
Audited Financial Statements

Of the Saskatchewan Rivers School Division No. 119

School Division No. 2010500

For the Period Ending: August 31, 2015

Dr. Donald Lloyd
Chief Financial Officer

Deloitte LLP
Auditor

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

November 23, 2015

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, Deloitte LLP, conduct an independent examination in accordance with Canadian generally accepted 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 Saskatchewan Rivers School Division No. 119:


Board Chair


Director of Education


Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Saskatchewan Rivers School Division No.119, which comprise the statement of financial position as at August 31, 2015, and the statements of operations and accumulated surplus from operations, 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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Saskatchewan Rivers School Division No. 119 as at August 31, 2015, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



**Chartered Professional Accountants, Chartered Accountants
Licensed Professional Accountants**

November 23, 2015
Prince Albert, Saskatchewan

Saskatchewan Rivers School Division No. 119

Statement of Financial Position
as at August 31, 2015


	2015	2014
Financial Assets		
Cash and Cash Equivalents	24,484,189	24,715,907
Accounts Receivable (Note 7)	5,982,121	6,256,024
Total Financial Assets	30,466,310	30,971,931
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	1,596,293	2,306,341
Long-Term Debt (Note 9)	325,300	650,600
Liability for Employee Future Benefits (Note 5)	2,688,900	2,544,400
Deferred Revenue (Note 10)	1,161,745	1,383,841
Total Liabilities	5,772,238	6,885,182
Net Financial Assets	24,694,072	24,086,749
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	75,146,857	74,361,452
Inventory of Supplies for Consumption	119,907	122,952
Prepaid Expenses	709,197	702,276
Total Non-Financial Assets	75,975,961	75,186,680
Accumulated Surplus (Note 13)	100,670,033	99,273,429


Contingent Liabilities (Note 17)

Contractual Obligations and Commitments (Note 18)

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

Approved by the Board:





Chairperson

Chief Financial Officer

Saskatchewan Rivers School Division No. 119
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
	(Note 14)		
REVENUES			
Property Taxation	21,469,455	22,804,269	21,789,855
Grants	65,706,182	68,173,456	67,557,573
Tuition and Related Fees	1,672,594	1,835,379	1,895,113
School Generated Funds	2,265,000	2,176,036	2,335,722
Complementary Services (Note 11)	1,506,749	1,506,744	1,544,676
External Services (Note 12)	2,960,983	2,939,254	3,582,903
Other	972,177	2,099,420	1,261,052
Total Revenues (Schedule A)	96,553,140	101,534,558	99,966,894
EXPENSES			
Governance	642,269	622,589	642,172
Administration	3,944,936	4,016,193	3,618,777
Instruction	67,014,312	68,346,300	67,681,586
Plant	13,326,421	12,287,488	11,924,293
Transportation	7,229,236	7,093,998	6,693,903
Tuition and Related Fees	62,572	51,800	50,700
School Generated Funds	2,331,273	2,084,237	2,306,662
Complementary Services (Note 11)	1,758,686	1,703,536	1,521,541
External Services (Note 12)	3,266,794	3,906,995	3,106,513
Other Expenses	32,037	24,818	195,273
Total Expenses (Schedule B)	99,608,536	100,137,954	97,741,420
Operating Surplus (Deficit) for the Year	(3,055,396)	1,396,604	2,225,474
Accumulated Surplus from Operations, Beginning of Year	99,273,429	99,273,429	97,047,955
Accumulated Surplus from Operations, End of Year	96,218,033	100,670,033	99,273,429

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

Saskatchewan Rivers School Division No. 119

Statement of Changes in Net Financial Assets
for the year ended August 31, 2015

	2015 Budget (Note 14)	2015 Actual	2014 Actual
Net Financial Assets, Beginning of Year	24,086,749	24,086,749	26,008,623
Changes During the Year:			
Operating Surplus (Deficit) for the Year	(3,055,396)	1,396,604	2,225,474
Acquisition of Tangible Capital Assets (Schedule C)	(3,323,748)	(6,282,765)	(9,302,868)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	30,000	97,568	75,888
Net Gain on Disposal of Tangible Capital Assets (Schedule C)	-	(43,165)	(27,169)
Amortization of Tangible Capital Assets (Schedule C)	5,147,008	5,442,957	5,176,620
Net Acquisition of Inventory of Supplies	-	3,045	(14,798)
Net Change in Other Non-Financial Assets	-	(6,921)	(55,021)
Change in Net Financial Assets	(1,202,136)	607,323	(1,921,874)
Net Financial Assets, End of Year	22,884,613	24,694,072	24,086,749

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

Saskatchewan Rivers School Division No. 119

Statement of Cash Flows
for the year ended August 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Operating Surplus for the Year	1,396,604	2,225,474
Add Non-Cash Items Included in Surplus (Schedule D)	5,399,792	5,149,451
Net Change in Non-Cash Operating Activities (Schedule E)	(1,368,290)	1,306,414
Cash Provided by Operating Activities	5,428,106	8,681,339
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(5,432,092)	(8,461,763)
Proceeds on Disposal of Tangible Capital Assets	97,568	75,888
Cash Used by Capital Activities	(5,334,524)	(8,385,875)
FINANCING ACTIVITIES		
Repayment of Long-Term Debt	(325,300)	(325,300)
Cash Used by Financing Activities	(325,300)	(325,300)
DECREASE IN CASH AND CASH EQUIVALENTS	(231,718)	(29,836)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	24,715,907	24,745,743
CASH AND CASH EQUIVALENTS, END OF YEAR	24,484,189	24,715,907

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

Saskatchewan Rivers School Division No. 119
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	21,469,455	20,670,199	20,104,034
Total Property Tax Revenue	21,469,455	20,670,199	20,104,034
Grants in Lieu of Taxes:			
Federal Government	-	538,417	508,032
Provincial Government	-	508,081	492,411
Other	-	1,030,626	776,988
Total Grants in Lieu of Taxes	-	2,077,124	1,777,431
Other Tax Revenues:			
Treaty Land Entitlement - Rural	-	-	42,749
House Trailer Fees	-	76,174	24,025
Total Other Tax Revenues	-	76,174	66,774
Additions to Levy:			
Penalties	-	180,071	178,806
Other	-	(54,596)	(22,464)
Total Additions to Levy	-	125,475	156,342
Deletions from Levy:			
Cancellations	-	(144,703)	(314,310)
Other Deletions	-	-	(416)
Total Deletions from Levy	-	(144,703)	(314,726)
Total Property Taxation Revenue	21,469,455	22,804,269	21,789,855
Grants:			
Operating Grants			
Ministry of Education Grants:			
Operating Grant	64,104,261	66,400,740	65,598,963
Other Ministry Grants	253,000	186,555	81,900
Total Ministry Grants	64,357,261	66,587,295	65,680,863
Other Provincial Grants	267,750	-	307,982
Federal Grants	21,300	20,744	18,893
Grants from Others	-	207,282	-
Total Operating Grants	64,646,311	66,815,321	66,007,738
Capital Grants			
Ministry of Education Capital Grants	1,059,871	1,358,135	1,545,835
Other Provincial Capital Grants	-	-	4,000
Total Capital Grants	1,059,871	1,358,135	1,549,835
Total Grants	65,706,182	68,173,456	67,557,573

Saskatchewan Rivers School Division No. 119
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
Federal Government and First Nations	1,598,751	1,691,799	1,726,810
Individuals and Other	73,843	143,580	168,303
Total Operating Tuition and Related Fees	1,672,594	1,835,379	1,895,113
Total Tuition and Related Fees Revenue	1,672,594	1,835,379	1,895,113
School Generated Funds Revenue			
Curricular:			
Student Fees	35,000	16,981	27,167
Total Curricular Fees	35,000	16,981	27,167
Non-Curricular Fees:			
Commercial Sales - Non-GST	165,000	161,317	130,220
Fundraising	1,340,000	1,330,549	1,457,735
Grants and Partnerships	125,000	108,131	113,860
Students Fees	300,000	298,373	285,705
Other	300,000	260,685	321,035
Total Non-Curricular Fees	2,230,000	2,159,055	2,308,555
Total School Generated Funds Revenue	2,265,000	2,176,036	2,335,722
Complementary Services			
Operating Grants:			
Ministry of Education Grants:			
Operating Grant,	1,506,749	1,506,744	1,517,269
Other Provincial Grants	-	-	27,407
Total Operating Grants	1,506,749	1,506,744	1,544,676
Total Complementary Services Revenue	1,506,749	1,506,744	1,544,676

Saskatchewan Rivers School Division No. 119
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
External Services			
Operating Grants:			
Ministry of Education Grants:			
Other Ministry Grants	1,478,986	1,688,293	1,989,682
Other Provincial Grants	994,449	699,550	1,200,905
Other Grants	4,133	8,923	116,347
Total Operating Grants	2,477,568	2,396,766	3,306,934
Fees and Other Revenue			
Tuition and Related Fees	17,500	13,000	15,450
Other Revenue	465,915	529,488	260,519
Total Fees and Other Revenue	483,415	542,488	275,969
Total External Services Revenue	2,960,983	2,939,254	3,582,903
Other Revenue			
Miscellaneous Revenue	690,677	1,783,065	960,944
Sales & Rentals	21,500	13,521	22,675
Investments	260,000	259,669	250,264
Gain on Disposal of Capital Assets	-	43,165	27,169
Total Other Revenue	972,177	2,099,420	1,261,052
TOTAL REVENUE FOR THE YEAR	96,553,140	101,534,558	99,966,894

Saskatchewan Rivers School Division No. 119

Schedule B: Supplementary Details of Expenses for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Governance Expense			
Board Members Expense	244,641	204,170	191,824
Professional Development- Board Members	101,058	127,690	144,351
Advisory Committees	33,250	31,000	31,000
Other Governance Expenses	263,320	259,729	274,997
Total Governance Expense	642,269	622,589	642,172
Administration Expense			
Salaries	2,831,399	2,880,983	2,602,039
Benefits	344,788	314,965	277,473
Supplies & Services	264,850	252,466	242,155
Non-Capital Furniture & Equipment	19,100	11,826	12,539
Building Operating Expenses	117,640	123,799	93,988
Communications	69,600	93,670	85,211
Travel	18,000	17,250	16,619
Professional Development	59,130	54,691	68,404
Amortization of Tangible Capital Assets	220,429	266,543	220,349
Total Administration Expense	3,944,936	4,016,193	3,618,777
Instruction Expense			
Instructional (Teacher Contract) Salaries	45,096,741	47,473,871	46,475,536
Instructional (Teacher Contract) Benefits	2,144,667	2,565,629	2,513,458
Program Support (Non-Teacher Contract) Salaries	10,924,189	10,402,097	10,845,855
Program Support (Non-Teacher Contract) Benefits	2,183,807	2,036,669	2,166,200
Instructional Aids	2,563,263	2,334,210	2,356,195
Supplies & Services	911,043	873,628	831,853
Non-Capital Furniture & Equipment	375,793	276,428	189,137
Communications	179,920	170,622	185,189
Travel	166,000	149,694	152,295
Professional Development	717,675	570,005	485,973
Student Related Expense	63,900	66,157	68,474
Amortization of Tangible Capital Assets	1,687,314	1,427,290	1,411,421
Total Instruction Expense	67,014,312	68,346,300	67,681,586

Saskatchewan Rivers School Division No. 119

Schedule B: Supplementary Details of Expenses for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Plant Operation & Maintenance Expense			
Salaries	4,260,678	4,134,260	3,902,008
Benefits	817,397	780,360	770,340
Supplies & Services	6,550	501	3,759
Non-Capital Furniture & Equipment	58,000	28,798	31,060
Building Operating Expenses	5,594,178	4,282,512	4,345,611
Communications	12,500	15,290	10,959
Travel	119,000	157,016	112,627
Professional Development	13,800	13,591	8,837
Amortization of Tangible Capital Assets	2,444,318	2,875,160	2,739,092
Total Plant Operation & Maintenance Expense	13,326,421	12,287,488	11,924,293
Student Transportation Expense			
Salaries	2,694,303	2,767,728	2,447,424
Benefits	554,853	533,259	499,645
Supplies & Services	1,074,916	956,057	1,044,088
Non-Capital Furniture & Equipment	322,960	337,486	331,723
Building Operating Expenses	79,958	73,059	58,464
Communications	37,000	27,111	12,134
Travel	13,000	13,848	21,185
Professional Development	9,500	7,041	9,487
Contracted Transportation	1,732,534	1,555,704	1,550,700
Amortization of Tangible Capital Assets	710,212	822,705	719,053
Total Student Transportation Expense	7,229,236	7,093,998	6,693,903
Tuition and Related Fees Expense			
Tuition Fees	62,572	51,800	50,700
Total Tuition and Related Fees Expense	62,572	51,800	50,700
School Generated Funds Expense			
Supplies & Services	1,100,000	121,657	177,157
Cost of Sales	-	620,403	683,924
Non-Capital Furniture & Equipment	65,000	23,279	72,018
School Fund Expenses	1,100,000	1,281,984	1,305,320
Amortization of Tangible Capital Assets	66,273	36,914	68,243
Total School Generated Funds Expense	2,331,273	2,084,237	2,306,662

Saskatchewan Rivers School Division No. 119
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	1,103,135	1,089,736	979,081
Program Support (Non-Teacher Contract) Salaries & Benefits	496,523	502,407	416,158
Instructional Aids	89,400	83,887	106,954
Travel	-	-	89
Professional Development (Non-Salary Costs)	50,000	25,089	18,682
Contracted Transportation & Allowances	16,000	2,417	577
Amortization of Tangible Capital Assets	3,628	-	-
Total Complementary Services Expense	1,758,686	1,703,536	1,521,541
External Service Expense			
Administration Salaries & Benefits	89,048	84,076	93,225
Instructional (Teacher Contract) Salaries & Benefits	420,371	462,329	376,691
Program Support (Non-Teacher Contract) Salaries & Benefits	594,916	1,476,837	561,042
Plant Operation & Maintenance Salaries & Benefits	135,639	137,388	176,788
Transportation Salaries & Benefits	24,396	29,902	29,253
Instructional Aids	88,353	106,885	120,982
Supplies & Services	1,567,123	1,299,109	1,444,956
Non-Capital Furniture & Equipment	33,631	18,365	14,641
Building Operating Expenses	197,855	200,010	183,471
Communications	17,587	28,632	13,023
Travel	6,109	10,199	5,783
Professional Development (Non-Salary Costs)	46,049	14,917	42,258
Contracted Transportation & Allowances	30,883	24,001	25,938
Amortization of Tangible Capital Assets	14,834	14,345	18,462
Total External Services Expense	3,266,794	3,906,995	3,106,513

Saskatchewan Rivers School Division No. 119
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	2,500	5,477	417
Interest on Other Capital Loans and Long-Term Debt			
School Facilities	29,537	19,341	33,705
Total Interest and Bank Charges	32,037	24,818	34,122
Provision for Uncollectable Taxes	-	-	161,151
Total Other Expense	32,037	24,818	195,273
TOTAL EXPENSES FOR THE YEAR	99,608,536	100,137,954	97,741,420

Saskatchewan Rivers School Division No. 119
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2015

	Land	Land Improvements	Buildings	Buildings Short-Term	School Buses	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Visual Equipment	Computer Software	Assets Under Construction	2015	2014
<i>Tangible Capital Assets - at Cost:</i>												
Opening Balance as of September 1	2,573,177	6,517,561	115,566,273	243,086	9,243,109	1,142,967	4,101,515	5,677,723	352,221	702,763	146,120,395	141,272,239
Additions/Purchases	-	56,710	304,396	-	1,286,246	247,666	436,128	1,510,977	69,876	2,370,766	6,282,765	9,302,868
Disposals	-	-	-	-	(729,197)	(68,004)	(565,919)	(1,574,807)	(69,719)	-	(3,007,646)	(4,454,712)
Transfers to (from)	-	-	2,616,115	-	-	-	-	-	-	(2,616,115)	-	-
Closing Balance as of August 31	2,573,177	6,574,271	118,486,784	243,086	9,800,158	1,322,629	3,971,724	5,613,893	352,378	457,414	149,395,514	146,120,395
<i>Tangible Capital Assets - Amortization:</i>												
Opening Balance as of September 1	-	4,037,479	55,199,556	200,039	5,604,352	841,374	1,906,897	3,767,444	201,822	-	71,758,943	70,988,316
Amortization of the Period	-	240,162	2,767,145	5,721	704,037	135,727	396,744	1,122,945	70,476	-	5,442,957	5,176,620
Disposals	-	-	-	-	(729,197)	(13,601)	(565,919)	(1,574,807)	(69,719)	-	(2,953,243)	(4,405,993)
Closing Balance as of August 31	N/A	4,277,641	57,966,681	205,760	5,579,192	963,500	1,737,722	3,315,582	202,579	N/A	74,248,657	71,758,943
<i>Net Book Value:</i>												
Opening Balance as of September 1	2,573,177	2,480,082	60,366,737	43,047	3,638,757	301,593	2,194,618	1,910,279	150,399	702,763	74,361,452	70,283,923
Closing Balance as of August 31	2,573,177	2,296,630	60,520,103	37,326	4,220,966	359,129	2,234,002	2,298,311	149,799	457,414	75,146,857	74,361,452
Change in Net Book Value	-	(183,452)	153,366	(5,721)	582,209	57,536	39,384	388,032	(600)	(245,349)	785,405	4,077,529
<i>Disposals:</i>												
Historical Cost	-	-	-	-	729,197	68,004	565,919	1,574,807	69,719	-	3,007,646	4,454,712
Accumulated Amortization	-	-	-	-	729,197	13,601	565,919	1,574,807	69,719	-	2,953,243	4,405,993
Net Cost	-	-	-	-	-	54,403	-	-	-	-	54,403	48,719
Price of Sale	-	-	-	-	15,948	81,580	40	-	-	-	97,568	75,888
Net Gain on Disposal	-	-	-	-	15,948	27,177	40	-	-	-	43,165	27,169

Saskatchewan Rivers School Division No. 119
Schedule D: Non-Cash Items Included in Surplus
for the year ended August 31, 2015

	2015	2014
Non-Cash Items Included in Surplus:		
Amortization of Tangible Capital Assets (Schedule C)	5,442,957	5,176,620
Net Gain on Disposal of Tangible Capital Assets	(43,165)	(27,169)
Total Non-Cash Items Included in Surplus	5,399,792	5,149,451

Saskatchewan Rivers School Division No. 119
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2015

	2015	2014
Net Change in Non-Cash Operating Activities:		
Decrease in Accounts Receivable	273,903	2,941,074
Decrease in Accounts Payable and Accrued Liabilities	(1,560,721)	(1,720,465)
Increase in Liability for Employee Future Benefits	144,500	125,100
(Decrease) Increase in Deferred Revenue	(222,096)	30,524
Decrease (Increase) in Inventory of Supplies for Consumption	3,045	(14,798)
Increase in Prepaid Expenses	(6,921)	(55,021)
Total Net Change in Non-Cash Operating Activities	(1,368,290)	1,306,414

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

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 Saskatchewan Rivers School Division No. 119" and operates as "the Saskatchewan Rivers School Division No. 119". 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 Chartered Professional Accountants of Canada (CPA Canada).

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

a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting.

b) Reporting Entity

The financial statements include all of the assets, liabilities, revenues and expenses of the School Division reporting entity.

c) 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 it has no unilateral authority to change the conditions set out in the trust indenture.

Trust funds are not included in the financial statements as they are not controlled by the School Division. Trust fund activities administered by the School Division are disclosed in Note 16 of the financial statements.

d) Measurement Uncertainty and the Use of Estimates

Canadian public sector accounting standards require 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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Measurement Uncertainty and the Use of Estimates (continued)

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

- the liability for employee future benefits of \$2,688,900 (2014 - \$2,544,400) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of \$22,804,269 (2014 - \$21,789,855) because final tax assessments may differ from initial estimates.
- useful lives of capital assets (Note 2(g)) and related amortization (schedule C) of \$5,442,957 (2014 - \$5,176,620) because the actual useful lives of the capital assets may differ from their estimated economic lives.
- prior year's tangible capital asset historical costs (schedule C) and related amortization (schedule C) for land, land improvements, buildings, buildings short-term, furniture and equipment, computer hardware and audio equipment, and computer software because actual historical costs and related amortization may differ from initial estimates.

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

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

e) Financial Instruments

Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The School Division recognizes a financial instrument when it becomes a party to the contractual provisions of a financial instrument. The financial assets and financial liabilities portray these rights and obligations in financial statements. Financial instruments of the School Division include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and long-term debt.

All financial instruments are measured at cost or amortized cost. Transaction costs are a component of the cost of financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Impairment losses such as write-downs or write-offs are reported in the statement of operations and accumulated surplus from operations.

Gains and losses on financial instruments, measured at cost or amortized cost, are recognized in the statement of operations and accumulated surplus from operations in the period the gain or loss occurs.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Financial Instruments (continued)

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. The School Division believes that it is not subject to significant unrealized foreign exchange translation gains and losses arising from its financial instruments.

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 and bank deposits held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

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

Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful. Other receivables include First Nations tuition fees, Frank J Dunn pool utilization charges, goods and services tax rebate and other miscellaneous items.

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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Non-Financial Assets (continued)

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, buildings – short-term, school buses, other vehicles, furniture and equipment, computer hardware and audio visual equipment, computer 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	50 years
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger	5 years
Other vehicles – heavy (graders, 1 ton truck, etc.)	10 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

Assets under construction are not amortized until completed and placed into service for use.

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 and services which will provide economic benefits in one or more future periods. Prepaid expenses include insurance, Saskatchewan School Boards Association fees, Saskatchewan Workers' Compensation Board premiums, League of Educational Administrators, Directors and Superintendents of Saskatchewan membership dues, Saskatchewan Leadership Conference expenses, software licenses and conference fees.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Long-Term Debt is comprised of a capital loan with initial maturity of more than one year and are incurred for the purpose of financing capital expenses in accordance with the provisions of *The Education Act, 1995*.

Liability for Employee Future Benefits represents 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. Actuarial valuations are performed periodically using assumptions including discount rate, inflation, salary escalation, termination and retirement rates and mortality. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups.

Deferred Revenue from Non-Government Sources represents fees or payments for services received in advance of the fee being earned or the services being performed, and other contributions for which the contributor has placed restrictions on the use of the resources. Revenue from tuition and related fees is recognized as the course is delivered; revenue from contractual services is recognized as the services are delivered; and revenue from other contributions is recognized in the fiscal year in which the resources are used for the purpose specified by the contributor.

i) Employee 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 Saskatchewan Teachers' Retirement Plan (STRP) or the Saskatchewan Teachers' Superannuation Plan (STSP). The School Division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.
- ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). In accordance with PSAB, the plan is accounted for as a defined contribution plan whereby the School Division's contributions are expensed when due.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Revenue Recognition

Revenues are recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The School Division's sources of revenues include the following:

i) Government Transfers (Grants)

Grants from governments are considered to be government transfers. In accordance with the PS3410 standard, government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, the amount can be estimated and collection is reasonably assured except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. For transfers with stipulations, revenue is recognized in the statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

ii) Property Taxation

Property tax is levied and collected on a calendar year basis. Uniform education property tax mill rates are set by the Government of Saskatchewan. 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.

iii) Fees and Services

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted 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 are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iv) Interest Income

Interest is recognized on an accrual basis when it is earned.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Revenue Recognition (continued)

v) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the School Division if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions that are to be held in perpetuity are recognized as revenue in the year in which they are received or committed if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions that are not held in perpetuity are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

k) Statement of Remeasurement Gains and Losses

The School Division has not presented a statement of remeasurement gains or losses because it does not have financial instruments that give rise to material remeasurement gains or losses.

3. SHORT TERM BORROWINGS

Bank indebtedness consists of a demand operating line of credit with a maximum borrowing limit of \$5,000,000 that bears interest at bank prime rate minus 0.5%. This line of credit is authorized by a borrowing resolution by the Board of Education and is secured by funding from the Ministry of Education. This line of credit was approved by the Minister of Education on July 26, 2010. The balance drawn on the line of credit at August 31, 2015 was \$0 (August 31, 2014 - \$0).

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2015 Actual	2014 Actual
Governance	\$ 204,170	\$ 418,419	\$ -	\$ -	\$ 622,589	\$ 642,172
Administration	3,195,948	553,702	-	266,543	4,016,193	3,618,777
Instruction	62,478,266	4,440,744	-	1,427,290	68,346,300	67,681,586
Plant	4,914,620	4,497,708	-	2,875,160	12,287,488	11,924,293
Transportation	3,300,987	2,970,306	-	822,705	7,093,998	6,693,903
Tuition and Related Fees	-	51,800	-	-	51,800	50,700
School Generated Funds	-	2,047,323	-	36,914	2,084,237	2,306,662
Complementary Services	1,592,143	111,393	-	-	1,703,536	1,521,541
External Services	2,190,532	1,702,118	-	14,345	3,906,995	3,106,513
Other	-	-	24,818	-	24,818	195,273
TOTAL	\$ 77,876,666	\$ 16,793,513	\$ 24,818	\$ 5,442,957	\$100,137,954	\$ 97,741,420

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

5. EMPLOYEE FUTURE BENEFITS

The School Division provides certain post-employment, compensated absence and termination benefits to its employees. These benefits include accumulating non-vested sick leave, retirement gratuity and earned vacation pay. Significant economic and demographic assumptions are necessary to predict future benefits and include estimates for inflation, discount rates, earnings increases and future employee behavior. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. Morneau Shepell Ltd, a firm of consulting actuaries, performed an actuarial valuation and estimated the Liability for Employee Future Benefits as at August 31, 2015.

Details of the employee future benefits are as follows:

	2015	2014
Actuarial valuation (extrapolation) date	Aug. 31, 2015	(Aug. 31, 2014)
Long-term assumptions used:		
Discount rate at end of period	2.50%	2.80%
Inflation and productivity rate (excluding merit and promotion)	3.20%	3.25%
Expected average remaining service life (years)	14	14

Liability for Employee Future Benefits	2015	2014
Accrued Benefit Obligation - beginning of year	\$ 2,536,900	\$ 2,236,100
Current period benefit cost	187,400	166,500
Interest cost	74,700	82,200
Benefit payments	(116,100)	(110,500)
Actuarial losses	443,900	162,600
Accrued Benefit Obligation - end of year	3,126,800	2,536,900
Unamortized Net Actuarial (Gain)/Losses	(437,900)	7,500
Liability for Employee Future Benefits	\$ 2,688,900	\$ 2,544,400

Employee Future Benefits Expense	2015	2014
Current period service cost	\$ 187,400	\$ 166,500
Amortization of net actuarial gain	(1,500)	(13,100)
Benefit cost	185,900	153,400
Interest cost	74,700	82,200
Total Employee Future Benefits Expense	\$ 260,600	\$ 235,600

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

6. PENSION PLANS

Multi-Employer Defined Benefit Plans

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

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

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

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

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

	2015		
	STRP	STSP	TOTAL
Number of active School Division members	744	15	759
Member contribution rate (percentage of salary)	9.10%	6.05%	6.05 - 9.10%
Member contributions for the year	\$ 4,818,659	\$ 64,491	\$ 4,883,150
	2014		
	STRP	STSP	TOTAL
Number of active School Division members	713	35	748
Member contribution rate (percentage of salary)	7.80% - 9.10%	6.60%	6.60 - 9.10%
Member contributions for the year	\$ 3,862,847	\$ 123,058	\$ 3,985,905

- 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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

6. PENSION PLANS (continued)

ii) Municipal Employees' Pension Plan (MEPP) (continued)

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:

	<u>2015</u>	<u>2014</u>
Number of active School Division members	614	623
Member contribution rate (percentage of salary)	8.15%	8.15%
School Division contribution rate (percentage of salary)	8.15%	8.15%
Member contributions for the year	\$ 1,563,411	\$ 1,534,144
School Division contributions for the year	\$ 1,563,411	\$ 1,534,239
Actuarial (extrapolation) valuation date	(Dec-31-2014)	Dec-31-2013
Plan Assets (in thousands)	\$ 2,006,584	\$ 1,685,167
Plan Liabilities (in thousands)	\$ 1,672,585	\$ 1,498,853
Plan Surplus (in thousands)	\$ 334,002	\$ 186,314

7. ACCOUNTS RECEIVABLE

All accounts receivable presented on the statement of financial position are net of any valuation allowances for doubtful accounts. Details of accounts receivable balances and allowances are as follows:

	<u>2015</u>			<u>2014</u>		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 4,923,511	\$ -	\$ 4,923,511	\$ 4,553,173	\$ -	\$ 4,553,173
Provincial Grants Receivable	-	-	-	956,762	-	956,762
Other Receivables	1,058,610	-	1,058,610	746,089	-	746,089
Total Accounts Receivable	\$ 5,982,121	\$ -	\$ 5,982,121	\$ 6,256,024	\$ -	\$ 6,256,024

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2015	2014
Accrued Salaries and Benefits	\$ 278,023	\$ 882,541
Supplier Payments	1,298,557	1,290,240
Other - Debenture Principal & Interest, GST Payable	19,713	133,560
Total Accounts Payable and Accrued Liabilities	\$ 1,596,293	\$ 2,306,341

9. LONG-TERM DEBT

Details of long-term debt are as follows:

	2015	2014
Capital Loan: Bank of Montreal 4.54% fixed rate loan, interest payable monthly, principal payable in annual instalments of \$325,300, until December 2015	\$ 325,300	\$ 650,600
Total Long-Term Debt	\$ 325,300	\$ 650,600

Future principal repayments over the next year are estimated as follows:

	Capital Loan	Total
2016	\$ 325,300	\$ 325,300
Total	\$ 325,300	\$ 325,300

Principal and interest payments on the long-term debt are as follows:

	Capital Loan	2015	2014
Principal	\$ 325,300	\$ 325,300	\$ 325,300
Interest	19,341	19,341	33,705
Total	\$ 344,641	\$ 344,641	\$ 359,005

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2014	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2015
Capital projects:				
Federal Capital Tuition	\$ 891,006	\$ 75,955	\$ 798,096	\$ 168,865
Friday Night Lights	37,719	-	-	37,719
Proceeds from Sale of School Buildings	342,711	-	-	342,711
Total capital projects deferred revenue	1,271,436	75,955	798,096	549,295
Other deferred revenue:				
Saskatchewan Leadership Conference	-	168,325	-	168,325
Tax Liability	80,758	417,465	80,758	417,465
Other Grant - Frank Larocque, Global Partners	31,647	26,660	31,647	26,660
Total other deferred revenue	112,405	612,450	112,405	612,450
Total Deferred Revenue	\$ 1,383,841	\$ 688,405	\$ 910,501	\$ 1,161,745

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 2015 and 2014:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Program	2015	2014
Revenue:			
Operating Grants	\$ 1,506,744	\$ 1,506,744	\$ 1,544,676
Total Revenue	1,506,744	1,506,744	1,544,676
Expenses:			
Salaries & Benefits	1,592,143	1,592,143	1,395,239
Instructional Aids	83,887	83,887	106,954
Travel	-	-	89
Professional Development (Non-Salary Costs)	25,089	25,089	18,682
Contracted Transportation & Allowances	2,417	2,417	577
Total Expenses	1,703,536	1,703,536	1,521,541
(Deficiency) Excess of Revenue over Expenses	\$ (196,792)	\$ (196,792)	\$ 23,135

Pre-K

The Pre-K program is a developmentally appropriate early childhood education program for three and four year old children.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

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 2015 and 2014:

Summary of External Services Revenues and Expenses, by Program	Kids First	Eagle's Nest	FNM Achievement	Other Programs	2015	2014
Revenue:						
Operating Grants	\$ 865,949	\$ 468,000	\$ 524,771	\$ 538,046	\$ 2,396,766	\$ 3,306,934
Fees and Other Revenue	-	-	-	542,488	542,488	275,969
Total Revenue	865,949	468,000	524,771	1,080,534	2,939,254	3,582,903
Expenses:						
Salaries & Benefits	416,181	425,191	653,130	696,030	2,190,532	1,236,999
Instructional Aids	43,758	24,687	8,254	30,186	106,885	120,982
Supplies and Services	746,730	39,170	72,658	440,551	1,299,109	1,444,956
Non-Capital Furniture & Equipment	3,356	1,002	9,617	4,390	18,365	14,641
Building Operating Expenses	870	10,605	-	188,535	200,010	183,471
Communications	23,343	1,329	3,435	525	28,632	13,023
Travel	2,408	-	1,859	5,932	10,199	5,783
Professional Development (Non-Salary Costs)	7,888	696	6,061	272	14,917	42,258
Contracted Transportation & Allowances	21,186	2,579	-	236	24,001	25,938
Amortization of Tangible Capital Assets	-	-	-	14,345	14,345	18,462
Total Expenses	1,265,720	505,259	755,014	1,381,002	3,906,995	3,106,513
(Deficiency) Excess of Revenue over Expenses	\$ (399,771)	\$ (37,259)	\$ (230,243)	\$ (300,468)	\$ (967,741)	\$ 476,390

Kids First Project offers support to high-risk families with young children.

Eagle's Nest Project provides residential care, counselling, and special programming to high-risk youth.

First Nation-Metis Achievement Project represent transfers received from the Ministry of Education as funding support for developing strategies, programs and processes to support First Nations and Metis Students' graduation rates, attendance and credit attainment.

Other programs include after school programs, cafeteria, community mobilization, invitational shared services initiative, regional intersectoral committee, summer literacy camp, summer school and swimming pool.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

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 including school generated funds.

Certain amounts of the accumulated surplus, as approved by the Board of Education, have been designated for specific future purposes. These internally restricted amounts are included in accumulated surplus presented in the statement of financial position. The School Division does not maintain separate bank accounts for the internally restricted amounts.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

13. ACCUMULATED SURPLUS (continued)

Details of accumulated surplus are as follows:

	August 31, 2014	Additions during the year	Reductions during the year	August 31, 2015
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 74,361,452	\$ 749,228	\$ -	\$ 75,110,680
Less: Debt owing on Tangible Capital Assets	650,600	-	325,300	325,300
	73,710,852	749,228	(325,300)	74,785,380
S.286 pre-April 2009 capital reserves (1)	3,488,110	-	3,488,110	-
PMR Maintenance Project Allocations (2)	220,851	1,385,199	1,296,285	309,765
Internally Restricted Surplus:				
Capital projects:				
Communications/Technology	725,350	500,000	456,700	768,650
Equipment Replacement	393,454	-	-	393,454
Facilities	1,038,251	-	-	1,038,251
Office Facility	253,478	-	-	253,478
Rental of Track Equipment	136,788	-	860	135,928
Transportation	685,986	275,000	685,986	275,000
Track Facility	225,000	-	3,843	221,157
	3,458,307	775,000	1,147,389	3,085,918
Other reserves:				
Consultant Professional Development	25,403	6,696	-	32,099
Future Contract	1,095,523	-	-	1,095,523
Developmental Education	8,972	-	-	8,972
Future Expenditures	65,807	-	-	65,807
School Generated Funds Carryovers	1,664,386	117,998	-	1,782,384
School Budget Carryovers	994,735	-	464,795	529,940
	3,854,826	124,694	464,795	3,514,725
Other projects:				
Eagle's Nest Project	321,955	468,000	505,259	284,696
First Nation-Metis Achievement Project	441,835	524,771	757,014	209,592
Invitational Shared Services Initiative	291,802	300,000	294,795	297,007
Kids First Project	227,168	865,949	1,265,720	(172,603)
Other Projects	73,352	96,684	68,069	101,967
Regional Intersectoral Committee Program	40,469	100,250	99,103	41,616
	1,396,581	2,355,654	2,989,960	762,275
Unrestricted Surplus	13,143,902	5,068,068	-	18,211,970
Total Accumulated Surplus	\$ 99,273,429	\$ 10,457,843	\$ 9,061,239	\$ 100,670,033

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

13. ACCUMULATED SURPLUS (continued)

- (1) **S.286 pre-April 2009 Capital Reserves** 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.
- (2) **PMR Maintenance Project Allocations** represent transfers received from the Ministry of Education as funding support for maintenance projects on the School Division's approved 3 year capital maintenance plans. Unspent funds at the end of a fiscal year are designated for future approved capital plan maintenance project expenditures.

Internally restricted surplus – capital projects and other reserves

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

Communications/technology reserve represents funds available for purchases of technology.

Equipment replacement reserve represents funds available for the purchases of equipment.

Facilities reserve represents funds available to assist with capital expenditures related to construction of new facilities.

Office facility reserve represents funds available for the construction of a new administrative services building.

Rental of track equipment reserve represents funds to be used to cover repair and replacement of track equipment.

Transportation reserve represents funds available for purchase of buses.

Track facility reserve represents funds available for the School Division's portion of repair or replacement of the running surface associated with the Harry Jerome Track.

Consultant professional development reserve represents the unspent portion of the consultant's budget to be used for teacher/staff initiated professional development.

Future contract reserve represents funds available to cover non-budgeted negotiated salary and benefit costs.

Developmental education reserve represents funds available to enhance facility and programming at Vickers School and Carlton Comprehensive High School.

Future expenditures reserve represents funds available for future expenditures.

School generated funds carryovers represent the unspent portion of funds generated at each school.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

13. ACCUMULATED SURPLUS (continued)

Internally restricted surplus – capital projects and other reserves (continued)

School budget carryovers represent the unspent portion of budgets decentralized to schools.

Internally restricted surplus – other projects

Eagle's Nest Project represent transfers received from the Ministry of Education as funding support for residential care, counseling, and special programming to high-risk youth.

First Nation-Metis Achievement Project represent transfers received from the Ministry of Education as funding support for developing strategies, programs and processes to support First Nations and Metis Students' graduation rates, attendance and credit attainment.

Invitational Shared Services Initiative represent transfers received from the Ministry of Education as funding support for a partnership with Wahpeton Dakota Nation, Muskoday First Nation, One Arrow First Nation and the Saskatoon Tribal Council to develop strategies, programs and processes to support First Nations Students' graduation rates, attendance and credit attainment.

Kids First Project represent transfers received from the Ministry of Health as funding support to high-risk families with young children.

Other Projects represent transfers received from the Ministry of Education as funding support for various external projects.

Regional Intersectoral Committee (RIC) Project represent transfers received from the Ministry of Education as funding support to contract a RIC Coordinator to advance the integrated human services agenda by building partnerships with government and non-government agencies, local interagency committees and community groups.

14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board of Education on June 2, 2014 and the Minister of Education on August 12, 2014.

15. RELATED PARTIES

These financial statements include transactions with related parties. The School Division is related to all Government 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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

15. RELATED PARTIES (continued)

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.

	2015	2014
Revenues:		
Community Initiatives Fund	\$ 65,284	\$ 37,400
Ministry of Education	71,140,467	70,733,649
Ministry of Health	639,266	1,084,985
Prince Albert Roman Catholic Separate School Division No. 6	172,254	176,667
Saskatchewan Government Insurance	207,365	227,559
Other	32,296	2,263
	\$ 72,256,932	\$ 72,262,523
Expenses:		
Living Sky School Division No. 202	\$ -	\$ 70,700
Prince Albert Parkland Health Region	50,064	126,168
Saskatchewan Government Insurance	365,246	249,848
Saskatchewan Power Corporation	1,196,109	1,154,903
Saskatchewan Telecommunications Holding Corporation	218,340	229,980
Saskatchewan Workers' Compensation Board	321,825	411,975
SaskEnergy Incorporated	860,792	1,137,101
Other	104,570	21,458
	\$ 3,116,946	\$ 3,402,133
Accounts Receivable:		
Ministry of Education - Provincial Grants	\$ -	\$ 956,976
Ministry of Education - Other	59,359	-
Other	25,243	31,979
	\$ 84,602	\$ 988,955
Prepaid Expenses:		
SaskEnergy Incorporated	\$ -	\$ 11,979
Saskatchewan Workers' Compensation Board	107,034	137,084
	\$ 107,034	\$ 149,063
Accounts Payable and Accrued Liabilities:		
Saskatchewan Power Corporation	\$ -	\$ 72,619
Saskatchewan Telecommunications Holding Corporation	-	13,259
	\$ -	\$ 85,878
Deferred Revenue:		
Other	\$ 91,184	\$ -
	\$ 91,184	\$ -

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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

15. RELATED PARTIES (continued)

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

A portion of the operating grant revenue from the Ministry of Education includes funding allocated to principal and interest repayments on some school board loans.

16. TRUSTS

The School Division, as the trustee, administers trust funds for the Saskatchewan Rivers School Division No. 119 of Saskatchewan Charity and Scholarship Fund. Two bank accounts are held: (1) charities and (2) scholarships. The operating cycle for these funds is January 1 to December 31. The accounts are audited by Deloitte LLP. The trust assets and transactions are not included in the financial statements.

Information about these trusts is as follows:

	Charity	Scholarships	Total December 31, 2014	Total December 31, 2013
Cash	\$ 183,773	\$ 36,414	\$ 220,187	\$ 125,303
Short-term investments	-	8,900	8,900	9,200
Total Assets	\$ 183,773	\$ 45,314	\$ 229,087	\$ 134,503
Revenues				
Contributions and donations	\$ 146,629	\$ 23,975	\$ 170,604	\$ 142,049
Interest on investments	1,455	654	2,109	1,768
	148,084	24,629	172,713	143,817
Expenses				
In-kind & school expenditures	53,514	-	53,514	193,220
Scholarships paid	-	24,615	24,615	26,240
	53,514	24,615	78,129	219,460
Excess (Deficiency) of Revenue over Expenses	94,570	14	94,584	(75,643)
Trust Fund Balance, Beginning of Year	89,203	45,300	134,503	210,146
Trust Fund Balance, End of Year	\$ 183,773	\$ 45,314	\$ 229,087	\$ 134,503

17. CONTINGENT LIABILITIES

Litigation

The School Division has been named as a defendant in certain legal actions in which damages have been sought. The outcome of these actions is not determinable as at the date of reporting and accordingly, no provision has been made in these financial statements for any liability that may result. The School Division's share of settlement, if any, will be charged to expenses in the year in which the amount is determinable.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

18. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

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

- construction contract for the Education Centre Renovations in the amount of \$216,041;
- construction contract for the W. J. Berezowsky Public School Boiler project in the amount of \$109,182;
- construction contract for the Birch Hills Public School Roof project in the amount of \$88,801;
- construction contract for the Debden Public School Roof project in the amount of \$40,440;
- the School Division has signed a letter of intent with Bus Sales of Saskatoon for the purchase of fourteen buses for a total cost of \$849,736; and
- operating lease for multifunction printing devices, variable monthly cost based on usage expiring June 30, 2019.

19. RISK MANAGEMENT

The School Division is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk (consisting of interest rate risk and foreign exchange risk).

k) Credit Risk

Credit risk is the risk to the School Division from potential non-payment of accounts receivable. The credit risk related to the School Division's receivables from municipal government, provincial government, federal government and their agencies are considered to be minimal. For other receivables, the School Division has adopted credit policies which include close monitoring of overdue accounts.

The School Division does not have a significant exposure to any individual customer. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect impairment in collectability.

The aging of other accounts receivable at August 31, 2015 was:

	August 31, 2015						
	Total	Current	0-30 days	30-60 days	60-90 days	over 90 days	
Other Receivables	\$ 919,843	\$ 954	\$ 378,483	\$ 19,777	\$ 51,566	\$ 469,063	
Gross Receivables	919,843	954	378,483	19,777	51,566	469,063	
Allowance for Doubtful Accounts	-	-	-	-	-	-	
Net Receivables	\$ 919,843	\$ 954	\$ 378,483	\$ 19,777	\$ 51,566	\$ 469,063	

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
as at August 31, 2015

19. RISK MANAGEMENT (continued)

ii) Liquidity Risk

Liquidity risk is the risk that the School Division will not be able to meet its financial obligations as they come due. The School Division manages liquidity risk by maintaining adequate cash balances and budget practices and monitoring. The following table sets out the contractual maturities of the School Division's financial liabilities:

	August 31, 2015			
	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 1,596,293	\$ -	\$ -	\$ -
Long-term debt	325,300	-	-	-
Total	\$ 1,921,593	\$ -	\$ -	\$ -

iii) Market Risk

The School Division is exposed to market risks with respect to interest rates and foreign currency exchange rates, as follows:

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The School Division's interest rate exposure relates to cash and cash equivalents and long-term debt. The School Division also has an authorized bank line of credit of \$5,000,000 with interest payable monthly at a rate of prime minus 0.5%. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2015.

The School Division minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency
- managing cash flows to minimize utilization of its bank line of credit
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The School Division is exposed to currency risk on purchases denominated in U.S. dollars for which the related accounts payable balances are subject to exchange rate fluctuations; however, the School Division believes that it is not subject to significant foreign exchange risk from its financial instruments.