



Auditor's Report and Financial Statement

Of the Saskatchewan Rivers School Division No.119 School Division No. 2010500

For the Year Ending: August 31, 2008

Dennis Moniuk
Secretary Treasurer

Deloitte & Touche LLP
Auditor

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

AUDITORS' REPORT

TO THE BOARD OF TRUSTEES OF THE SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119

We have audited the statement of financial position of the Operating Fund, the Capital Fund, and the Other Funds of the Saskatchewan Rivers School Division No. 119 as at August 31, 2008 and the following statements for the year ended August 31, 2008:

- a) Statement of Financial Activities and Fund Balances
- b) Statement of Changes in Financial Position

These financial statements are the responsibility of the School Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Trustees of the Board of Education, the Electors of the Saskatchewan Rivers School Division No. 119 and the Ministry of Education for the purpose of compliance with the Education Act 1995. The financial statements are not intended to be, and should not be, used by anyone other than the specified users or for any other purpose.



Chartered Accountants

December 2, 2008

Saskatchewan Rivers School Division No.119
Statement of Financial Position
as at August 31, 2008

	Operating Fund	Capital Fund	Other Funds	Current Yr Total	Prior Yr Total
Financial Assets					
Cash	16,585,698	-	-	16,585,698	12,938,652
Short Term Investments	-	-	-	-	-
Taxes Receivable	5,612,327				
Less Allowance	-	5,612,327		5,612,327	6,923,042
Provincial Grants Receivable (Note 4)	68,772	774,634		843,406	735,807
Other Receivables	611,746	-	-	611,746	488,005
Inventories for sale	-	-	-	-	-
Long Term Investments	-	-	-	-	-
Other Assets	125	-	-	125	125
Interfund Debt Receivable	-	1,394,208	11,409,942		
Total Financial Assets	22,878,668	2,168,843	11,409,942	23,653,302	21,085,631
Liabilities					
Bank Indebtedness	-	-	-	-	-
Provincial Grant Overpayment	-	-		-	-
Other Payables	1,531,680	411,773	-	1,943,453	1,988,787
Short Term Loans	-	-		-	-
Debentures		-		-	-
Capital Loans (Note 7)		4,734,242		4,734,242	6,218,106
Other Long Term Debt		-		-	-
Other Liabilities	3,514,262	526,358	-	4,040,620	3,966,030
Interfund Debt Payable	12,804,150	-	-		
Total Liabilities	17,850,092	5,672,373	-	10,718,315	12,172,923
Net Financial Assets (Debt)	5,028,576	(3,503,530)	11,409,942	12,934,987	8,912,708
Non Financial Assets					
Physical assets (Note 5)		107,567,975		107,567,975	105,991,809
Inventory of supplies	90,454	-	-	90,454	98,064
Prepaid Items	298,631	-	-	298,631	329,473
Total Non Financial Assets	389,086	107,567,975	-	107,957,061	106,419,346
Net Assets	5,417,662	104,064,445	11,409,942	120,892,048	115,332,053
Equity in Physical Assets (Note 5)		102,833,733		102,833,733	99,773,703
Fund Balances (Note 8)	5,417,662	1,230,711	11,409,942	18,058,315	15,558,350
School Position	5,417,662	104,064,445	11,409,942	120,892,048	115,332,053

Saskatchewan Rivers School Division No.119
Statement of Financial Activities and Fund Balances
for the year ending August 31, 2008

	Operating Fund	Capital Fund	Other Funds	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
REVENUES						
Property Taxation	27,287,343	-	-	27,287,343	26,873,138	26,243,230
Grants	46,140,378	1,988,585	-	48,128,963	47,570,207	44,613,427
Tuition and Related Fees	1,326,024	45,354	-	1,371,378	1,394,406	1,656,665
Supplementary Services	-	-	-	-	-	-
Complementary Services (Note 10)	889,003	-	-	889,003	208,895	205,717
External Services (Note 11)	1,376,180	-	-	1,376,180	1,364,345	1,450,731
Other	1,102,215	195,597	4,667	1,302,479	1,035,500	1,307,352
Total Revenues	78,121,142	2,229,537	4,667	80,355,346	78,446,490	75,477,122
EXPENDITURES						
Governance	418,872	-	-	418,872	520,444	390,092
Administration	1,485,579	-	-	1,485,579	1,562,622	1,418,398
Instruction	55,402,259	83,984	-	55,486,243	56,907,157	52,708,715
Plant	7,680,742	2,476,012	-	10,156,754	10,717,307	9,169,804
Transportation	5,275,199	669,345	-	5,944,544	6,168,127	5,753,442
Tuition and Related Fees	115,756	-	-	115,756	163,868	157,023
Complementary Services (Note 10)	970,059	-	-	970,059	292,980	288,493
External Services (Note 11)	1,521,526	-	-	1,521,526	1,408,243	1,329,475
Interest and Bank Charges	112	272,073	-	272,185	253,202	308,414
Total Expenditures	72,870,105	3,501,414	-	76,371,518	77,993,950	71,523,856
Excess (Deficiency) of Revenue over Expenditures	5,251,038	(1,271,877)	4,667	3,983,828	452,540	3,953,267
Interfund Transfers to (from)						
for Capital Expenditures	(1,272,945)	1,272,945	-	-	-	-
for Debt Repayment	(1,233,864)	1,233,864	-	-	-	-
for Reserves	(2,122,488)	54,839	2,067,648	-	-	-
Excess (Deficiency) after Interfund Transfers	621,742	1,289,771	2,072,315	3,983,828	452,540	3,953,267
Long Term Capital Debt Issued	-	-	-	-	-	-
Long Term Capital Debt Repaid	-	(1,483,864)	-	(1,483,864)	(1,483,864)	(1,483,864)
Surplus (Deficit) for the Year	621,742	(194,093)	2,072,315	2,499,964	(1,031,324)	2,469,403
Opening Fund Balances	4,795,920	1,424,804	9,337,626	15,558,350	15,558,350	13,088,948
Closing Fund Balances	5,417,662	1,230,711	11,409,942	18,058,315	14,527,026	15,558,350

Saskatchewan Rivers School Division No.119
Statement of Changes in Financial Position
for the year ending August 31, 2008

	Current Year	Prior Year
Operations		
Net Revenue (Expenditure) before Financing	3,983,828	3,953,267
Decrease (Increase) in Taxes Receivable	1,310,715	(3,045,718)
Decrease (Increase) in Grants Receivable	(107,599)	(347,773)
Decrease (Increase) in Other Receivables	(123,741)	106,463
Decrease (Increase) in Prepaid Items	30,842	(44,052)
Decrease (Increase) in Other Assets	-	-
Increase (Decrease) in Provincial Grant Overpayment	-	-
Increase (Decrease) in Other Payables	(45,334)	112,008
Increase (Decrease) in Short Term Loans	-	-
Increase (Decrease) in Other Liabilities	74,590	1,074,219
Net Increase (Decrease) in Cash from Operations	5,123,300	1,808,414
Investing		
Decrease (Increase) in Inventories	7,610	708
Decrease (Increase) in Long Term Investments	-	-
Net Increase (Decrease) in Cash from Investing	7,610	708
Financing		
Debentures Issued	-	-
Debentures Repaid	-	-
Other Capital Loans and Long Term Debt Issued	-	-
Other Capital Loans and Long Term Debt Repaid	(1,483,864)	(1,483,864)
Net Increase (Decrease) in Cash from Financing	(1,483,864)	(1,483,864)
Net Change in Cash and Cash Equivalents	3,647,046	325,258
Opening Cash and Equivalents	12,938,652	12,613,395
Closing Cash and Cash Equivalents	16,585,698	12,938,652

Saskatchewan Rivers School Division No.119

Details of Revenue
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Property Taxation Revenue			
Operating Fund			
Tax Revenue:			
Property Tax Revenue (<i>net Education Tax Credit</i>)	25,327,758	25,018,934	24,597,614
Revenue from Supplemental Levies	63,729	125,000	50,835
Total Property Tax Revenue	25,391,487	25,143,934	24,648,450
Grants in Lieu of Taxes:			
Federal Government	734,211	795,973	766,485
Provincial Government	1,110,761	1,041,979	747,801
Railways	-	-	-
Other	1,085,103	1,053,898	1,346,748
Total Grants in Lieu of Taxes	2,930,075	2,891,850	2,861,033
Treaty Land Entitlement	52,379	52,379	52,379
House Trailer Fees	45,800	20,000	19,898
Additions to Levy:			
Penalties	180,735	245,060	216,115
Other	2,439	25,000	-
Total Additions to Levy	183,174	270,060	216,115
Deletions from Levy:			
Discounts	(1,096,612)	(1,144,585)	(1,170,082)
Cancellations	(149,203)	(340,500)	(374,077)
Other Deletions	(69,756)	(20,000)	(10,486)
Provision for Uncollectable Taxes	-	-	-
Total Deletions from Levy	(1,315,571)	(1,505,085)	(1,554,644)
Total Operating Property Tax Revenue to Summary	27,287,343	26,873,138	26,243,230
Other Funds			
Tax Levy:			
Special Tax Levy	-	-	-
Total Other Funds Property Tax Revenue to Summary	-	-	-
Total Property Taxation Revenue to Summary	27,287,343	26,873,138	26,243,230
Grants:			
Operating Fund			
Ministry of Education Grants:			
K-12 Operating Grant	40,417,382	40,582,146	38,533,242
Education Property Tax Credit	5,362,311	4,625,857	-
Other Ministry Grants	272,704	-	4,595,920
Total Ministry Grants	46,052,397	45,208,003	43,129,162
Other Provincial Grants	41,968	341,000	41,608
Federal Grants	46,013	36,228	77,036
Grants from Others	-	-	5,504
Total Operating Fund Grants To Summary	46,140,378	45,585,230	43,253,310
Capital Fund			
Capital Grants	1,988,585	1,984,976	1,360,118
Total Capital Fund Grants to Summary	1,988,585	1,984,976	1,360,118
Total Grants to Summary	48,128,963	47,570,207	44,613,427

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Details of Revenue (continued)
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Tuition and Related Fees Revenue			
Operating Fund			
Tuition Fees:			
School Boards	37,944	88,142	146,028
Federal Government and First Nations	1,087,253	1,088,260	1,257,622
Individuals and Other	188,861	168,519	154,763
Total Tuition Fees	1,314,058	1,344,921	1,558,413
Transportation Fees	3,888	3,600	3,947
Other Related Fees	8,078	-	35,460
Total Operating Fund Tuition and Fees to Summary	1,326,024	1,348,521	1,597,820
Capital Fund			
Federal/First Nations Capital Fees	45,354	45,885	58,846
Total Capital Fund Tuition and Fees to Summary	45,354	45,885	58,846
Total Tuition and Related Fees Revenue to Summary	1,371,378	1,394,406	1,656,665

Supplementary Services Revenue

Operating Fund

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

Total Supplemental Services Revenue to Summary

-	-	-
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Complementary Services

Operating Fund

Ministry of Education Grants:			
Ministry of Education-Foundation Operating Grant	680,333	-	-
Ministry of Education Grants-Property Tax Credit	-	-	-
Ministry of Education Grants-Other	-	-	-
Other Provincial Grants	-	-	-
Federal Grants	-	-	-
Other Grants	-	-	-
Tuition Fees:			
Tuition Fees-School Divisions	-	-	-
Tuition Fees-Federal Government	-	-	-
Tuition Fees-First Nations	-	-	-
Tuition Fees-Individuals and Other Parties	-	-	-
Transportation Fees:			
Transp Fees-School Divisions	-	-	-
Transp Fees-Federal Government	-	-	-
Transp Fees-First Nations	-	-	-
Transp Fees-Individuals and Other Parties	-	-	-

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Details of Revenue (continued)
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Other Related Fees:			
Other Related Fees-School Divisions	-	-	-
Other Related Fees-Federal Government	-	-	-
Other Related Fees-First Nations	-	-	-
Other Related Fees-Individuals and Other Parties	-	-	-
Misc Revenue:			
Misc Revenue-User Fees	-	-	-
Misc Revenue-Reimbursements	208,670	208,895	205,717
Misc Revenue-Other Miscellaneous Revenue	-	-	-
Food Sales	-	-	-
Sale of Materials	-	-	-
Rentals	-	-	-
Sale of Non-Capital Assets	-	-	-
Other Sales and Rentals Revenue	-	-	-
Total Operating Fund Complementary Services Revenue to Summary	889,003	208,895	205,717
Capital Fund			
Ministry of Education Capital Grants	-	-	-
Other Provincial Capital Grants	-	-	-
Federal Capital Grants	-	-	-
Capital Grants-other	-	-	-
Other Miscellaneous Revenue	-	-	-
Sale of Capital Assets	-	-	-
Interest and Dividends	-	-	-
Total Capital Fund Complementary Services Revenue to Summary	-	-	-
Total Complementary Services Revenue to Summary	889,003	208,895	205,717

External Services

Operating Fund

K-12 Operating Grant	-	-	-
Other Ministry of Education Grants	80,806	70,000	90,354
Other Provincial Grants	1,149,833	1,170,313	1,228,941
Federal Grants	68,714	67,174	54,919
Other Grants	7,906	7,742	15,094
Tuition Fees:			
Tuition Fees-School Divisions	-	-	-
Tuition Fees-Federal Government	-	-	-
Tuition Fees-First Nations	-	-	-
Tuition Fees-Individuals and Other Parties	-	-	-
Transporation Fees:			
Transp Fees-School Divisions	-	-	-
Transp Fees-Federal Government	-	-	-
Transp Fees-First Nations	-	-	-
Transp Fees-Individuals and Other Parties	-	-	-
Other Related Fees:			
Other Related Fees-School Divisions	-	-	-
Other Related Fees-Federal Government	-	-	-
Other Related Fees-First Nations	-	-	-
Other Related Fees-Individuals and Other Parties	-	-	-

Saskatchewan Rivers School Division No.119

Details of Revenue (continued)
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Misc Revenue:			
Misc Revenue-User Fees	-	-	-
Misc Revenue-Reimbursements	-	-	-
Misc Revenue-Other Miscellaneous Revenue	-	-	-
Food Sales	67,805	48,000	60,306
Sale of Materials	-	-	-
Rentals	1,116	1,116	1,116
Sale of Non-Capital Assets	-	-	-
Other Sales and Rentals Revenue	-	-	-
Total Operating Fund External Services Revenue to Summary	1,376,180	1,364,345	1,450,731
Capital Fund			
Ministry of Education Capital Grants	-	-	-
Other Provincial Capital Grants	-	-	-
Federal Capital Grants	-	-	-
Capital Grants	-	-	-
Other Miscellaneous Revenue	-	-	-
Sale of Capital Assets	-	-	-
Interest and Dividends	-	-	-
Total Capital Fund External Services Revenue to Summary	-	-	-
Total External Services Revenue to Summary	1,376,180	1,364,345	1,450,731
Other Revenue			
Operating Fund			
Miscellaneous Revenue	615,005	476,000	606,617
Sales & Rentals	26,573	19,500	6,320
Investments	460,637	450,000	465,165
Total Operating Fund Other Revenue to Summary	1,102,215	945,500	1,078,102
Capital Fund			
Miscellaneous Revenue	-	-	-
Sales & Rentals	118,798	10,000	149,340
Investments	76,799	80,000	75,559
Total Capital Fund Other Revenue to Summary	195,597	90,000	224,899
Other Funds			
Miscellaneous Revenue	4,667	-	4,351
Investments	-	-	-
Total Other Funds Other Revenue to Summary	4,667	-	4,351
Total Other Revenue to Summary	1,302,479	1,035,500	1,307,352

Saskatchewan Rivers School Division No.119

Details of Expenses
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Governance Expenses			
Operating Fund			
Board Members Expense	152,566	177,861	140,282
Conventions - Board Members	82,325	113,898	74,030
Local Boards/Advisory Committees	34,390	37,300	33,436
Conventions - Local Boards/Advisory Committees	-	-	-
Elections	-	1,000	-
Other Governance Expenses	149,591	190,385	142,345
Total Operating Fund Governance Expenses to Summary	418,872	520,444	390,092
Capital Fund			
Capital Equipment	-	-	-
Total Capital Fund Governance Expenses to Summary	-	-	-
Total Governance Expenses to Summary	418,872	520,444	390,092

Administration Expenses

Operating Fund			
Salaries	1,014,670	994,822	964,164
Benefits	134,708	141,007	128,503
Supplies/Services	117,145	167,800	139,356
Non-Capital Equipment	61,658	52,500	50,862
Building Operating Expenses	75,634	106,943	48,883
Communications	61,204	70,000	62,340
Travel	4,391	10,000	7,833
Professional Development	16,170	19,550	16,456
Total Operating Fund Administration to Summary	1,485,579	1,562,622	1,418,398
Capital Fund			
Capital Equipment	-	-	-
Total Capital Fund Administration to Summary	-	-	-
Total Administration Expenses to Summary	1,485,579	1,562,622	1,418,398

Saskatchewan Rivers School Division No.119

Details of Expenses (continued)
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Instruction Expenses			
Operating Fund			
Instructional Salaries:			
Instructional Salaries	38,379,858	38,908,602	36,527,244
Total Instructional Salaries	38,379,858	38,908,602	36,527,244
Instructional Benefits	1,907,875	1,897,639	1,853,299
Non-Teacher Support Salaries	8,523,771	9,016,676	8,259,273
Non-Instructional Support Benefits	1,391,318	1,461,970	1,370,626
Instructional Aids	1,979,103	2,147,974	1,888,133
Supplies and Services	753,902	719,351	692,095
Non-Capital Equipment	1,605,078	1,635,436	1,190,200
Communications	251,264	244,759	239,238
Travel	122,146	101,550	98,894
Professional Development	452,423	661,084	432,236
Student Related Expense	35,522	41,500	37,351
Total Operating Fund Instruction to Summary	55,402,259	56,836,542	52,588,590
Capital Fund			
Capital Equipment	83,984	70,615	120,125
Total Capital Fund Instruction to Summary	83,984	70,615	120,125
Total Instruction Expenses to Summary	55,486,243	56,907,157	52,708,715
Plant Operation & Maintenance Expenses			
Operating Fund			
Salaries	3,259,361	3,386,790	3,259,248
Benefits	554,856	549,182	532,971
Supplies/Services	12,137	14,311	4,755
Non-Capital Equipment	70,017	73,300	60,505
Building Operating Expenses	3,678,546	3,854,378	3,755,588
Communications	12,384	15,000	14,311
Travel	90,476	88,000	79,567
Professional Development	2,965	11,800	4,593
Total Operating Fund Plant & Maintenance to Summary	7,680,742	7,992,761	7,711,539
Capital Fund			
Capital Equipment and Building Costs	2,476,012	2,724,547	1,458,265
Total Capital Fund Plant & Maintenance to Summary	2,476,012	2,724,547	1,458,265
Total Plant Operation & Maintenance Expenses to Summary	10,156,754	10,717,307	9,169,804

Saskatchewan Rivers School Division No.119

Details of Expenses (continued)
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Student Transportation Expenses			
Operating Fund			
Salaries	2,086,038	2,132,221	2,033,677
Benefits	357,033	377,147	350,364
Supplies/Services	815,272	860,786	746,877
Non-Capital Equipment	234,748	311,000	299,528
Building Operating Expenses	59,697	55,500	53,672
Communications	17,571	19,500	16,748
Travel	3,967	6,000	5,683
Professional Development	7,154	7,500	6,463
Other			
Contracted Transportation	1,693,720	1,715,473	1,686,809
Total Operating Fund Student Transportation to Summary	5,275,199	5,485,127	5,199,820
Capital Fund			
Capital Equipment	669,345	683,000	553,622
Total Capital Fund Student Transportation to Summary	669,345	683,000	553,622
Total Student Transportation Expenses to Summary	5,944,544	6,168,127	5,753,442
Tuition and Related Fees Expenses			
Operating Fund			
Tuition Fees	115,756	163,868	136,448
Transportation Fees	-	-	-
Other Fees	-	-	20,575
Total Operating Fund Tuition and Related Fees to Summary	115,756	163,868	157,023
Capital Fund			
Capital Equipment	-	-	-
Total Capital Fund Tuition and Related Fees to Summary	-	-	-
Total Tuition and Related Fees Expenses to Summary	115,756	163,868	157,023
Supplementary Services Expenses			
Operating Fund			
Adult Education			-
Cafeteria			-
Shared Services			-
Summer School			-
Distance Education			-
Swimming Pool			-
Residences			-
Other			-
Total Operating Fund Supplementary Services to Summary	-	-	-
Capital Fund			
Capital Equipment Costs			-
Total Capital Fund Supplementary Services to Summary	-	-	-
Other Funds			
Other Supplementary Services Expenses			-
Total Other Funds Supplementary Services to Summary	-	-	-
Total Supplementary Services Expenses to Summary	-	-	-

Saskatchewan Rivers School Division No.119
Details of Expenses (continued)
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Complementary Services Expenses			
Operating Fund			
Tuition Fees	-	-	-
Transportation Fees	-	-	-
Other Fees	-	-	-
Administration Salaries & Benefits	-	-	-
Instructional Salaries & Benefits	440,447	-	-
Program Support (Non-Teacher Contract)	191,106	-	-
Plant Operation & Maint Salaries & Benefits	127,877	127,877	123,553
Transportation Salaries & Benefits	-	-	-
Instructional Aids	45,267	-	-
Supplies & Services	-	-	-
Non-Capital Furniture & Equipment	576	-	-
Building Operating Expenses	164,787	165,103	164,940
Communications	-	-	-
Travel	-	-	-
Professional Development (Non-Salary Costs)	-	-	-
Student Related Expenses	-	-	-
Contracted Transportation & Allowances	-	-	-
Total Operating Fund Complementary Services to Summary	970,059	292,980	288,493
Capital Fund			
Capital Expenditures	-	-	-
Total Capital Fund Complementary Services to Summary	-	-	-
Total Complementary Services Expenses to Summary	970,059	292,980	288,493
External Services			
Operating Fund			
Tuition Fees	-	-	-
Transportation Fees	-	-	-
Other Related Fees	-	-	-
Administration Salaries & Benefits	77,815	73,754	80,266
Instructional Salaries & Benefits	-	-	-
Program Support (Non-Teacher Contract) Salaries & Benefits	298,093	301,562	276,110
Plant Operation & Maintenance Salaries & Benefits	-	-	-
Transportation Salaries & Benefits	28,424	39,446	25,798
Instructional Aids	191,823	50,162	75,965
Supplies & Services	805,514	822,119	773,075
Non-Capital Furniture & Equipment	54,637	59,550	31,276
Building Operating Expenses	1,162	1,700	2,301
Communications	8,927	11,800	7,567
Travel	8,626	8,550	9,364
Professional Development (Non-Salary Costs)	11,141	1,600	11,683
Student Related Expenses	-	-	-
Contracted Transportation & Allowances	35,363	38,000	36,067
Total Operating Fund External Services to Summary	1,521,526	1,408,243	1,329,475
Capital Fund			
Capital Expenditures	-	-	-
Total Capital Fund External Services to Summary	-	-	-
Total Complementary Services Expenses to Summary	1,521,526	1,408,243	1,329,475

Saskatchewan Rivers School Division No.119
Details of Expenses (continued)
for the year ending August 31, 2008

	Current Yr Consolidated	Current Yr Budget	Prior Yr Consolidated
Interest and Bank Charges Expense			
Operating Fund			
Current Interest and Bank Charges	112	2,500	62
Total Operating Fund Interest and Bank Charges to Summary	112	2,500	62
Capital Fund			
Interest on Debentures			
Other Interest - School Facilities	-	-	-
Other	-	-	-
Interest on Other Capital Loans and Long Term Debt			
Other Interest - School Facilities	265,997	244,626	296,866
Other	6,076	6,076	11,486
Total Capital Fund Interest to Summary	272,073	250,702	308,351
Other Funds			
Current Interest and Bank Charges	-	-	-
Total Other Funds Interest and Bank Charges to Summary	-	-	-
Total Interest and Bank Charges Expense to Summary	272,185	253,202	308,414
Capital Fund Debt Principal Repayment			
Debenture Principal			
Other Debt - School Facilities	-	-	-
Other	-	-	-
Other Capital Loan and Long Term Debt Principal			
Other Debt - School Facilities	1,383,064	1,383,064	1,383,064
Other	100,800	100,800	100,800
Total Capital Fund Debt Principal Repayment to Summary	1,483,864	1,483,864	1,483,864

Saskatchewan Rivers School Division No. 119

Notes to the Financial Statements for the year ending August 31, 2008

1. AUTHORITY AND PURPOSE

Saskatchewan Rivers School Division No. 119 (the "School Division") is a corporate body established by public electors to provide an educational system. Governance is the authority of the Board of Education to set the policies and practices for the Division within the guidelines of *The Education Act, 1995* and *The Education Regulations, 1986*.

The School Division is the operator of the public education system in the North/Central area of Saskatchewan. The School Division is an amalgamation of two full and a portion of one additional former school divisions effective January 1, 2006 and it has adopted a fiscal year end of August 31, 2008. The financial statements describe the financial position as at August 31, 2008 and the result of its operations for the year then ended.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with The Education Act, 1995 and are considered appropriate for Saskatchewan School Divisions.

The Ministry implemented the initial Public Sector Accounting Board (PSAB) standards for local governments in 2002 and has indicated that Saskatchewan Schools Boards are to adopt this reporting basis for the September 1, 2008 to August 31, 2009 fiscal year.

The basis of accounting used in these financial statements materially differs from Canadian generally accepted accounting principles as described in paragraphs (a) to (g). The impact of these differences has not been quantified.

a) *Accrual Accounting*

Revenue and expenditures are accounted for on the accrual basis of accounting, with the following exceptions:

- Employee sick leave compensation is recorded as an expenditure when payments are due.

b) *Consumable Supplies*

Consumable supplies are expensed when purchased.

c) *School Generated Funds*

Student fees and other funds collected and paid at the school level are not recognized as revenue or expense in these financial statements.

d) *Physical Assets*

Physical assets are recorded at cost and are not amortized.

e) *Fund Transfers*

Funds transferred from the Operating Fund to the Capital Fund are recorded as an interfund transfer and funds transferred from the Capital Fund to the Operating Fund are recorded as an interfund transfer to the Operating Fund.

f) *Long Term Payments*

Principal repayments of long-term debt applicable to money borrowed to finance the School Division's portion of capital projects are included in expenditures in the Capital Fund. Principal repayments of long-term debt applicable to money borrowed to finance the Ministry's portion of capital projects has been offset with receipts from ministry.

Saskatchewan Rivers School Division No. 119

Notes to the Financial Statements for the year ending August 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Allowance for Uncollectible Taxes

A reserve for uncollectible taxes is reflected within the Other Funds (Note 8) rather than as a deduction from Taxes Receivable in the Operating Fund. The amount of this reserve is determined by School Division management.

h) Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

The primary estimates made by the School Division relate to tax revenue, the allowance for uncollectible taxes, tax discounts and penalties and Operating Grants receivable.

i) Fund Accounting

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

Operating Fund

The Operating Fund contains the current revenues, expenditures, assets and liabilities pertaining to the general operations of the School Division.

Capital Fund

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

Other Funds (Reserve Funds)

The Other Funds contain the assets, liabilities, transactions and fund balances of reserves that have been designated by the School Division for anticipated future costs of planned projects.

Reserves are created by authorization of the Board of Education. Contributions to, and transfers from reserves are made in accordance with terms and conditions established by the Board.

Interfund debt represents amounts of money that have been advanced to and is owing from one fund to another.

j) Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and cash in banks.

k) Inventory

Inventory consists of stock and supplies for internal use and is valued at the lower of cost and net realizable value. Cost is determined by the weighted-average method. The method used is replacement cost.

Saskatchewan Rivers School Division No. 119

Notes to the Financial Statements for the year ending August 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) **Physical Assets**

Physical assets are recorded at cost in the Capital Fund and are not depreciated. The cost of repairs, maintenance and replacements for existing equipment are recorded as expenditures in the year.

The original asset cost is written off against the equity of the Capital Fund when the assets are disposed of.

That portion of asset acquisitions financed from current operations is included in interfund transfers for capital expenditures of the Operating Fund. That portion of asset acquisitions financed from reserves is included in interfund transfers for capital expenditures of the Other Funds.

Proceeds from the disposal of capital assets, grants and other revenues received for the purchase of capital assets are recorded as revenue of the Capital Fund. Funding for capital acquisitions provided by the Operating Fund and/or the Other Funds is included in interfund transfers.

m) **Net Financial Assets**

Net-financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

n) **Revenue Recognition**

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

Property tax is levied and collected on a calendar year basis. The School Division estimates the tax revenue for the January to August portion of its fiscal year based on estimate information provided by municipalities who levy and collect the property tax and record that amount in property taxation revenue. The final annual taxation amounts are reported to the School Division by each municipality following the conclusion of each taxation/calendar year.

Provincial operating grants are recognized on a 10 month basis, with no grant being recognized for the month of July and August when grant funding is not paid. Capital grants are recognized when the School Division has earned the entitlement and the amount is measurable. Unrestricted grants are recognized as revenue of the appropriate fund when received or receivable. Restricted grants are recognized as revenue of the appropriate fund in the year in which the related expenditures are incurred.

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

o) **Revenue Contributions to Capital**

Certain capital expenditures not financed through capital building grants or debenture proceeds are funded through interfund transfers from the Operating Fund and are expensed in the Capital Fund.

These capital additions are also reflected as additions to property and equipment with a corresponding increase to Equity in Physical Assets.

Saskatchewan Rivers School Division No. 119

Notes to the Financial Statements for the year ending August 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

p) Tax Loss Compensation

The Treaty Land Entitlement Agreement provides a mechanism for compensation to affected School Divisions for loss of property tax revenue due to land purchases and transfers by Saskatchewan Indian Bands converting taxable land to Reserve Status. The Fund is administered by the Ministry under the Third Party Funding and Legislative Unit.

Revenue recognition of the fund is taking place over a ten-year period. Current year revenue recognized is \$52,379. Unearned compensation of \$262,113 is included in other liabilities in the Operating Fund.

q) Financial Instruments

For certain of the School Division's financial instruments, including cash, taxes receivable, provincial grants receivable, other receivables, other payables, other liabilities and capital loans, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

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

r) Pension

The School Division's employees participate in a multi-employer defined benefit plan. The School Division follows defined contribution plan accounting for its participation in the plan. Accordingly, the School Division expenses all contributions it is required to make in the year.

3. FUTURE CHANGES IN BASIS OF ACCOUNTING

The Ministry of Education has advised School Divisions of its intention to adopt full implementation of Public Sector Accounting Board (PSAB) recommendations of the Canadian Institute of Chartered Accountants for financial reporting beginning with the School Division's reporting year ending August 31, 2009.

4. PROVINCIAL GRANTS RECEIVABLE - CAPITAL

Provincial Grants receivable include capital funding committed by the Ministry of Education in 2008 related to the additions or renovations at the following schools:

Arthur Pechey School	\$ 272,234
Carlton School	46,831
Prince Albert Collegiate Institute	294,533
Wesmor School	105,898
Westview School	<u>55,137</u>
Total	<u>\$ 774,634</u>

Saskatchewan Rivers School Division No. 119

Notes to the Financial Statements for the year ending August 31, 2008

5. PHYSICAL ASSETS

	Land	Buildings	Equipment	Work-in-Progress	Current Yr Total	Prior Yr Total
Physical Assets - at cost:						
Opening cost	1,249,033	84,638,647	20,103,084	1,045	105,991,809	104,617,915
Additions	-	2,282,353	937,436	-	3,219,789	2,132,011
Write-downs	-	-	-	-	-	-
Disposals	-	(1,437,783)	(205,840)	-	(1,643,623)	(758,118)
Transfers to (from)	-	-	-	-	-	-
Closing Cost of Physical Assets	1,249,033	85,483,217	20,834,680	1,045	107,567,975	105,991,809
Equity in Physical Assets						
Opening balances	1,249,033	78,420,541	20,103,084	1,045	99,773,703	96,915,945
Physical asset additions	-	2,282,353	937,436	-	3,219,789	2,132,011
Physical asset write-downs	-	-	-	-	-	-
Physical asset disposals	-	(1,437,783)	(205,840)	-	(1,643,623)	(758,118)
Debentures and long-term debt issued	-	-	-	-	-	-
Debentures and long-term principal repaid	-	1,483,864	-	-	1,483,864	1,483,864
Transfer to (from)	-	-	-	-	-	-
Closing Equity in Physical Assets	1,249,033	80,748,975	20,834,680	1,045	102,833,733	99,773,703

6. LINE OF CREDIT

The School Division has a line of credit with an authorization limit of \$5,000,000. The balance of the line of credit as at August 31, 2008 was \$Nil at an interest rate of prime minus .5%.

Saskatchewan Rivers School Division No. 119
Notes to the Financial Statements
for the year ending August 31, 2008

7. CAPITAL LOANS

	<u>2008</u>	<u>2007</u>
Capital demand loan, interest payable monthly at 4.85%, principal payable in annual instalments of \$324,430, due December 2011	\$ 1,297,710	\$ 1,622,140
Capital loan, interest payable monthly at 5.15%, principal payable in annual instalments of \$100,800, due October 2008	100,800	201,600
Capital loan, interest payable monthly at prime minus .25, principal payable in annual instalments of \$733,332, due November 2008	733,332	1,466,666
Capital loan, interest payable monthly at 4.54%, principal payable in annual instalments of \$325,300, due December 2015	<u>2,602,400</u>	<u>2,927,700</u>
Long Term portion	<u>\$ 4,734,242</u>	<u>\$ 6,218,106</u>

Principal payments over the next five years are estimated as follows:

<u>Year</u>	<u>Principal</u>
2009	\$ 1,483,862
2010	649,730
2011	649,730
2012	649,720
2013	325,300

Saskatchewan Rivers School Division No. 119
Notes to the Financial Statements
for the year ending August 31, 2008

8. OTHER FUNDS

Reserves are created by transferring amounts from current operations for anticipated future costs of planned projects. When the actual expenditure is made for a specific project, it is recognized as a current expenditure and is offset by a transfer to current operations from the applicable reserve:

	<u>Beginning of Year</u>	<u>Current Provision</u>	<u>Transfers</u>	<u>Balance End of Year</u>
Other Funds				
Uncollectible Taxes	\$ 1,384,321			\$ 1,384,321
Transportation	254,046			254,046
Provincial Capital	940,947	83,379		1,024,326
Local Capital	420,822	38,774		459,596
Communications/Technology	848,045		(157,356)	690,689
Facilities	3,011,060	721,313	(131,950)	3,600,423
Equipment Replacement	393,454			393,454
Developmental Education	26,301		(6,449)	19,851
Sundry	1,229,002	1,100,000	(601,594)	1,727,408
Rental of Track Equipment	41,417	19,667		61,084
Contract Liability	158,211	1,006,531		1,164,742
Office Facility	630,000			630,000
	<u>\$ 9,337,626</u>	<u>2,969,665</u>	<u>(897,349)</u>	<u>\$ 11,409,942</u>

9. PENSION

Employees of the School Division participate in one of the following pension plans. Teachers participate in the retirement plan of the Saskatchewan Teachers Federation (STF) or Teachers Superannuation Commission (TSC) who are responsible for the multi-employer defined benefit plans. Other employees participate in the Municipal Employees Pension Plan (MEPP) which is a defined benefit plan.

The School Division's obligation to the MEPP plan is limited to making required payments to match amounts contributed by employees for current services. The Board's obligation to the STF and TSC plan is limited to collecting and remitting contributions of the employees.

Pension expense for the year amounted to \$3,622,154 (2007 - \$3,437,827) and is included in benefits.

Saskatchewan Rivers School Division No. 119

Notes to the Financial Statements for the year ending August 31, 2008

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 for the year ending August 31, 2008:

Summary of Complementary Services, by Program	Pre-K Programs	Community and Inter- Agency Liaison	Pre-Natal Outreach	Other Programs	Total
Revenue:					
Grants	680,333				680,333
Tuition and Related Fees					
Miscellaneous Revenue				208,670	208,670
Sales and Rentals					
Total Revenue	680,333			208,670	889,003
Expenses:					
Tuition Fees					
Salaries & Benefits	631,553			127,877	759,430
Instructional Aids	45,267				45,267
Supplies and Services					
Non-Capital Equipment	576				576
Building Operating Expenses				164,787	164,787
Communications					
Travel					
Professional Development					
Student Related Expenses					
Contracted Transportation and Allowances					
Capital Expenditures					
Total Expenses	677,396			292,664	970,059
Excess (Deficiency) of Revenue over Expenses	2,937			(83,994)	(81,056)

Saskatchewan Rivers School Division No. 119
Notes to the Financial Statements
for the year ending August 31, 2008

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 for the year ending August 31, 2008:

Summary of External Services, by Program	Adult Education	Summer School	Cafeteria	Other Programs	Total
Revenue:					
Grants				1,307,259	1,307,259
Tuition and Related Fees					
Miscellaneous Revenue					
Sales and Rentals			67,805	1,116	68,921
Total Revenue			67,805	1,308,375	1,376,180
Expenses:					
Tuition Fees					
Salaries & Benefits			82,006	322,326	404,332
Instructional Aids				191,823	191,823
Supplies and Services				805,514	805,514
Non-Capital Equipment			2,288	52,349	54,637
Building Operating Expenses				1,162	1,162
Communications				8,927	8,927
Travel				8,626	8,626
Professional Development				11,141	11,141
Student Related Expenses					
Contracted Transportation and Allowances				35,363	35,363
Capital Expenditures					
Total Expenses			84,294	1,437,232	1,521,526
Excess (Deficiency) of Revenue over Expenses			(16,489)	(128,857)	(145,346)

Saskatchewan Rivers School Division No. 119
Notes to the Financial Statements
for the year ending August 31, 2008

12. FINANCIAL INSTRUMENTS

The School Division as part of its operations carries a number of financial instruments. The carrying amounts of cash resources, receivables, payables and other accrued assets and liabilities approximates to their fair value due to their immediate or short-term nature. It is management's opinion that the School Division is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit Concentration

Financial instruments that potentially subject the School Division to concentrations of credit risk consist primarily of taxes and other receivables. Credit exposure is limited due to the School Division's large tax base.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the School Division manages exposure through its normal operating and financing activities.

13. COMMITMENTS

The School Division rents copiers under an operating lease that expires on July 31, 2013. Future lease payments aggregate \$782,979 and include the following amounts payable over the next five years:

2009	\$	159,250
2010		159,250
2011		159,250
2012		159,250
2013		145,979

14. BUDGET AMOUNTS

School Division management prepared the budget amounts disclosed in the financial statements. These amounts are presented for information purposes only and have not been audited.

15. COMPARATIVE FIGURES

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

