
Auditor's Report and Financial Statement

Of the Christ the Teacher Roman Catholic Separated School Division No. 212

School Division No. 2120500

For the Period Ending: August 31, 2013

Wilfred A. Hotsko
Chief Financial Officer

Skilnick Miller Moar Grodecki & Kreklewich
Auditor

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

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Christ the Teacher Roman Catholic Separate School Division No. 212

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.

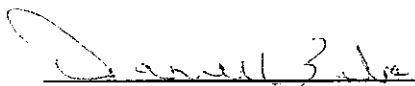
The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained 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, Skilnick Miller Moar Grodecki & Kreklewich, 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 Roman Catholic Separate School Division No. 212:


Board Chair


Director of Education

November 20, 2013

Skilnick Miller Moar Grodecki & Kreklewich
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Chairman and Board of Trustees of the
Christ the Teacher Roman Catholic Separate School Division No. 212
Yorkton, Saskatchewan
S3N 4C5

Report on the Financial Statements

We have audited the accompanying financial statements of the Christ the Teacher Roman Catholic Separate School Division No. 212 which comprise the statement of financial position as at August 31, 2013 and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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 judgement, including the assessment of the risks of material misstatement of the consolidated 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 the Christ the Teacher Roman Catholic Separate School Division No. 212 as at August 31, 2013 and the results of its operations and accumulated surplus, changes in net financial assets and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

The comparative figures have been audited by another auditor.

Skilnick Miller Moar Grodecki & Kreklewich

SKILNICK MILLER MOAR GRODECKI & KREKLEWICH
Chartered Accountants

Melville, Saskatchewan
November 20, 2013

Christ the Teacher Roman Catholic Separated School Division No. 212
Statement of Financial Position
as at August 31, 2013

	2013	<i>Restated</i> 2012
Financial Assets		(Note 20)
Cash and Cash Equivalents	2,672,873	1,910,829
Accounts Receivable (Note 7)	809,430	1,340,759
Portfolio Investments (Note 4)	2,549,367	2,297,455
Total Financial Assets	6,031,670	5,549,043
Liabilities		
Provincial Grant Overpayment	-	46,203
Accounts Payable and Accrued Liabilities (Note 8)	811,983	831,397
Long Term Debt (Note 9)	282,031	664,475
Liability for Employee Future Benefits (Note 5)	164,700	142,900
Deferred Revenue (Note 10)	765,677	709,039
Total Liabilities	2,024,391	2,394,014
Net Financial Assets	4,007,279	3,155,029
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	17,090,691	17,562,784
Prepaid Expenses	163,133	100,291
Total Non-Financial Assets	17,253,824	17,663,075
Accumulated Surplus (Note 13)	21,261,103	20,818,104
Accumulated Surplus is comprised of:		
Accumulated surplus from operations	21,261,103	20,818,104
Total Accumulated Surplus (Note 13)	21,261,103	20,818,104

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 Roman Catholic Separated School Division No. 212
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2013

	2013 Budget (Note 14)	2013 Actual	Restated 2012 Actual (Note 20)
REVENUES			
Property Taxation	2,740,765	2,617,831	2,540,352
Grants	14,491,300	14,942,582	14,779,559
Tuition and Related Fees	14,350	15,780	40,343
School Generated Funds	540,000	554,050	637,985
Complementary Services (Note 12)	319,045	692,018	521,527
External Services	-	-	30,538
Other	110,250	180,439	115,431
Total Revenues (Schedule A)	18,215,710	19,002,700	18,665,735
EXPENSES			
Governance	234,125	183,001	187,974
Administration	448,461	477,744	499,703
Instruction	14,300,981	13,962,188	13,606,041
Plant	2,091,316	2,442,276	2,503,377
Transportation	298,092	291,286	290,759
Tuition and Related Fees	5,500	-	96,264
School Generated Funds	540,000	629,638	601,719
Complementary Services (Note 12)	322,175	551,428	506,549
External Services	-	-	30,538
Other Expenses	40,738	22,140	53,961
Total Expenses (Schedule B)	18,281,388	18,559,701	18,376,885
Operating Surplus (Deficit) for the Year	(65,678)	442,999	288,850
Accumulated Surplus from Operations, Beginning of Year	20,818,104	20,818,104	20,529,254
Accumulated Surplus from Operations, End of Year	20,752,426	21,261,103	20,818,104

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

Christ the Teacher Roman Catholic Separated School Division No. 212
Statement of Changes in Net Financial Assets
for the year ended August 31, 2013

	2013 Budget	2013 Actual	Restated 2012 Actual
Net Financial Assets, Beginning of Year	(Note 14) 3,155,029	3,155,029	(Note 20) 2,455,456
Changes During the Year:			
Operating Surplus (Deficit) for the Year	(65,678)	442,999	288,850
Acquisition of Tangible Capital Assets (Schedule C)	(117,500)	(276,275)	(361,183)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	-	1,920
Net Loss on Disposal of Capital Assets (Schedule C)	-	-	596
Amortization of Tangible Capital Assets (Schedule C)	750,230	748,368	753,279
Net Change in Other Non-Financial Assets	-	(62,842)	16,111
Change in Net Financial Assets	567,052	852,250	699,573
Net Financial Assets, End of Year	3,722,081	4,007,279	3,155,029

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

Christ the Teacher Roman Catholic Separated School Division No. 212
Statement of Cash Flows
for the year ended August 31, 2013

	2013	Restated 2012
OPERATING ACTIVITIES		(Note 20)
Operating Surplus for the Year	442,999	288,850
Add Non-Cash Items Included in Surplus (Schedule D)	748,368	753,875
Net Change in Non-Cash Operating Activities (Schedule E)	481,308	(240,674)
Cash Provided by Operating Activities	1,672,675	802,051
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(276,275)	(361,183)
Proceeds on Disposal of Tangible Capital Assets	-	1,920
Cash Used by Capital Activities	(276,275)	(359,263)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(251,912)	(529,422)
Proceeds on Disposal of Portfolio Investments	-	253,709
Cash Used by Investing Activities	(251,912)	(275,713)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long Term Debt	-	52,708
Repayment of Long Term Debt	(382,444)	(656,662)
Cash Used by Financing Activities	(382,444)	(603,954)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	762,044	(436,879)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,910,829	2,347,708
CASH AND CASH EQUIVALENTS, END OF YEAR	2,672,873	1,910,829
REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash and Cash Equivalents	2,672,873	1,910,829
CASH AND CASH EQUIVALENTS, END OF YEAR	2,672,873	1,910,829

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

Christ the Teacher Roman Catholic Separated School Division No. 212
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2013

	2013 Budget	2013 Actual	Restated 2012 Actual
Property Taxation Revenue			(Note 20)
Tax Levy Revenue:			
Property Tax Levy Revenue	2,656,765	2,543,638	2,473,316
Revenue from Supplemental Levies	15,000	17,173	8,231
Total Property Tax Revenue	2,671,765	2,560,811	2,481,547
Grants in Lieu of Taxes:			
Federal Government	18,000	18,160	21,519
Provincial Government	62,000	58,192	61,855
Other	3,750	4,490	4,399
Total Grants in Lieu of Taxes	83,750	80,842	87,773
Other Tax Revenues:			
House Trailer Fees	1,750	1,969	1,819
Total Other Tax Revenues	1,750	1,969	1,819
Additions to Levy:			
Penalties	10,000	19,768	13,802
Total Additions to Levy	10,000	19,768	13,802
Deletions from Levy:			
Discounts	(16,500)	(3,622)	(34,665)
Cancellations	(10,000)	(23,117)	(9,924)
Other Deletions	-	(18,820)	-
Total Deletions from Levy	(26,500)	(45,559)	(44,589)
Total Property Taxation Revenue	2,740,765	2,617,831	2,540,352
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	14,178,255	14,218,688	14,051,285
Other Ministry Grants	50,685	94,412	136,979
Total Ministry Grants	14,228,940	14,313,100	14,188,264
Other Provincial Grants	262,360	225,974	234,213
Grants from Others	-	52,229	42,300
Total Operating Grants	14,491,300	14,591,303	14,464,777
Capital Grants			
Ministry of Education Capital Grants	-	351,279	314,782
Total Capital Grants	-	351,279	314,782
Total Grants	14,491,300	14,942,582	14,779,559

Christ the Teacher Roman Catholic Separated School Division No. 212
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2013

	2013 Budget	2013 Actual	Restated 2012 Actual
Tuition and Related Fees Revenue			(Note 20)
Operating Fees:			
Tuition Fees:			
School Boards	-	-	33,885
Individuals and Other	14,350	15,780	6,458
Total Operating Tuition and Related Fees	14,350	15,780	40,343
Total Tuition and Related Fees Revenue	14,350	15,780	40,343
School Generated Funds Revenue			
Curricular Fees:			
Student Fees	10,000	28,868	47,277
Other	1,000	6,399	21,030
Total Curricular Fees	11,000	35,267	68,307
Non-Curricular Fees:			
Commercial Sales - Non-GST	20,000	85,508	58,302
Fundraising	250,000	279,537	282,995
Grants and Partnerships	34,000	20,472	23,095
Students Fees	165,000	68,899	88,683
Other	60,000	64,367	116,603
Total Non-Curricular Fees	529,000	518,783	569,678
Total School Generated Funds Revenue	540,000	554,050	637,985
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	319,045	264,729	275,027
Other Provincial Grants	-	427,289	246,500
Total Operating Grants	319,045	692,018	521,527
Total Complementary Services Revenue	319,045	692,018	521,527

Christ the Teacher Roman Catholic Separated School Division No. 212
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2013

	2013 Budget	2013 Actual	Restated 2012 Actual
			(Note 20)
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	17,250	93,490	22,185
Sales & Rentals	28,000	27,666	34,723
Investments	65,000	59,283	58,523
Total Other Revenue	110,250	180,439	115,431
TOTAL REVENUE FOR THE YEAR	18,215,710	19,002,700	18,665,735

Christ the Teacher Roman Catholic Separated School Division No. 212
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2013

	2013 Budget	2013 Actual	Restated 2012 Actual
			(Note 20)
Governance Expense			
Board Members Expense	76,345	52,886	62,218
Professional Development- Board Members	70,000	60,276	48,164
Advisory Committees	11,500	1,554	1,416
Elections	5,000	1,414	148
Other Governance Expenses	71,280	66,871	76,028
Amortization of Tangible Capital Assets	-	-	-
Total Governance Expense	234,125	183,001	187,974
Administration Expense			
Salaries	254,090	279,351	286,588
Benefits	38,976	42,683	51,707
Supplies & Services	48,665	42,533	43,962
Non-Capital Furniture & Equipment	10,300	11,618	8,981
Building Operating Expenses	27,150	47,752	59,973
Communications	49,500	34,319	32,375
Travel	2,650	2,715	1,546
Professional Development	2,700	1,541	113
Amortization of Tangible Capital Assets	14,430	15,232	14,458
Total Administration Expense	448,461	477,744	499,703
Instruction Expense			
Instructional (Teacher & LEADS Contract) Salaries	10,132,627	10,026,361	9,594,205
Instructional (Teacher & LEADS Contract) Benefits	489,453	523,240	492,162
Program Support (Non-Teacher Contract) Salaries	2,010,233	1,917,485	1,893,112
Program Support (Non-Teacher Contract) Benefits	389,621	310,684	303,915
Instructional Aids	449,494	337,060	516,141
Supplies & Services	220,307	188,579	230,928
Non-Capital Furniture & Equipment	44,914	94,559	104,267
Communications	31,198	26,567	30,395
Travel	65,304	78,867	59,217
Professional Development	120,076	99,799	75,305
Student Related Expense	94,969	83,348	62,399
Amortization of Tangible Capital Assets	252,785	275,639	243,995
Total Instruction Expense	14,300,981	13,962,188	13,606,041

Christ the Teacher Roman Catholic Separated School Division No. 212

**Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2013**

	2013 Budget	2013 Actual	Restated 2012 Actual
			(Note 20)
Plant Operation & Maintenance Expense			
Salaries	462,470	479,624	449,431
Benefits	77,690	79,873	74,476
Supplies & Services	3,250	3,118	3,118
Non-Capital Furniture & Equipment	14,110	4,604	6,613
Building Operating Expenses	1,030,660	1,403,255	1,467,800
Communications	1,700	1,864	1,708
Travel	16,750	21,801	20,280
Professional Development	3,841	-	-
Amortization of Tangible Capital Assets	480,845	448,137	479,951
Total Plant Operation & Maintenance Expense	2,091,316	2,442,276	2,503,377
Student Transportation Expense			
Supplies & Services	10,980	10,915	11,302
Non-Capital Furniture & Equipment	6,000	2,398	5,280
Contracted Transportation	281,112	277,973	267,791
Amortization of Tangible Capital Assets	-	-	6,386
Total Student Transportation Expense	298,092	291,286	290,759
Tuition and Related Fees Expense			
Tuition Fees	5,500	-	96,264
Total Tuition and Related Fees Expense	5,500	-	96,264
School Generated Funds Expense			
Supplies & Services	40,000	5,214	2,713
Cost of Sales	100,000	234,068	229,592
Non-Capital Furniture & Equipment	20,000	5,897	11,577
Special Programs	50,000	-	15
School Fund Expenses	330,000	378,419	352,092
Amortization of Tangible Capital Assets	-	6,040	5,730
Total School Generated Funds Expense	540,000	629,638	601,719

Christ the Teacher Roman Catholic Separated School Division No. 212
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2013

	2013 Budget	2013 Actual	Restated 2012 Actual
			(Note 20)
Complementary Services Expense			
Instructional (Teacher & LEADS Contract) Salaries & Benefits	209,025	163,179	171,861
Program Support (Non-Teacher Contract) Salaries & Benefits	82,260	296,714	248,248
Instructional Aids	15,000	33,518	32,856
Supplies & Services	7,020	9,378	15,494
Non-Capital Furniture & Equipment	4,000	2,992	5,894
Building Operating Expenses	-	5,486	914
Communications	-	4,051	3,386
Travel	-	25,974	17,759
Professional Development (Non-Salary Costs)	1,200	3,332	4,881
Student Related Expenses	-	2,943	920
Contracted Transportation & Allowances	1,500	541	1,577
Amortization of Tangible Capital Assets	2,170	3,320	2,759
Total Complementary Services Expense	322,175	551,428	506,549
External Service Expense			
Professional Development (Non-Salary Costs)	-	-	30,538
Total External Services Expense	-	-	30,538

Christ the Teacher Roman Catholic Separated School Division No. 212

**Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2013**

	2013 Budget	2013 Actual	Restated 2012 Actual
			(Note 20)
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	1,500	615	463
Interest on Other Capital Loans and Long Term Debt			
School Facilities	28,956	11,376	38,300
Other	10,282	10,149	14,602
Total Interest and Bank Charges	<u>40,738</u>	<u>22,140</u>	<u>53,365</u>
Loss on Disposal of Tangible Capital Assets	-	-	596
Total Other Expense	40,738	22,140	53,961
TOTAL EXPENSES FOR THE YEAR	18,281,388	18,559,701	18,376,885

Christ the Teacher Roman Catholic Separated School Division No. 212

Schedule C - Supplementary Details of Tangible Capital Assets

for the year ended August 31, 2013

	Land	Land Improvements	Buildings	Buildings Short term	School Buses	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	Work-in-Progress	2013	2012
Tangible Capital Assets - at Cost:												
Opening Balance as of September 1	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
Additions/Purchases	-	-	-	30,544	-	-	34,607	211,124	-	-	276,275	361,163
Disposals	-	-	-	-	-	-	-	-	-	-	-	(95,221)
Closing Balance as of August 31	620,090	15,315	24,024,270	210,293	-	160,901	1,960,681	2,344,428	71,075	-	29,407,053	29,130,778

Tangible Capital Assets - Amortization:

Opening Balance as of September 1	-	2,298	7,989,256	80,793	-	144,939	1,626,972	1,676,498	47,238	-	11,567,994	10,907,420
Amortization of the Period	-	766	423,580	6,754	-	8,798	50,177	246,536	11,757	-	748,368	753,279
Disposals	-	-	-	-	-	-	-	-	-	-	-	(92,705)
Closing Balance as of August 31	N/A	3,064	8,412,836	87,547	-	153,737	1,677,149	1,923,034	58,995	N/A	12,316,362	11,567,994

Net Book Value:

Opening Balance as of September 1	620,090	13,017	16,035,014	98,956	-	15,962	299,102	456,806	23,837	-	17,562,784	17,957,396
Closing Balance as of August 31	620,090	12,251	15,611,434	122,746	-	7,164	283,532	421,394	12,080	-	17,090,691	17,562,784
Change in Net Book Value	-	(766)	(423,580)	23,790	-	(8,798)	(15,570)	(35,412)	(11,757)	-	(472,093)	(394,612)

Disposals:

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

Christ the Teacher Roman Catholic Separated School Division No. 212
Schedule D: Non-Cash Items Included in Surplus
for the year ended August 31, 2013

	2013	Restated 2012 (Note 20)
Non-Cash Items Included in Surplus		
Amortization of Tangible Capital Assets (Schedule C)	748,368	753,279
Net Loss on Disposal of Tangible Capital Assets	-	596
Total Non-Cash Items Included in Surplus	748,368	753,875

Christ the Teacher Roman Catholic Separated School Division No. 212
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2013

	2013	2012
Net Change in Non-Cash Operating Activities:		
Decrease (Increase) in Accounts Receivable	531,329	(668,651)
(Decrease) Increase in Provincial Grant Overpayment	(46,203)	46,203
Decrease In Accounts Payable and Accrued Liabilities	(19,414)	(138,251)
Increase in Liability for Employee Future Benefits	21,800	14,800
Increase in Deferred Revenue	56,638	489,114
(Increase) Decrease in Prepaid Expenses	(62,842)	16,111
Total Net Change in Non-Cash Operating Activities	481,308	(240,674)

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

1. Organization 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 Christ the Teacher Roman Catholic Separate School Division No. 212" and operates as the "Christ the Teacher Catholic School Division No. 212." 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, 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).

Significant aspects of the accounting policies adopted by the school division are as follows:

a) Adoption of New Public Sector Accounting (PSA) Standards

In 2013, the school division adopted the new PSA standards PS1201 Financial Statement Presentation, PS2601 Foreign Currency Translation, PS3041 Portfolio Investments, PS3410 Government Transfers and PS3450 Financial Instruments.

Detailed information on the impact of the adoption of these new PSA standards is provided in Note 18 Accounting Changes.

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 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.

d) 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.

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 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, portfolio investments, bank indebtedness, accrued salaries and benefits, accounts payable and accrued liabilities and long term debt.

Cost or Amortized Cost

All financial assets and financial liabilities are measured at cost or amortized cost. Transaction costs are a component of cost for 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. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the statement of operations in the period the gain or loss occurs.

f) Financial Assets

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

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

Portfolio Investments consist of guaranteed investment certificates and money market t-bills carried at amortized cost. The school division values its portfolio investments in accordance with its policy for financial instruments as described in Note 2(e).

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

f) Financial Assets - continued

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.

g) Non-Financial Assets

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

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

<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.

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.

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.

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.

Short-term borrowings are comprised of bank indebtedness and short-term loans with initial maturities of one year or less and are incurred for the purpose of financing current expenses in accordance with the provisions of *The Education Act, 1995*.

Provincial Grant Overpayment represents government transfers (grants) advanced to the school division in excess of the determined entitlement and which are repayable to the provincial government.

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 accounts payables 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.

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

h) Liabilities - continued

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 expenses 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 pro-rated on service and management's best estimate of expected discount rate, inflation, salary escalation, termination and retirement rates, and mortality. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups. Actuarial valuations are performed periodically. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year.

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

Deferred revenue 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) 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.

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 major sources of revenues include the following:

i) Government Transfers (Grants):

Grants from governments are considered to be government transfers. In accordance with the new 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. Eligibility criteria are criteria that the school division has to meet in order to receive the transfer. Stipulations describe how the school division must use the transfer or the actions it must perform in order to keep the transfer.

Government transfers with eligibility criteria but without stipulations are recognized as revenue when the transfer is authorized and all eligibility criteria have been met.

Government transfers with or without eligibility criteria but with stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the stipulations give rise to a liability. Restricted transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfer with stipulations, revenue is recognized in the statement of 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 and agreed to by the board of education, although separate school divisions continue to have a legislative right to set their own mill rates. 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.

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

h) Liabilities - continued

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.

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.

j) 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.

k) Measurement Uncertainty and the Use of Estimates

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

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

- i) the liability for employee future benefits of \$164,700 (2012 - \$142,900) because actual experience may differ significantly from actuarial estimations.
- ii) property taxation revenue of \$2,617,831 (2012 - \$2,540,352) because final tax assessments may differ from initial estimates.
- iii) uncollectible taxes of \$53,759 (2012 - \$32,373) 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 and assumptions are reviewed periodically and, as adjustments become necessary, they 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.

l) Statement of Remeasurement Gain and Losses

The school division has not presented a Statement of Remeasurement Gain or Losses because it does not have financial instruments that give rise to remeasurement gains or losses.

3. Short-Term Borrowings

Bank indebtedness consists of a demand operating line of credit with a maximum borrowing limit of \$750,000 that bears interest at RBC (Royal Bank of Canada) 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. The balance drawn on the line of credit at August 31, 2013 was NIL at an interest rate of RBC prime minus 1%.

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

4. Portfolio Investments

Portfolio 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.

	2013	2012
	Cost	Cost
Portfolio investments in the cost and amortized cost		
Guaranteed Investment Certificates (GICs)	2,545,206	2,293,313
Treasury Bills	4,161	4,142
Total portfolio investments reported at cost and	<u>2,549,367</u>	<u>2,297,455</u>

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.

Details of the employee future benefits are as follows:

<i>Assumptions:</i>	<u>2013</u>	<u>2012</u>
	Aug 31/13	Aug 31/12
Actuarial valuation (or extrapolation) date	Aug 31/13	Aug 31/12
Long-term assumptions used:		
Salary escalation rate - teachers	3.25%	3.25%
Salary escalation rate - non-teachers	3.25%	3.25%
Discount rate	3.50%	2.70%
Inflation	2.25%	2.25%
Expected average remaining service life (in years)	17	17
<i>Liability for Employee Future Benefits:</i>		
Accrued benefit obligation - September 1	193,000	138,100
Service cost	18,200	12,600
Interest cost	5,600	5,100
Expected benefit payments	(4,900)	(3,400)
Actuarial (gain)/loss	(20,200)	40,600
Plan amendments	-	-
Accrued benefit obligation - August 31	<u>191,700</u>	<u>193,000</u>
Unamortized actuarial (gain)/loss	(27,000)	(50,100)
Liability for Employee Future Benefits	<u>164,700</u>	<u>142,900</u>
<i>Employee Future Benefits Expense:</i>		
Current period benefit cost	18,200	12,600
Amortization of net actuarial gain/loss	2,900	500
Plan amendments	-	-
Benefit cost	<u>21,100</u>	<u>13,100</u>
Interest cost on unfunded employee future benefits obligation	5,600	5,100
Total Employee Future Benefits Expense	<u>26,700</u>	<u>18,200</u>

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.

Christ the Teacher Roman Catholic Separated School Division No. 212

Notes to the Financial Statements
for the year ended August 31, 2013

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

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

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

	2013			2012
	STRP	STSP	Total	Total
Number of active School Division members	158	9	167	183
Member contribution rate (% of salary)	7.8-10%	6.05 - 7.85%	6.05 - 10%	6.05 - 10%
Member contributions for the year	803,454	28,840	832,294	819,279

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.

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:

	2013	2012
Number of active School Division members	104	113
Member contribution rate (% of salary)	8.15%	7.40%
School Division contribution rate (% of salary)	8.15%	7.40%
Member contributions for the year	219,923	201,667
School Division contributions for the year	219,923	201,667
Actuarial valuation date	Dec 31/12	Dec 31/10
Plan assets (in \$000)	1,578,536	1,395,109
Plan liabilities (in \$000)	1,420,319	1,627,865
Plan surplus (deficit) (in \$000)	158,217	(232,756)

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:

	2013			2012		
	Gross	Allowance	Net	Gross	Allowance	Net
Taxes Receivable (Note 20)	630,093	53,759	576,334	922,146	32,373	889,773
Provincial Grant Receivable	15,810	-	15,810	234,016	-	234,016
Other Receivables	217,286	-	217,286	216,970	-	216,970
Total Accounts Receivable	863,189	53,759	809,430	1,373,132	32,373	1,340,759

8. Accounts Payable and Accrued Liabilities

Details of account payable and accrued liabilities are as follows:

	2013	2012
Accrued Salaries and Benefits	253,704	150,674
Supplier Payments	191,843	666,340
Other	366,436	14,383
Total Accounts Payable and Accrued Liabilities	811,983	831,397

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

9. Long-Term Debt Obligations

	<u>2013</u>	<u>2012</u>
<i>Capital loans payable:</i>		
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	164,648	213,241
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
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	76,609	94,678
<i>Capital leases:</i>		
Lessor: Royal Bank of Canada		
Purposes: to lease photocopiers		
Minimum net lease payments: \$2,357 quarterly		
Inherent interest rate: 5.60%		
Expiry date: December 2013	2,326	11,333
Lessor: Royal Bank of Canada		
Purposes: to lease photocopiers		
Minimum net lease payments: \$2,830 quarterly		
Inherent interest rate: 3.12%		
Expiry date: December 2016	34,895	44,959
Lessor: Xerox Canada		
Purposes: to lease photocopiers		
Minimum net lease payments: \$911 quarterly		
Inherent interest rate: 4.25%		
Expiry date: July 2014	3,553	6,968
Lessor: Concentra Financial		
Purposes: to lease photocopiers		
Minimum net lease payments: \$4,954 quarterly		
Inherent interest rate: 5.00%		
Expiry date: December 2011	-	-
All of the above leases have a term of 5 years		
	<u>282,031</u>	<u>664,475</u>

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

	<u>Capital loans</u>	<u>Capital leases</u>	<u>Total</u>
2014	70,222	16,252	86,474
2015	73,971	10,692	84,663
2016	80,340	11,021	91,361
2017	16,724	2,809	19,533
	<u>241,257</u>	<u>40,774</u>	<u>282,031</u>

Christ the Teacher Roman Catholic Separated School Division No. 212

Notes to the Financial Statements
for the year ended August 31, 2013

9. Long-Term Debt Obligations - continued

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

	2013			2012
	Capital loans	Capital leases	Total	
Principal	359,958	22,486	382,444	656,662
Interest	19,622	1,903	21,525	52,992
Total	379,580	24,389	403,969	709,654

10. Deferred Revenue

Details of deferred revenues are as follows:

	Balance as at Aug 31 2012	Additions during the year	Revenue recognized in the year	Balance as at Aug 31 2013
Other deferred revenue:				
After-school activity program	2,388	-	-	2,388
Cognitive Disability Consultant program	22,956	101,990	(124,946)	-
Ministry of Education Environment grant	26,599	-	(26,599)	-
Ministry of Social Services - Services to Teen Parents	28,928	62,068	(90,996)	-
Regional Intersectoral Community Coordinator program	105,612	105,734	(211,346)	-
Technology funds	24,086	-	(24,086)	-
Property Taxation (Note 20)	479,000	243,738	-	722,738
SCSBA 2013 Fall Conference	-	1,965	-	1,965
School Fees - Sacred Heart High School	-	29,284	-	29,284
Other	19,470	5,852	(16,020)	9,302
Total other deferred revenue	709,039	550,631	(493,993)	765,677
Total Deferred Revenue	709,039	550,631	(493,993)	765,677

There are no deferred revenues relating to capital projects.

11. Expenses by Function and Economic Classification

<u>Function</u>	<u>Salaries & Benefits</u>	<u>Goods & Services</u>	<u>Debt Service</u>	<u>Amortization of TCA</u>	<u>2013 Budget</u>	<u>2013 Actual</u>	<u>Restated 2012 Actual</u> (Note 20)
Governance	43,021	139,980	-	-	234,125	183,001	187,974
Administration	322,034	140,478	-	15,232	448,461	477,744	499,703
Instruction	12,777,770	908,779	-	275,639	14,300,981	13,962,188	13,606,041
Plant	559,497	1,434,642	-	448,137	2,091,316	2,442,276	2,503,377
Transportation	-	291,286	-	-	298,092	291,286	290,759
Tuition and Related Fees	-	-	-	-	5,500	-	96,264
School Generated Funds	-	623,598	-	6,040	540,000	629,638	601,719
Complementary Services	459,893	88,215	-	3,320	322,175	551,428	506,549
External Services	-	-	-	-	-	-	30,538
Other	-	615	21,525	-	40,738	22,140	53,961
Total	14,162,215	3,627,593	21,525	748,368	18,281,388	18,559,701	18,376,885

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

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, 2013:

	<u>Pre- Kindergarten</u>	<u>Cognitive Disability Consultant</u>	<u>Regional Intersectoral Community Coordinator</u>	<u>Services to Teen Parents</u>	<u>2013 Total</u>	<u>2012 Total</u>
Revenue:						
Operating Grants	264,729	124,946	211,346	90,997	692,018	521,527
Total Revenue	264,729	124,946	211,346	90,997	692,018	521,527
Expenses:						
Salaries, benefits, and program contracts	246,726	76,757	82,883	53,527	459,893	420,109
Instructional aids	7,031	697	24,576	1,214	33,518	32,856
Supplies and services	-	-	3,935	-	3,935	15,494
Non-capital equipment	75	261	812	43	1,191	5,894
Building operating expenses	-	1,829	3,658	-	5,487	914
Communications	-	711	2,979	360	4,050	3,386
Travel	-	12,169	13,505	300	25,974	17,759
Professional development (non-salary)	-	2,114	1,218	-	3,332	4,881
Student-related expenses	943	-	2,000	-	2,943	920
Contracted transportation and allowances	7,244	-	-	-	7,244	1,577
Amortization of tangible capital assets	2,169	687	464	-	3,320	2,759
Transportation	541	-	-	-	541	-
Total Expenses	264,729	95,225	136,030	55,444	551,428	506,549
Excess of Revenue over Expenses	-	29,721	75,316	35,553	140,590	14,978

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.

13. Accumulated Surplus

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

Accumulated surplus is comprised of the following two amounts:

- i) Accumulated surplus (deficit) from operations; which represents the accumulated balance of net surplus arising from the operations of the school division and school generated funds as detailed in the table below; and
- ii) Accumulated rereasurement gains and losses, which represents the unrealized gains and losses associated with foreign exchange and changes in value for financial instruments recorded at fair value.

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.

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

13. Accumulated Surplus - continued

Details of accumulated surplus are as follows:

	August 31 2012	Additions during the year	Reductions during the year	August 31 2013
Invested in Tangible Capital Assets:				
Net book value of tangible capital assets	17,562,784	-	472,093	17,090,691
Less: Debt owing on tangible capital assets	664,475	-	382,444	282,031
	<u>16,898,309</u>	<u>-</u>	<u>89,649</u>	<u>16,808,660</u>
PMR maintenance project allocations (1)	<u>-</u>	<u>156,360</u>	<u>38,269</u>	<u>118,091</u>
Internally Restricted Surplus:				
Other				
School-generated funds	390,981	-	16,124	374,857
School decentralized budget carryovers	100,914	38,805	-	139,719
Catholic distinctiveness	100,000	-	3,537	96,463
Technology	350,000	159,400	150,284	359,116
Academic equipment replacement	65,000	-	7,446	57,554
Division office software upgrades	30,000	25,000	-	55,000
Maintenance	1,575,000	-	248,650	1,326,350
Vehicle replacements	200,000	-	-	200,000
Legal	50,000	-	-	50,000
FNME achievement fund	12,000	-	1,569	10,431
Investing in Teachers Initiative	-	300,000	-	300,000
Professional Development (LEADS Members) Carryover	-	8,447	-	8,447
School Community Councils - Matching Grant Carryover	-	15,000	-	15,000
Central Textbooks	-	62,626	-	62,626
	<u>2,873,895</u>	<u>609,278</u>	<u>427,610</u>	<u>3,055,563</u>
Unrestricted Surplus	<u>1,045,900</u>	<u>232,889</u>	<u>-</u>	<u>1,278,789</u>
Total Accumulated Surplus	<u>20,818,104</u>	<u>998,527</u>	<u>555,528</u>	<u>21,261,103</u>

(1) PMR maintenance project allocations represent transfers received from the Ministry of Education as funding support for maintenance projects on the school divisions' approved three year capital maintenance plans. Unspent funds at the end of a fiscal year are designated for future approved capital plan maintenance project expenditures.

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.

Catholic Distinctiveness represents resources allocated to support faith development 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 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.

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.

Investing in Teachers Initiative represents a program approved by the Board to support the continued professional development of teachers in the school division.

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Notes to the Financial Statements
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13. Accumulated Surplus - continued

The Professional Development (LEADS Members) carryover represents unused professional development funds that may be carried over to future years as per employment contracts.

The School Community Council Matching Grant Carryover allows each school community council to carryover unused matching grants for one school year.

Central Textbooks represents the carryover of unused budget funds from the 2012/13 fiscal year.

Preventative Maintenance and Renewal (PMR) Funding represents unused Ministry grant monies specifically earmarked for the preventative maintenance and renewal initiative.

14. Budget

Budget figures included in the financial statements have been derived from the budget approved by the Board of Education on June 11, 2012 and the Minister of Education on August 10, 2012.

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.

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.

	<u>2013</u>	<u>2012</u>
Revenues:		
Ministry of Education	15,063,407	14,877,850
Expenses:		
Good Spirit S. D. No. 204	2,117	166,389
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	1,040	2,760
Minister of Finance	25,661	-
North East S. D. No. 200	500	-
St. Paul's R.C.S.S.D. No 20	8,000	1,000
Saskatchewan Energy Corporation	208,775	171,431
Saskatchewan Power Corporation	215,692	220,442
Saskatchewan Government Insurance	7,353	7,693
Saskatchewan Telecommunications	31,019	31,799
Saskatchewan Western Development Museum	81	-
Saskatchewan Workers' Compensation Board	31,840	33,640
Parkland Regional College	2,329	710
Sunrise Health Region	67,379	72,189
	<u>601,786</u>	<u>710,573</u>
Accounts Receivable:		
Ministry of Education	3,469	234,016
Ministry of Advanced Education, Employment and Immigration	9,427	-
Saskatchewan Government Insurance	2,914	-
Other school divisions	96,781	85,018
	<u>112,591</u>	<u>319,034</u>
Prepaid Expenses:		
Saskatchewan Workers' Compensation Board	11,020	11,261
	<u>11,020</u>	<u>11,261</u>
Provincial Grant Overpayment:		
Ministry of Education	-	46,203
	<u>-</u>	<u>46,203</u>

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

15. Related Parties - continued**Related Party Transactions - continued**

	<u>2013</u>	<u>2012</u>
Accounts Payable and Accrued Liabilities:		
Good Spirit S. D. No. 204	115,127	152,832
Minister of Finance	7,975	-
Saskatchewan Energy Corporation	5,783	1,596
Saskatchewan Telecommunications	2,039	2,293
Sunrise Health Region	-	138
	<u>130,924</u>	<u>156,859</u>
Deferred Revenue:		
Ministry of Education	-	156,297
	<u>-</u>	<u>156,297</u>

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.

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 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 scholarships. The trust assets and transactions are not included in the financial statements. The prior year financial statements have been restated - see Note 20.

Information about these trusts is as follows:

	<u>Gulak Memorial Donation</u>		<u>Scholarships</u>		<u>Total</u>	<u>Total</u>
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cash and Cash Equivalents	210,914	206,773	75,458	72,074	286,372	278,847
Total Assets	<u>210,914</u>	<u>206,773</u>	<u>75,458</u>	<u>72,074</u>	<u>286,372</u>	<u>278,847</u>
Deferred Revenue	-	-	-	3,952	-	3,952
Revenues						
Contributions and donations	-	205,195	11,052	30,000	11,052	235,195
Interest on investments	4,141	1,578	1,884	810	6,025	2,388
	<u>4,141</u>	<u>206,773</u>	<u>12,936</u>	<u>30,810</u>	<u>17,077</u>	<u>237,583</u>
Expenses						
Scholarships	-	-	5,600	15,550	5,600	15,550
	<u>-</u>	<u>-</u>	<u>5,600</u>	<u>15,550</u>	<u>5,600</u>	<u>15,550</u>
Excess of Revenue over Expenses	4,141	206,773	7,336	15,260	11,477	222,033
Trust Fund Balance, Beginning of Year	206,773	-	68,122	52,862	274,895	52,862
Trust Fund Balance, End of Year	<u>210,914</u>	<u>206,773</u>	<u>75,458</u>	<u>68,122</u>	<u>286,372</u>	<u>274,895</u>

17. Contractual Obligations and Commitments

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

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. With the new education funding formula, no tuition fees are paid with respect to this agreement.

Other minor contracts of the School Division include a contract with Sunrise Regional Health Authority for therapy services, expiring August 31, 2014 and snow removal contracts.

Christ the Teacher Roman Catholic Separated School Division No. 212
Notes to the Financial Statements
for the year ended August 31, 2013

17. Contractual Obligations and Commitments - continued

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

Future Minimum Lease Payments:

	<u>Copier leases</u>
2014	17,318
2015	11,318
2016	11,318
2017	<u>2,830</u>
	<u>42,784</u>
Interest and Executory Costs	<u>2,010</u>
Total Lease Obligations	<u><u>40,774</u></u>

18. Accounting Changes

The school division adopted the following new/revised Public Sector Accounting (PSA) Standards in 2013:

PS1201 Financial Statement Presentation

The school division adopted the new PS1201 Financial Statement Presentation standard in 2013. PS1201 establishes general reporting principles and standards for the disclosure of information in financial statements, and introduces a new Statement of Remeasurement Gains and Losses which reports unrealized gains and losses associated with foreign exchange and changes in value for financial instruments recorded at fair value, and accounts for amounts reclassified to the statement of operations upon derecognition or settlement. This standard is applicable to the fiscal year in which the new PS2601 Foreign Currency Translation and PS3450 Financial Instruments standards are adopted. These standards are adopted on a prospective basis, without restatement of prior period comparative amounts and accordingly, no 2012 comparatives have been provided in the new Statement of Remeasurement Gains and Losses. Implementation of PS1201, PS2601 and PS3450 required the school division to remeasure its financial instruments at September 1, 2012 and to recognize the accumulated remeasurement gains and losses in the opening balance in the Statement of Remeasurement Gains and Losses.

The adoption of the new PS1201 standard has not impacted the school division's financial statement as the school division had no remeasurement gains or losses to report in 2013.

PS2601 Foreign Currency Translation

The school division adopted the revised PS2601 Foreign Currency Translation standard in 2013. This revised standard establishes standards on how to account for and report transactions that are denominated in a foreign currency, and replaces the previous PS2600 Foreign Currency Translation. The revised PS2601 standard must be implemented in the same fiscal year as the new PS3450 Financial Instruments standard is adopted, and is adopted on a prospective basis, without restatement of prior period comparative amounts. Accordingly, the 2012 comparative amounts were not restated and have been presented in these financial statements in accordance with the accounting policies applied by the school division immediately preceding its adoption of the revised standard.

The adoption of the revised PS2601 standard has not resulted in any changes to the measurement and recognition of foreign currency transactions or balances by the school division.

PS3041 Portfolio Investments

The school division adopted the new PS3041 Portfolio Investments standard in 2013. This new standard establishes standards on how to account for and report portfolio investment, and replaces the previous PS3030 Temporary Investments and PS3040 Portfolio Investments standards and is applicable to the fiscal year in which the PS2601 Foreign Currency Translation and PS3450 Financial Instruments standards are adopted. The PS3041 standard refers to PS3450 for recognition and measurement of investments and is adopted on a prospective basis, without restatement of prior period comparative amounts. Accordingly, the 2012 comparative amounts were not restated and have been presented in these financial statements in accordance with the accounting policies applied by the school division immediately preceding its adoption of the revised standard.

The adoption of the new PS3041 standard has not resulted in any changes to the measurement and recognition of portfolio investments by the school division.

PS3450 Financial Instruments

The school division adopted the new PS3450 Financial Instruments standard in 2013. This new standard provides guidance for the recognition, measurement and disclosure of financial instruments. The new PS3450 Financial Instruments standard is adopted on a prospective basis, without restatement of prior period comparative amounts. In accordance with the transition provisions provided in PS3450:

- (a) the recognition, derecognition and measurement policies for financial instruments followed by the school division in financial statements for periods prior to 2013 are not reversed and, therefore, the financial statements of prior periods, including 2012 comparative amounts, have not been restated.

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Notes to the Financial Statements
for the year ended August 31, 2013

18. Accounting Changes - continued

PS3450 Financial Instruments - continued

- (b) at the beginning of the 2012-13 fiscal year, the school division:
 - (i) recognized all financial assets and financial liabilities on its statement of financial position and classified items in accordance with PS3450 standards;
 - (ii) applied the criteria in PS3450 in indentifying those financial assets and financial liabilities to be measured at fair value; and
 - (iii) remeasured assets and liabilities as appropriate, and recognized the adjustment to September 1, 2012 amounts as an adjustment to the accumulated remeasurement gains and losses at the beginning of the 2012-13 fiscal year.
- (c) no adjustments to carrying values were made to retroactively expense transaction costs applicable to items in the fair value category.
- (d) the school division established an accounting policy for the identification of embedded derivatives in contracts entered into by it. The school division's policy, and its application, recognizes as separate assets and liabilities those embedded derivatives required to be reported in accordance with provisions of PS3450 on either a retroactive or prospective basis. The adoption of this policy has not impacted the school division's 2013 financial statements as the school division did not have any derivative contracts.

The adoption of the new PS3450 standard has not resulted in any changes to the measurement and recognition of the school division's financial instruments other than additional disclosures which include the school division's risk management practices.

PS3410 Government Transfers

The school division adopted the revised PS3410 Government Transfers standard in 2013. This revised standard establishes how to account for and report government transfers (grants), with the most significant impact to the school division pertaining to the criteria for recognition of revenue for the government transfers it receives. The revised standard allows for either prospective or retroactive implementation. The school division has elected to apply the requirements of the revised standard on a prospective basis. Accordingly, the adoption of this revised standard did not have an impact on the school division's comparative figures but did require additional disclosures in the notes.

Previously, government transfers (grants) that restricted how those resources were to be used were deferred and recognized in revenue as the related expenses were incurred. The adoption of the new PS3410 required that the school division assess government transfers (grants) received to determine if they meet the requirement for deferral as a liability, in accordance with the new standard. The impact to the school division resulting from the adoption of the new PS3410 standard is that previous deferred revenue of \$184,095 has been recognized in the current fiscal year.

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).

i) 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 the provincial government, federal government and their agencies are considered to be minimal. Management reviews accounts receivable on a individual basis to determine if a valuation allowance is necessary to reflect any impairment in collectability.

	August 31, 2013		August 31, 2012	
	Accounts Receivable	Allowance of Doubtful Accounts	Accounts Receivable	Allowance of Doubtful Accounts
Current				
0-60 days	142,859	-	439,662	-
60-90 days	992	-	-	-
Over 90 Days	89,245	-	11,324	-
Total	233,096	-	450,986	-

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 monitoring budgets and maintaining adequate cash balances for the current and future cash requirements of its accounts payable and accrued liabilities and long term debt repayments.

	August 31, 2013		
	Within 6 Months	6 Months to 1 Year	1 to 4 Years
Accounts payable and accrued liabilities	811,983	-	-
Long term debt	50,350	36,124	195,557
	862,333	36,124	195,557

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Notes to the Financial Statements
for the year ended August 31, 2013

19. Risk Management - continued**iii) Market Risk**

The school division is exposed to market risks with respect to interest rates. The school division is not exposed to foreign exchange risk.

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 portfolio investments. The school division also has an authorized bank line of credit of \$750,000 with interest payable at a prime minus one rate. Changes in the bank's prime lending rate can cause fluctuation in interest payments and cash flows. The balance outstanding at August 31, 2013 was \$Nil (2012 - \$Nil). The school division minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency
- investing in GIC's and term deposits for short terms at fixed interest rates
- 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

20. Correction of an Error in Prior Periods

Subsequent to the year ended August 31, 2012, the school division identified an error in the recording of their (1) Trusts (see Note 16) and their (2) Deferred Revenue for Property Taxation (see Note 10). Due to these errors, the school division's prior period comparative amounts have been restated from those previously reported. The correction of these errors has impacted the school division's financial statements as follows:

	<u>Recorded Previously</u>	<u>Property Tax Error</u>	<u>Trust Error</u>	<u>Restated Amount</u>
Financial Assets				
Cash and Cash Equivalents	2,189,676	-	(278,847)	1,910,829
Accounts Receivable	861,759	479,000	-	1,340,759
Liabilities				
Deferred Revenue	233,991	479,000	(3,952)	709,039
Accumulated Surplus	21,092,999	-	(274,895)	20,818,104
Accumulated Surplus, Beginning of Year	20,582,116	-	(52,862)	20,529,254
Revenues				
Other	353,014	-	(237,583)	115,431
Expenses				
Instruction	13,621,591	-	(15,550)	13,606,041

(1) Trust Error - in the prior year, the school division incorrectly recorded the contributions to the trust as revenues and the scholarships paid out as expenses. The financial statements for the prior year have been restated to correct this.

(2) Property Tax Error - in the prior year, the school division did not estimate the cash collections for property taxes collected prior to year end for the future periods after year end (September to December). The financial statements for the prior year have been restated to correct this.

21. Comparative Information

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