



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, 2011

Wilfred Hotsko
Secretary-Treasurer

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.

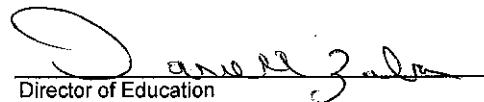
The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained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

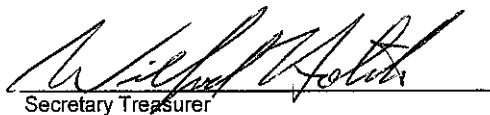
The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible 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, 2011, 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, 2011 and the results of operations and accumulated surplus and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Yorkton, Saskatchewan
December 21, 2011

PARKERQUINE LLP

Per: *Mandy P... CA*

Christ the Teacher R.C.S.S.D. No. 212
Statement of Financial Position
as at August 31, 2011

	2011	2010
Financial Assets		
Cash and Cash Equivalents	2,400,570	4,385,449
Short-Term Investments (Note 4)	2,021,742	22,216
Accounts Receivable (Note 7)	672,108	1,109,003
Total Financial Assets	5,094,420	5,516,668
Liabilities		
Provincial Grant Overpayment	-	120,819
Accounts Payable and Accrued Liabilities (Note 8)	969,648	507,140
Long-Term Debt (Note 9)	1,268,429	1,881,982
Liability for Employee Future Benefits (Note 5)	128,100	111,300
Deferred Revenue (Note 10)	219,925	191,644
Total Liabilities	2,586,102	2,812,885
Net Financial Assets (Net Debt)	2,508,318	2,703,783
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	17,957,396	18,217,334
Prepaid Expenses	116,402	138,493
Total Non-Financial Assets	18,073,798	18,355,827
Accumulated Surplus (Deficit) (Note 13)	20,582,116	21,059,610

Contractual Obligations and Commitments (Note 16)

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

Approved by the Board:



Chairperson



Secretary-Treasurer

Christ the Teacher R.C.S.S.D. No. 212
Statement of Operations and Accumulated Surplus (Deficit)
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
REVENUES	(Note 14)		
Property Taxation	2,762,802	2,598,507	2,724,834
Grants	13,164,000	13,148,122	13,106,121
Tuition and Related Fees	45,000	40,297	36,846
School-Generated Funds	540,000	663,761	571,542
Complementary Services (Note 12)	12,510	507,180	430,617
Other	49,400	151,307	377,222
Total Revenues (Schedule A)	16,573,712	17,109,174	17,247,182
EXPENSES			
Governance	210,470	201,307	190,778
Administration	432,010	455,859	439,055
Instruction	13,359,301	12,955,443	12,299,296
Plant	2,361,827	2,408,975	1,844,062
Transportation	304,680	294,428	270,048
Tuition and Related Fees	16,000	75,300	91,335
School-Generated Funds	540,000	614,350	501,158
Complementary Services (Note 12)	-	494,370	420,108
Other Expenses	98,575	86,636	129,733
Total Expenses (Schedule B)	17,322,863	17,586,668	16,185,573
Surplus (Deficit) for the Year	(749,151)	(477,494)	1,061,609
Accumulated Surplus (Deficit), Beginning of Year	21,059,610	21,059,610	19,998,001
Accumulated Surplus (Deficit), End of Year	20,310,459	20,582,116	21,059,610

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, 2011

	2011 Budget	2011 Actual	2010 Actual
	(Note 15)		
Net Financial Assets (Net Debt), Beginning of Year	2,703,783	2,703,783	1,127,035
Changes During the Year:			
Surplus (Deficit) for the Year	(749,151)	(477,494)	1,061,609
Acquisition of Tangible Capital Assets (Schedule C)	(485,600)	(549,654)	(326,694)
Net Loss (Gain) on Disposal of Capital Assets (Schedule C)	-	-	11,465
Amortization of Tangible Capital Assets (Schedule C)	742,705	809,592	737,065
Net Acquisition of Prepaid Expenses	-	22,091	93,303
Change in Net Financial Assets / Net Debt	(492,046)	(195,465)	1,576,748
Net Financial Assets (Net Debt), End of Year	2,211,737	2,508,318	2,703,783

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, 2011

	2011	2010
OPERATING ACTIVITIES		
Surplus (Deficit) for the Year	(477,494)	1,061,609
Add (Deduct) Non-Cash Items Included in Surplus / Deficit (Schedule D)	809,592	748,530
Net Change in Non-Cash Operating Activities (Schedule E)	845,756	(329,347)
Cash Provided (Used) by Operating Activities	1,177,854	1,480,792
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(549,654)	(326,694)
Cash Provided (Used) by Capital Activities	(549,654)	(326,694)
INVESTING ACTIVITIES		
Cash Used to Acquire Investments	(2,000,026)	-
Proceeds on Disposal of Investments	500	244
Cash Provided (Used) by Investing Activities	(1,999,526)	244
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	-	16,552
Repayment of Long-Term Debt	(613,553)	(582,742)
Cash Provided (Used) by Financing Activities	(613,553)	(566,190)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,984,879)	588,152
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,385,449	3,797,297
CASH AND CASH EQUIVALENTS, END OF YEAR	2,400,570	4,385,449
REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash and Cash Equivalents	2,400,570	4,385,449
CASH AND CASH EQUIVALENTS, END OF YEAR	2,400,570	4,385,449

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, 2011

	2011 Budget	2011 Actual	2010 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	2,697,192	2,508,363	2,637,752
Revenue from Supplemental Levies	-	14,270	13,047
Total Property Tax Revenue	2,697,192	2,522,633	2,650,799
Grants in Lieu of Taxes:			
Federal Government	20,673	23,676	24,750
Provincial Government	69,451	69,688	83,209
Other	3,934	4,488	4,664
Total Grants in Lieu of Taxes	94,058	97,852	112,623
Other Tax Revenues:			
House Trailer Fees	-	1,651	1,115
Total Other Tax Revenues	-	1,651	1,115
Additions to Levy:			
Penalties	22,000	15,189	18,661
Total Additions to Levy	22,000	15,189	18,661
Deletions from Levy:			
Discounts	(50,448)	(33,907)	(36,559)
Cancellations	-	(4,911)	(21,805)
Total Deletions from Levy	(50,448)	(38,818)	(58,364)
Total Property Taxation Revenue	2,762,802	2,598,507	2,724,834
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	12,917,000	12,798,019	12,770,974
Other Ministry Grants	107,000	79,076	6,198
Total Ministry Grants	13,024,000	12,877,095	12,777,172
Other Provincial Grants	140,000	205,368	246,543
Grants from Others	-	33,672	37,984
Total Operating Grants	13,164,000	13,116,135	13,061,699
Capital Grants			
Ministry of Education Capital Grants	-	31,987	44,422
Total Capital Grants	-	31,987	44,422
Total Grants	13,164,000	13,148,122	13,106,121

Christ the Teacher R.C.S.S.D. No. 212
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
School Boards	13,000	26,273	13,536
Individuals and Other	32,000	14,024	23,310
Total Tuition and Related Fees Revenue	45,000	40,297	36,846
School-Generated Funds Revenue			
Curricular Fees:			
Student Fees	10,000	-	-
Other	1,000	-	-
Total Curricular Fees	11,000	-	-
Non-Curricular Fees:			
Commercial Sales - GST	-	-	-
Commercial Sales - Non-GST	20,000	77,860	28,827
Fundraising	250,000	251,843	260,004
Grants and Partnerships	34,000	22,991	20,921
Students Fees	165,000	126,201	168,738
Other	60,000	184,866	93,052
Total Non-Curricular Fees	529,000	663,761	571,542
Total School-Generated Funds Revenue	540,000	663,761	571,542
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	-	202,447	177,378
Other Provincial Grants	12,510	304,733	253,239
Total Operating Grants	12,510	507,180	430,617
Total Complementary Services Revenue	12,510	507,180	430,617
Other Revenue			
Miscellaneous Revenue	15,900	61,916	337,239
Sales and Rentals	22,500	27,239	23,990
Investments	11,000	62,152	15,993
Total Other Revenue	49,400	151,307	377,222
TOTAL REVENUE FOR THE YEAR	16,573,712	17,109,174	17,247,182

Christ the Teacher R.C.S.S.D. No. 212
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Governance Expense			
Board Members Expense	70,220	62,556	67,247
Conventions - Board Members	70,000	63,868	49,287
School Community Councils	10,800	10,564	8,000
Elections	-	-	3,516
Other Governance Expenses	59,450	64,319	62,728
Total Governance Expense	210,470	201,307	190,778
Administration Expense			
Salaries	251,940	237,833	231,190
Benefits	36,995	35,333	33,361
Supplies & Services	38,965	43,905	46,662
Non-Capital Furniture & Equipment	10,300	12,229	13,385
Building Operating Expenses	27,525	74,829	28,709
Communications	47,500	34,670	66,334
Travel	2,010	869	2,164
Professional Development	2,700	1,681	2,481
Amortization of Tangible Capital Assets	14,075	14,510	14,769
Total Administration Expense	432,010	455,859	439,055
Instruction Expense			
Instructional (Teacher & LEADS Contract) Salaries	9,089,934	9,059,268	8,741,012
Instructional (Teacher & LEADS Contract) Benefits	442,445	456,329	463,315
Program Support (Non-Teacher Contract) Salaries	1,981,573	1,800,647	1,712,393
Program Support (Non-Teacher Contract) Benefits	324,900	274,896	248,521
Instructional Aids	745,550	589,804	392,785
Supplies & Services	158,412	160,332	161,702
Non-Capital Furniture & Equipment	68,941	95,831	99,403
Communications	30,081	24,604	22,685
Travel	56,750	59,911	56,054
Professional Development	119,140	104,278	121,075
Student Related Expense	88,075	81,780	89,663
Amortization of Tangible Capital Assets	253,500	247,763	190,688
Total Instruction Expense	13,359,301	12,955,443	12,299,296

Christ the Teacher R.C.S.S.D. No. 212
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Plant Operation & Maintenance Expense			
Salaries	374,980	379,915	345,203
Benefits	60,115	59,817	49,544
Supplies & Services	-	-	40,295
Non-Capital Furniture & Equipment	6,671	6,269	1,432
Building Operating Expenses	1,443,266	1,408,326	876,401
Communications	-	189	-
Travel	9,720	16,108	10,153
Professional Development	500	-	294
Amortization of Tangible Capital Assets	466,575	538,351	520,740
Total Plant Operation & Maintenance Expense	2,361,827	2,408,975	1,844,062
Student Transportation Expense			
Supplies & Services	16,400	14,220	10,838
Non-Capital Furniture & Equipment	8,000	8,170	10,017
Contracted Transportation	271,725	265,653	240,779
Amortization of Tangible Capital Assets	8,555	6,385	8,414
Total Student Transportation Expense	304,680	294,428	270,048
Tuition and Related Fees Expense			
Tuition Fees	16,000	75,300	91,335
Total Tuition and Related Fees Expense	16,000	75,300	91,335
School-Generated Funds Expense			
Supplies & Services	40,000	2,930	15,773
Cost of Sales	100,000	162,613	133,265
Non-Capital Furniture & Equipment	20,000	2,941	1,316
Special Programs	50,000	24,207	42,347
School Fund Expenses	330,000	421,659	308,457
Total School-Generated Funds Expense	540,000	614,350	501,158

Christ the Teacher R.C.S.S.D. No. 212
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Complementary Services Expense			
Instructional (Teacher & LEADS Contract) Salaries & Benefits	-	134,279	118,066
Program Support (Non-Teacher Contract) Salaries & Benefits	-	274,460	237,295
Instructional Aids	-	11,214	4,405
Supplies & Services	-	8,365	18,794
Non-Capital Furniture & Equipment	-	3,932	4,300
Communications	-	6,831	1,460
Travel	-	29,082	25,678
Professional Development (Non-Salary Costs)	-	17,566	7,004
Student Related Expenses	-	4,930	564
Contracted Transportation & Allowances	-	1,128	88
Amortization of Tangible Capital Assets	-	2,583	2,454
Total Complementary Services Expense	-	494,370	420,108
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	1,500	740	1,059
Interest on Other Capital Loans and Long Term Debt			
School Facilities	79,735	70,448	99,347
Other	17,340	15,448	17,862
Total Interest and Bank Charges	<u>98,575</u>	<u>86,636</u>	<u>118,268</u>
Loss on Disposal of Tangible Capital Assets	-	-	11,465
Total Other Expense	98,575	86,636	129,733
TOTAL EXPENSES FOR THE YEAR	17,322,863	17,586,668	16,185,573

Christ the Teacher R.C.S.S.D. No. 212
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2011

	Land	Land Improvements	Buildings	Buildings Short term	School Buses	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	Work-in-Progress	2011	2010
Tangible Capital Assets - at Cost:												
Opening Balance as of September 1	620,090	15,315	23,983,868	78,067	-	142,994	1,835,771	1,569,584	69,473	-	28,315,162	28,022,861
Additions/Purchases	-	-	40,402	1,545	-	17,907	40,249	447,949	1,602	-	549,654	326,694
Disposals	-	-	-	-	-	-	-	-	-	-	-	(34,393)
Closing Balance as of August 31	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
Tangible Capital Assets - Amortization:												
Opening Balance as of September 1	766	766	7,006,376	75,097	-	114,572	1,567,077	1,310,216	23,724	-	10,097,828	9,383,691
Amortization of the Period	766	766	524,274	406	-	15,183	75,751	181,455	11,757	-	809,592	737,065
Disposals	-	-	-	-	-	-	-	-	-	-	-	(22,928)
Closing Balance as of August 31	N/A	1,532	7,530,650	75,503	-	129,755	1,642,828	1,491,671	35,481	N/A	10,907,420	10,097,828
Net Book Value:												
Opening Balance as of September 1	620,090	14,549	16,977,492	2,970	-	28,422	268,694	259,368	45,749	-	18,217,334	18,639,170
Closing Balance as of August 31	620,090	13,783	16,493,620	4,109	-	31,146	233,192	525,862	35,594	-	17,957,396	18,217,334
Change in Net Book Value	-	(766)	(483,872)	1,139	-	2,724	(35,502)	266,494	(10,155)	-	(259,938)	(421,836)
Disposals:												
Historical Cost	-	-	-	-	-	-	-	-	-	-	-	34,393
Accumulated Amortization	-	-	-	-	-	-	-	-	-	-	-	22,928
Net Cost	-	-	-	-	-	-	-	-	-	-	-	11,465
Price of Sale	-	-	-	-	-	-	-	-	-	-	-	-
Gain/loss on Disposal	-	-	-	-	-	-	-	-	-	-	-	(11,465)
Net Book Value (NBV) of Assets Pledged as Security for Debt												
	-	-	-	-	-	-	-	-	-	-	-	-

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, 2011

	2011	2010
Non-Cash Items Included in Surplus / Deficit:		
Amortization of Tangible Capital Assets (Schedule C)	809,592	737,065
Net (Gain) Loss on Disposal of Tangible Capital Assets	-	11,465
Total Non-Cash Items Included in Surplus / Deficit	809,592	748,530

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, 2011

	2011	2010
Net Change in Non-Cash Operating Activities:		
Decrease (Increase) in Accounts Receivable	436,895	(17,955)
Increase (Decrease) in Provincial Grant Overpayment	(120,819)	(53,829)
Increase (Decrease) In Accounts Payable and Accrued Liabilities	462,508	(145,743)
Increase (Decrease) in Liability for Employee Future Benefits	16,800	(5,800)
Increase (Decrease) in Deferred Revenue	28,281	(199,323)
Decrease (Increase) in Prepaid Expenses	22,091	93,303
Total Net Change in Non-Cash Operating Activities	845,756	(329,347)

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

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. The School Division reporting entity is comprised of all the organizations which are controlled by the School Division and the School Division's share of partnerships.

Controlled entities:

Control is defined as the power to govern the financial and operating policies of another organization with the expected benefits or risk of loss to the School Division. Control exists so long as the School Division has the power to govern, regardless of whether the School Division chooses to exercise this power. The School Division does not have any controlled entities requiring consolidation.

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, 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.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

2. Significant Accounting Policies - continued

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.

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, school buses, 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.

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.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

2. Significant Accounting Policies - continued

f) Liabilities - continued

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 and other long-term debt 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.

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 estimate information provided by municipalities who levy and collect the property tax on behalf of the School Division. The final annual taxation amounts are reported to the division by each municipality following the conclusion of each calendar taxation year, and any difference between final amounts and the School Division's estimates is recorded as an adjustment to revenue in the next fiscal year.
- 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.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

2. Significant Accounting Policies - continued

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.

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 at the date of the financial statements, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

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

- i) the liability for employee future benefits of \$128,100 (2010 - \$111,300) because actual experience may differ significantly from actuarial estimations.
- ii) property taxation revenue of \$2,598,507 (2010 - \$2,724,834) because final tax assessments may differ from initial estimates.
- iii) uncollectible taxes of \$30,843 (2010 - \$33,016) because actual collectability may differ from initial estimates.
- iv) useful lives of capital assets and related amortization for because actual useful lives of these assets may differ from initial estimates.
- v) accrued salaries and benefits relating to the new collective bargaining agreement as further disclosed in note 17.

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 a 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, 2011 was NIL at an interest rate of RBC Royal Bank prime minus 1% (August 31, 2010 - 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.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

5. Accrued 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 gratuity, 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:

	2011	2010
<i>Assumptions:</i>		
Actuarial valuation date (extrapolated to August 31)	Jun 30/08	Jun 30/08
Long-term assumptions used:		
Salary escalation rate - teachers	3.30%	3.50%
Salary escalation rate - non-teachers - 2008 - 2010	4.20%	4.20%
Salary escalation rate - non-teachers - after 2010	3.30%	3.30%
Discount rate	3.40%	3.60%
Inflation	2.50%	n/a
Expected average remaining service life (in years)	18	18
<i>Liability for Employee Future Benefits:</i>		
Accrued benefit obligation - September 1	122,300	121,100
Service cost	15,800	29,500
Interest cost	4,700	5,300
Expected benefit payments	(4,300)	(40,400)
Actuarial (gain)/loss	(400)	6,800
Accrued benefit obligation - August 31	138,100	122,300
Unamortized actuarial (gain)/loss	(10,000)	(11,000)
Liability for Employee Future Benefits	128,100	111,300
<i>Employee Future Benefits Expense:</i>		
Current period benefit cost	15,800	29,500
Amortization of net actuarial gain/loss	600	200
Benefit cost	16,400	29,700
Interest cost on unfunded employee future benefits obligation	4,700	5,300
Total Employee Future Benefits Expense	21,100	35,000

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:

	2011			2010
	STRP	STSP	Total	Total
Number of active School Division members	151	14	165	171
Member contribution rate (% of salary)	7 - 9%	6.05 - 7.85%		6.05 - 9%
Member contributions for the year	\$613,355	\$39,548	\$652,903	\$643,867

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

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.

On December 31, 2009 an actuarial valuation was performed to assess the financial position of the plan and the adequacy of plan funding, and its results were extrapolated to December 31, 2010. 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:

	2011	2010
Number of active School Division members	97	87
Member contribution rate (% of salary)	6.4 - 7.4%	5.4 - 6.4%
School Division contribution rate (% of salary)	6.4 - 7.4%	5.4 - 6.4%
Member contributions for the year	174,774	139,071
School Division contributions for the year	174,774	139,071
Actuarial valuation date	Dec 31/09	Dec 31/08
Plan assets (in \$000)	1,399,241	1,284,959
Plan liabilities (in \$000)	1,381,094	1,233,841
Plan surplus (deficit) (in \$000)	18,147	51,118

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:

	2011			2010		
	Gross	Allowance	Net	Gross	Allowance	Net
Taxes Receivable	509,350	30,843	478,507	673,568	33,016	640,552
Provincial Grant Receivable	41,834	-	41,834	357,133	-	357,133
Other Receivables	151,767	-	151,767	111,318	-	111,318
Total Accounts Receivable	702,951	30,843	672,108	1,142,019	33,016	1,109,003

8. Accounts Payable and Accrued Liabilities

Details of account payable and accrued liabilities are as follows:

	2011	2010
Accrued Salaries and Benefits	421,293	179,404
Supplier Payments	535,142	215,062
Other	13,213	112,674
Total Accounts Payable and Accrued Liabilities	969,648	507,140

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

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

259,293 303,003

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

857,655 1,381,262

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

111,876 128,246

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

19,969 27,998

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 28,068

Lessor: Xerox Canada
 Purposes: to lease photocopiers
 Minimum net lease payments: \$911 quarterly
 Inherent interest rate: 4.25%
 Expiry date: July 2014

10,301 13,405

All of the above leases have a term of 5 years

1,268,429 1,881,982

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

	Capital loans	Capital leases	Total
2012	627,000	21,100	648,100
2013	353,800	12,400	366,200
2014	70,400	6,105	76,505
2015	74,100		74,100
2016	78,000		78,000
Thereafter	25,524		25,524
	<u>1,228,824</u>	<u>39,605</u>	<u>1,268,429</u>

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

9. Long-Term Debt Obligations - continued

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

	2011			Total 2010
	Capital loans	Capital leases	Total	
Principal	583,687	29,867	613,554	582,742
Interest	94,911	3,019	97,930	117,209
Total	678,598	32,886	711,484	699,951

10. Deferred Revenue

Details of deferred revenues are as follows:

	Balance as at Aug 31 2010	Additions during the year	Revenue recognized in the year	Balance as at Aug 31 2011
After-school activity program	-	17,968	(15,880)	2,088
Cognitive Disability Consultant program	19,393	98,818	(92,083)	26,128
Ministry of Education Environment grant	26,599	-	-	26,599
Ministry of Social Services - Services to Teen Parents	14,909	70,073	(64,319)	20,663
Regional Intersectoral Community Coordinator program	84,410	153,734	(148,331)	89,813
Technology funds	24,086	-	-	24,086
Work Placement Program	-	39,403	(30,100)	9,303
Other	22,247	28,559	(29,561)	21,245
Total Deferred Revenue	191,644	408,555	(380,274)	219,925

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	2011 Budget	2011 Actual	2010 Actual
Governance	50,326	150,981	-	-	210,470	201,307	190,778
Administration	273,166	168,183	-	14,510	432,010	455,859	439,055
Instruction	11,591,140	1,116,540	-	247,763	13,359,301	12,955,443	12,299,296
Plant	439,732	1,430,892	-	538,351	2,361,827	2,408,975	1,844,062
Transportation	-	288,043	-	6,385	304,680	294,428	270,048
Tuition and Related Fees	-	75,300	-	-	16,000	75,300	91,335
School-Generated Funds	-	614,350	-	-	540,000	614,350	501,158
Complementary Services	274,460	217,327	-	2,583	-	494,370	420,108
Other	-	-	86,636	-	98,575	86,636	129,733
Total	12,628,824	4,061,616	86,636	809,592	17,322,863	17,586,668	16,185,573

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

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, 2011:

	Pre- Kindergarten	Cognitive Disability Consultant	Regional Intersectoral Community Coordinator	Services to Teen Parents	2011 Total	2010 Total
Revenue:						
Operating Grants	202,447	92,083	148,331	64,319	507,180	430,617
Capital Grants	-	-	-	-	-	-
Fees and Other Revenue	-	-	-	-	-	-
Total Revenue	202,447	92,083	148,331	64,319	507,180	430,617
Expenses:						
Salaries, benefits, and program contracts	184,184	77,488	93,379	53,688	408,739	355,361
Instructional aids	5,493	87	139	5,495	11,214	4,405
Supplies and services	5,410	-	2,955	-	8,365	18,794
Non-capital equipment	3,868	-	64	-	3,932	4,300
Communications	-	-	6,390	441	6,831	1,460
Travel	-	9,135	19,252	695	29,082	25,678
Professional development (non-salary)	-	788	16,778	-	17,566	7,004
Student-related expenses	195	-	4,735	-	4,930	564
Amortization of tangible capital assets	2,169	-	414	-	2,583	2,454
Transportation	1,128	-	-	-	1,128	88
Total Expenses	202,447	87,498	144,106	60,319	494,370	420,108
Excess (Deficiency) of Revenue over Expenses	-	4,585	4,225	4,000	12,810	10,509

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 development 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, 2011

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.

Certain amounts of the accumulated surplus, as approved by the Board of Education, have been designated for specific future purposes. These internally-restricted amounts are included in 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:

	2011	2010
Invested in Tangible Capital Assets:		
Net book value of tangible capital assets	17,957,396	18,217,334
Less: Debt owing on tangible capital assets	1,268,429	1,881,982
	<u>16,688,967</u>	<u>16,335,352</u>
Internally Restricted Surplus:		
School-generated funds	365,711	317,480
School budget carryovers	102,532	111,502
Scholarship funds	52,862	52,742
	<u>521,105</u>	<u>481,724</u>
Unrestricted Surplus	<u>3,372,044</u>	<u>4,242,534</u>
Total Accumulated Surplus	<u>20,582,116</u>	<u>21,059,610</u>

14. Budget

Budget figures included in the financial statements have been derived from the budget approved by the Board of Education on June 22, 2010 and the Minister of Education on August 31, 2010.

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.

(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.

	2011	2010
Revenues:		
Ministry of Education	13,233,055	13,076,126
	<u>13,233,055</u>	<u>13,076,126</u>

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

15. Related Parties - continued**(a) Related Party Transactions - continued****Expenses:**

Good Spirit S. D. No. 204	228,627	64,369
Saskatchewan Energy Corporation	213,465	177,717
Saskatchewan Power Corporation	225,604	218,720
Saskatchewan Government Insurance	6,590	6,138
Saskatchewan Telecommunications	31,562	30,045
Saskatchewan Workers' Compensation Board	35,291	22,055
Parkland Regional College	515	3,460
Sunrise Health Region	71,185	70,125
	<u>812,839</u>	<u>592,629</u>

Accounts Receivable:

Ministry of Education	41,809	336,669
Ministry of Advanced Education, Employment and Immigration	25	20,464
Other school divisions	51,133	25,717
	<u>92,967</u>	<u>382,850</u>

Prepaid Expenses:

Saskatchewan Workers' Compensation Board	10,943	6,814
	<u>10,943</u>	<u>6,814</u>

Provincial Grant Overpayment:

Ministry of Education	-	120,819
	<u>-</u>	<u>120,819</u>

Accounts Payable and Accrued Liabilities:

Good Spirit S. D. No. 204	45,404	8,629
Saskatchewan Energy Corporation	2,147	1,290
Saskatchewan Telecommunications	2,284	2,425
	<u>49,835</u>	<u>12,344</u>

Deferred Revenue:

Ministry of Education	140,497	135,925
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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.

(b) Ministry of Education Capital Transfers:

The Ministry of Education has approved \$320,652 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, 2011	320,652
Less: Revenue reported in financial statements	31,987
Unrecorded balance of approved capital transfers	<u><u>288,665</u></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 (earlier adoption is encouraged), and may affect the future accounting treatment for these capital transfers to school divisions.

Christ the Teacher R.C.S.S.D. No. 212
Notes to the Financial Statements
for the year ended August 31, 2011

16. 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 \$366,000 for roof repairs at 4 schools. The construction is expected to be completed in the 2012 fiscal year.

The School Division has entered into an agreement with FirstCanada ULC for the provision of student transportation services in the cities of Yorkton and Melville. The costs payable to the third party are defined on a per trip basis and are subject to a 4% increase annually. The agreement is in effect until June 30, 2016, with either party having the option to terminate the agreement on June 30th of any of the years covered under the contract.

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, 2012 and snow removal contracts.

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

	Copier leases	
	Operating leases	Capital leases
Future Minimum Lease Payments:		
2012	934.00	22,474.00
2013	-	13,071.00
2014	-	5,999.00
	934.00	41,544.00
Interest and Executory Costs	-	1,939.00
Total Lease Obligations	934.00	39,605.00

17. Subsequent events

The Saskatchewan Teachers' Provincial Collective Bargaining Agreement expired on August 31, 2010. The Saskatchewan Teachers' Federation (STF) and the Government Trustee Bargaining Committee (GTBC) reached a new collective agreement which was ratified on October 4, 2011 and covers the period September 1, 2010 to August 31, 2013. The new agreement provides for retroactive wage increases for teachers of the school division for the period September 1, 2010 to August 31, 2011 with an estimated cost of \$283,012 which was recorded as an expense in the 2010-11 financial statements. The agreement provides for further wage increases in 2011-12 and 2012-13.

The Ministry of Education tax reconciliation for December 31, 2010 was received on November 8, 2010. The reconciliation shows an amount of \$92,827 which will be recorded as revenue, once authorized, in the 2011-12 financial statements.

18. Comparative figures

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