,554	\$ 309,614

7. ACCOUNTS RECEIVABLE

All accounts receivable presented on 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 Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 1,687,131	\$ 75,000	\$ 1,612,131	\$ 2,466,157	\$ 150,000	\$ 2,316,157
Provincial Grants Receivable	853,253		853,253	444,712		444,712
Other Receivables	195,184		195,184	64,903		64,903
Total Accounts Receivable	\$ 2,735,568	\$ 75,000	\$ 2,660,568	\$ 2,975,772	\$ 150,000	\$ 2,825,772

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of account payable and accrued liabilities are as follows:

	2011	2010
Accrued Salaries and Benefits	\$ 709,309	\$ 26,771
Supplier Payments	1,358,092	2,125,191
Total Accounts Payable and Accrued Liabilities	\$ 2,067,401	\$ 2,151,962

9. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2010	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2011
Capital projects:				
Other deferred capital project revenue - AB (relocatables)	120,702		120,702	\$ -
Total capital projects deferred revenue	120,702	-	120,702	-
Other deferred revenue:				
Provincial Grants	76,681	73,588	76,681	\$ 73,588
Property Taxes	3,920,387	3,068,866	3,920,387	\$ 3,068,866
Tuition	-	9,509		\$ 9,509
Other	596	31,076		\$ 31,672
Total other deferred revenue	3,997,664	3,183,039	3,997,068	3,183,635
Total Deferred Revenue	\$ 4,118,366	\$ 3,183,039	\$ 4,117,770	3,183,635

10. 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	Other Programs	2011	2010
Revenue:				
Operating Grants	\$ -	\$ 34,029	\$ 34,029	\$ 81,000
Total Revenue	-	34,029	34,029	81,000
Expenses:				
Salaries & Benefits		174,634	174,634	221,366
Instructional Aids			-	235
Supplies and Services		854	854	4,049
Communications			-	1,245
Travel		872	872	1,370
Professional Development (Non-Salary Costs)		1,365	1,365	3,450
Student Related Expenses		45,923	45,923	56,308
Total Expenses	-	223,648	223,648	288,023
Excess (Deficiency) of Revenue over Expenses	\$ -	\$ (189,619)	\$ (189,619)	\$ (207,023)

11. 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	Cafeteria	Other Programs	2011	2010
Revenue:				
Operating Grants	\$ -	\$ 72,500	\$ 72,500	\$ 71,700
Fees and Other Revenue	15,772		15,772	17,089
Total Revenue	15,772	72,500	88,272	88,789
Expenses:				
Tuition Fees	-	71,601	71,601	70,800
Total Expenses	-	71,601	71,601	70,800
Excess (Deficiency) of Revenue over Expenses	\$ 15,772	\$ 899	\$ 16,671	\$ 17,989

12. 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 as listed below. 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	\$ 36,737,423	\$ 36,152,225
Less: Debt owing on Tangible Capital Assets		
	36,737,423	36,152,225
S.286 pre-April 2009 capital reserves from prior years' operating surpluses (1)	1,584,620	1,584,620
Internally Restricted Surplus:		
Capital projects:		
Designated for tangible capital asset expenditures	1,008	1,008
Other - Board Rental	7,500	7,500
	8,508	8,508
Other:		
School generated funds	280,569	287,909
Incomplete Budgets - Division	646,957	395,469
School budget carryovers	224,054	154,903
Revolving fund	500,000	500,000
Municipal School	101,996	101,996
Parkland Proceeds	95,410	97,290
School Bus Purchases	-	51,769
Community Track	40,601	32,601
Retirement Allowance	90,000	75,000
Outstanding Purchase Orders	83,389	83,389
Technology Evergreening	755,765	1,104,550
Maintenance Vehicle Purchases	38,247	18,247
	2,856,988	2,903,123
Unrestricted Surplus	3,854,271	3,112,392
Total Accumulated Surplus	\$ 45,041,810	\$ 43,760,868

- (1) 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.

13. BUDGET FIGURES

Budget figures included in the financial statements have been derived from the budget approved by the board of education on June 23, 2010 and the Minister of Education on August 4, 2011.

14. 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.

	2011	2010
Revenues:		
<i>Good Spirit School Division</i>	\$ 350	
<i>Lloydminster RCSSD #89</i>	1,911	111
<i>Ministry of Education</i>	9,213,187	7,771,905
<i>Northwest School Division</i>		65
<i>SaskPower</i>		250
<i>University of Regina</i>		368
<i>University of Saskatchewan</i>	172	
	\$ 9,215,620	\$ 7,772,699
Expenses:		
<i>Chinook School Division</i>	\$ 750	\$ 2,257
<i>Good Spirit School Division</i>	12,865	3,772
<i>Lloydminster RCSSD #89</i>	1,616	1,718
<i>Minister of Finance</i>	1,055	2,325
<i>Northwest School Division</i>		8,000
<i>Prairie North Health Region</i>	3,199	1,194
<i>Prairie Spirit School Division</i>		80,000
<i>Queen's Printer Revolving Fund</i>		11
<i>Regina Catholic School Division</i>	500	
<i>Regina School Division</i>	8,715	2,490
<i>Saskatchewan MEPP</i>	31,907	27,323
<i>Saskatchewan TSC - Group Life Insurance</i>	41,732	40,227
<i>Saskatchewan Teachers' Superannuation Fund</i>	47,692	53,633
<i>Saskatchewan WCB</i>	35,433	24,732
<i>SaskEnergy</i>	200	
<i>SaskPower</i>	29,381	27,658
<i>SaskTel</i>	20,101	23,279
<i>SGL - Auto Fund Division</i>	8,713	9,035
<i>St. Paul's RCSSD #20</i>		500
<i>University of Regina</i>	367	368
<i>University of Saskatchewan</i>	446	446
<i>Western Development Museum</i>	338	170
	\$ 245,010	\$ 309,138
Accounts Receivable:		
<i>Ministry of Education</i>	\$ 200,381	\$ 440,912
	\$ 200,381	\$ 440,912
Prepaid Expenses:		
<i>Chinook School Division</i>		\$ 3,109
<i>Saskatchewan WCB</i>	17,314	12,366
<i>SGL - Auto Fund Division</i>	7,262	\$ 7,060
	\$ 24,576	\$ 22,535
Deferred Revenue:		
<i>Ministry of Education</i>	\$ 73,588	\$ 63,009
	\$ 73,588	\$ 63,009

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 \$899,342 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:

Total Ministry obligation at August 31, 2011	\$ 899,342
Less: Revenue reported in financial statements	(383,166)
Unrecorded balance of approved capital transfers	\$ 516,176

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 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.

15. TRUSTS

The school division, as the trustee, administers trust funds for legacy scholarships. The trust assets and transactions are not included in the financial statements.

Information about these trusts is as follows:

	2011					2010
	Craig	Hawkins	Jones	Other	Total	Total
Cash and short-term investments	\$ 86,305	\$ 55,655	\$ 51,783	\$ 194,113	\$ 387,856	\$ 22,342
Portfolio investments	970			48,886	49,856	422,875
Total Assets	\$ 87,275	\$ 55,655	\$ 51,783	\$ 242,999	\$ 437,712	\$ 445,217
Revenues						
Contributions and donations	\$ -	\$ -	\$ -	\$ 6,800	\$ 6,800	\$ 6,300
Interest on investments	1,916	2,223	1,078	8,238	13,455	17,894
	1,916	2,223	1,078	15,038	20,255	24,194
Expenses						
Awards to Students	5,000	1,500	2,000	19,260	27,760	22,150
	5,000	1,500	2,000	19,260	27,760	22,150
Excess of Revenue over Expenses	(3,084)	723	(922)	(4,222)	(7,505)	2,044
Trust Fund Balance, Beginning of Year	90,359	54,932	52,705	247,221	445,217	443,173
Trust Fund Balance, End of Year	\$ 87,275	\$ 55,655	\$ 51,783	\$ 242,999	\$ 437,712	\$ 445,217

16. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The school division has ongoing commitments under operating leases for photocopiers. Anticipated future lease payments are as follows:

	Operating Leases	
	Copier Leases	Total Operating
Future minimum lease payments:		
2012	\$ 103,803	\$ 103,803
2013	103,803	103,803
2014	103,803	103,803
2015	51,182	51,182
2016	51,182	51,182
Thereafter		-
Interest and executory costs	\$ 413,773	\$ 413,773
	-	-
Total Lease Obligations	\$ 413,773	\$ 413,773

The school division has the following capital construction commitments as at August 31:

i) Bishop Lloyd School - Roof Phase 2

The school division entered into a contract with Acron Roofing to replace the remaining area of the Bishop Lloyd School roof. As at August 31, 2011, the division had incurred \$508,305 of the total contracted amount of \$718,708.

ii) Bishop Lloyd School – Relocatable (2011)

The school division entered into a contract with Craftex Construction for the provision of one relocatable classroom at Bishop Lloyd School. As at August 31, 2011, the division had incurred \$7,720 of the total contracted amount of \$454,853.

iii) College Park School – Design

The school division entered into a contract with AODBT Architecture for the detailed design of a new PreK-9 School to be named College Park School. As at August 31, 2011 the division had incurred \$110,064 of the total contracted amount of \$1,480,068.

17. COMPARATIVE INFORMATION

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

18. SUBSEQUENT EVENTS

- a) Subsequent to the year end, the school division called for tenders for structural repairs to the gymnasium and roof of Lloydminster Comprehensive High School. The cost of this work is estimated to be \$737,703.

- b) 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 \$457,492 which was recorded as an expense in the 2010-11 financial statements in the various salary accounts. The collective agreement provides for further wage increases in 2011-12 and 2012-13.

The school division support staff also received a retro-active wage increase for the period September 1, 2010 to August 31, 2011, based on the teacher settlement, with an estimated cost of \$201,162. This amount was also recorded as an expense in the 2010-11 financial statements in the various salary accounts. Support staff will receive further wages increases for 2011-12 and 2012-13 in accordance with the salary and benefit schedule approved by the Board of Education in October, 2011.

- c) The school division will be receiving an operating grant reconciliation from the Ministry of Education based on the 2010 property taxation year. This grant reconciliation encompasses discounts, cancelations, penalties, and adjustments that have been made by the applicable taxing authorities. This amount will be recognized in the 2011-2012 year and has been confirmed by the Ministry of Education as \$344,360.