

**SASKATCHEWAN RIVERS  
SCHOOL DIVISION NO. 119 OF  
SASKATCHEWAN - CHARITY  
AND SCHOLARSHIP FUNDS**

***FINANCIAL STATEMENTS***

***December 31, 2012***

## INDEPENDENT AUDITOR'S REPORT

### To the Board of Trustees of the Saskatchewan Rivers School Division No. 119 of Saskatchewan – Charity and Scholarship Funds

We have audited the accompanying financial statements of Saskatchewan Rivers School Division No. 119 of Saskatchewan – Charity and Scholarship Funds, which comprise the statements of financial position as at December 31, 2012, December 31, 2011 and January 1, 2011 and the statements of revenue, expenses and changes in fund balance of the Charity Fund, revenue, expenses and changes in fund balance of the Scholarship Fund and cash flows for the years ended December 31, 2012 and December 31, 2011, 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 for government not-for-profit organizations, 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 audits. We conducted our audits 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 in our audits is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### Basis for Qualified Opinion

In common with many not-for-profit organizations, Saskatchewan Rivers School Division No. 119 of Saskatchewan – Charity and Scholarship Funds derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Saskatchewan Rivers School Division No. 119 of Saskatchewan – Charity and Scholarship Funds. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess (deficiency) of revenue over expenses, and cash flows from operations for the years ended December 31, 2012 and December 31, 2011 and current assets and fund balances as at December 31, 2012, December 31, 2011 and January 1, 2011.

## Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Rivers School Division No. 119 of Saskatchewan – Charity and Scholarship Funds as at December 31, 2012, December 31, 2011 and January 1, 2011, and the results of its operations and its cash flows for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

  
Chartered Accountants

June 17, 2013  
Prince Albert, Saskatchewan

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119 OF SASKATCHEWAN  
- CHARITY AND SCHOLARSHIP FUNDS  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE OF THE CHARITY FUND  
years ended December 31, 2012 and December 31, 2011

	2012	2011
		(Note 2)
<b>REVENUE</b>		
Donations	\$ 705,661	\$ 52,480
Donations in-kind	41,913	1,710
Interest	<u>1,196</u>	<u>389</u>
	<u>748,770</u>	<u>54,579</u>
<b>EXPENSES</b>		
In-kind expenses	41,913	1,710
School expenses	<u>569,893</u>	<u>55,685</u>
	<u>611,806</u>	<u>57,395</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR</b>	136,964	(2,816)
<b>CHARITY FUND BALANCE, BEGINNING OF YEAR</b>	26,886	32,502
<b>TRANSFER TO SCHOLARSHIP FUND</b>	<u>(500)</u>	<u>(2,800)</u>
<b>CHARITY FUND BALANCE, END OF YEAR</b>	<u>\$ 163,350</u>	<u>\$ 26,886</u>

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119 OF SASKATCHEWAN  
- CHARITY AND SCHOLARSHIP FUNDS  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE OF THE SCHOLARSHIP FUND  
years ended December 31, 2012 and December 31, 2011

	2012	2011
		(Note 2)
<b>REVENUE</b>		
Donations	\$ 19,950	\$ 15,500
Interest	<u>748</u>	<u>628</u>
	<u>20,698</u>	<u>16,128</u>
<b>EXPENSES</b>		
Scholarships paid	<u>23,550</u>	<u>25,927</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR</b>	<b>(2,852)</b>	<b>(9,799)</b>
<b>SCHOLARSHIP FUND BALANCE, BEGINNING OF YEAR</b>	<b>49,148</b>	<b>56,147</b>
<b>TRANSFER FROM CHARITY FUND</b>	<u>500</u>	<u>2,800</u>
<b>SCHOLARSHIP FUND BALANCE, END OF YEAR</b>	<b>\$ <u>46,796</u></b>	<b>\$ <u>49,148</u></b>

**SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119 OF SASKATCHEWAN  
- CHARITY AND SCHOLARSHIP FUNDS  
STATEMENT OF FINANCIAL POSITION  
as at December 31, 2012, December 31, 2011 and January 1, 2011**

	Charity Fund	Scholarship Fund	2012	2011 (Note 2)	January 1, 2011 (Note 2)
<b>CURRENT ASSETS</b>					
Cash	\$ 162,158	\$ 36,816	\$ 198,974	\$ 65,287	\$ 77,481
Short-term investment (Note 4)	-	9,480	9,480	10,747	11,168
Accounts receivable	<u>1,192</u>	<u>500</u>	<u>1,692</u>	<u>-</u>	<u>-</u>
	<u>\$ 163,350</u>	<u>\$ 46,796</u>	<u>\$ 210,146</u>	<u>\$ 76,034</u>	<u>\$ 88,649</u>
<b>CHARITY AND SCHOLARSHIP FUND BALANCES</b>					
Charity fund balance	163,350	-	163,350	26,886	32,502
Scholarship fund balance (Note 5)	<u>-</u>	<u>46,796</u>	<u>46,796</u>	<u>49,148</u>	<u>56,147</u>
	<u>163,350</u>	<u>46,796</u>	<u>210,146</u>	<u>76,034</u>	<u>88,649</u>
	<u>\$ 163,350</u>	<u>\$ 46,796</u>	<u>\$ 210,146</u>	<u>\$ 76,034</u>	<u>\$ 88,649</u>

APPROVED BY THE TRUSTEES:

Barry Hellick Trustee  
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Trustee

**SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119 OF SASKATCHEWAN  
- CHARITY AND SCHOLARSHIP FUNDS**

**STATEMENT OF CASH FLOW**

**years ended December 31, 2012 and December 31, 2011**

	2012	2011
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses		
Charity Fund	\$ 136,964	\$ (2,816)
Scholarship Fund	(2,852)	(9,799)
Net change in non-cash operating working capital:		
Increase in accounts receivable	<u>(1,692)</u>	<u>-</u>
	<u>132,420</u>	<u>(12,615)</u>
<b>INVESTING ACTIVITIES</b>		
Net proceeds from short-term investment	1,267	421
<b>INCREASE (DECREASE) IN CASH</b>	133,687	(12,194)
<b>CASH AT BEGINNING OF YEAR</b>	<u>65,287</u>	<u>77,481</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 198,974</u></u>	<u><u>\$ 65,287</u></u>

**SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119 OF SASKATCHEWAN**  
**– CHARITY AND SCHOLARSHIP FUNDS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**years ended December 31, 2012 and December 31, 2011**

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**1. DESCRIPTION OF FUNDS**

The Saskatchewan Rivers School Division No. 119 of Saskatchewan - Charity Fund (the “Charity Fund”) was established to administer donations received by individual schools of the Saskatchewan Rivers School Division No. 119 (the “Division”) and to dispense funds from those donations on approved school expenses.

The Saskatchewan Rivers School Division No. 119 of Saskatchewan - Scholarship Fund (the “Scholarship Fund”) was established to manage scholarship bequests made by individuals or groups. Scholarship payments to students attending the Division schools are made annually based on individual scholarship criteria.

**2. ADOPTION OF A NEW ACCOUNTING FRAMEWORK**

These financial statements have been prepared in accordance with Canadian public sector accounting (PSA) standards, issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (CICA). The Charity and Scholarship Funds have adopted the standards for government not-for-profit organizations, set forth at PSA Handbook section PS 4200 to PS 4270. As these are the Charity and Scholarship Funds’ first financial statements prepared in accordance with PSA standards, Section PS 2125, First-time Adoption by Government Corporations, has been applied. The Charity and Scholarship Funds have also adopted Section PS3450, Financial Instruments.

In accordance with the requirements of Section PS 2125, the accounting policies set out in Note 3 have been consistently applied to all years presented and adjustments resulting from the adoption of the new standards have been applied retrospectively excluding cases where optional exemptions available under Section PS 2125 have been applied. The Charity and Scholarship Funds have not elected to use any of the optional exemptions.

There is no impact of these new standards on the statement of financial position as at January 1, 2011 and the statements of revenue, expenses and changes in fund balances for the year ending December 31, 2011.

The financial statements were previously prepared in accordance with Canadian generally accepted accounting principles, as set forth in Part V of the CICA Handbook.



**SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119 OF SASKATCHEWAN  
– CHARITY AND SCHOLARSHIP FUNDS  
NOTES TO THE FINANCIAL STATEMENTS  
years ended December 31, 2012 and December 31, 2011**

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**3. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations and reflect the following significant accounting policies:

***Use of Estimates***

The preparation of the financial statements in conformity with Canadian public sector accounting standards for government not-for-profit organizations 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 revenue and expenses during the reporting period. Actual results could differ from these estimates.

***Revenue Recognition***

The Charity and Scholarship Funds follow the restricted fund method whereby externally restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed.

***Contributed Materials and Services***

The Charity and Scholarship Funds have recorded contributed materials and services at fair value at the date of contribution. The fair value was determined on the basis of appraisal values or the market value of similar materials or services.

***Financial Instruments***

Cash, short-term investments and accounts receivable are classified as amortized cost. The carrying value of these financial instruments approximates their fair value due to their short term nature.

**4. SHORT-TERM INVESTMENT**

Short-term investment consists of one term deposit which earns interest at a rate of 1.46% and matures on December 27, 2013.

**SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119 OF SASKATCHEWAN**  
**- CHARITY AND SCHOLARSHIP FUNDS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**years ended December 31, 2012 and December 31, 2011**

**5. SCHOLARSHIP FUND EQUITY**

	December 31, 2011	Donations	Transfer from Charity Fund	Interest Earned	Scholarships Paid	December 31, 2012
Dr. Just Scholarship Trust	\$ 584	\$ -	\$ -	\$ 7	\$ 100	\$ 491
Nordstrom Scholarship Fund	4,623	-	-	59	-	4,682
D. Spence Scholarship Fund	470	-	-	6	-	476
Carter Watson Art Scholarship Fund	5,929	-	-	74	200	5,803
Carlton Class of '79 Award	340	-	-	2	300	42
PACI Class of '53 Award	7,065	-	-	90	-	7,155
PACI Class of '57 Award	46	-	-	1	-	47
PACI Alumni	1,111	-	500	5	1,600	16
Jake Gordon Harding Memorial	9,786	-	-	122	350	9,558
Aaron Scholarship	10,033	-	-	245	400	9,878
Stark Family Award	3,384	-	-	42	100	3,326
Science Fair -Big River	2,823	-	-	36	-	2,859
Science Fair - T.D. Michel	1,867	-	-	24	-	1,891
General Scholarships	1,087	19,950	-	35	20,500	572
	<u>\$ 49,148</u>	<u>\$ 19,950</u>	<u>\$ 500</u>	<u>\$ 748</u>	<u>\$ 23,550</u>	<u>\$ 46,796</u>