



Ministry of
Education

Auditor's Report and Financial Statement

Of the Christ the Teacher R.C.S.S.D. No. 212

School Division No. 2120500

For the Period Ending: August 31, 2012

Wilfred A. Hotsko
Chief Financial Officer

ParkerQuine LLP
Auditor

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

Managements' 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.

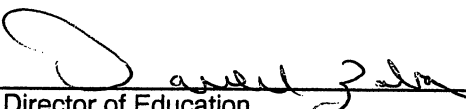
The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained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

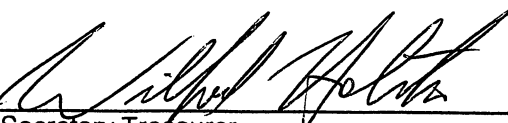
The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible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

The external auditors, ParkerQuine LLP, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditors' 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 Christ the Teacher R.C.S.S.D. No. 212:


Board Chair


Director of Education


Secretary Treasurer

PARKERQUINE LLP

Chartered Accountants Business Advisors

Auditors' Report

To the Board of Education
Christ the Teacher Roman Catholic Separate School Division No. 212
Yorkton, Saskatchewan

Report on the Financial Statements

We have audited the accompanying financial statements of Christ the Teacher Roman Catholic Separate School Division No. 212 of Saskatchewan, which comprise the Statement of Financial Position as at August 31, 2012, and the Statements of Operations and Accumulated Surplus, Statement of Changes in Net Financial Assets and Statement of 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.

Auditors' 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 auditors' 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, these financial statements present fairly, in all material respects, the financial position of Christ the Teacher Roman Catholic Separate School Division No. 212 as at August 31, 2012 and the results of operations and accumulated surplus and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

PARKERQUINE LLP

Per: *Mandy P...* CA

Yorkton, Saskatchewan
December 17, 2012

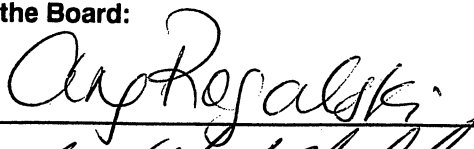
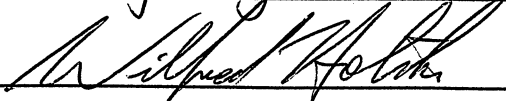
Christ the Teacher R.C.S.S.D. No. 212
Statement of Financial Position
as at August 31, 2012

	2012	2011
Financial Assets		
Cash and Cash Equivalents	2,189,676	2,400,570
Short-Term Investments (Note 4)	2,297,455	2,021,742
Accounts Receivable (Note 7)	861,759	672,108
Total Financial Assets	5,348,890	5,094,420
Liabilities		
Provincial Grant Overpayment	46,203	-
Accounts Payable and Accrued Liabilities (Note 8)	831,397	969,648
Long-Term Debt (Note 9)	664,475	1,268,429
Liability for Employee Future Benefits (Note 5)	142,900	128,100
Deferred Revenue (Note 10)	233,991	219,925
Total Liabilities	1,918,966	2,586,102
Net Financial Assets (Net Debt)	3,429,924	2,508,318
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	17,562,784	17,957,396
Prepaid Expenses	100,291	116,402
Total Non-Financial Assets	17,663,075	18,073,798
Accumulated Surplus (Deficit) (Note 14)	21,092,999	20,582,116

Contractual Obligations and Commitments (Note 17)

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

Approved by the Board:

Chairperson

Chief Financial Officer

Christ the Teacher R.C.S.S.D. No. 212
Statement of Operations and Accumulated Surplus (Deficit)
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
REVENUES	(Note 14)		
Property Taxation	2,599,175	2,540,352	2,598,507
Grants	13,829,460	14,779,559	13,148,122
Tuition and Related Fees	46,200	40,343	40,297
School Generated Funds	572,000	637,985	663,761
Complementary Services (Note 12)	342,150	521,527	507,180
External Services (Note 13)	-	30,538	-
Other	118,250	353,014	151,307
Total Revenues (Schedule A)	17,507,235	18,903,318	17,109,174
EXPENSES			
Governance	227,375	187,974	201,307
Administration	498,862	499,703	455,859
Instruction	13,474,160	13,621,591	12,955,443
Plant	2,350,084	2,503,377	2,408,975
Transportation	316,795	290,759	294,428
Tuition and Related Fees	71,300	96,264	75,300
School Generated Funds	572,000	601,719	614,350
Complementary Services (Note 12)	329,520	506,549	494,370
External Services (Note 13)	-	30,538	-
Other Expenses	63,040	53,961	86,636
Total Expenses (Schedule B)	17,903,136	18,392,435	17,586,668
Surplus (Deficit) for the Year	(395,901)	510,883	(477,494)
Accumulated Surplus (Deficit), Beginning of Year	20,582,116	20,582,116	21,059,610
Accumulated Surplus (Deficit), End of Year	20,186,215	21,092,999	20,582,116

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

Christ the Teacher R.C.S.S.D. No. 212
Statement of Changes in Net Financial Assets (Net Debt)
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
	(Note 14)		
Net Financial Assets (Net Debt), Beginning of Year	2,508,318	2,508,318	2,703,783
Changes During the Year:			
Surplus (Deficit) for the Year	(395,901)	510,883	(477,494)
Acquisition of Tangible Capital Assets (Schedule C)	(243,115)	(361,183)	(549,654)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	1,920	-
Net Loss (Gain) on Disposal of Capital Assets (Schedule C)	-	596	-
Amortization of Tangible Capital Assets (Schedule C)	775,683	753,279	809,592
Net Acquisition of Prepaid Expenses	-	16,111	22,091
Change in Net Financial Assets / Net Debt	136,667	921,606	(195,465)
Net Financial Assets (Net Debt), End of Year	2,644,985	3,429,924	2,508,318

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

Christ the Teacher R.C.S.S.D. No. 212
Statement of Cash Flows
for the year ended August 31, 2012

	2012	2011
OPERATING ACTIVITIES		
Surplus (Deficit) for the Year	510,883	(477,494)
Add (Deduct) Non-Cash Items Included in Surplus / Deficit (Schedule D)	753,875	809,592
Net Change in Non-Cash Operating Activities (Schedule E)	(236,722)	845,756
Cash Provided (Used) by Operating Activities	1,028,036	1,177,854
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(361,183)	(549,654)
Proceeds on Disposal of Tangible Capital Assets	1,920	-
Cash Provided (Used) by Capital Activities	(359,263)	(549,654)
INVESTING ACTIVITIES		
Cash Used to Acquire Investments	(529,422)	(2,000,026)
Proceeds on Disposal of Investments	253,709	500
Cash Provided (Used) by Investing Activities	(275,713)	(1,999,526)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long Term Debt	52,708	-
Repayment of Long-Term Debt	(656,662)	(613,553)
Proceeds from (Cash Used for) Other Non-Financial Assets	-	-
Cash Provided (Used) by Financing Activities	(603,954)	(613,553)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(210,894)	(1,984,879)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,400,570	4,385,449
CASH AND CASH EQUIVALENTS, END OF YEAR	2,189,676	2,400,570
REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash and Cash Equivalents	2,189,676	2,400,570
Bank Indebtedness	-	-
CASH AND CASH EQUIVALENTS, END OF YEAR	2,189,676	2,400,570

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

Christ the Teacher R.C.S.S.D. No. 212
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	2,585,455	2,473,316	2,508,363
Revenue from Supplemental Levies	-	8,231	14,270
Total Property Tax Revenue	2,585,455	2,481,547	2,522,633
Grants in Lieu of Taxes:			
Federal Government	17,980	21,519	23,676
Provincial Government	60,470	61,855	69,688
Other	3,390	4,399	4,488
Total Grants in Lieu of Taxes	81,840	87,773	97,852
Other Tax Revenues:			
House Trailer Fees	1,000	1,819	1,651
Total Other Tax Revenues	1,000	1,819	1,651
Additions to Levy:			
Penalties	10,000	13,802	15,189
Total Additions to Levy	10,000	13,802	15,189
Deletions from Levy:			
Discounts	(49,120)	(34,665)	(33,907)
Cancellations	(30,000)	(9,924)	(4,911)
Total Deletions from Levy	(79,120)	(44,589)	(38,818)
Total Property Taxation Revenue	2,599,175	2,540,352	2,598,507
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	13,559,250	14,051,285	12,798,019
Other Ministry Grants	-	136,979	79,076
Total Ministry Grants	13,559,250	14,188,264	12,877,095
Other Provincial Grants	270,210	234,213	205,368
Grants from Others	-	42,300	33,672
Total Operating Grants	13,829,460	14,464,777	13,116,135
Capital Grants			
Ministry of Education Capital Grants	-	314,782	31,987
Total Capital Grants	-	314,782	31,987
Total Grants	13,829,460	14,779,559	13,148,122
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
School Boards	17,500	33,885	26,273
Individuals and Other	28,700	6,458	14,024
Total Tuition Fees	46,200	40,343	40,297
Total Operating Tuition and Related Fees	46,200	40,343	40,297
Total Tuition and Related Fees Revenue	46,200	40,343	40,297

Christ the Teacher R.C.S.S.D. No. 212
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
School Generated Funds Revenue			
Curricular Fees:			
Student Fees	-	47,277	-
Other	-	21,030	-
Total Curricular Fees	-	68,307	-
Non-Curricular Fees:			
Commercial Sales - Non-GST	29,000	58,302	77,860
Fundraising	260,000	282,995	251,843
Grants and Partnerships	21,000	23,095	22,991
Students Fees	169,000	88,683	126,201
Other	93,000	116,603	184,866
Total Non-Curricular Fees	572,000	569,678	663,761
Total School Generated Funds Revenue	572,000	637,985	663,761
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	149,070	275,027	202,447
Ministry of Education Grants-Other	158,080	-	-
Other Provincial Grants	35,000	246,500	304,733
Total Operating Grants	342,150	521,527	507,180
Total Complementary Services Revenue	342,150	521,527	507,180
External Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education Grants-Other	-	15,000	-
Total Operating Grants	-	15,000	-
Fees and Other Revenue			
Tuition and Related Fees	-	6,098	-
Other Revenue	-	9,440	-
Total Fees and Other Revenue	-	15,538	-
Total External Services Revenue	-	30,538	-
Other Revenue			
Miscellaneous Revenue	21,500	257,380	61,916
Sales & Rentals	23,500	34,723	27,239
Investments	73,250	60,911	62,152
Total Other Revenue	118,250	353,014	151,307
TOTAL REVENUE FOR THE YEAR	17,507,235	18,903,318	17,109,174

Christ the Teacher R.C.S.S.D. No. 212
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
Governance Expense			
Board Members Expense	76,395	62,218	62,556
Conventions - Board Members	70,000	48,164	63,868
School Community Councils	11,500	1,416	10,564
Elections	-	148	-
Other Governance Expenses	67,780	76,028	64,319
Amortization of Tangible Capital Assets	1,700	-	-
Total Governance Expense	227,375	187,974	201,307
Administration Expense			
Salaries	294,190	286,588	237,833
Benefits	44,965	51,707	35,333
Supplies & Services	49,415	43,962	43,905
Non-Capital Furniture & Equipment	10,300	8,981	12,229
Building Operating Expenses	27,675	59,973	74,829
Communications	51,500	32,375	34,670
Travel	3,300	1,546	869
Professional Development	3,200	113	1,681
Amortization of Tangible Capital Assets	14,317	14,458	14,510
Total Administration Expense	498,862	499,703	455,859
Instruction Expense			
Instructional (Teacher & LEADS Contract) Salaries	9,195,540	9,594,205	9,059,268
Instructional (Teacher & LEADS Contract) Benefits	473,461	492,162	456,329
Program Support (Non-Teacher Contract) Salaries	2,014,630	1,893,112	1,800,647
Program Support (Non-Teacher Contract) Benefits	346,117	303,915	274,896
Instructional Aids	607,107	516,141	589,804
Supplies & Services	194,180	230,928	160,332
Non-Capital Furniture & Equipment	59,305	104,267	95,831
Communications	30,508	30,395	24,604
Travel	60,990	59,217	59,911
Professional Development	120,065	75,305	104,278
Student Related Expense	91,875	77,949	81,780
Amortization of Tangible Capital Assets	280,382	243,995	247,763
Total Instruction Expense	13,474,160	13,621,591	12,955,443

Christ the Teacher R.C.S.S.D. No. 212
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
Plant Operation & Maintenance Expense			
Salaries	454,400	449,431	379,915
Benefits	74,035	74,476	59,817
Supplies & Services	3,250	3,118	-
Non-Capital Furniture & Equipment	8,120	6,613	6,269
Building Operating Expenses	1,319,950	1,467,800	1,408,326
Communications	1,700	1,708	189
Travel	16,650	20,280	16,108
Professional Development	1,250	-	-
Amortization of Tangible Capital Assets	470,729	479,951	538,351
Total Plant Operation & Maintenance Expense	2,350,084	2,503,377	2,408,975
Student Transportation Expense			
Supplies & Services	17,950	11,302	14,220
Non-Capital Furniture & Equipment	10,000	5,280	8,170
Contracted Transportation	280,290	267,791	265,653
Amortization of Tangible Capital Assets	8,555	6,386	6,385
Total Student Transportation Expense	316,795	290,759	294,428
Tuition and Related Fees Expense			
Tuition Fees	71,300	96,264	75,300
Total Tuition and Related Fees Expense	71,300	96,264	75,300
School Generated Funds Expense			
Supplies & Services	20,000	2,713	2,930
Cost of Sales	150,000	229,592	162,613
Non-Capital Furniture & Equipment	2,000	11,577	2,941
Special Programs	50,000	15	24,207
School Fund Expenses	350,000	352,092	421,659
Amortization of Tangible Capital Assets	-	5,730	-
Total School Generated Funds Expense	572,000	601,719	614,350

Christ the Teacher R.C.S.S.D. No. 212
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2012

	2012 Budget	2012 Actual	2011 Actual
Complementary Services Expense			
Instructional (Teacher & LEADS Contract) Salaries & Benefits	-	171,861	134,279
Program Support (Non-Teacher Contract) Salaries & Benefits	232,680	248,248	274,460
Instructional Aids	47,520	32,856	11,214
Supplies & Services	7,000	15,494	8,365
Non-Capital Furniture & Equipment	-	5,894	3,932
Building Operating Expenses	-	914	-
Communications	6,400	3,386	6,831
Travel	25,900	17,759	29,082
Professional Development (Non-Salary Costs)	10,020	4,881	17,566
Student Related Expenses	-	920	4,930
Contracted Transportation & Allowances	-	1,577	1,128
Amortization of Tangible Capital Assets	-	2,759	2,583
Total Complementary Services Expense	329,520	506,549	494,370
External Service Expense			
Professional Development (Non-Salary Costs)	-	30,538	-
Total External Services Expense	-	30,538	-
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	1,500	463	740
Interest on Other Capital Loans and Long-Term Debt			
School Facilities	45,340	38,300	70,448
Other	16,200	14,602	15,448
Total Interest and Bank Charges	63,040	53,365	86,636
Loss on Disposal of Tangible Capital Assets	-	596	-
Total Other Expense	63,040	53,961	86,636
TOTAL EXPENSES FOR THE YEAR	17,903,136	18,392,435	17,586,668

Christ the Teacher R.C.S.S.D. No. 212
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2012

	Land	Land Improvements	Buildings	Buildings Short term	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	2012	2011
Operating Balance as of September 1	620,090	15,315	24,024,270	79,612	160,901	1,876,020	2,017,533	71,075	28,864,816	28,315,162
Additions/Purchases										
Disposals				100,137		145,275 (95,221)	115,771		361,183 (95,221)	549,654
Closing Balance as of August 31	620,090	15,315	24,024,270	179,749	160,901	1,926,074	2,133,304	71,075	29,130,778	28,864,816

Tangible Capital Assets - at Cost:

Operating Balance as of September 1	-	1,532	7,530,650	75,503	129,755	1,642,828	1,491,671	35,481	10,907,420	10,097,828
Amortization of the Period		766	458,606	5,290	15,184	76,849 (92,705)	184,827	11,757	753,279 (92,705)	809,592
Disposals										-
Closing Balance as of August 31	N/A	2,298	7,989,256	80,793	144,939	1,626,972	1,676,498	47,238	11,567,994	10,907,420

Tangible Capital Assets - Amortization:

Operating Balance as of September 1	620,090	13,783	16,493,620	4,109	31,146	233,192	525,862	35,594	17,957,396	18,217,334
Closing Balance as of August 31	620,090	13,017	16,035,014	98,956	15,962	299,102	456,806	23,837	17,562,784	17,957,396
Change in Net Book Value	-	(766)	(458,606)	94,847	(15,184)	65,910	(69,056)	(11,757)	(394,612)	(259,938)

Net Book Value:

Operating Balance as of September 1	620,090	13,783	16,493,620	4,109	31,146	233,192	525,862	35,594	17,957,396	18,217,334
Closing Balance as of August 31	620,090	13,017	16,035,014	98,956	15,962	299,102	456,806	23,837	17,562,784	17,957,396
Change in Net Book Value	-	(766)	(458,606)	94,847	(15,184)	65,910	(69,056)	(11,757)	(394,612)	(259,938)

Disposals:

Historical Cost						95,221			95,221	-
Accumulated Amortization						92,705			92,705	-
Net Cost						2,516			2,516	-
Price of Sale						1,920			1,920	-
Gain/loss on Disposal						(596)			(596)	-

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

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Christ the Teacher R.C.S.S.D. No. 212
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2012

	2012	2011
Non-Cash Items Included in Surplus / Deficit:		
Amortization of Tangible Capital Assets (Schedule C)	753,279	809,592
Net (Gain) Loss on Disposal of Tangible Capital Assets	596	-
Total Non-Cash Items Included in Surplus / Deficit	753,875	809,592

Christ the Teacher R.C.S.S.D. No. 212
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2012

	2012	2011
Net Change in Non-Cash Operating Activities:		
Decrease (Increase) in Accounts Receivable	(189,651)	436,895
Increase (Decrease) in Provincial Grant Overpayment	46,203	(120,819)
Increase (Decrease) In Accounts Payable and Accrued Liabilities	(138,251)	462,508
Increase (Decrease) in Liability for Employee Future Benefits	14,800	16,800
Increase (Decrease) in Deferred Revenue	14,066	28,281
Decrease (Increase) in Prepaid Expenses	16,111	22,091
Total Net Change in Non-Cash Operating Activities	(236,722)	845,756

Christ the Teacher R.C.S.S.D. No. 212

Notes to the Financial Statements for the year ended August 31, 2012

1. Organization Authority and Purpose

The Board of Education of Christ the Teacher Roman Catholic Separate School Division No. 212 was organized under the authority of *The Education Act, 1995* and the *Education Regulations, 1986*. This School Division was established to facilitate the amalgamation of St. Henry Roman Catholic Separate School Division No. 5, Theodore Roman Catholic Separate School Division No. 138 and Yorkton Roman Catholic Separate School Division No. 86. The Minister of Learning's Order established this School Division on April 27, 2005. The School Division operates schools in the communities of Melville, Theodore and Yorkton 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, and agreed to by the board of education, although separate school divisions continue to have a legislative right to set their own mill rates. The School Division is exempt from income tax and is a registered charity under *The Income Tax Act*.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian public sector accounting standards for other government organizations as established by the Public Sector Accounting Board (PSAB) and as published by the Canadian Institute of Chartered Accountants (CICA).

The financial statements have been prepared using the accounting policies as summarized below.

a) Reporting Entity

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

b) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

c) Financial Instruments

Financial instruments include cash and cash equivalents, short-term investments, accounts receivable, provincial grant overpayment, accounts payable and accrued liabilities, and long-term debt.

The School Division is not exposed to significant interest, currency or credit risk arising from these financial instruments that may affect the amount, timing and certainty of future cash flows.

The School Division is exposed to credit risk from the potential non-payment of accounts receivable. However, the majority of the receivables are from local, provincial and federal governments, and therefore, the credit risk is minimal.

d) Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Valuation allowances are used where considered necessary to reduce the amounts reported for financial assets to their net realizable value.

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

Short-term investments consist of highly liquid securities made to obtain a return on a temporary basis with maturity terms between three months and one year. Short-term investments are recorded at the lower of cost or market.

Accounts receivable include 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.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

2. Significant Accounting Policies - continued

e) Non-Financial Assets

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the School Division unless they are sold.

Tangible capital assets have useful lives extending beyond the accounting period, are used by the School Division to provide services to the public, and are not intended for sale in the ordinary course of operations. Tangible capital assets include land, buildings, other vehicles, furniture and equipment, computer hardware and software, audio visual equipment, capital lease assets, and assets under construction. Tangible capital assets and betterments 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:

<u>Asset Class</u>	<u>Useful Life</u>
Land	n/a
Land improvements (pavement, fencing, lighting, etc)	20
Buildings	50
Short-term buildings (portables, sheds, outbuildings, etc)	20
Passenger vehicles	5
Furniture and equipment	10
Computer hardware and audio visual equipment	5
Software	5

Tangible capital assets under capital lease are amortized over the life of the lease.

Tangible capital assets are amortized a full year in the year of acquisition.

Prepaid expenses are prepaid amounts for goods or services, including insurance premiums, Saskatchewan School Boards Association membership fees, Workers' Compensation premiums, software licenses, LEADS membership dues, and supplies for use in the subsequent school year which will provide economic benefits in one or more future periods.

f) 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.

Provincial grant overpayment represents grants advanced to the School Division in excess of the determined entitlement and which are repayable to the provincial government.

Accounts payable and accrued liabilities include 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 capital loans with initial maturities of more than one year and are incurred for the purpose of financing capital expenditures in accordance with the provisions of *The Education Act, 1995*. Long-term debt also includes capital lease obligations where substantially all of the benefits and risks incident to ownership are transferred to the School Division without necessarily transferring legal ownership. The amount of the lease liability recorded at the beginning of the lease term is the present value of the minimum lease payments, excluding the portion thereof relating to executory costs.

Liability for employee future benefits represent post-employment and compensated absence benefits that accrue to the School Division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected discount rate, inflation, salary escalation, termination and retirement rates, and mortality. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups. Actuarial valuations are performed periodically. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year.

Recognition of employee future benefits obligations commenced on September 1, 2008. The School Division recorded the full value of the obligation related to these benefits for employees' past service at this time.

Deferred revenue represents revenue received pursuant to legislation, regulation or agreement that may only be used for specific purposes. Revenue is recognized in the fiscal year in which the resources are used for the purpose specified.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

2. Significant Accounting Policies - continued

g) Revenue Recognition

Revenues are recognized in the year they are earned provided the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted revenues are amounts received pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions. Restricted revenues are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

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

- i) Property tax is levied and collected on a calendar year basis. Effective the 2009 calendar year, uniform education property tax mill rates are set by the Government of Saskatchewan and agreed to by the board of education, although separate school divisions continue to have a legislative right to set their own mill rates. Prior to 2009, each School Division set the education property tax mill rate for properties in its jurisdiction. Tax revenues are recognized on the basis of time with 1/12th of estimated total tax revenue recorded in each month of the School Division's fiscal year. The tax revenue for the September to December portion of the fiscal year is based on the actual amounts reported by the municipalities for the calendar taxation year. For the January to August portion of its fiscal year, the School Division estimates tax revenue based on estimated 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.
- ii) Provincial grants are recognized in the financial statements in the period which the events giving rise to the grant occur provided the grant is authorized, eligibility criteria are met, and a reasonable estimate of the amount can be made. Grants that restrict how those resources are to be used are recognized as revenue in the fiscal year the related expenses are incurred or services are performed. Provincial operating grants are recognized on a 12-month basis, with 1/12th of the grant recognized as revenue each month. Capital grants are recognized when the related capital asset is purchased, or over the course of the construction project as the grant is earned and the amount is measurable. Restricted grants received, but not yet earned, are recorded as deferred revenue

Other restricted grants are recognized as revenue in the year in which the related expenditures are incurred.

Tuition fee revenue and other service revenues are recognized as the service is delivered.

h) Employee Pension Plans

The School Division's employees participate in one of the following multi-employer defined benefit plans:

- i) Teachers participate in the retirement plan of the Saskatchewan Teachers' Retirement Plan (STRP) or 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.

Christ the Teacher R.C.S.S.D. No. 212

**Notes to the Financial Statements
for the year ended August 31, 2012**

2. Significant Accounting Policies - continued

i) Measurement Uncertainty and the Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year.

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

- i) the liability for employee future benefits of \$142,900 (2011 - \$128,100) because actual experience may differ significantly from actuarial estimations.
- ii) property taxation revenue of \$2,540,352 (2011 - \$2,598,507) because final tax assessments may differ from initial estimates.
- iii) uncollectible taxes of \$30,883 (2011 - \$30,843) because actual collectability may differ from initial estimates.
- iv) useful lives of capital assets and related amortization because actual useful lives of these assets may differ from initial estimates.

The estimates are reviewed periodically, and as adjustments become necessary, the adjustments are reported in earnings in the period 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.

3. Short-Term Borrowings

The School Division has a line-of-credit with a maximum borrowing limit of \$750,000 with the RBC Royal Bank of Canada. The balance drawn on the line-of-credit at August 31, 2012 was NIL at an interest rate of RBC Royal Bank prime minus 1% (August 31, 2011 - NIL at an interest rate of RBC Royal Bank prime minus 1%). This line of credit is authorized by a borrowing resolution by the board of education and was approved by the Minister of Education on September 20, 2011.

4. Short-Term Investments

Short-term investments consist of guaranteed investments certificates, term deposits and money market and t-bill funds, etc., with maturities between three months and one year. Due to the short-term nature of the investments, market value approximates cost.

5. Employee Future Benefits

The School Division provides certain post-employment and compensated absence benefits to its employees. These benefits include accumulating non-vested sick leave, retirement gratuities, and paid time off benefits. The liability associated with these benefits is calculated based on 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.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

5. Employee Future Benefits - continued

Details of the employee future benefits are as follows:

	2012	2011
<i>Assumptions:</i>		
Actuarial valuation (or extrapolation) date	Aug 31/12	Aug 31/11
Long-term assumptions used:		
Salary escalation rate - teachers	3.25%	3.30%
Salary escalation rate - non-teachers	3.25%	3.20%
Discount rate	2.70%	3.40%
Inflation	2.25%	2.50%
Expected average remaining service life (in years)	17	18
<i>Liability for Employee Future Benefits:</i>		
Accrued benefit obligation - September 1	138,100	122,300
Service cost	12,600	15,800
Interest cost	5,100	4,700
Expected benefit payments	(3,400)	(4,300)
Actuarial (gain)/loss	40,600	(400)
Accrued benefit obligation - August 31	193,000	138,100
Unamortized actuarial (gain)/loss	(50,100)	(10,000)
Liability for Employee Future Benefits	142,900	128,100
<i>Employee Future Benefits Expense:</i>		
Current period benefit cost	12,600	15,800
Amortization of net actuarial gain/loss	500	600
Benefit cost	13,100	16,400
Interest cost on unfunded employee future benefits obligation	5,100	4,700
Total Employee Future Benefits Expense	18,200	21,100

6. Pension Plans - Multi-Employer Defined Benefit Plans

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

a) 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:

	2012		2011
	STRP	STSP	Total
Number of active School Division members	171	12	183
Member contribution rate (% of salary)	7.8-10%	6.05 - 7.85%	6.05 - 9%
Member contributions for the year	\$776,103	\$43,626	\$819,729
			\$652,903

Christ the Teacher R.C.S.S.D. No. 212

**Notes to the Financial Statements
for the year ended August 31, 2012**

6. Pension Plans - Multi-Employer Defined Benefit Plans - continued

b) 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. An actuarial valuation was last performed December 31, 2010, and its results were extrapolated to December 31, 2011.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. In accordance with PSAB requirements, the plan is accounted for as a defined contribution plan whereby the School Division's contributions are expensed when due.

Details of the MEPP are as follows:

	2012	2011
Number of active School Division members	113	97
Member contribution rate (% of salary)	7.40%	6.4 - 7.4%
School Division contribution rate (% of salary)	7.40%	6.4 - 7.4%
Member contributions for the year	201,667	174,774
School Division contributions for the year	201,667	174,774
Actuarial valuation date	Dec 31/10	Dec 31/09
Plan assets (in \$000)	1,395,109	1,399,241
Plan liabilities (in \$000)	1,627,865	1,381,094
Plan surplus (deficit) (in \$000)	(232,756)	18,147

7. Accounts Receivable

All accounts receivable presented on the Statement of Financial Position are net of any valuation allowances for doubtful accounts.

Details of account receivable balances and allowances are as follows:

	2012			2011		
	Gross	Allowance	Net	Gross	Allowance	Net
Taxes Receivable	441,656	30,883	410,773	509,350	30,843	478,507
Provincial Grant Receivable	234,016	-	234,016	41,834	-	41,834
Other Receivables	216,970	-	216,970	151,767	-	151,767
Total Accounts Receivable	892,642	30,883	861,759	702,951	30,843	672,108

8. Accounts Payable and Accrued Liabilities

Details of account payable and accrued liabilities are as follows:

	2012	2011
Accrued Salaries and Benefits	150,674	421,293
Supplier Payments	666,340	535,142
Other	14,383	13,213
Total Accounts Payable and Accrued Liabilities	831,397	969,648

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

9. Long-Term Debt Obligations*Capital loans payable:*

Lender: Bank of Montreal		
Original balance: \$455,000		
Purpose: Finance acquisition of division office		
Terms of repayment: Monthly payments of \$4,895, principal and interest		
Interest rate: 5.31% fixed rate		
Due date: August 2016	213,241	259,293
Lender: Royal Bank of Canada		
Original amount: \$3,500,000		
Purpose: Finance construction of Sacred Heart High School		
Terms of repayment: Semi-annual payments of \$298,753, principal and interest		
Interest rate: 5.3% fixed rate		
Amortization period: 10 years		
Due date: January 2013	293,296	857,655
Loan payable: Bank of Montreal		
Original balance: \$176,000		
Purpose: Finance addition to St. Michael's School		
Terms of repayment: Monthly payments of \$1,862, principal and interest		
Interest rate: 4.95% fixed rate		
Due date: May 2017	94,678	111,876

Capital leases:

Lessor: Royal Bank of Canada		
Purposes: To lease photocopiers		
Minimum net lease payments: \$2,357 quarterly		
Inherent interest rate: 5.60%		
Expiry date: October 2013	11,333	19,969
Lessor: Royal Bank of Canada		
Purposes: To lease photocopiers		
Minimum net lease payments: \$2,830 quarterly		
Inherent interest rate: 3.12%		
Expiry date: September 2016	44,959	-
Lessor: Xerox Canada		
Purposes: To lease photocopiers		
Minimum net lease payments: \$911 quarterly		
Inherent interest rate: 4.25%		
Expiry date: July 2014	6,968	10,301
Lessor: Concentra Financial		
Purposes: To lease photocopiers		
Minimum net lease payments: \$4,954 quarterly		
Inherent interest rate: 5.00%		
Expiry date: December 2011	-	9,335

All of the above leases have a term of 5 years

664,475	1,268,429
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Principal payments estimated over the next five years are estimated as follows:

	Capital loans	Capital leases	Total
2013	353,800	22,500	376,300
2014	70,400	16,300	86,700
2015	74,100	10,700	84,800
2016	78,000	11,000	89,000
2017	24,915	2,760	27,675
Thereafter			-
	601,215	63,260	664,475

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

9. Long-Term Debt Obligations - continued

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

	2012			
	Capital loans	Capital leases	Total	Total 2011
Principal	627,609	29,053	656,662	613,554
Interest	50,990	2,002	52,992	97,930
Total	678,599	31,055	709,654	711,484

10. Deferred Revenue

Details of deferred revenues are as follows:

	Balance as at Aug 31 2011	Additions during the year	Revenue recognized in the year	Balance as at Aug 31 2012
After-school activity program	2,088	300	-	2,388
Cognitive Disability Consultant program	26,128	76,153	(79,325)	22,956
Ministry of Education Environment grant	26,599	-	-	26,599
Ministry of Social Services - Services to Teen Parents	20,663	59,506	(51,241)	28,928
Regional Intersectoral Community Coordinator program	89,813	131,733	(115,934)	105,612
Technology funds	24,086	-	-	24,086
Work Placement Program	9,303	30,371	(39,674)	-
Other	21,245	17,549	(15,372)	23,422
Total Deferred Revenue	219,925	315,612	(301,546)	233,991

There are no deferred revenues relating to capital projects.

11. Expenses by Function and Economic Classification

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2012 Budget	2012 Actual	2011 Actual
Governance	53,379	134,595	-	-	227,375	187,974	201,307
Administration	338,295	146,950	-	14,458	498,862	499,703	455,859
Instruction	12,283,394	1,094,202	-	243,995	13,474,160	13,621,591	12,955,443
Plant	523,907	1,499,519	-	479,951	2,350,084	2,503,377	2,408,975
Transportation	-	284,373	-	6,386	316,795	290,759	294,428
Tuition and Related Fees	-	96,264	-	-	71,300	96,264	75,300
School-Generated Funds	-	595,989	-	5,730	572,000	601,719	614,350
Complementary Services	32,856	470,934	-	2,759	329,520	506,549	494,370
External Services	-	30,538	-	-	-	30,538	-
Other	-	1,059	52,902	-	63,040	53,961	86,636
Total	13,231,831	4,354,423	52,902	753,279	17,903,136	18,392,435	17,586,668

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

12. 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 during the year ended August 31, 2012:

	Pre-Kindergarten	Cognitive Disability Consultant	Regional Intersectoral Community Coordinator	Services to Teen Parents	2012 Total	2011 Total
Revenue:						
Operating Grants	275,027	79,324	115,934	51,242	521,527	507,180
Capital Grants	-	-	-	-	-	-
Fees and Other Revenue	-	-	-	-	-	-
Total Revenue	275,027	79,324	115,934	51,242	521,527	507,180
Expenses:						
Salaries, benefits, and program contracts	252,833	64,548	70,160	32,568	420,109	408,739
Instructional aids	7,345	7	13,064	12,440	32,856	11,214
Supplies and services	4,859	-	9,135	1,500	15,494	8,365
Non-capital equipment	5,552	260	82	-	5,894	3,932
Building operating expenses	-	305	609	-	914	-
Communications	-	8	2,971	407	3,386	6,831
Travel	-	7,424	10,034	301	17,759	29,082
Professional development (non-salary)	-	884	3,971	26	4,881	17,566
Student-related expenses	692	-	228	-	920	4,930
Contracted transportation and allowances	1,577	-	-	-	1,577	-
Amortization of tangible capital assets	2,169	126	464	-	2,759	2,583
Transportation	-	-	-	-	-	1,128
Total Expenses	275,027	73,562	110,718	47,242	506,549	494,370
Excess (Deficiency) of Revenue over Expenses	-	5,762	5,216	4,000	14,978	12,810

The Pre-Kindergarten program is offered at four elementary schools. Children that reside in the area served by the program and that are three or four years of age are eligible to attend the program.

The Cognitive Disability Consultant is employed by the Division to support the delivery of individual support plans for people affected by cognitive disabilities.

The Regional Intersectoral Community Coordinator is employed by the Division to advance an integrated human services agenda by building partnerships among government, non-government organizations, local interagency committees and community groups.

The Services to Teen Parents program provides support and services to pregnant young women, young and new parents and their children.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

13. 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 during the year ended August 31, 2012:

	PCSD Spring General Assembly	Crisis Prevention Training	2012 Total	2011 Total
Revenue:				
Operating Grants	-	15,000	15,000	-
Capital Grants	-	-	-	-
Fees and Other Revenue	9,440	6,098	15,538	-
Total Revenue	9,440	21,098	30,538	-
Expenses:				
Salaries, benefits, and program contracts	-	-	-	-
Instructional aids	-	-	-	-
Supplies and services	-	-	-	-
Non-capital equipment	-	-	-	-
Building operating expenses	-	-	-	-
Communications	-	-	-	-
Travel	-	-	-	-
Professional development (non-salary)	9,440	21,098	30,538	-
Student-related expenses	-	-	-	-
Contracted transportation and allowances	-	-	-	-
Amortization of tangible capital assets	-	-	-	-
Transportation	-	-	-	-
Total Expenses	9,440	21,098	30,538	-
Excess (Deficiency) of Revenue over Expenses	-	-	-	-

The School Division hosted the Provincial Catholic School Division Spring General Assembly on behalf of the Saskatchewan Catholic School Boards Association (SCSBA). Revenues include registration fees collected. Expenses include certain direct costs paid by the School Division relating to the conference, as well as a remission of the remaining unspent registration fees collected to the SCSBA.

The School Division hosted non-violent crisis intervention training during the year. Revenues include financial support from the Ministry of Education, as well as fees charged to other participating school divisions.

The School Division did not derive any revenue or incur any expenses relating to external services in the prior year.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

14. Accumulated Surplus

Accumulated surplus represents the financial assets and non-financial assets of the School Division less liabilities. This represents the accumulated balance of net surplus arising from the operations of the School Division and school-generated funds.

Certain amounts of the accumulated surplus, as approved by the Board of Education, have been designated for specific future purposes as described below. These internally-restricted amounts are included in the accumulated surplus presented in the Statement of Financial Position. The School Division only maintains separate bank accounts for the internally-restricted amounts related to school-generated funds.

Details of accumulated surplus are as follows:

	2012	2011
Invested in Tangible Capital Assets:		
Net book value of tangible capital assets	17,562,784	17,957,396
Less: Debt owing on tangible capital assets	664,475	1,268,429
	<u>16,898,309</u>	<u>16,688,967</u>
Internally Restricted Surplus:		
School-generated funds	390,981	365,711
School decentralized budget carryovers	100,914	102,532
Scholarship funds	68,121	52,862
Catholic distinctiveness	100,000	-
Technology	350,000	-
Academic equipment replacement	65,000	-
Division office software upgrades	30,000	-
Maintenance	1,575,000	-
Vehicle replacements	200,000	-
Legal	50,000	-
Gulak Family Memorial Trust	206,774	-
FNME achievement fund	12,000	-
	<u>3,148,790</u>	<u>521,105</u>
Unrestricted Surplus	<u>1,045,900</u>	<u>3,372,044</u>
Total Accumulated Surplus	<u><u>\$21,092,999</u></u>	<u><u>\$20,582,116</u></u>

The purpose and nature of each internally restricted surplus amount is as follows:

School-generated funds represents the year-end bank account balances of the school-generated fund entities in the school division. They are generated at the local school level and are considered separate and apart from the Board's regular operations.

School decentralized budget carryovers represents unused decentralized budget resources allowed to be carried over to the next fiscal year. Unused budget carryovers are limited to 25% of a school's annual budget allocation.

Scholarship funds represents the portion of resources received by the school division for scholarship awards each year which have not yet been awarded.

Catholic Distinctiveness represents resources allocated to support the religious education program in the school division.

Technology represents funds allocated to upgrade computer hardware, software and for the purchase of SmartBoards.

Academic equipment replacement represents funds allocated for the replacement of instructional academic equipment.

Division office software upgrades represents funds allocated to support the upgrade of existing software or the purchase of new administrative software at the Division Office.

Maintenance represents resources allocated for the purchase of maintenance and caretaking equipment at the schools and for maintenance projects that are not covered under the Board's annual operating budget.

Vehicle Replacements represents funds allocated to replace existing fifteen passenger vans for student transportation as well as vehicles required in the maintenance area.

Legal represents funds allocated for legal services required by the board of education.

Gulak Family Memorial Trust represents funds entrusted with the board of education to be used specifically for the benefit of students at Sacred Heart High School.

FNME achievement fund represents funds remaining from a First Nations Metis Education (FNME) grant received in fiscal 2012 that were targeted for family literacy initiatives.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2012

15. Budget

Budget figures included in the financial statements have been derived from the budget approved by the Board of Education on June 22, 2011 and the Minister of Education on August 31, 2011.

16. 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.

(a) Related Party Transactions

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the financial statements and the table below. They are recorded at exchange amounts which approximate prevailing market rates charged by those organizations and are settled on normal trade terms.

	2012	2011
Revenues:		
Ministry of Education	14,877,850	13,233,055
Expenses:		
Good Spirit S. D. No. 204	166,389	228,627
Holy Trinity R.C.S.S.D. No. 22	520	-
Horizon S.D. No. 205	2,000	-
Lloydminster R.C.S.S.D. No. 89	2,760	-
St. Paul's R.C.S.S.D. No. 20	1,000	-
Saskatchewan Energy Corporation	171,431	213,465
Saskatchewan Power Corporation	220,442	225,604
Saskatchewan Government Insurance	7,693	6,590
Saskatchewan Telecommunications	31,799	31,562
Saskatchewan Workers' Compensation Board	33,640	35,291
Parkland Regional College	710	515
Sunrise Health Region	72,189	71,185
	<u>710,573</u>	<u>812,839</u>
Accounts Receivable:		
Ministry of Education	234,016	41,809
Ministry of Advanced Education, Employment and Immigration	-	25
Other school divisions	85,018	51,133
	<u>319,034</u>	<u>92,967</u>
Prepaid Expenses:		
Saskatchewan Workers' Compensation Board	11,261	10,943
	<u>11,261</u>	<u>10,943</u>
Provincial Grant Overpayment:		
Ministry of Education	46,203	-
	<u>46,203</u>	<u>-</u>
Accounts Payable and Accrued Liabilities:		
Good Spirit S. D. No. 204	152,832	45,404
Saskatchewan Energy Corporation	1,596	2,147
Saskatchewan Telecommunications	2,293	2,284
Sunrise Health Region	138	-
	<u>156,859</u>	<u>49,835</u>
Deferred Revenue:		
Ministry of Education	156,297	140,497

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.

Christ the Teacher R.C.S.S.D. No. 212
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16. Related Parties - continued

(b) Ministry of Education Capital Transfers:

The Ministry of Education has approved \$221,449 in capital transfers to the school division for projects in which construction has not yet started and/or completed. Approved capital transfers that have not yet been reflected in the financial statements of the school division are as follows:

Total Ministry obligation at August 31, 2012	221,449
Less: Revenue reported in financial statements	87,193
Unrecorded balance of approved capital transfers	<u>\$134,256</u>

In March 2011, PSAB issued revised section PS 3410 Government Transfers. Revised PS 3410 provides revised guidance for the recognition of government transfers and is effective for fiscal years beginning on or after April 1, 2012, and may affect the future accounting treatment for these capital transfers to school divisions.

17. Contractual Obligations and Commitments

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

The School Division has entered into construction contracts totaling \$108,000 for repairs at one of its school. The construction is expected to be completed in the 2013 fiscal year.

The School Division has entered into an agreement with Hertz Northern Bus (2006) Ltd. for the provision of student transportation services in the cities of Yorkton and Melville. The costs payable under this contract are defined on a per trip basis and are subject to annual increases as defined in the contract. The agreement is in effect until June 30, 2017.

The School Division has entered into an agreement with Good Spirit School Division No. 204 for the provision of student transportation services for areas outside the cities of Yorkton and Melville. Good Spirit School Division No. 204 provides these services on a cost recovery basis, plus an administration fee. The cost to Good Spirit School Division No. 204 of providing the services and the administration fee is determined annually based on a formula agreed upon between the two School Divisions, taking into account transportation grants received directly by Good Spirit School Division No. 204.

The School Division has entered into an agreement with Good Spirit School Division No. 204 for the provision of education services to certain students at the Melville Comprehensive High School who meet the criteria included in the agreement. The School Division pays tuition to Good Spirit School Division No. 204 based on a formula agreed upon between the two School Divisions.

Other minor contracts of the School Division include a contract with Sunrise Regional Health Authority for therapy services, expiring August 31, 2013 and snow removal contracts.

The School Division has entered into capital lease obligations, as follows:

	Copier leases
Future Minimum Lease Payments:	
2013	24,389.00
2014	17,318.00
2015	11,318.00
2016	11,318.00
2017	2,830.00
	<u>67,173.00</u>
Interest and Executory Costs	<u>3,913.00</u>
Total Lease Obligations	<u>\$63,260.00</u>

The School Division has not entered into any operating leases.