



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, 2012

Mr. Walter Hardy, BComm, CMA
Chief Financial Officer

Wilkinson Livingston Stevens LLP, Chartered Accountants
Auditor

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

LLOYDMINSTER PUBLIC SCHOOL DIVISION NO. 99
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FOR THE YEAR ENDED AUGUST 31, 2012

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Management's Responsibility for the Financial Statements

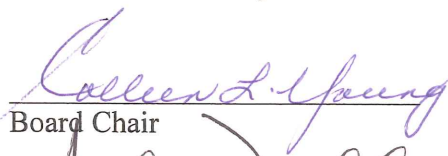
The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily 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.

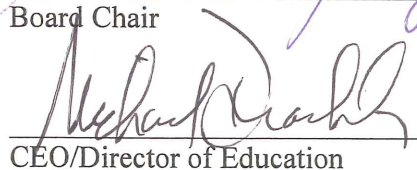
The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained 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 28, 2012



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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, 2012, 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, 2012, 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.

Wilkinson Livingston Stevens LLP

Lloydminster, Alberta
November 28, 2012

Chartered Accountants

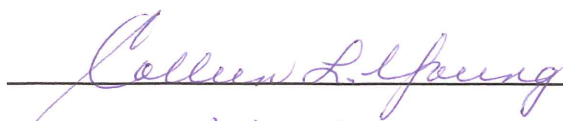
Lloydminster Public School Division No. 99
Statement of Financial Position
as at August 31, 2012

	2012	2011
Financial Assets		(Restated - Note 18)
Cash and Cash Equivalents	5,801,785	4,529,983
Short Term Investments (Note 3)	6,000,000	-
Accounts Receivable (Note 8)	1,313,477	1,690,919
Long Term Investments (Note 4)	222,349	6,121,104
Total Financial Assets	13,337,611	12,342,006
Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	3,114,057	2,067,401
Liability for Employee Future Benefits (Note 6)	425,900	301,800
Deferred Revenue (Note 10)	1,668,665	2,213,986
Total Liabilities	5,208,622	4,583,187
Net Financial Assets	8,128,989	7,758,819
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	38,440,765	36,737,423
Inventory of Supplies for Consumption	309,940	315,271
Prepaid Expenses	282,168	230,297
Total Non-Financial Assets	39,032,873	37,282,991
Accumulated Surplus (Note 13)	47,161,862	45,041,810

Contractual Obligations and Commitments (Note 17)

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

Approved by the Board:



Chairperson



Chief Financial Officer

Lloydminster Public School Division No. 99
Statement of Operations and Accumulated Surplus
for the year ended August 31, 2012

	2012 Budget (Note 14)	2012 Actual	2011 Actual
REVENUES			
Property Taxation	9,238,637	9,708,636	10,126,656
Grants	28,782,585	29,686,526	25,752,392
Tuition and Related Fees	9,109	9,509	-
School Generated Funds	37,544	1,257,188	1,178,660
Complementary Services (Note 11)	138,120	138,120	34,029
External Services (Note 12)	88,588	91,860	88,272
Other	435,500	478,914	312,578
Total Revenues (Schedule A)	38,730,083	41,370,753	37,492,587
EXPENSES			
Governance	198,400	228,476	200,002
Administration	858,785	896,549	814,613
Instruction	30,730,850	30,714,232	29,179,993
Plant	4,248,497	4,697,548	3,636,118
Transportation	932,947	954,284	856,403
Tuition and Related Fees	42,000	29,931	37,519
School Generated Funds	37,544	1,304,885	1,185,999
Complementary Services (Note 11)	340,937	335,487	223,648
External Services (Note 12)	72,688	72,688	71,601
Other Expenses	14,450	16,621	5,749
Total Expenses (Schedule B)	37,477,098	39,250,701	36,211,645
Surplus for the Year	1,252,985	2,120,052	1,280,942
Accumulated Surplus, Beginning of Year	45,041,810	45,041,810	43,760,868
Accumulated Surplus, End of Year	46,294,795	47,161,862	45,041,810

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, 2012

	2012 Budget	2012 Actual	2011 Actual
	(Note 14)		
Net Financial Assets, Beginning of Year	7,758,819	7,758,819	6,941,974
Changes During the Year:			
Surplus for the Year	1,252,985	2,120,052	1,280,942
Acquisition of Tangible Capital Assets (Schedule C)	(3,681,750)	(3,650,689)	(2,401,781)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)		120,200	-
Net Loss on Disposal of Capital Assets (Schedule C)		2,920	-
Write-Down of Tangible Capital Assets (Schedule C)		-	66,301
Amortization of Tangible Capital Assets (Schedule C)	1,976,884	1,824,227	1,750,282
Net Acquisition of Inventory of Supplies		5,331	101,528
Net Acquisition of Prepaid Expenses		(51,871)	19,573
Change in Net Financial Assets	(451,881)	370,170	816,845
Net Financial Assets, End of Year	7,306,938	8,128,989	7,758,819

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, 2012

	2012	2011
OPERATING ACTIVITIES		
Surplus for the Year	2,120,052	1,280,942
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	1,827,147	1,816,583
Net Change in Non-Cash Operating Activities (Schedule E)	956,337	(728,426)
Cash Provided (Used) by Operating Activities	4,903,536	2,369,099
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(3,650,689)	(2,401,781)
Proceeds on Disposal of Tangible Capital Assets	120,200	-
Cash Provided (Used) by Capital Activities	(3,530,489)	(2,401,781)
INVESTING ACTIVITIES		
Cash Used to Acquire Investments	(134,050)	(2,000,000)
Proceeds on Disposal of Investments	32,805	125,770
Cash Provided (Used) by Investing Activities	(101,245)	(1,874,230)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,271,802	(1,906,912)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,529,983	6,436,895
CASH AND CASH EQUIVALENTS, END OF YEAR	5,801,785	4,529,983
REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash and Cash Equivalents	5,801,785	4,529,983
CASH AND CASH EQUIVALENTS, END OF YEAR	5,801,785	4,529,983

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, 2012

	2012 Budget	2012 Actual	2011 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	9,351,887	9,769,589	10,241,506
Total Property Tax Revenue	9,351,887	9,769,589	10,241,506
Grants in Lieu of Taxes:			
Federal Government	2,500	2,712	3,395
Provincial Government	10,294	45,431	58,504
Other	18,956	30,005	25,591
Total Grants in Lieu of Taxes	31,750	78,148	87,490
Other Tax Revenues:			
House Trailer Fees	20,000	21,154	31,783
Total Other Tax Revenues	20,000	21,154	31,783
Additions to Levy:			
Penalties	60,000	60,647	63,630
Total Additions to Levy	60,000	60,647	63,630
Deletions from Levy:			
Discounts	(220,000)	(216,683)	(280,446)
Cancellations	(4,000)	(3,522)	(7,648)
Other Deletions	(1,000)	(697)	(9,659)
Total Deletions from Levy	(225,000)	(220,902)	(297,753)
Total Property Taxation Revenue	9,238,637	9,708,636	10,126,656
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	10,187,889	10,815,225	8,757,521
Other Ministry Grants	60,000	184,393	-
Total Ministry Grants	10,247,889	10,999,618	8,757,521
Other Provincial Grants	147,675	86,100	-
Grants from Others	16,075,983	16,231,664	15,841,931
Total Operating Grants	26,471,547	27,317,382	24,599,452
Capital Grants			
Ministry of Education Capital Grants	716,828	780,288	383,166
Other Capital Grants	1,594,210	1,588,856	769,774
Total Capital Grants	2,311,038	2,369,144	1,152,940
Total Grants	28,782,585	29,686,526	25,752,392
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
Individuals and Other	9,109	9,509	-
Total Tuition Fees	9,109	9,509	-
Total Tuition and Related Fees Revenue	9,109	9,509	-

Lloydminster Public School Division No. 99
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
School Generated Funds Revenue			
Curricular Fees:			
Student Fees	-	336,613	297,126
Total Curricular Fees	-	336,613	297,126
Non-Curricular Fees:			
Commercial Sales - Non-GST	37,544	246,554	263,049
Fundraising	-	125,567	120,731
Grants and Partnerships	-	606	8,500
Students Fees	-	212,454	187,361
Other	-	335,394	301,893
Total Non-Curricular Fees	37,544	920,575	881,534
Total School Generated Funds Revenue	37,544	1,257,188	1,178,660
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	138,120	138,120	-
Other Grants	-	-	34,029
Total Operating Grants	138,120	138,120	34,029
Total Complementary Services Revenue	138,120	138,120	34,029
External Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education Grants-Other	73,588	73,588	72,500
Total Operating Grants	73,588	73,588	72,500
Fees and Other Revenue			
Other Revenue	15,000	18,272	15,772
Total Fees and Other Revenue	15,000	18,272	15,772
Total External Services Revenue	88,588	91,860	88,272
Other Revenue			
Miscellaneous Revenue	242,000	265,298	86,053
Sales & Rentals	28,500	23,685	30,454
Investments	165,000	189,931	196,071
Total Other Revenue	435,500	478,914	312,578
TOTAL REVENUE FOR THE YEAR	38,730,083	41,370,753	37,492,587

Lloydminster Public School Division No. 99
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
Governance Expense			
Board Members Expense	49,000	63,044	60,025
Conventions - Board Members	20,000	18,328	19,542
School Community Councils	2,500	248	943
Other Governance Expenses	126,900	146,856	119,492
Total Governance Expense	198,400	228,476	200,002
Administration Expense			
Salaries	431,864	436,636	398,390
Benefits	70,260	62,203	52,943
Supplies & Services	86,973	92,694	76,568
Non-Capital Furniture & Equipment	64,000	62,581	64,005
Building Operating Expenses	44,952	51,822	44,807
Communications	34,000	61,741	48,342
Travel	1,500	2,047	383
Professional Development	10,000	10,858	11,611
Amortization of Tangible Capital Assets	115,236	115,967	117,564
Total Administration Expense	858,785	896,549	814,613
Instruction Expense			
Instructional (Teacher & LEADS Contract) Salaries	20,558,486	20,525,538	19,780,777
Instructional (Teacher & LEADS Contract) Benefits	1,029,660	1,179,737	1,026,815
Program Support (Non-Teacher Contract) Salaries	4,385,702	4,337,955	4,159,269
Program Support (Non-Teacher Contract) Benefits	654,254	620,592	572,299
Instructional Aids	955,314	768,462	783,560
Supplies & Services	561,140	723,145	536,904
Non-Capital Furniture & Equipment	186,400	273,430	87,208
Communications	295,155	307,051	269,932
Travel	27,000	36,680	43,825
Professional Development	313,245	359,000	422,492
Student Related Expense	105,071	92,692	61,980
Amortization of Tangible Capital Assets	1,659,423	1,489,950	1,434,932
Total Instruction Expense	30,730,850	30,714,232	29,179,993
Plant Operation & Maintenance Expense			
Salaries	1,861,272	1,760,287	1,852,083
Benefits	300,256	252,213	252,309
Supplies & Services	1,000	1,449	525
Non-Capital Furniture & Equipment	15,200	12,410	20,688
Building Operating Expenses	1,952,292	2,532,081	1,411,815
Communications	9,500	6,862	6,673
Travel	33,600	51,167	31,911
Professional Development	12,000	11,211	4,863
Amortization of Tangible Capital Assets	63,377	69,868	55,251
Total Plant Operation & Maintenance Expense	4,248,497	4,697,548	3,636,118

Lloydminster Public School Division No. 99
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
Student Transportation Expense			
Salaries	429,685	444,135	400,696
Benefits	65,714	67,772	55,043
Supplies & Services	122,500	132,193	123,146
Non-Capital Furniture & Equipment	88,000	87,435	75,097
Communications	700	948	687
Travel	2,000	2,322	2,983
Professional Development	2,500	7,797	2,166
Contracted Transportation	83,000	63,240	54,050
Amortization of Tangible Capital Assets	138,848	148,442	142,535
Total Student Transportation Expense	932,947	954,284	856,403
Tuition and Related Fees Expense			
Tuition Fees	42,000	29,931	37,519
Total Tuition and Related Fees Expense	42,000	29,931	37,519
School Generated Funds Expense			
Cost of Sales	37,544	245,894	252,781
School Fund Expenses	-	1,058,991	933,218
Total School Generated Funds Expense	37,544	1,304,885	1,185,999
Complementary Services Expense			
Instructional (Teacher & LEADS Contract) Salaries & Benefits	119,223	123,538	-
Program Support (Non-Teacher Contract) Salaries & Benefits	164,164	165,171	174,634
Supplies & Services	4,500	1,579	854
Travel	950	197	872
Professional Development (Non-Salary Costs)	2,850	(343)	1,365
Student Related Expenses	49,250	45,345	45,923
Total Complementary Services Expense	340,937	335,487	223,648
External Service Expense			
Other Fees	72,688	72,688	71,601
Total External Services Expense	72,688	72,688	71,601
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	14,450	13,701	14,448
Total Interest and Bank Charges	14,450	13,701	14,448
Loss on Disposal of Tangible Capital Assets	-	2,920	-
Write-Down of Tangible Capital Assets	-	-	66,301
Provision for Uncollectable Taxes	-	-	(75,000)
Total Other Expense	14,450	16,621	5,749
TOTAL EXPENSES FOR THE YEAR	37,477,098	39,250,701	36,211,645

Lloydminster Public School Division No. 99
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2012

	Land	Land Improvements	Buildings	Buildings Short term	School Buses	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	Work-in-Progress	2012	2011
Tangible Capital Assets - at Cost:												
Opening Balance as of September 1	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
Additions/Purchases				447,025	267,564	58,993	260,647	255,753		2,360,707	3,650,689	2,401,781
Disposals					(159,723)		(512,235)	(72,650)			(744,608)	(221,761)
Write-Downs											-	(72,974)
Transfers to (from)				15,088						(15,088)	-	
Closing Balance as of August 31	577,580	857,707	44,487,506	2,593,912	1,721,657	374,230	2,579,215	1,934,882	76,760	2,477,873	57,681,322	54,775,241

Tangible Capital Assets - Amortization:

Opening Balance as of September 1	468,145	13,315,546	642,383	929,899	219,120	1,699,519	728,464	34,742	18,037,818	16,515,970
Amortization of the Period	42,866	842,759	117,581	140,391	39,623	238,659	386,976	15,352	1,824,227	1,750,282
Disposals				(36,603)		(512,235)	(72,650)		(621,488)	(221,761)
Write-Downs									-	(6,673)
Closing Balance as of August 31	511,031	14,158,305	759,964	1,033,687	258,743	1,425,943	1,042,790	50,094	19,240,557	18,037,818

Net Book Value:

Opening Balance as of September 1	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
Closing Balance as of August 31	346,676	30,329,201	1,833,948	687,970	115,487	1,153,272	892,092	26,666	2,477,873	38,440,765	36,737,423
Change in Net Book Value	(42,886)	(842,759)	344,532	4,053	19,370	21,988	(131,223)	(15,352)	2,345,619	1,703,342	585,198

Disposals:

Historical Cost				159,723			512,235	72,650		744,608	221,761
Accumulated Amortization				36,603			512,235	72,650		621,488	221,761
Net Cost	-	-	-	123,120	-	-	-	-	-	123,120	-
Price of Sale				120,200			-	-		120,200	-
Gain/loss on Disposal	-	-	-	(2,920)	-	-	-	-	-	(2,920)	-

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

Lloydminster Public School Division No. 99
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2012

	2012	2011
Non-Cash Items Included in Surplus / Deficit:		
Amortization of Tangible Capital Assets (Schedule C)	1,824,227	1,750,282
Net Loss on Disposal of Tangible Capital Assets	2,920	-
Write-Down of Tangible Capital Assets (Schedule C)	-	66,301
Total Non-Cash Items Included in Surplus / Deficit	1,827,147	1,816,583

Lloydminster Public School Division No. 99
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2012

	2012	2011
Net Change in Non-Cash Operating Activities:		(Restated - Note 18)
Decrease in Accounts Receivable	377,442	1,134,853
Increase (Decrease) In Accounts Payable and Accrued Liabilities	1,046,656	(84,561)
Increase in Liability for Employee Future Benefits	124,100	4,561
(Decrease) in Deferred Revenue	(545,321)	(1,904,380)
Decrease in Inventory of Supplies for Consumption	5,331	101,528
Decrease (Increase) in Prepaid Expenses	(51,871)	19,573
Total Net Change in Non-Cash Operating Activities	956,337	(728,426)

LLOYDMINSTER PUBLIC SCHOOL DIVISION NO. 99
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2012

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 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 consolidated 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 \$ 425,900 (2011 - \$ 301,800) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of \$ 9,708,636 (2011 - \$ 10,126,656) because final tax assessments may differ from initial estimates,
- uncollectible taxes of \$ 75,000 (2011 - \$ 75,000) because actual collectability may differ from initial estimates.
- useful lives of 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 a material change in the amounts recognized or disclosed.

e) Financial Instruments

Financial instruments include cash and cash equivalents, short-term investments, 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.

Short-Term Investments consist of highly liquid securities made to obtain a return on a temporary basis with maturity terms of 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 equity common shares in various bank accounts, as well as term deposits with a maturity date greater than one year, which 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.

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, land improvements, buildings, school buses, other vehicles, furniture and equipment, computer hardware and software, 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, 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. They include insurance premiums, Saskatchewan School Boards Association fees, other membership fees, vehicle licensing, software licensing, WCB premiums, and copier leases.

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). In accordance with PSAB, the plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

Defined Contribution Plans

The school division's support staff, excluding two support staff who participate in MEPP 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.

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

3. SHORT-TERM INVESTMENTS

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

4. LONG-TERM INVESTMENTS

Long-Term Investments are comprised of the following:

	Cost / Book Value		Market Value	
	2012	2011	2012	2011
Term deposit @ 2.35%; matures 06/03/2013	\$ -	\$ 6,000,000	\$ -	\$ 6,000,000
Term deposit @ 1.30%; matures 25/11/2013	93,728		93,728	
Equity common shares at Servus CU & Co-op	128,621	121,104	128,621	121,104
Total Long Term Investments	\$ 222,349	\$ 6,121,104	\$ 222,349	\$ 6,121,104

5. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2012 Budget	2012 Actual	2011 Actual
Governance	\$ 57,773	\$ 170,703	\$ -	\$ -	\$ 198,400	\$ 228,476	\$ 200,002
Administration	\$ 498,839	\$ 281,743		\$ 115,967	\$ 858,785	\$ 896,549	814,613
Instruction	\$ 26,663,822	\$ 2,560,460		\$ 1,489,950	\$ 30,730,850	\$ 30,714,232	29,179,993
Plant	\$ 2,012,499	\$ 2,615,181		\$ 69,868	\$ 4,248,497	\$ 4,697,548	3,636,118
Transportation	\$ 511,907	\$ 293,935		\$ 148,442	\$ 932,947	\$ 954,284	856,403
Tuition and Related Fees		\$ 29,931			\$ 42,000	\$ 29,931	37,519
School Generated Funds	\$ 34,967	\$ 1,269,918			\$ 37,544	\$ 1,304,885	1,185,999
Complementary Services	\$ 288,709	\$ 46,778			\$ 340,937	\$ 335,487	223,648
External Services		\$ 72,688			\$ 72,688	\$ 72,688	71,601
Other		\$ 2,920	\$ 13,701		\$ 14,450	\$ 16,621	5,749
TOTAL	\$ 30,068,516	\$ 7,344,257	\$ 13,701	\$ 1,824,227	\$ 37,477,098	\$ 39,250,701	\$ 36,211,645

6. 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 benefits, retirement gratuity, and vacation banks. Significant assumptions include discount rate, inflation, and salary scale. 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:

	2012	2011
Actuarial valuation date	August 31, 2012	August 31, 2011
Long-term assumptions used:		
Salary escalation rate - teachers	3.25%	3.30%
Salary escalation rate - non teachers	3.25%	3.20%
Discount rate	2.70%	3.40%
Inflation rate (percentage)	2.25%	2.50%
Expected average remaining service life (years)	16	14

Liability for Employee Future Benefits	2012	2011
Accrued Benefit Obligation - beginning of year	\$ 314,800	\$ 312,800
Current period benefit cost	29,700	28,700
Interest cost	11,300	11,600
Benefit payments	(25,300)	(23,200)
Actuarial (gain) / loss	(31,800)	(15,100)
Plan amendments	127,200	-
Accrued Benefit Obligation - end of year	425,900	314,800
Unamortized Net Actuarial (Gain) / Loss	-	(13,000)
Liability for Employee Future Benefits	\$ 425,900	\$ 301,800

Employee Future Benefits Expense	2012	2011
Current period benefit cost	\$ 29,700	\$ 28,700
Amortization of net actuarial (gain) / loss	1,200	2,300
Plan amendments	107,200	-
Benefit cost	138,100	31,000
Interest cost on unfunded employee future benefits obligation	11,300	11,600
Total Employee Future Benefits Expense	\$ 149,400	\$ 42,600

7. 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:

	2012				2011
	STRP	STSP	ATRF	TOTAL	TOTAL
Number of active School Division members	231	8	46	285	271
Member contribution rate (up to CPP amount)	7.80%	6.05%	9.04%		
Member contribution rate (above CPP amount)	10.00%	7.85%	12.91%		
Member contributions for the year	\$ 1,376,503	\$ 34,745	\$ 326,545	\$ 1,737,793	\$ 1,466,541

- 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:

	2012	2011
Number of active School Division members	2	2
Member contribution rate (percentage of salary)	7.40%	7.40%
School Division contribution rate (percentage of salary)	7.40%	7.40%
Actuarial valuation date: December 31, 2010		
Plan Assets	\$ 1,404,006	\$ 1,404,006
Plan Liabilities	\$ (1,344,380)	\$ (1,344,380)
Plan Surplus (Deficit)	\$ 59,626	\$ 59,626

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 6.00%. 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:

	2012	2011
Number of active School Division members	207	211
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	\$ 357,819	\$ 320,862
School Division contributions for the year	\$ 347,383	\$ 310,376

8. 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:

	2012			2011 (Restated - Note 18)		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 723,591	\$ 75,000	\$ 648,591	\$ 717,482	\$ 75,000	\$ 642,482
Provincial Grants Receivable	586,269		586,269	853,253		853,253
Other Receivables	78,617		78,617	195,184		195,184
Total Accounts Receivable	\$ 1,388,477	\$ 75,000	\$ 1,313,477	\$ 1,765,919	\$ 75,000	\$ 1,690,919

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of account payable and accrued liabilities are as follows:

	2012	2011
Accrued Salaries and Benefits	\$ 67,455	\$ 709,309
Supplier Payments	3,046,602	1,358,092
Total Accounts Payable and Accrued Liabilities	\$ 3,114,057	\$ 2,067,401

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2011	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2012
Other deferred revenue:	(Restated - Note 18)			
Provincial Grants	73,588	74,765	73,588	\$ 74,765
Property Taxes	2,099,217	1,563,100	2,099,217	\$ 1,563,100
Tuition	9,509		9,509	\$ -
Other	31,672	30,800	31,672	\$ 30,800
Total Deferred Revenue	\$ 2,213,986	\$ 1,668,665	\$ 2,213,986	\$ 1,668,665

11. 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 2012:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Other Programs	2012	2011
Revenue:				
Operating Grants	\$ 138,120	\$ -	\$ 138,120	\$ 34,029
Total Revenue	138,120	-	138,120	34,029
Expenses:				
Salaries & Benefits	185,005	103,704	288,709	174,634
Supplies and Services		1,579	1,579	854
Travel		197	197	872
Professional Development (Non-Salary Costs)		1,292	1,292	1,365
Student Related Expenses	3,042	40,668	43,710	45,923
Total Expenses	188,047	147,440	335,487	223,648
Excess (Deficiency) of Revenue over Expenses	\$ (49,927)	\$ (147,440)	\$ (197,367)	\$ (189,619)

The purpose and nature of each Complementary Services program is as follows:

- i) Pre-kindergarten is a comprehensive initiative targeting children who may benefit from additional supports such as speech, language and social development programming and is limited to children who are three and four years of age.
- ii) Other programs represent Community Schools, where the diverse learning needs of children and youth are met by incorporating a comprehensive range of effective educational practices. One of these practices includes providing nutritional meal options to students.

12. 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 2012:

Summary of External Services Revenues and Expenses, by Program	Cafeteria	Other Programs	2012	2011
Revenue:				
Operating Grants	\$ -	\$ 73,588	\$ 73,588	\$ 72,500
Fees and Other Revenue	18,272		18,272	15,772
Total Revenue	18,272	73,588	91,860	88,272
Expenses:				
Tuition Fees	-	72,688	72,688	71,601
Total Expenses	-	72,688	72,688	71,601
Excess (Deficiency) of Revenue over Expenses	\$ 18,272	\$ 900	\$ 19,172	\$ 16,671

The purpose and nature of each External Services program is as follows:

- i) The Cafeteria provides food services for students over the noon hour, as well as for special events that are occurring within the school division throughout the year.
- ii) Other programs represent the Kids First program which helps vulnerable families to become the best parents they can by enhancing knowledge, providing support and building on family strengths.

13. 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:

	2012	2011
Invested in Tangible Capital Assets	\$ 38,440,765	\$ 36,737,423
S.286 pre-April capital reserves from prior years' operating surpluses (1)	1,584,620	1,584,620
Internally Restricted Surplus:		
Capital Projects:		
Recognized rental revenue	1,008	1,008
Board rental	7,500	7,500
	8,508	8,508
Other:		
School generated funds	232,872	280,569
Incomplete budgets	391,442	646,957
School budget carryovers	184,697	224,054
Revolving fund	500,000	500,000
Municipal school	101,996	101,996
Parkland proceeds	97,394	95,410
Community track	48,601	40,601
Retirement allowance	-	90,000
Outstanding purchase orders	-	83,389
Other	836	-
Technology evergreening	932,425	755,765
Maintenance vehicle purchases	-	38,247
	2,490,263	2,856,988
Unrestricted Surplus	4,637,706	3,854,271
Total Accumulated Surplus	\$ 47,161,862	\$ 45,041,810

(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.

The purpose and nature of each Internally Restricted Surplus amount is as follows:

- i) The Recognized rental revenue and Board rental funds are monies that are to be used for future capital expenditures.
- ii) School generated funds are accumulated surpluses from the various extracurricular activities that are to support future operating costs of these activities.
- iii) Incomplete budgets are unspent funds on various projects that are to be completed in the upcoming fiscal year.
- iv) School budget carryovers are unspent school budgets from the current year that are to be spent in the upcoming fiscal year.
- v) The revolving fund is accessible by schools for larger projects that cannot be supported through school budgets. These monies must be repaid back to the school division over a predetermined period.
- vi) The municipal school fund is proceeds from the sale of land from a previous school site that is to be used for facility enhancements.
- vii) The Parkland proceeds fund is to be used to purchase specialized equipment to support the program for intensive needs children.
- viii) The Community track fund is to be used to enhance the track and field area at the Lloydminster Comprehensive High School.
- ix) The retirement allowance will be paid out to personnel upon their retirement.
- x) The technology evergreening fund will be used to refresh computers and other technology over a predetermined period of time.
- xi) The Maintenance vehicle purchases fund is to be used for the purchase of maintenance vehicles in the future.

14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 22, 2011 and the Minister of Education on August 31, 2011.

15. 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.

	2012	2011
Revenues:		
<i>Good Spirit School Division #204</i>	\$ -	\$ 350
<i>Lloydminster RCSSD #89</i>	1,800	1,911
<i>Ministry of Education</i>	11,992,853	9,213,187
<i>Prairie North Health Region</i>	600	-
<i>SaskTel</i>	250	-
<i>SGI</i>	86,100	-
<i>University of Saskatchewan</i>	-	172
	\$ 12,081,603	\$ 9,215,620
Expenses:		
<i>Chinook School Division #211</i>	\$ -	\$ 750
<i>Good Spirit School Division #204</i>	9,225	12,865
<i>Holy Trinity RCSSD #22</i>	105	-
<i>Lloydminster RCSSD #89</i>	702	1,616
<i>Minister of Finance</i>	1,124	1,055
<i>Prairie North Health Region</i>	2,578	3,199
<i>Prairie South School Division #210</i>	1,050	-
<i>Regina Catholic School Division #81</i>	-	500
<i>Regina School Division #4</i>	7,155	8,715
<i>Saskatchewan MEPP</i>	36,998	31,907
<i>Saskatchewan TSC - Group Life Insurance</i>	45,879	41,732
<i>Saskatchewan Teachers' Superannuation Fund</i>	34,745	47,692
<i>Saskatchewan WCB</i>	46,067	35,433
<i>SaskEnergy</i>	-	200
<i>SaskPower</i>	29,779	29,381
<i>SaskTel</i>	18,144	20,101
<i>SGI - Auto Fund Division</i>	7,700	8,713
<i>St. Paul's RCSSD #20</i>	530	-
<i>Sun West School Division #207</i>	1,500	-
<i>University of Regina</i>	3,675	367
<i>University of Saskatchewan</i>	622	446
<i>Western Development Museum</i>	459	338
	\$ 248,037	\$ 245,010
Accounts Receivable:		
<i>Ministry of Education</i>	\$ 193,468	\$ 200,381
	\$ 193,468	\$ 200,381
Prepaid Expenses:		
<i>Saskatchewan WCB</i>	\$ 23,034	\$ 17,314
<i>SGI - Auto Fund Division</i>	8,651	7,262
	\$ 31,685	\$ 24,576
Deferred Revenue:		
<i>Ministry of Education</i>	\$ 74,765	\$ 73,588
<i>Prairie North Health Region</i>	\$ 400	-
	\$ 75,165	\$ 73,588

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 \$2,394,493 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, 2012	\$ 2,394,493
Less: Revenue reported in financial statements	(543,887)
Unrecorded balance of approved capital transfers	\$ 1,850,606

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.

16. 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:

	2012				Total 2012	Total 2011
	Craig	Jones	Hawkins	Other		
Cash and short-term investments	\$ 82,859	\$ -	\$ 56,409	\$ 41,023	\$ 180,291	\$ 387,856
Portfolio investments	2,095	50,755		231,494	284,344	49,856
Total Assets	\$ 84,954	\$ 50,755	\$ 56,409	\$ 272,517	\$ 464,635	\$ 437,712
Revenues						
Contributions and donations	\$ -	\$ -	\$ -	\$ 43,850	\$ 43,850	\$ 6,800
Interest on investments	2,679	972	2,254	5,828	11,733	13,455
	2,679	972	2,254	49,678	55,583	20,255
Expenses						
Awards to Students	5,000	2,000	1,500	20,160	28,660	27,760
	5,000	2,000	1,500	20,160	28,660	27,760
Excess of Revenue over Expenses	(2,321)	(1,028)	754	29,518	26,923	(7,505)
Trust Fund Balance, Beginning of Year	87,275	51,783	55,655	242,999	437,712	445,217
Trust Fund Balance, End of Year	\$ 84,954	\$ 50,755	\$ 56,409	\$ 272,517	\$ 464,635	\$ 437,712

17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Significant contractual obligations and commitments of the school division are as follows:

- construction contract for College Park School in the amount of \$27,808,970 over 2 years;
- contract for the replacement of the boiler at Bishop Lloyd Middle School in the amount of \$532,673 over 1 year;
- operating lease obligations, as follows:

	Copier Leases	Total Operating
Future minimum lease payments:		
2013	\$ 103,803	\$ 103,803
2014	103,803	103,803
2015	51,182	51,182
2016	51,182	51,182
2017		-
Thereafter		-
Interest and executory costs	\$ 309,970 -	\$ 309,970 -
Total Lease Obligations	\$ 309,970	\$ 309,970

18. ACCOUNTING CHANGES

Subsequent to the year ended August 31, 2011, the school division identified an error in the presentation of taxes receivable and deferred revenue which were overstated by offsetting amounts. The correction of this error has no impact on the opening balance of accumulated surplus. The prior period comparative amounts have been restated from those previously reported as follows:

- decrease in accounts receivable and deferred revenue of \$969,649 in prior year,
- current year presentation reports these accounts correctly.

19. COMPARATIVE INFORMATION

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