ST. PAUL'S ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 20

CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2015

Management's Responsibility for the Consolidated Financial Statements

The school division's management is responsible for the preparation of the consolidated 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 comprised 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 consolidated financial statements. The Board is also responsible for the appointment of the school division's external auditors.

The external auditors, Deloitte LLP, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the consolidated financial statements. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the school division's consolidated 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 St. Paul's Roman Catholic Separate School Division No. 20:

Diane Boyko
Board Chair

G. Chatlain
CEO/Director of Education

Chief Financial Officer

December 14, 2015

Deloitte LLP
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INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE BOARD OF EDUCATION OF
ST. PAUL'S ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 20

We have audited the accompanying consolidated financial statements of St. Paul's Roman Catholic Separate School Division No. 20, which comprise the consolidated statement of financial position as at August 31, 2015, and the consolidated statements of operations and accumulated surplus from operations, remeasurement gains and losses, changes in 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 consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of St. Paul's Roman Catholic Separate School Division No. 20 as at August 31, 2015, and the results of its operations, its remeasurement gains and losses, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants
Licensed Professional Accountants

Saskatoon, Saskatchewan
December 14, 2015

St. Paul's Roman Catholic Separate School Division No. 20
Consolidated Statement of Financial Position
as at August 31, 2015

	2015	2014
Financial Assets		
Cash and Cash Equivalents	13,766,637	16,805,444
Accounts Receivable (Note 3)	10,367,402	18,790,276
Portfolio Investments (Note 4)	56,100	56,100
Total Financial Assets	**24,190,139**	**35,651,820**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	6,244,275	13,313,698
Long-Term Debt and Associated Derivatives (Note 7)	39,637,637	41,594,804
Liability for Employee Future Benefits (Note 8)	4,528,900	4,340,800
Deferred Revenue (Note 9)	2,653,840	2,181,561
Total Liabilities	**53,064,652**	**61,430,863**
Net Debt	**(28,874,513)**	**(25,779,043)**
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	155,277,120	146,803,821
Prepaid Expenses	409,856	409,151
Total Non-Financial Assets	**155,686,976**	**147,212,972**
Accumulated Surplus (Note 11)	**126,812,463**	**121,433,929**
Accumulated Surplus is comprised of:		
Accumulated Surplus from Operations	126,857,488	121,543,098
Accumulated Remeasurement Losses	(45,025)	(109,169)
Total Accumulated Surplus (Note 11)	**126,812,463**	**121,433,929**

Contractual Obligations and Commitments (Note 17)

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

Approved by the Board:

Diane Royko

______________________ Chairperson

______________________ Chief Financial Officer

St. Paul's Roman Catholic Separate School Division No. 20

Consolidated Statement of Operations and Accumulated Surplus from Operations

for the year ended August 31, 2015

	2015 Budget (Note 14)	2015 Actual	2014 Actual
REVENUES			
Property Taxation	47,031,189	47,054,701	45,673,818
Grants	116,985,126	133,541,620	122,756,037
Tuition and Related Fees	1,359,632	2,187,106	1,816,272
School Generated Funds	3,473,513	4,124,890	3,792,658
Complementary Services (Note 10)	1,690,349	1,758,466	1,648,396
Other	1,900,816	2,112,263	1,741,915
Total Revenues (Schedule A)	**172,440,625**	**190,779,046**	**177,429,096**
EXPENSES			
Governance	845,321	832,852	723,233
Administration	5,865,042	6,194,606	5,474,068
Instruction	125,753,533	129,304,255	125,113,087
Plant	32,406,736	33,931,354	32,710,712
Transportation	7,930,890	6,871,486	6,587,898
Tuition and Related Fees	-	-	35,700
School Generated Funds	3,473,514	3,891,334	3,589,333
Complementary Services (Note 10)	2,258,529	2,303,195	1,940,317
Other Expenses	2,051,794	2,135,574	1,788,986
Total Expenses (Schedule B)	**180,585,359**	**185,464,656**	**177,963,334**
Operating Surplus (Deficit) for the Year	**(8,144,734)**	**5,314,390**	**(534,238)**
Accumulated Surplus from Operations, Beginning of Year	**121,543,098**	**121,543,098**	**122,077,336**
Accumulated Surplus from Operations, End of Year	**113,398,364**	**126,857,488**	**121,543,098**

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

St. Paul's Roman Catholic Separate School Division No. 20
Consolidated Statement of Remeasurement Gains and Losses
as at August 31, 2015

	2015	2014
Accumulated Remeasurement Losses, Beginning of Year	(109,169)	(200,968)
Unrealized gains attributable to:		
Derivatives (Note 7)	64,144	91,799
Accumulated Remeasurement Losses, End of Year	**(45,025)**	**(109,169)**

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

St. Paul's Roman Catholic Separate School Division No. 20
Consolidated Statement of Changes in Net Debt
for the year ended August 31, 2015

	2015 Budget (Note 14)	2015 Actual	2014 Actual
Net Debt, Beginning of Year	**(25,779,043)**	**(25,779,043)**	**(4,735,336)**
Changes During the Year:			
Operating Surplus (Deficit) for the Year	(8,144,734)	5,314,390	(534,238)
Acquisition of Tangible Capital Assets (Schedule C)	(6,829,141)	(15,483,459)	(26,336,137)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	1,200	-
Gain on Disposal of Tangible Capital Assets (Schedule C)	-	(1,200)	-
Amortization of Tangible Capital Assets (Schedule C)	6,435,320	7,010,160	5,719,922
Net Change in Other Non-Financial Assets	-	(705)	14,947
	(8,538,555)	**(3,159,614)**	**(21,135,506)**
Net Remeasurement Gains	-	64,144	91,799
Change in Net Debt	**(8,538,555)**	**(3,095,470)**	**(21,043,707)**
Net Debt, End of Year	**(34,317,598)**	**(28,874,513)**	**(25,779,043)**

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

St. Paul's Roman Catholic Separate School Division No. 20
Consolidated Statement of Cash Flows
for the year ended August 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Operating Surplus (Deficit) for the Year	5,314,390	(534,238)
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	768,101	5,719,922
Net Change in Non-Cash Operating Activities (Schedule E)	6,719,470	97,592
Cash Provided by Operating Activities	**12,801,961**	**5,283,276**
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(13,948,945)	(23,958,789)
Proceeds on Disposal of Tangible Capital Assets	1,200	-
Cash Used by Capital Activities	**(13,947,745)**	**(23,958,789)**
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	-	(34,500)
Proceeds on Disposal of Portfolio Investments	-	34,500
Cash Provided by Investing Activities	**-**	**-**
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	866,356	27,247,669
Repayment of Long-Term Debt	(2,759,379)	(2,147,401)
Cash (Used) Provided by Financing Activities	**(1,893,023)**	**25,100,268**
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**(3,038,807)**	**6,424,755**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**16,805,444**	**10,380,689**
CASH AND CASH EQUIVALENTS, END OF YEAR	**13,766,637**	**16,805,444**

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

St. Paul's Roman Catholic Separate School Division No. 20
Schedule A: Consolidated Supplementary Details of Revenues
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	44,999,441	45,065,096	43,714,243
Revenue from Supplemental Levies	705,468	513,459	748,379
Total Property Tax Revenue	**45,704,909**	**45,578,555**	**44,462,622**
Grants in Lieu of Taxes:			
Federal Government	329,218	388,621	380,837
Provincial Government	818,343	724,435	736,261
Other	536,155	533,690	388,886
Total Grants in Lieu of Taxes	**1,683,716**	**1,646,746**	**1,505,984**
Other Tax Revenues:			
Treaty Land Entitlement - Urban	-	52,286	-
House Trailer Fees	23,516	18,204	24,054
Total Other Tax Revenues	**23,516**	**70,490**	**24,054**
Additions to Levy:			
Penalties	18,812	18,874	12,552
Other	103,469	188,969	218,373
Total Additions to Levy	**122,281**	**207,843**	**230,925**
Deletions from Levy:			
Cancellations	(51,734)	(66,162)	(89,428)
Other Deletions	(451,499)	(382,771)	(460,339)
Total Deletions from Levy	**(503,233)**	**(448,933)**	**(549,767)**
Total Property Taxation Revenue	**47,031,189**	**47,054,701**	**45,673,818**
Grants:			
Operating Grants			
Ministry of Education Grants:			
Operating Grant	109,439,267	113,117,659	109,291,988
Other Ministry Grants	-	672,034	721,926
Total Ministry Grants	**109,439,267**	**113,789,693**	**110,013,914**
Other Provincial Grants	1,144,161	478,377	524,963
Federal Grants	80,744	-	99,000
Grants from Others	-	187,638	214,600
Total Operating Grants	**110,664,172**	**114,455,708**	**110,852,477**
Capital Grants			
Ministry of Education Capital Grants	6,320,954	19,069,666	11,393,981
Other Capital Grants	-	16,246	509,579
Total Capital Grants	**6,320,954**	**19,085,912**	**11,903,560**
Total Grants	**116,985,126**	**133,541,620**	**122,756,037**

St. Paul's Roman Catholic Separate School Division No. 20

Schedule A: Consolidated Supplementary Details of Revenues
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
School Boards	50,000	128,974	135,668
Federal Government and First Nations	-	119,424	-
Individuals and Other	1,309,180	1,938,708	1,680,224
Total Tuition Fees	**1,359,180**	**2,187,106**	**1,815,892**
Transportation Fees	452	-	380
Total Tuition and Related Fees Revenue	**1,359,632**	**2,187,106**	**1,816,272**
School Generated Funds Revenue			
Curricular:			
Student Fees	-	11,535	14,244
Total Curricular Fees	**-**	**11,535**	**14,244**
Non-Curricular Fees:			
Commercial Sales - Non-GST	30,314	65,574	42,257
Fundraising	864,656	927,561	651,197
Grants and Partnerships	452,172	499,293	778,078
Students Fees	1,953,161	2,407,847	2,189,832
Other	173,210	213,080	117,050
Total Non-Curricular Fees	**3,473,513**	**4,113,355**	**3,778,414**
Total School Generated Funds Revenue	**3,473,513**	**4,124,890**	**3,792,658**
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants	1,690,349	1,732,225	1,648,396
Capital Grants			
Ministry of Education Capital Grants	-	26,241	-
Total Complementary Services Revenue	**1,690,349**	**1,758,466**	**1,648,396**
Other Revenue			
Miscellaneous Revenue	1,143,773	1,377,225	984,124
Sales & Rentals	683,703	639,862	641,888
Investments	73,340	93,976	115,903
Gain on Disposal of Tangible Capital Assets	-	1,200	-
Total Other Revenue	**1,900,816**	**2,112,263**	**1,741,915**
TOTAL REVENUE FOR THE YEAR	**172,440,625**	**190,779,046**	**177,429,096**

St. Paul's Roman Catholic Separate School Division No. 20
Schedule B: Consolidated Supplementary Details of Expenses
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Governance Expense			
Board Members Expense	249,647	252,479	243,867
Professional Development- Board Members	58,998	47,499	42,497
Advisory Committees	1,722	892	2,013
Elections	70,000	54,455	(250)
Other Governance Expenses	464,954	477,527	435,106
Total Governance Expense	**845,321**	**832,852**	**723,233**
Administration Expense			
Salaries	4,500,097	4,714,631	4,236,329
Benefits	707,009	704,303	620,232
Supplies & Services	273,466	241,912	224,157
Non-Capital Furniture & Equipment	4,441	5,310	1,877
Building Operating Expenses	269,741	356,735	241,364
Communications	-	-	(1,145)
Travel	1,596	33,367	33,630
Professional Development	11,000	6,404	12,067
Amortization of Tangible Capital Assets	97,692	131,944	105,557
Total Administration Expense	**5,865,042**	**6,194,606**	**5,474,068**
Instruction Expense			
Instructional (Teacher Contract) Salaries	87,294,144	91,079,907	87,786,372
Instructional (Teacher Contract) Benefits	4,773,823	4,688,440	4,339,024
Program Support (Non-Teacher Contract) Salaries	19,320,258	19,341,875	19,510,600
Program Support (Non-Teacher Contract) Benefits	4,332,610	4,335,335	4,251,753
Instructional Aids	2,802,211	2,992,367	2,816,962
Supplies & Services	1,916,686	1,795,276	1,657,318
Non-Capital Furniture & Equipment	821,173	768,844	682,825
Communications	940,313	568,420	755,562
Travel	280,135	240,297	242,987
Professional Development	864,882	568,924	529,676
Student Related Expense	883,223	1,063,396	946,548
Amortization of Tangible Capital Assets	1,524,075	1,861,174	1,593,460
Total Instruction Expense	**125,753,533**	**129,304,255**	**125,113,087**

St. Paul's Roman Catholic Separate School Division No. 20
Schedule B: Consolidated Supplementary Details of Expenses
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Plant Operation & Maintenance Expense			
Salaries	6,581,640	6,586,233	6,302,350
Benefits	1,404,197	1,333,857	1,331,086
Supplies & Services	12,107	917	2,612
Non-Capital Furniture & Equipment	174,280	67,238	52,543
Building Operating Expenses	19,332,125	20,848,761	20,907,604
Communications	332	248	187
Travel	87,355	69,370	92,643
Professional Development	4,500	8,852	1,946
Amortization of Tangible Capital Assets	4,810,200	5,015,878	4,019,741
Total Plant Operation & Maintenance Expense	**32,406,736**	**33,931,354**	**32,710,712**
Student Transportation Expense			
Salaries	131,273	132,701	113,635
Benefits	24,414	12,423	18,744
Contracted Transportation	7,775,203	6,726,362	6,455,519
Total Student Transportation Expense	**7,930,890**	**6,871,486**	**6,587,898**
Tuition and Related Fees Expense			
Tuition Fees	-	-	35,700
Total Tuition and Related Fees Expense	**-**	**-**	**35,700**
School Generated Funds Expense			
Supplies & Services	-	7,428	5,075
Cost of Sales	24,272	46,680	25,959
School Fund Expenses	3,449,242	3,837,226	3,558,299
Total School Generated Funds Expense	**3,473,514**	**3,891,334**	**3,589,333**

St. Paul's Roman Catholic Separate School Division No. 20
Schedule B: Consolidated Supplementary Details of Expenses
for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	1,125,835	1,154,273	984,015
Program Support (Non-Teacher Contract) Salaries & Benefits	439,732	426,426	403,078
Instructional Aids	5,000	36,309	16,656
Non-Capital Furniture & Equipment	5,000	-	3,752
Travel	-	711	443
Professional Development (Non-Salary Costs)	1,500	3,365	2,122
Student Related Expenses	27,000	28,201	27,728
Contracted Transportation & Allowances	649,797	652,746	501,359
Amortization of Tangible Capital Assets	4,665	1,164	1,164
Total Complementary Services Expense	**2,258,529**	**2,303,195**	**1,940,317**
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	158,424	186,950	100,465
Interest on Other Capital Loans and Long-Term Debt			
School Facilities	1,893,370	1,948,624	1,636,046
Other	-	-	52,475
Total Other Expense	**2,051,794**	**2,135,574**	**1,788,986**
TOTAL EXPENSES FOR THE YEAR	**180,585,359**	**185,464,656**	**177,963,334**

St. Paul's Roman Catholic Separate School Division No. 20

Schedule C - Consolidated Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2015

	Land	Land Improvements	Buildings	Buildings Short-Term	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Visual Equipment	Computer Software	Assets Under Construction	2015	2014
Tangible Capital Assets - at Cost:											
Opening Balance as of September 1	9,578,065	1,150,487	146,083,050	32,216,095	342,103	4,235,940	6,961,481	356,819	36,545,848	**237,469,888**	**213,686,790**
Additions/Purchases	-	-	-	-	114,867	363,594	2,005,379	121,652	12,877,967	**15,483,459**	**26,336,137**
Disposals	-	-	-	-	(54,793)	(198,673)	(594,237)	(28,929)	-	**(876,632)**	**(2,553,039)**
Transfers to (from)	-	-	38,620,829	4,030,178	-	331,630	-	-	(42,982,637)	**-**	**-**
Closing Balance as of August 31	**9,578,065**	**1,150,487**	**184,703,879**	**36,246,273**	**402,177**	**4,732,491**	**8,372,623**	**449,542**	**6,441,178**	**252,076,715**	**237,469,888**
Tangible Capital Assets - Amortization:											
Opening Balance as of September 1	-	548,782	62,071,462	22,088,572	303,619	1,925,831	3,579,812	147,989	-	**90,666,067**	**87,499,184**
Amortization of the Period	-	44,780	3,577,050	1,122,237	32,599	468,578	1,674,596	90,320	-	**7,010,160**	**5,719,922**
Disposals	-	-	-	-	(54,793)	(198,673)	(594,237)	(28,929)	-	**(876,632)**	**(2,553,039)**
Closing Balance as of August 31	**N/A**	**593,562**	**65,648,512**	**23,210,809**	**281,425**	**2,195,736**	**4,660,171**	**209,380**	**N/A**	**96,799,595**	**90,666,067**
Net Book Value:											
Opening Balance as of September 1	9,578,065	601,705	84,011,588	10,127,523	38,484	2,310,109	3,381,669	208,830	36,545,848	**146,803,821**	**126,187,606**
Closing Balance as of August 31	9,578,065	556,925	119,055,367	13,035,464	120,752	2,536,755	3,712,452	240,162	6,441,178	**155,277,120**	**146,803,821**
Change in Net Book Value	**-**	**(44,780)**	**35,043,779**	**2,907,941**	**82,268**	**226,646**	**330,783**	**31,332**	**(30,104,670)**	**8,473,299**	**20,616,215**
Disposals:											
Historical Cost	-	-	-	-	54,793	198,673	594,237	28,929	-	**876,632**	**2,553,039**
Accumulated Amortization	-	-	-	-	54,793	198,673	594,237	28,929	-	**876,632**	**2,553,039**
Net Cost	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Proceeds on Disposal	-	-	-	-	1,200	-	-	-	-	**1,200**	**-**
Gain on Disposal	**-**	**-**	**-**	**-**	**1,200**	**-**	**-**	**-**	**-**	**1,200**	**-**

St. Paul's Roman Catholic Separate School Division No. 20
Schedule D: Consolidated Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2015

	2015	2014
Non-Cash Items Included in Surplus / Deficit:		
Amortization of Tangible Capital Assets (Schedule C)	7,010,160	5,719,922
Gain on Disposal of Tangible Capital Assets (Schedule C)	(1,200)	-
Non-Cash Portion of Capital Grants	(6,240,859)	-
Total Non-Cash Items Included in Surplus / Deficit	**768,101**	**5,719,922**

St. Paul's Roman Catholic Separate School Division No. 20
Schedule E: Consolidated Net Change in Non-Cash Operating Activities
for the year ended August 31, 2015

	2015	2014
Net Change in Non-Cash Operating Activities:		
Decrease in Accounts Receivable	8,422,874	69,431
(Decrease) Increase In Accounts Payable and Accrued Liabilities	(2,363,078)	1,275,525
Increase in Liability for Employee Future Benefits	188,100	169,400
Increase (Decrease) in Deferred Revenue	472,279	(1,431,711)
(Increase) Decrease in Prepaid Expenses	(705)	14,947
Total Net Change in Non-Cash Operating Activities	**6,719,470**	**97,592**

1. AUTHORITY AND PURPOSE

St. Paul's Roman Catholic Separate School Division No. 20 ("the School Division") is a corporate body established by Catholic electors to provide an educational system, and operates as the Greater Saskatoon Catholic School Board. Governance is the authority of the Board of Education to set the policies and practices for the Division within the guidelines of *The Education Act, 1995* and *The Education Regulations, 1986.* The School Division provides education services to residents within its boundaries 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.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated 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 Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies as 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.

Partnerships
A partnership represents a contractual arrangement between the School Division and a party or parties outside the School Division reporting entity. The partners have significant clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership.

Partnerships are accounted for on a proportionate consolidation basis whereby the School Division's pro-rata share of the partnership's assets, liabilities, revenues and expenses are combined on a line by line basis. The partnership's accounting policies are consistent with the accounting policies of the School Division. Inter-company balances and transactions between the School Division and the partnership have been eliminated.

The School Division has an interest in one partnership:

- Humboldt Collegiate Institute – 55.4% (2014 – 58.2%)

b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting.

c) Measurement Uncertainty and the Use of Estimates

Canadian public sector accounting standards require management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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 consolidated financial statements exists for:

- The liability for future employee benefits of $4,528,900 (2014 - $4,340,800) because actual experience may differ significantly from actuarial estimations.
- Property taxation revenue of $47,054,701 (2014 - $45,673,818) because final tax assessments may differ from initial estimates.
- Useful lives of tangible capital assets and related amortization $7,010,160 (2014 - $5,719,922) because the actual useful lives of the capital assets may differ from their estimated economic lives.

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 material changes in the amounts recognized or disclosed.

d) Financial Instruments

Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The School Division recognizes a financial instrument when it becomes a party to the contractual provisions of a financial instrument. The financial assets and financial liabilities portray these rights and obligations in the consolidated financial statements. Financial instruments of the School Division include cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities and long-term debt and associated derivatives.

Financial instruments are assigned to one of two measurement categories: fair value, or cost or amortized cost. All of the financial instruments of the School Division are measured at cost or amortized cost except for derivatives which are measured at fair value.

i) Fair Value

Fair value measurement applies to financial derivatives. Any associated transaction costs are expensed upon initial recognition. Unrealized changes in fair value are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized, at which time they are transferred to the Consolidated Statement of Operations and Accumulated Surplus from Operations.

Fair value is determined by:

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 inputs other than quoted prices that are observable for the asset or liability either directly, (i.e. as prices) or indirectly (i.e. derived from prices)
Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The School Division's derivatives are considered Level 2 measurement.

When a decline in fair value is determined to be other than temporary, the amount of the loss is removed from any accumulated remeasurement gains and reported in the Consolidated Statement of Operations and Accumulated Surplus from Operations.

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities, and non-monetary items included in the fair value measurement category denominated in foreign currencies, are translated into Canadian dollars at the exchange rate prevailing at the consolidated financial statement date. Unrealized foreign exchange gains and losses are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized, at which time they are transferred to the Consolidated Statement of Operations and Accumulated Surplus from Operations.

ii) Cost or Amortized Cost

All other financial assets and financial liabilities are measured at cost or amortized cost. Transaction costs are a component of the cost of financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Impairment losses such as write-downs or write-offs are reported in the Consolidated Statement of Operations and Accumulated Surplus from Operations. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the Consolidated Statement of Operations and Accumulated Surplus from Operations in the period the gain or loss occurs.

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 and bank deposits held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes 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. 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.

Portfolio Investments consist of guaranteed investment certificates and are carried at cost. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (d).

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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 of the School Division include land, land improvements, buildings, buildings – short term, other vehicles, furniture and equipment, computer hardware and audio visual equipment, computer software, 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, nor amortize it until it is complete and placed into service.

Tangible capital asset costs that are directly paid for by the Government of Saskatchewan on behalf of the School Division, under the joint-use schools project (JUSP) agreement, are valued at the total progress payments made during construction and the present value of the future capital payments discounted to the date the asset is available for use using the Government of Saskatchewan's borrowing rate for long-term debt in effect at the time of signing the JUSP agreement. During construction, the costs of the assets are recognized using the percentage of completion method based on construction progress and are classified as assets 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
Other vehicles	5 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years
Leased capital assets	Lease term

Prepaid Expenses are prepaid amounts for goods or services such as insurance, Saskatchewan School Boards Association fees, and software licenses which will provide economic benefits in one or more future periods.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont’d)

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.

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

Liability for Employee Future Benefits represents 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. Actuarial valuations are performed periodically using assumptions including discount rate, inflation, salary escalation, termination and retirement rates and mortality. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups.

Deferred Revenue from Non-government Sources represents fees or payments for services received in advance of the fee being earned or the services being performed, and other contributions for which the contributor has placed restrictions on the use of the resources. Revenue from tuition and related fees is recognized as the course is delivered, revenue from facility rentals is recognized as the services are delivered, and revenue from property taxes is earned through the passage of time.

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 Saskatchewan Teachers’ Retirement Plan (STRP) or the 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 recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.
The School Division’s sources of revenues include the following:

i) Government Transfers (Grants)
Grants from governments are considered to be government transfers. In accordance with PS3410 standard, government transfers are recognized as revenues when the transfer is

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

authorized, all eligibility criteria have been met, the amount can be estimated and collection is reasonably assured except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. For transfers with stipulations, revenue is recognized in the Consolidated Statement of Operations and Accumulated Surplus from Operations as the stipulation liabilities are settled.

ii) Property Taxation
Property tax is levied and collected on a calendar year basis. Uniform education property tax mill rates are set by the Government of Saskatchewan and agreed to by the Board of Education, although separate school divisions have a legislative right to set their own mill rates. Tax revenues are recognized on the basis of time with $1/12^{th}$ 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.

iii) Fees and Services
Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iv) Interest Income
Interest is recognized on an accrual basis when it is earned.

v) Other (Non-Government Transfer) Contributions
Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the School Division if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions that are to be held in perpetuity are recognized as revenue in the year in which they are received or committed if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions that are not held in perpetuity are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

3. ACCOUNTS RECEIVABLE

All accounts receivable presented on the Consolidated Statement of Financial Position are net of any valuation allowances for doubtful accounts. Details of accounts receivable balances and allowances are as follows:

3. ACCOUNTS RECEIVABLE (Cont'd)

	2015		2014	
	Total Receivable	Net of Allowance	Total Receivable	Net of Allowance
Taxes Receivable	$ 1,097,668	$ 1,097,668	$ 1,126,295	$ 1,126,295
Provincial Grants Receivable	7,890,991	7,890,991	16,294,655	16,294,655
Other Receivables	1,378,743	1,378,743	1,369,326	1,369,326
Total Accounts Receivable	$ 10,367,402	$ 10,367,402	$ 18,790,276	$ 18,790,276

4. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2015	2014
Portfolio investments in the cost and amortized cost category:	Cost	Cost
NatCan GIC, interest of 3.21%, due January 6, 2016	$ 11,600	$ 11,600
National Bank of Canada GIC, interest of 2.75%, due October 17, 2016	10,000	10,000
ING Bank of Canada GIC, interest of 2.70%, due January 23, 2019	34,500	34,500
Total portfolio investments	$ 56,100	$ 56,100

5. SHORT-TERM BORROWINGS

The School Division has a demand operating line of credit with a maximum borrowing limit of $20 million that bears interest at prime minus 0.7% per annum. This line of credit is authorized by a borrowing resolution by the Board of Education and is unsecured. This line of credit was approved by the Minister of Education on January 21, 2013. There was no balance drawn on the line of credit at August 31, 2015 (August 31, 2014 - $0).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2015	2014
Accrued Salaries and Benefits	$ 2,246,562	$ 3,580,298
Supplier Payments	3,966,772	9,558,922
Other	30,941	174,478
Total Accounts Payable and Accrued Liabilities	$ 6,244,275	$ 13,313,698

St. Paul's Roman Catholic Separate School Division #20
Notes to the Consolidated Financial Statements
for the year ended August 31, 2015

7. LONG-TERM DEBT AND ASSOCIATED DERIVATIVES

Details of long-term debt are as follows:

			2015		2014
Capital Loans:	Royal Bank Bankers' Acceptance Loan - offering rate of 4.6% plus spread of 0.35%, ten year loan revolving quarterly at progressively smaller amounts until October 2016 (offering rate at August 31, 2015 was 0.744%).		$1,519,000		$2,672,000
	Royal Bank 4.25% twenty year fixed rate loan, payable in blended monthly instalments of $77,106 until December 2031.		10,883,378		11,372,463
	BMO 5.01% twenty year fixed rate loan, payable in blended monthly instalments of $179,973 until December 2033.		25,869,524		26,778,325
	BMO 1.98% five year fixed rate loan, payable in blended monthly instalments of $15,422 until March 2020.		810,223		-
			39,082,125		40,822,788
Capital Leases:	Five year capital lease for Konica Minolta multifunction printing devices, variable monthly cost per copy payment based on usage, bearing interest at 7.55%, expiring June 30, 2018.		510,487		662,847
			510,487		662,847
Derivatives:	Derivatives consist of long-term financial instrument created by interest rate swap agreement - 4.6%, terminates October 2016. The derivative is recorded at fair value.		45,025		109,169
			45,025		109,169
Total Long-Term Debt and Associated Derivatives		$	39,637,637	$	41,594,804

7. LONG-TERM DEBT AND ASSOCIATED DERIVATIVES (Cont'd)

Principal repayments over the next 5 years are estimated as follows:

	Capital Loans	Capital Leases	Total
2016	$ 2,679,209	$ 164,261	$ 2,843,470
2017	1,961,358	177,092	2,138,450
2018	1,667,784	169,134	1,836,918
2019	1,743,646	-	1,743,646
2020	1,745,552	-	1,745,552
Thereafter	29,284,576	-	29,284,576
Total	$ 39,082,125	$ 510,487	$ 39,592,612

Principal and interest payments on long-term debt are as follows:

	Capital Loans	Capital Leases	2015	2014
Principal	$ 2,607,020	$ 152,359	$ 2,759,379	$ 2,147,401
Interest	1,903,809	44,815	1,948,624	1,688,522
Total	$ 4,510,829	$ 197,174	$ 4,708,003	$ 3,835,923

8. 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, severance, and vacation banks. The liability associated with these benefits is calculated based on the present value of expected future payments pro-rated for service and is included in Liability for Employee Future Benefits in the Consolidated Statement of Financial Position. Morneau Shepell Ltd, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2015 and estimated the Liability for Employee Future Benefits as at August 31, 2015.

	2015	2014
Actuarial extrapolation date	31-Aug-15	31-Aug-14
Long-term assumptions used:		
Discount rate at end of period	2.50% per annum	2.80% per annum
Inflation rate and productivity (excluding merit and promotion)	3.20% per annum	3.25% per annum
Expected average remaining service lifetime	14 years	14 years

The actual salary escalation rate used includes a merit and promotion percentage which varies depending on years of service of each employee.

8. EMPLOYEE FUTURE BENEFITS (Cont'd)

Liability for Employee Future Benefits	2015	2014
Accrued Benefit Obligation - beginning of year	$ 3,901,400	$ 3,434,200
Current period benefit cost	320,000	285,000
Interest cost	115,200	126,800
Benefit payments	(215,600)	(193,100)
Actuarial losses	1,211,700	248,500
Accrued Benefit Obligation - end of year	5,332,700	3,901,400
Unamortized Net Actuarial Gains / Losses	(803,800)	439,400
Liability for Employee Future Benefits	$ 4,528,900	$ 4,340,800

Employee Future Benefits Expense	2015	2014
Current service cost	$ 320,000	$ 285,000
Amortization of net actuarial loss	(31,500)	(49,300)
Benefit cost	288,500	235,700
Interest cost	115,200	126,800
Total Employee Future Benefits Expense	$ 403,700	$ 362,500

9. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2014	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2015
Capital projects:				
Federal Capital Tuition	$ -	$ 11,927	$ -	$ 11,927
Capital Grants from Others	67,897	-	(16,246)	51,651
Total capital projects deferred revenue	67,897	11,927	(16,246)	63,578
Other deferred revenue:				
International Student Program Tuition	914,406	1,691,982	(914,406)	1,691,982
Facility Rentals	7,192	6,057	(7,192)	6,057
Property Tax Income	1,192,066	892,223	(1,192,066)	892,223
Total other deferred revenue	2,113,664	2,590,262	(2,113,664)	2,590,262
Total Deferred Revenue	$ 2,181,561	$ 2,602,189	$ (2,129,910)	$ 2,653,840

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.

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	2015	2014
Revenue:			
Operating Grants	$ 1,732,225	$ 1,732,225	$ 1,648,396
Capital Grants	26,241	26,241	-
Total Revenue	1,758,466	1,758,466	1,648,396
Expenses:			
Salaries & Benefits	1,580,699	1,580,699	1,387,093
Instructional Aids	36,309	36,309	16,656
Non-Capital Equipment	-	-	3,752
Travel	711	711	443
Professional Development (Non-Salary Costs)	3,365	3,365	2,122
Student Related Expenses	28,201	28,201	27,728
Contracted Transportation & Allowances	652,746	652,746	501,359
Amortization of Tangible Capital Assets	1,164	1,164	1,164
Total Expenses	2,303,195	2,303,195	1,940,317
Deficiency of Revenue over Expenses	$ (544,729)	$ (544,729)	$ (291,921)

Pre-kindergarten is a targeted early intervention program offered to vulnerable children in the community. Each classroom has a maximum of 16 students with a professional teacher and an educational assistant assigned to the classroom. The School Division has 28 (2014 – 26) pre-kindergarten programs in eleven schools.

11. ACCUMULATED SURPLUS

Accumulated surplus represents the financial assets and non-financial assets of the School Division less liabilities. Accumulated surplus is comprised of the following two amounts:

i) Accumulated surplus from operations, which represents the accumulated balance of net surplus arising from the operations of the School Division and school generated funds as detailed in the table below; and
ii) Accumulated remeasurement gains and losses, which represents the unrealized gains and losses associated with foreign exchange and changes in value for financial instruments recorded at fair value as detailed in the Consolidated Statement of Remeasurement Gains and Losses.

Certain amounts of the accumulated surplus from operations, as approved by the Board of Education, have been designated for specific future purposes such as school generated funds, scholarships and future capital asset expenditures. These internally restricted amounts are included in the accumulated surplus from operations presented in the Consolidated Statement of Financial Position. The School Division does not maintain separate bank accounts for the internally restricted amounts.

11. ACCUMULATED SURPLUS (Cont'd)

Details of accumulated surplus are as follows:

	August 31 2014	Additions during the year	Reductions during the year	August 31 2015
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	$ 146,803,821	$ 8,473,299	$ -	$ 155,277,120
Less: Debt owing on Tangible Capital Assets	41,594,804	866,356	2,823,523	39,637,637
	105,209,017	7,606,943	(2,823,523)	115,639,483
PMR maintenance project allocations	1,502,335	1,885,276	1,123,609	2,264,002
Internally Restricted Surplus:				
Capital Projects:				
Designated for tangible capital asset expenditures	8,126,402	-	7,072,607	1,053,795
Other:				
Federal Tuition and Project Funding	6,927	-	6,927	-
Telephone System Replacement	95,205	200,000	95,205	200,000
Textbook Replacement	-	100,000	-	100,000
Technology Refresh	-	300,000	-	300,000
Invitational Shared Services Initiative	116,514	31,811	-	148,325
Modular Classroom Moves	300,000	-	-	300,000
Modular Classroom Project Surplus	163,565	-	-	163,565
School Decentralized Budget Carryover	118,627	84,051	118,627	84,051
Claims Fluctuation Reserve	100,000	-	-	100,000
P3 Planning Grant	102,614	267,000	252,548	117,066
Vehicle Replacement Fund	43,164	90,000	43,164	90,000
St. Frances Pre-Kindergarten Start-Up Grant	26,241	-	26,241	-
School Generated Funds	1,168,982	61,973	-	1,230,955
Scholarship Funds	212,637	5,820	2,175	216,282
Humboldt Collegiate Institute	199,634	-	35,775	163,859
Saskatoon French School	351,579	8,403	154,958	205,024
Oskāyak High School	1,354,975	39,330	-	1,394,305
	12,487,066	1,188,388	7,808,227	5,867,227
Unrestricted Surplus	2,344,680	742,096	-	3,086,776
Total Accumulated Surplus from Operations	121,543,098	11,422,703	6,108,313	126,857,488
Accumulated Remeasurement Losses	(109,169)	64,144	-	(45,025)
Total Accumulated Surplus	$ 121,433,929	$ 11,486,847	$ 6,108,313	$ 126,812,463

11. ACCUMULATED SURPLUS (Cont'd)

PMR Maintenance Project Allocations represent transfers received from the Ministry of Education as funding support for maintenance projects on the School Division's approved 3 year capital maintenance plans. Unspent funds at the end of a fiscal year are designated for future approved capital plan maintenance project expenditures.

The purpose and nature of each Internally Restricted Surplus is as follows:

i) Designated for tangible capital asset expenditures are capital grants received or receivable from the Ministry of Education that have not yet been spent on the designated project.

ii) Federal Tuition and Project Funding is the capital portion of tuition charged to on-reserve students.

iii) Telephone System Replacement is set aside for 2015-2016 expenses related to the voice-over internet protocol phone system replacement.

iv) Textbook Replacement funds are set aside to help meet future textbook replacement needs in the division.

v) Technology Refresh funds are set aside to update obsolete information technology infrastructure.

vi) Invitational Shared Services Initiative is a joint program between the School Division and Saskatoon Tribal Council. Grant not spent in the year is required to be set aside for the next year's programming.

vii) Modular Classroom Moves is funding set aside to relocate modular classrooms at the completion of the major renovations and addition projects nearing completion in the summer of 2015.

viii) The Modular Classroom Project Surplus is set aside to offset future costs associated with incompatibility issues with existing units.

ix) School Decentralized Budget Carryover is funding set aside for schools to use in the following school year with up to 10% of their current year budget remaining.

x) Claims Fluctuation Reserve is funds withdrawn from the employee benefits plan to offset future costs.

xi) P3 Planning Grant funds were received from the Ministry of Education and the unspent portion is being set aside to offset future costs associated with the School Division being part of the P3 planning process.

xii) Vehicle Replacement Fund has been set aside to offset the cost of a two new service vans and purchase a tractor budgeted for in 2014-2015 that was back ordered.

xiii) St. Frances Pre-Kindergarten Start-Up Grant was restricted in 2013-2014 and was expended in 2014-2015 when the new program began.

xiv) School Generated Funds are the excess of revenue over expenses from funds collected from school activities at the school level.

11. ACCUMULATED SURPLUS (Cont'd)

xv) Scholarship Funds consist of monies donated from third parties that is used to pay scholarships to students based on defined criteria and internally allocated funds set aside as a professional development fund for senior administration.

xvi) The Humboldt Collegiate Institute allocation is revenues in excess of expenses resulting from the School Division's share of the operations of the school. The school is jointly administered with Horizon School Division No. 205.

xvii) The Saskatoon French School and Oskāyak High School allocations are revenues in excess of expenses resulting from the operations of the respective schools. Both schools are administered by the School Division and work with a council elected by the school community as outlined in the tripartite agreement for each school.

12. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2015 Actual	2014 Actual
Governance	$ 252,479	$ 580,373	$ -	$ -	$ 832,852	$ 723,233
Administration	5,418,934	643,728	-	131,944	6,194,606	5,474,068
Instruction	119,445,557	7,997,524	-	1,861,174	129,304,255	125,113,087
Plant	7,920,090	20,995,386	-	5,015,878	33,931,354	32,710,712
Transportation	145,124	6,726,362	-	-	6,871,486	6,587,898
Tuition and Related Fees	-	-	-	-	-	35,700
School Generated Funds	-	3,891,334	-	-	3,891,334	3,589,333
Complementary Services	1,580,699	721,332	-	1,164	2,303,195	1,940,317
Other - Interest	-	16,255	2,119,319	-	2,135,574	1,788,986
TOTAL	$ 134,762,883	$ 41,572,294	$ 2,119,319	$ 7,010,160	$ 185,464,656	$ 177,963,334

13. 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 consolidated financial statements do not include any expense for

13. PENSION PLANS (Cont'd)

employer contributions to these plans. Net pension assets or liabilities for these plans are not reflected in these consolidated 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:

	2015			2014
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	1,151	16	1,167	1,140
Member contribution rate (percentage of salary)	7.8% - 12.4%	6.05% - 7.85%	6.05% - 12.4%	6.05% - 10.0%
Member contributions for the year	$ 8,829,899	$ 96,355	$ 8,926,254	$ 7,241,927

ii) Municipal Employees' Pension Plan (MEPP)

The MEPP provides retirement benefits based on length of service and pensionable earnings.

The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees which could affect future contribution rates and / or benefits.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these consolidated 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:

	2015	2014
Number of active School Division members	733	751
Member contribution rate (percentage of salary)	8.15%	8.15%
School Division contribution rate (percentage of salary)	8.15%	8.15%
Member contributions for the year	$ 2,197,494	$ 2,141,253
School Division contributions for the year	$ 2,197,494	$ 2,141,253
Actuarial valuation (extrapolation) date	(31-Dec-14)	31-Dec-13
Plan Assets (in thousands)	$ 2,006,587	$ 1,685,167
Plan Liabilities (in thousands)	$ 1,672,585	$ 1,498,853
Plan Surplus (in thousands)	$ 334,002	$ 186,314

14. BUDGET FIGURES

Budget figures included in the consolidated financial statements were approved by the Board of Education on October 6, 2014 and include changes as requested by the Ministry of Education. The Board of Education initially approved the budget on June 23, 2014. Minister of Education approved the budget including the requested changes on August 26, 2014.

15. PARTNERSHIP

The School Division operates Humboldt Collegiate Institute (HCI) under a joint operating agreement between the School Division and Horizon School Division No. 205. The purpose of the partnership is to provide secondary education to the Catholic and Public students of Humboldt and surrounding area. Any distribution (recovery) of annual operating surplus (deficit) is shared between the partners according to their proportionate share of the student population for the given fiscal year.

The following is a schedule of relevant financial information as stated within the financial statements for the partnership for the year ended August 31, 2015. These amounts represent 100% of the partnership's financial position and activities.

	2015	2014
Financial Assets	$ 113,773	$ 89,163
Tangible Capital Assets	16,382,745	16,888,694
Total Assets	$ 16,496,518	$ 16,977,857
Financial Liabilities	$ 113,773	$ 89,163
Accumulated Surplus	16,382,745	16,888,694
Total Liabilities and Accumulated Surplus	$ 16,496,518	$ 16,977,857
Revenue	$ 3,331,706	$ 3,257,811
Expenses	(3,396,246)	(3,168,648)
Total Operating Surplus	$ (64,540)	$ 89,163
Less: Allocated to Horizon School Division No. 205	(28,765)	37,270
Less: Allocated to St. Paul's Roman Catholic Separate School Division No. 20	(35,775)	51,893
Total Accumulated Surplus	$ -	$ -

The above amounts have been proportionately consolidated in the School Division's consolidated financial statements at the School Division's partnership share of 55.4% (2014 – 58.2%). After adjusting accounting policies to be consistent with those of the School Division and eliminating transactions between the partnership and the School Division, the following amounts have been included in the School Division's consolidated financial statements:

	2015	2014
Financial Assets	$ -	$ 51,893
Tangible Capital Assets	$ 11,324,469	$ 11,675,309
Financial Liabilities	$ 35,775	$ -
Revenue	$ 1,846,824	$ 1,896,046
Expenses	$ (1,882,599)	$ (1,844,153)

15. PARTNERSHIP (Cont'd)

The School Division's allocation of the accumulated balance of net operating surplus including school generated funds arising from the operations of HCI has been included in internally restricted surplus as disclosed in Note 11 – Accumulated Surplus.

16. RELATED PARTIES

These consolidated 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 their organizations.

Related Party Transactions

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the consolidated 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.

	2015	2014
Revenues:		
Ministry of Education	$ 134,617,825	$ 123,056,291
Saskatchewan Government Insurance	478,377	524,963
	$ 135,096,202	$ 123,581,254
Expenses:		
Saskatchewan Transportation Company	$ -	$ 172
Saskatchewan Power Corporation	1,140,866	1,076,058
Saskatchewan Telecommunications Holding Corporation	379,060	395,456
SaskEnergy Incorporated	1,021,104	1,846,666
Workers' Compensation Board (Saskatchewan)	334,764	336,713
	$ 2,875,794	$ 3,655,065
Accounts Receivable:		
Ministry of Education	$ 7,890,991	$ 16,294,655
	$ 7,890,991	$ 16,294,655
Prepaid Expenses:		
Workers' Compensation Board (Saskatchewan)	$ 125,746	$ 130,725
	$ 125,746	$ 130,725
Accounts Payable and Accrued Liabilities:		
Saskatchewan Power Corporation	$ 96,713	$ 71,811
Saskatchewan Telecommunications Holding Corporation	24,848	26,943
SaskEnergy Incorporated	13,940	49,013
	$ 135,501	$ 147,767

16. RELATED PARTIES (Cont'd)

In addition, the School Division pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases and customer sales on items that are deemed taxable. Taxes paid are recorded as part of the cost of those purchases.

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

A portion of the revenue from the Ministry of Education includes funding allocated to principal and interest repayments on some school board loans.

17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Construction Contracts and Commitments

On April 8, 2013 the Board of Education awarded Gabriel Construction Ltd. the contract for the major renovation and addition to Ècole St. Matthew Catholic Elementary School. The cost of the project is to be shared with the Ministry of Education. The total value of the contract is $11.3 million and the School Division's share is $4.0 million. The estimated date of completion is March 2016.

On February 9, 2015 the Board awarded Interwest Mechanical Ltd. the contract for the heating and cooling revisions to E.D. Feehan Catholic High School. The value of the contract is $1,146,056 and the project was 81% complete at August 31.

During the year, the School Division entered into two contracts with Etera Construction Management Ltd. for construction of three relocatable classrooms and roof repairs at various locations totalling $979,871. These projects were 35% and 0% respectively complete at August 31.

The School Division also entered into a contract with Eikon Contracting for the relocation of eight relocatable classrooms for $472,393. This project was 36% complete at August 31.

Operating Contracts and Commitments

The School Division leases instructional space for its Opening Doors Program from 2PRO Terra Holdings Ltd. On May 14 2013, the School Division signed a three year lease for the period ending August 31, 2016.

On May 11, 2013 the School Division signed a five year capital lease with Konica Minolta Business Solutions (Canada) Ltd. The lease is paid through a monthly cost per copy charged. The annual guaranteed minimum number of copies is 21.5 million. The lease expires June 2018.

17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS (Cont'd)

	Operating Leases		Capital Leases	
	Instructional Space	Total Operating	Multifunction copiers	Total Capital
Future minimum lease payments:				
2016	$ 46,200	$ 46,200	$ 164,261	$ 164,261
2017	-	-	177,092	177,092
2018	-	-	169,135	169,135
	$ 46,200	$ 46,200	$ 510,488	$ 510,488
Interest costs	-	-	59,277	59,277
Total Lease Obligations	$ 46,200	$ 46,200	$ 569,765	$ 569,765

18. JOINT-USE SCHOOLS PROJECT AGREEMENT

In August 2015, the Government of Saskatchewan entered into a 32 year public-private partnership with Joint Use Mutual Partnership (JUMP) to design, finance, build and maintain the following schools on behalf of the School Division:

- St. Kateri Tekakwitha Catholic School - Stonebridge (Saskatoon)
- St. Thérèse of Lisieux Catholic School - Rosewood (Saskatoon)
- St. Lorenzo Ruiz Catholic School - Hampton Village (Saskatoon)
- St. Nicholas Catholic School - Evergreen (Saskatoon)
- Holy Mary Catholic School - Martensville
- Holy Trinity Catholic School - Warman

The Government of Saskatchewan will be responsible for all capital, maintenance and operating payments over the term of the public-private partnership agreement with ownership of the schools vesting with the School Division. The School Division is the beneficiary of the schools, therefore, during period of construction the School Division will record capital grant revenue from the Ministry of Education and tangible capital assets on the percentage of completion basis.

19. ACCOUNTING CHANGES

Correction of an error in prior period

Subsequent to the year ended August 31, 2014, the School Division identified an error in the manner in which deferred revenues from property taxation was recorded. Due to this error, the School Division's 2014 accounts receivable and deferred revenue balances have been reduced by $2,261,947.The prior period comparative amounts have been restated from those previously reported to correct for this error. The correction of this error has no impact on the School Division's opening accumulated surplus balance.

20. RISK MANAGEMENT

The School Division is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk (consisting of interest rate risk and foreign exchange risk).

i) Credit Risk

Credit risk is the risk to the School Division from potential non-payment of accounts receivable. The credit risk related to the School Division's receivables from the provincial government, federal government and their agencies are considered to be minimal. For other receivables, the School Division has adopted credit policies which include close monitoring of overdue accounts. The School Division does not have a significant exposure to any individual customer. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect impairment in collectability.

The aging of provincial grants and other accounts receivable at August 31, 2015 was:

	August 31, 2015				
	Total	0-30 days	30-60 days	60-90 days	Over 90 days
Grants Receivable	$7,890,991	$7,890,991	$ -	$ -	$ -
Other Receivables	1,044,581	318,926	41,877	10,579	673,199
Net Receivables	$8,935,572	$8,209,917	$ 41,877	$ 10,579	$ 673,199

ii) Liquidity Risk

Liquidity risk is the risk that the school division will not be able to meet its financial obligations as they come due. The school division manages liquidity risk by maintaining adequate cash balances, budget practices and monitoring and forecasts. The following table sets out the contractual maturities of the School Division’s financial liabilities:

	August 31, 2015			
	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	$ 6,244,275	$ -	$ -	$ -
Long term debt (including interest)	2,348,594	2,348,594	13,865,785	39,281,477
Total	$ 8,592,869	$ 2,348,594	$ 13,865,785	$ 39,281,477

iii) Market Risk

The School Division is exposed to market risks with respect to interest rates and foreign currency exchange rates, as follows:

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The School Division’s interest rate exposure relates to cash and cash equivalents and long-term debt. The School Division also has an authorized bank line of credit of $20 million with interest payable monthly at a rate of prime minus 0.7%, which was approved by the Ministry of Education on January 21, 2013. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2015 (2014 -$0).

20. RISK MANAGEMENT (Cont'd)

The School Division minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency
- investing in GICs and term deposits for short terms at fixed interest rates
- managing cash flows to minimize utilization of its bank line of credit
- managing its interest rate risk on long-term debt through the use of fixed rate terms and derivatives consisting of a long term financial instrument created by interest rate swap agreements on variable interest debt.

Foreign Currency Risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The School Division is exposed to currency risk on purchases denominated in U.S. dollars for which the related accounts payable balances are subject to exchange rate fluctuations; however, this risk is minimal as the School Division does not make a significant amount of purchases denominated on a foreign currency. As at August 31, 2015 the School Division had accounts payable of $1,003 denominated in U.S. dollars and converted to Canadian dollars at $1 USD to $1.32 CAD (2014 - $2,913).

The School Division is also exposed to currency risk on its interest rate swap derivative denominated in U.S. dollars. As at August 31, 2015 the mark to market adjustment related to the derivative was $34,115 denominated in U.S. dollars and converted to Canadian dollars at $1 USD to $1.32 CAD (2014 – $100,487).