
ILE-A-LA CROSSE SCHOOL DIVISION NO. 112

CONSOLIDATED FINANCIAL STATEMENTS

AUGUST 31, 2011

MENSSA BAERT CAMERON ODISHAW
CHARTERED ACCOUNTANTS



Ministry of
Education

Auditor's Report and Financial Statement

Of the Ile-a-la Crosse School division NO. 112
School Division No. 6720100

For the Period Ending: August 31, 2011

Christine Arnett
Chief Financial Officer

Menssa Baert Cameron Odishaw
Auditor

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

**MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL REPORTING**


To the Chairperson & Board Members of
Ile-a-la Crosse School Division No. 112
Ile-a-la Crosse, Saskatchewan

Management has the responsibility for preparing the accompanying consolidated financial statements. This responsibility includes selecting appropriate accounting principles in making objective judgements and estimates in accordance with Canadian generally accepted accounting principles.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records maintained.

Ultimate responsibility for the financial statements to ratepayers lies with the board of trustees.

External auditors appointed by the board audit the financial statements. The external auditors report directly to the board and their report follows. The external auditors have full and free access to the board of trustees to discuss their audit and their findings as to the integrity of the school's financial reporting and the adequacy of the system of internal controls.


Chairperson
Director of Education

November 14, 2011

MENSSA BAERT CAMERON ODISHAW
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Directors
Ile-a-la Crosse School Division No. 112
Ile-a-la Crosse, Saskatchewan

We have audited the accompanying financial statements of Ile-a-la Crosse School Division No. 112, which comprise the consolidated statement of financial position as at August 31, 2011, and the consolidated statements of operations and accumulated surplus (deficit), changes in net financial assets (net debt) 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 generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ile-a-la Crosse School Division No. 112 as at August 31, 2011, and its financial performance and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

North Battleford, Saskatchewan
November 14, 2011

Ile-a-la Crosse School division NO. 112
Consolidated Statement of Financial Position
as at August 31, 2011

	2011	2010
Financial Assets		
Cash and Cash Equivalents	967,941	955,928
Short Term Investments (Note 3)	3,140,565	3,102,943
Accounts Receivable (Note 7)	207,831	258,611
Total Financial Assets	4,316,337	4,317,482
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	86,401	93,867
Liability for Employee Future Benefits (Note 5)	56,900	50,400
Deferred Revenue (Note 9)	52,476	55,011
Total Liabilities	195,777	199,278
Net Financial Assets (Net Debt)	4,120,560	4,118,204
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	17,800,792	18,172,875
Prepaid Expenses	29,152	27,004
Total Non-Financial Assets	17,829,944	18,199,879
Accumulated Surplus (Deficit) (Note 12)	21,950,504	22,318,083

Contractual Obligations and Commitments (Note 15)

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

Approved by the Board:

_____ Chairperson

_____ Secretary-Treasurer

Ile-a-la Crosse School division NO. 112
Consolidated Statement of Operations and Accumulated Surplus (Deficit)
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
	(Note 13)		
REVENUES			
Property Taxation	173,428	146,290	195,188
Grants	5,560,134	5,035,056	4,884,827
School Generated Funds	70,000	54,681	96,612
Complementary Services (Note 10)	70,000	159,095	274,060
External Services (Note 11)	656,393	255,088	335,435
Other	67,350	139,271	74,103
Total Revenues (Schedule A)	6,597,305	5,789,481	5,860,225
EXPENSES			
Governance	146,100	129,320	145,809
Administration	261,049	253,999	262,629
Instruction	3,876,457	3,590,862	3,542,087
Plant	930,558	1,266,431	1,207,789
Transportation	235,835	196,424	208,151
School Generated Funds	70,000	65,058	95,299
Complementary Services (Note 10)	190,326	205,490	202,155
External Services (Note 11)	463,188	448,947	305,056
Other Expenses		529	929
Total Expenses (Schedule B)	6,173,513	6,157,060	5,969,904
Surplus (Deficit) for the Year	423,792	(367,579)	(109,679)
Accumulated Surplus (Deficit), Beginning of Year	22,318,083	22,318,083	22,427,762
Accumulated Surplus (Deficit), End of Year	22,741,875	21,950,504	22,318,083

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

Ile-a-la Crosse School division NO. 112
Consolidated Statement of Changes in Net Financial Assets (Net Debt)
for the year ended August 31, 2011

	2011 Budget (Note 13)	2011 Actual	2010 Actual
Net Financial Assets (Net Debt), Beginning of Year	4,118,204	4,118,204	3,945,104
Changes During the Year:			
Surplus (Deficit) for the Year	423,792	(367,579)	(109,679)
Acquisition of Tangible Capital Assets (Schedule C)	(1,247,881)	(271,297)	(321,568)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)		70,395	46,400
Amortization of Tangible Capital Assets (Schedule C)	639,732	572,985	567,024
Net Acquisition of Prepaid Expenses		(2,148)	(9,077)
Change in Net Financial Assets / Net Debt	(184,357)	2,356	173,100
Net Financial Assets (Net Debt), End of Year	3,933,847	4,120,560	4,118,204

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

Ile-a-la Crosse School division NO. 112
Consolidated Statement of Cash Flows
for the year ended August 31, 2011

	2011	2010
OPERATING ACTIVITIES		
Surplus (Deficit) for the Year	(367,679)	(109,679)
Add (Deduct) Non-Cash Items Included In Surplus / Deficit (Schedule D)	572,985	567,024
Net Change in Non-Cash Operating Activities (Schedule E)	45,131	81,920
Cash Provided (Used) by Operating Activities	250,537	539,265
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(271,297)	(321,568)
Proceeds on Disposal of Tangible Capital Assets	70,395	46,400
Cash Provided (Used) by Capital Activities	(200,902)	(275,168)
INVESTING ACTIVITIES		
Cash Used to Acquire Investments	(37,622)	(1,245,582)
Proceeds on Disposal of Investments		
Cash Provided (Used) by Investing Activities	(37,622)	(1,245,582)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,013	(981,485)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	955,928	1,937,413
CASH AND CASH EQUIVALENTS, END OF YEAR	967,941	955,928
REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash and Cash Equivalents	967,941	955,928
CASH AND CASH EQUIVALENTS, END OF YEAR	967,941	955,928

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

Ile-a-la Crosse School division NO. 112
Schedule A: Supplementary Details of Consolidated Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	173,428	159,965	163,767
Total Property Tax Revenue	<u>173,428</u>	<u>159,965</u>	<u>163,767</u>
Grants In Lieu of Taxes:			
Federal Government		7,738	7,461
Provincial Government		621	1,539
Total Grants In Lieu of Taxes		<u>8,359</u>	<u>9,000</u>
Additions to Levy:			
Penalties		25,715	25,937
Other			25,084
Total Additions to Levy		<u>25,715</u>	<u>51,021</u>
Deletions from Levy:			
Discounts		(10,899)	(12,593)
Cancellations		(9,653)	(15,262)
Other Deletions		(27,197)	(745)
Total Deletions from Levy		<u>(47,749)</u>	<u>(28,600)</u>
Total Property Taxation Revenue	<u>173,428</u>	<u>146,290</u>	<u>195,188</u>
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	4,961,514	4,977,891	4,844,807
Other Ministry Grants		39,818	6,427
Total Ministry Grants	<u>4,961,514</u>	<u>5,017,709</u>	<u>4,851,234</u>
Other Provincial Grants			1,218
Federal Grants			32,375
Grants from Others	30,000	6,751	
Total Operating Grants	<u>4,991,514</u>	<u>5,024,460</u>	<u>4,884,827</u>
Capital Grants			
Ministry of Education Capital Grants	568,620	10,596	
Total Capital Grants	<u>568,620</u>	<u>10,596</u>	<u>Nil</u>
Total Grants	<u>5,560,134</u>	<u>5,035,056</u>	<u>4,884,827</u>

Ile-a-la Crosse School division NO. 112
Schedule A: Supplementary Details of Consolidated Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
School Generated Funds Revenue			
Non-Curricular Fees:			
Fundraising	70,000	54,681	96,612
Total Non-Curricular Fees	<u>70,000</u>	<u>54,681</u>	<u>96,612</u>
Total School Generated Funds Revenue	<u>70,000</u>	<u>54,681</u>	<u>96,612</u>
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education Grants-Other		110,000	162,108
Other Provincial Grants	30,000		52,000
Other Grants	40,000	43,608	59,954
Total Operating Grants	<u>70,000</u>	<u>153,608</u>	<u>274,060</u>
Fees and Other Revenue			
Tuition and Related Fees		3,109	
Gain on Disposal of Capital Assets			
Other Revenue		2,378	
Total Fees and Other Revenue	<u>NII</u>	<u>5,487</u>	<u>NII</u>
Total Complementary Services Revenue	<u>70,000</u>	<u>159,095</u>	<u>274,060</u>

Ile-a-la Crosse School division NO. 112
Schedule A: Supplementary Details of Consolidated Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
External Services			
Operating Grants:			
Other Provincial Grants		200	
Other Grants	110,000	110,000	127,500
Total Operating Grants	110,000	110,200	127,500
Capital Grants			
Ministry of Education Capital Grants	306,193		
Total Capital Grants	306,193	NII	NII
Fees and Other Revenue			
Tuition and Related Fees	90,200		75,300
Other Revenue	150,000	144,888	132,635
Total Fees and Other Revenue	240,200	144,888	207,935
Total External Services Revenue	656,393	255,088	335,435
Other Revenue			
Miscellaneous Revenue	2,500	10,049	3,286
Sales & Rentals	59,850	84,853	58,472
Investments	5,000	44,369	12,345
Total Other Revenue	67,350	139,271	74,103
TOTAL REVENUE FOR THE YEAR	6,597,305	5,789,481	5,860,225

Ile-a-la Crosse School division NO. 112
Schedule B: Supplementary Details of Consolidated Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Governance Expense			
Board Members Expense	93,000	86,637	84,938
Conventions - Board Members	48,000	39,971	55,662
School Community Councils	1,300	302	1,246
Elections	3,000	1,386	2,727
Other Governance Expenses	800	1,024	1,236
Total Governance Expense	146,100	129,320	145,809
Administration Expense			
Salaries	142,000	144,758	145,667
Benefits	25,238	32,589	24,641
Supplies & Services	40,500	33,271	40,450
Non-Capital Furniture & Equipment	3,500	2,584	2,313
Building Operating Expenses	14,555	8,312	7,558
Communications	8,500	7,224	12,130
Travel	15,000	11,974	20,585
Professional Development	5,000	6,455	2,169
Amortization of Tangible Capital Assets	6,756	6,832	7,116
Total Administration Expense	261,049	253,999	262,629
Instruction Expense			
Instructional (Teacher & LEADS Contract) Salaries	2,405,000	2,558,548	2,435,274
Instructional (Teacher & LEADS Contract) Benefits	118,100	147,872	101,268
Program Support (Non-Teacher Contract) Salaries	265,000	302,859	288,816
Program Support (Non-Teacher Contract) Benefits	74,400	72,832	74,142
Instructional Aids	154,000	115,662	206,337
Supplies & Services	117,300	113,749	99,511
Non-Capital Furniture & Equipment	42,800	30,097	36,446
Communications	12,700	12,426	15,632
Travel	61,500	17,776	39,941
Professional Development	45,500	32,572	42,367
Student Related Expense	86,750	86,563	106,154
Amortization of Tangible Capital Assets	493,407	99,906	96,199
Total Instruction Expense	3,876,457	3,590,862	3,542,087

Ile-a-la Crosse School division NO. 112
Schedule B: Supplementary Details of Consolidated Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Plant Operation & Maintenance Expense			
Salaries	303,000	329,721	297,104
Benefits	52,650	63,200	57,405
Supplies & Services	4,500	29,760	(10,789)
Non-Capital Furniture & Equipment	9,000	7,338	6,781
Building Operating Expenses	528,500	461,546	473,709
Communications	3,400	2,335	3,381
Travel	10,500	12,808	10,224
Professional Development	1,000	2,731	1,772
Amortization of Tangible Capital Assets	18,008	356,992	368,202
Total Plant Operation & Maintenance Expense	930,558	1,266,431	1,207,789
Student Transportation Expense			
Salaries	80,000	64,218	63,253
Benefits	16,000	12,853	14,162
Supplies & Services	47,988	43,263	39,628
Non-Capital Furniture & Equipment	25,000	28,976	41,296
Building Operating Expenses	1,000		368
Communications		900	
Travel	7,000	693	4,722
Professional Development			
Contracted Transportation	25,000	101	5,360
Amortization of Tangible Capital Assets	33,847	45,420	39,362
Total Student Transportation Expense	235,835	196,424	208,151
School Generated Funds Expense			
Supplies & Services	1,000	1,083	180
Special Programs		28,738	
School Fund Expenses	69,000	35,237	95,119
Total School Generated Funds Expense	70,000	65,058	95,299

Ile-a-la Crosse School division NO. 112
Schedule B: Supplementary Details of Consolidated Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Complementary Services Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	129,150	147,251	115,710
Instructional Aids	31,000	25,370	18,456
Supplies & Services	2,000	7,355	6,958
Non-Capital Furniture & Equipment			3,010
Communications	1,200	715	1,202
Travel		583	
Professional Development (Non-Salary Costs)	2,750	2,045	2,979
Student Related Expenses	24,200	21,857	53,643
Amortization of Tangible Capital Assets	26	314	197
Total Complementary Services Expense	190,326	205,490	202,155
External Service Expense			
Tuition Fees			25
Instructional (Teacher & LEADS Contract) Salaries & Benefits	183,600	183,363	106,565
Program Support (Non-Teacher Contract) Salaries & Benefits		451	1,350
Plant Operation & Maintenance Salaries & Benefits		1,070	
Instructional Aids	10,700	3,715	846
Supplies & Services	10,000	11,476	6,696
Non-Capital Furniture & Equipment	4,000	6,255	216
Building Operating Expenses	157,100	173,555	129,499
Communications	2,200	4,130	
Travel			705
Professional Development (Non-Salary Costs)	2,250	492	
Student Related Expenses	5,650	919	3,206
Amortization of Tangible Capital Assets	87,688	63,521	55,948
Total External Services Expense	463,188	448,947	305,056

Ile-a-la Crosse School division NO. 112
Schedule B: Supplementary Details of Consolidated Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges		529	929
Total Interest and Bank Charges		529	929
Loss on Disposal of Tangible Capital Assets			
Write-Down of Tangible Capital Assets			
Provision for Uncollectable Taxes			
Total Other Expense	Nil	529	929
TOTAL EXPENSES FOR THE YEAR	6,173,513	6,157,060	5,969,904

Ile-a-la Crosse School division NO. 112
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:												
Operating Balance as of September 1	124,339	152,400	18,192,519	774,656	398,092	178,653	855,303	174,482		167,254	21,017,698	20,760,868
Additions/Purchases		3,090	11,086	112,840		31,254	65,163	47,864			271,297	321,568
Disposals			(70,395)				(1,358)	(14,717)			(86,470)	(64,738)
Transfers to (from)				167,254						(167,254)	Nil	
Closing Balance as of August 31	124,339	155,490	18,132,210	1,054,750	398,092	209,907	919,108	207,629	Nil	Nil	21,202,525	21,017,698

Tangible Capital Assets - Amortization:

Operating Balance as of September 1	50,133	1,464,110	396,232	311,357	130,338		366,806	125,847			2,844,823	2,296,137
Amortization of the Period	7,775	362,664	35,005	21,611	23,809		80,595	41,526			572,985	567,024
Disposals							(1,358)	(14,717)			(16,075)	(18,338)
Closing Balance as of August 31	Nil	57,908	1,826,774	431,237	332,968	154,147	446,043	152,656	Nil	Nil	3,401,733	2,844,823

Net Book Value:

Operating Balance as of September 1	124,339	102,267	16,728,409	378,424	86,735	48,315	488,497	48,635		167,254	18,172,875	18,464,731
Closing Balance as of August 31	124,339	97,582	16,306,436	623,513	65,124	55,760	473,065	54,973			17,803,792	18,172,875
Change in Net Book Value	Nil	(4,685)	(421,973)	245,089	(21,611)	7,445	(15,432)	6,338	Nil	(167,254)	(372,083)	(291,856)

Disposals:

Historical Cost			70,395				1,358	14,717		86,470	64,738	
Accumulated Amortization							1,358	14,717		16,075	18,338	
Net Cost	Nil	Nil	70,395	Nil	Nil	Nil	Nil	Nil	Nil	Nil	70,395	46,400
Price of Sale			70,395							70,395	70,395	46,400
Gain/loss on Disposal	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Ile-a-la Crosse School division NO. 112
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)	572,985	567,024
Total Non-Cash Items Included in Surplus / Deficit	572,985	567,024

Ile-a-la Crosse School division NO. 112
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	50,780	68,050
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(7,466)	15,516
Increase (Decrease) in Liability for Employee Future Benefits	6,500	7,200
Increase (Decrease) in Deferred Revenue	(2,535)	231
Decrease (Increase) in Prepaid Expenses	(2,148)	(9,077)
Total Net Change in Non-Cash Operating Activities	45,131	81,920

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

1. AUTHORITY AND PURPOSE

The school division operates under the authority of The Education Act, 1995 of Saskatchewan as a corporation under the name of "The Board of Education of the Ile-a-la Crosse School Division No. 112" and operates as "the Ile-a-la Crosse School Division No. 112". The school division provides education services to residents within its geographic region and is governed by an elected board of trustees.

The school division is funded mainly by grants from the Government of Saskatchewan and a levy on the property assessment included in the school division's boundaries at mill rates determined by the provincial government. The school division is exempt from income tax and is a registered charity under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

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

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

a) Reporting Entity and Consolidation

The consolidated 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.

All of the assets, liabilities, revenues and expenses of controlled organizations are consolidated on a line-by-line after adjusting the accounting policies to a basis consistent with the accounting policies of the school division. Inter-organizational transactions and balances and transactions have been eliminated.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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) 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:

- the liability for employee future benefits of \$ 56,900 (2010 - \$ 50,400) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of \$ 146,290 (2010 - \$ 195,188) because final tax assessments may differ from initial estimates,
- taxes receivable of \$ 571,512 (2010 - \$ 631,001) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related amortization for furniture and equipment of \$919,108 (2010 - \$855,303 because of outdoor and music equipment may differ from expected lifespan applicable to the Ile-a-la Crosse School Division No. 112.

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

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

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial Instruments

Financial instruments include cash, short-term investments, accounts receivable, investments, bank indebtedness, accounts payable and accrued liabilities, short-term loans, long-term debt and other liabilities. Except as otherwise disclosed, 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 are minimal.

e) 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 of 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.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) 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 are recorded at cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, design, construction, development, installation and betterment of the tangible capital asset. The school division does not capitalize interest incurred while a tangible capital asset is under construction.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings	50 years
Buildings -- short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles -- passenger	5 years
Other vehicles -- heavy (graders, 1 ton truck, etc.)	10 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years
Musical Instruments	5 years
Leased capital assets	Lease term

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 (insurance premiums) which will provide economic benefits in one or more future periods.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Liabilities

Liabilities are present obligations arising from transactions and events occurring prior to year-end, which will be satisfied in the future through the use of assets or another form of economic settlement.

Accounts Payable and Accrued Liabilities include accounts payable and accrued liabilities owing to third parties and employees for work performed, goods supplied and services rendered, but not yet paid, at the end of the fiscal period. Amounts are payable within one year.

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 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.

Other Liabilities are comprised of retroactive wages from negotiation with the Ministry of Education and the Saskatchewan Teachers Federation. The return of unused funds received from the Ministry for costs incurred with the Local Teachers of the Ile-a-la- Crosse School Division No. 112 negotiated and with expenses incurred in the year ending August 31, 2011.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Employee Pension Plans

Employees of the school division participate in the following pension plans:

Multi-Employer Defined Benefit Plans

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

- i) Teachers participate in the 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) 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 provincial grants and property taxation.

**Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Revenue Recognition (continued)

i) Provincial grants:

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 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.

ii) Property taxation:

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. 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.

Tuition fee revenue and other services revenue are recognized when the service is provided.

3. SHORT-TERM INVESTMENTS

Short-term investments consist of One-Year GIC's with maturities of between three months and one year. Due to the short-term nature of the investments, market value approximates cost. The GIC's mature September 30, 2011.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2011 Budget	2011 Actual	2010 Actual
Governance	88,637	42,683			146,100	129,320	145,809
Administration	177,347	69,820		6,832	261,049	253,999	262,629
Instruction	3,081,111	409,845		99,906	3,876,457	3,590,862	3,542,087
Plant	392,921	516,518		356,992	930,558	1,266,431	1,207,789
Transportation	77,071	73,933		45,420	235,835	196,424	208,151
School Generated Funds		65,058			70,000	65,058	95,299
Complementary Services	147,251	57,925		314	190,326	205,490	202,155
External Services	184,884	200,542		63,521	463,188	448,947	305,056
Other		529				529	929
TOTAL	4,147,222	1,438,853	Nil	572,985	6,173,513	6,157,060	5,969,904

5. EMPLOYEE FUTURE BENEFITS

The school division provides certain post-employment, compensated absence and termination benefits to its employees. These benefits include accumulating non-vested sick leave, severance, vested sick leave severance, retirement gratuity, etc. Significant assumptions include salary escalation, discount rate, inflation rate and expected average service life. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the Consolidated Statement of Financial Position.

Details of the employee future benefits are as follows:

Actuarial valuation date	August 31, 2011	August 31, 2010
Long-term assumptions used:		
Salary escalation rate (percentage) teacher	3.30%	3.50%
Salary escalation rate (percentage) non-teacher	3.30%	4.20%
Discount rate (percentage)	3.40%	3.60%
Inflation rate (percentage)	2.50%	
Expected average remaining service life (years)	13	13

He-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

5. EMPLOYEE FUTURE BENEFITS (continued)

Liability for Employee Future Benefits	2011	2010
Accrued Benefit Obligation - beginning of year	53,700	44,600
Current period benefit cost	5,500	5,200
Interest cost	2,100	2,000
Benefit payments	(1,400)	(100)
Actuarial gains / losses	400	2,000
Plan amendments		
Accrued Benefit Obligation - end of year	60,300	53,700
Unamortized Net Actuarial Gains / Losses	(3,400)	(3,300)
Liability for Employee Future Benefits	56,900	50,400

Employee Future Benefits Expense	2011	2010
Current period benefit cost	5,500	5,200
Amortization of net actuarial gain / loss	300	100
Plan amendments		
Benefit cost	5,800	5,300
Interest cost on unfunded employee future benefits obligation	2,100	2,000
Total Employee Future Benefits Expense	7,900	7,300

6. PENSION PLANS

Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the school division contributes is as follows:

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

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

The STRP and STSP are funded by contributions by the participating employee members and the Government of Saskatchewan. The school division's obligation to the STRP and STSP is limited to collecting and remitting contributions of the employees at rates determined by the plans. Accordingly, these financial statements do not include any expense for employer contributions to these plans.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

6. PENSION PLANS (continued)

Multi-Employer Defined Benefit Plans (continued)

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

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	52	3	55	51
Member contribution rate (percentage of salary)	7.0-9.0%	6.05-7.85%		6.05-9.0
Member contributions for the year	175,056	11,458	186,514	168,701

STRP rate below YMPE (yearly maximum pensionable earnings) 7%, rate above YMPE 9%, years basic exemption is \$3,500. 2010 YMPE is \$47,200 and 2009 YMPE is \$46,300. STSP is integrated with CPP. Earnings subject to CPP is 6.05%. CCP exempt earnings is 7.85%.

- ii) Municipal Employees' Pension Plan 9MEPP0

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.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

6. PENSION PLANS (continued)

Multi-Employer Defined Benefit Plans (continued)

ii) Municipal Employees' Pension Plan 9MEPP0 (continued)

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

Details of the MEPP are as follows:

	2011	2010
Number of active School Division members	37	33
Member contribution rate (percentage of salary)	7.40%	6.40%
School Division contribution rate (percentage of salary)	7.40%	6.40%
Member contributions for the year	55,925	50,335
School Division contributions for the year	55,925	50,335
Actuarial valuation date	12/31/2010	12/31/2009
Plan Assets	1,404,006	1,320,772
Plan Liabilities	1,344,380	1,246,922
Plan Surplus (Deficit)	59,626	73,850

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		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	571,512	469,278	102,234	631,001	469,278	161,723
Provincial Grants Receivable	10,000		10,000			Nil
Other Receivables	95,597		95,597	96,888		96,888
Total Accounts Receivable	677,109	469,278	207,831	727,889	469,278	258,611

He-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2011	2010
Accrued Salaries and Benefits	74,310	2,729
Supplier Payments	910	20,165
<i>Other - Holdback of Supplier, Return of Grant</i>	11,181	70,973
Total Accounts Payable and Accrued Liabilities	86,401	93,867

9. 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
Other deferred revenue:				
(a) Property Tax Levy	55,011	52,476	(55,011)	52,476
Total other deferred revenue	55,011	52,476	(55,011)	52,476
Total Deferred Revenue	55,011	52,476	(55,011)	52,476

(a) Deferred property tax levy represents September – December on earned property tax revenue.

10. 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.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

10. COMPLEMENTARY SERVICES (continued)

Following is a summary of the revenue and expenses of the Complementary Services programs operated by the school division in 2011:

Summary of Complementary Services Revenues and Expenses, by Program	Michif, Elders & Community Programs	Community and Inter-Agency Liaison	Nutrition	Literacy Programs	2011	2010
Revenue:						
Operating Grants	62,000	41,200	30,408	20,000	153,608	274,060
Fees and Other Revenue			2,378	3,109	5,487	Nil
Total Revenue	62,000	41,200	32,786	23,109	159,095	274,060
Expenses:						
Salaries & Benefits	81,256	35,217	15,406	15,372	147,251	115,708
Instructional Aids	6,808	4,149	14,413		25,370	8,695
Supplies and Services	7,355				7,355	16,720
Non-Capital Equipment					Nil	3,010
Communications		715			715	1,202
Travel	583				583	Nil
Professional Development (Non-Salary Costs)	595	1,450			2,045	2,979
Student Related Expenses	16,061			5,796	21,857	53,644
Amortization of Tangible Capital Assets	197	26	91		314	197
Total Expenses	112,855	41,557	29,910	21,168	205,490	202,155
Excess (Deficiency) of Revenue over Expenses	(50,855)	(357)	2,876	1,941	(46,395)	71,905

11. EXTERNAL SERVICES

External services represent those services and programs that are outside of the school division's learning/learning support and complementary programs. These services have no direct link to the delivery of the school division's K-12 programs nor do they directly enhance the school division's ability to deliver its K-12 programs.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

11. EXTERNAL SERVICES (continued)

Following is a summary of the revenue and expenses of the External Services programs operated by the school division in 2011:

Summary of External Services Revenues and Expenses, by Program	Adult Education	Teacherages (1)	Storefront Program (2)	Other Programs (3)	2011	2010
Revenue:						
Operating Grants	110,000	200			110,200	127,500
Fees and Other Revenue					Nil	75,300
Sales & Rentals		116,888		28,000	144,888	132,635
Total Revenue	110,000	117,088	Nil	28,000	255,088	335,435
Expenses:						
Tuition Fees					Nil	25
Salaries & Benefits	104,588		80,296		184,884	107,915
Instructional Aids	623		2,959	133	3,715	Nil
Supplies and Services	949	10,044	151	332	11,476	7,542
Non-Capital Equipment	146	5,456	386	267	6,255	216
Building Operating Expenses		159,224	4,014	10,317	173,555	129,499
Communications			1,809	2,321	4,130	Nil
Travel					Nil	705
Professional Development			492		492	Nil
Student Related Expenses	750			169	919	3,206
Contacted Transportation & Allowances					Nil	Nil
Amortization of Tangible Capital Assets	68	53,339	178	9,936	63,521	55,948
Total Expenses	107,124	228,063	90,285	23,475	448,947	305,056
Excess (Deficiency) of Revenue over Expenses	2,876	(110,975)	(90,285)	4,525	(193,859)	30,379

- (1) Teacher residences rental and operational expenses.
- (2) The Storefront Program is an outreach program designed to teach basic living and education high school programs for teenagers that are from grade 10 to grade 12.
- (3) Other Programs includes an adult welding program and assistance with an expense contribution to the community public library.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

12. 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 such as a new school initiative, buses, equipment and programs. These internally restricted amounts are included in the Accumulated Surplus presented in the Consolidated Statement of Financial Position. The school division does not maintain separate bank accounts for the internally restricted amounts.

Details of accumulated surplus are as follows:

	2011	2010
Invested in Tangible Capital Assets:		
Net Book Value of Tangible Capital Assets	17,800,792	18,172,875
Less: Debt owing on Tangible Capital Assets		
	17,800,792	18,172,875
S.286 pre-April 2009 capital reserves from prior years' operating surpluses (1)	1,894,199	1,894,199
Internally Restricted Surplus:		
Capital projects:		
Designated for tangible capital asset expenditures (2)	670,733	670,733
	670,733	670,733
Other:		
Fundraising (3)	55,976	60,951
School budget carryovers (4)	727,505	727,505
	783,481	788,456
Unrestricted Surplus	801,299	791,820
Total Accumulated Surplus	21,950,504	22,318,083

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

12. ACCUMULATED SURPLUS (continued)

- (1) S.286 pre-April 2009 Capital Reserves from Prior Years' Operating Surpluses represents capital reserves that were created by pre-April 2009 board of education motions that designated certain prior years' operating surpluses to be set aside for the purpose of future capital expenditures. Pursuant to S.286 of *The Education Act, 1995*, the school division is required to hold these reserves as a special fund for the purpose of constructing or acquiring any capital works that may be approved by the minister.
- (2) Designated tangible capital assets include the following reserves: Bus \$200,000, equipment \$100,000, computer \$75,000, playground \$195,733.03 and misc. capital \$100,000.
- (3) Fundraising includes student related fundraising for field trips and extracurricular sports.
- (4) School budget carryovers include the following: maintenance buildings \$100,000, maintenance of housing \$144,420, alternate education \$125,000, daycare \$25,085.12, wilderness programming \$285,000 and library \$48,000.

13. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 22, 2010 and the Minister of Education on August 31, 2010.

14. RELATED PARTIES

These financial statements include transactions with related parties. The school division is related to all Province 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.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

14. RELATED PARTIES (continued)

(a) Related Party Transactions: (continued)

	2011	2010
Revenues:		
Ministry of Education	5,138,305	5,013,340
Canada Summer Jobs	935	1,278
Gabriel Dumont Technical	75,000	75,000
Northlands College	68,700	52,500
Ministry of Finance	35,908	35,052
Watershed Authority	200	
	5,319,048	5,177,170
Expenses:		
Keewatin YattheRegional Health Authority	119,409	100,521
Credenda Virtual High School	3,300	3,870
Gabriel Dumont Technical	813	1,650
Frontier College		41,415
	123,522	147,456
Accounts Receivable:		
Ministry of Education	10,000	
Keewatin YattheRegional Health Authority	18,383	18,194
Canada Summer Jobs	935	
	29,318	18,194
Accounts Payable and Accrued Liabilities:		
Ministry of Education	11,182	
	11,182	NIL

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.

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

14. RELATED PARTIES (continued)

(b) Ministry of Education Capital Transfers:

The Ministry of Education has approved \$1 million in capital transfers to the school division for projects in which construction has not yet started and/or been 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	1,074,629
Less: Revenue reported in financial statements	<u>Nil</u>
Unrecorded balance of approved capital transfers	<u>1,074,629</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.

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

15. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

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

	Operating Leases			
	Office Rental	Copier Leases	Cell Phones	Total Operating
Future minimum lease payments:				
2012		8,734	630	9,364
2013		8,734	240	8,974
2014		2,184		2,184
2015				Nil
2016				Nil
Thereafter				Nil
	Nil	19,652	870	20,522
Interest and executory costs				
Total Lease Obligations	Nil	19,652	870	20,522

Ile-a-la Crosse School Division No. 112
Notes to the Consolidated Financial Statements
for the year ended August 31, 2011

16. COMPARATIVE INFORMATION

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

17. SUBSEQUENT EVENTS

Subsequent to the year end the school division entered into an agreement to purchase a school bus for at a total cost of \$107,415 and two 15 passenger vans at a total cost of \$144,984.

The Saskatchewan Teachers' Provincial Collective Bargaining Agreement expired on August 31, 2011. The Saskatchewan Teachers' Federation (STF) and the Government Trustee Committee (GTBC) reached a new collective agreement which was ratified on October 4, 2011 and covers the period September 1, 2010 to August 31, 2011 with an estimated cost of \$ 67,165 (estimated cost of 2010-11 increases) 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. Additionally the school division has an employment contract that includes wage increases based on the collective agreement and covers the period September 1, 2010 to August 31, 2011 with an estimated cost of \$4,637 which was recorded as an expense in the 2010-11 financial statements.