Government of Saskatchewan
Ministry of Education

Audited Financial Statements

Of the Holy Family Roman Catholic Separate School Division No. 140

School Division No. 1406000

For the Period Ending: August 31, 2015

Lisa Wozniak
Chief Financial Officer

Cogent CPA LLP
Auditor

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

Management's Responsibility for Financial Reporting

The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

The external auditors, Cogent Chartered Professional Accountants LLP. conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the 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.

Bruno Lachance

Board Chair

Gwen Keith

CEO/Director of Education

Lisa Wonsiak

CFO/Superintendent of Finance

Weyburn, SK
November 18, 2015

Cogent
CHARTERED PROFESSIONAL
ACCOUNTANTS LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of the Holy Family Roman Catholic Separate School Division #140:

We have audited the accompanying financial statements of the Holy Family Roman Catholic Separate School Division #140, which comprise the statement of financial position as at August 31, 2015 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian 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 the Holy Family Roman Catholic Separate School Division #140 as at August 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Weyburn, SK
November 18, 2015

Cogent Chartered Professional Accountants LLP
Chartered Professional Accountants

206 Hill Avenue, Weyburn, Saskatchewan S4H 1M5
Tel: 306-842-8123 • Fax: 306-842-8171
Toll Free: 1-877-211-8123

Holy Family Roman Catholic Separate School Division No. 140

Statement of Financial Position

as at August 31, 2015

	2015	2014
Financial Assets		
Cash and Cash Equivalents	3,094,990	2,423,948
Accounts Receivable (Note 8)	2,687,484	2,032,114
Portfolio Investments (Note 4)	5,196	92,622
Total Financial Assets	**5,787,670**	**4,548,684**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	221,605	149,573
Long-Term Debt (Note 10)	2,038,122	2,238,232
Liability for Employee Future Benefits (Note 6)	239,300	219,600
Deferred Revenue (Note 11)	335,084	327,470
Total Liabilities	**2,834,111**	**2,934,875**
Net Financial Assets	**2,953,559**	**1,613,809**
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	11,990,602	11,488,390
Prepaid Expenses	106,674	120,695
Total Non-Financial Assets	**12,097,276**	**11,609,085**
Total Accumulated Surplus (Note 14)	**15,050,835**	**13,222,894**

Contractual Obligations and Commitments (Note 17)

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

Approved by the Board:

Bruno Fuchsfeller ______________________ Chairperson

Lisa Wozniak ______________________ Chief Financial Officer

Holy Family Roman Catholic Separate School Division No. 140

Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2015

	2015 Budget (Note 15)	2015 Actual	2014 Actual
REVENUES			
Property Taxation	5,714,720	5,890,438	5,766,662
Grants	6,437,156	7,283,734	6,968,430
School Generated Funds	350,000	316,563	382,748
Complementary Services (Note 12)	283,662	311,441	297,806
External Services (Note 13)	53,027	18,693	31,153
Other	17,500	447,834	42,923
Total Revenues (Schedule A)	**12,856,065**	**14,268,703**	**13,489,722**
EXPENSES			
Governance	195,397	160,559	172,697
Administration	1,012,370	1,116,452	978,140
Instruction	8,863,066	8,621,460	8,077,656
Plant	1,412,415	1,296,449	1,283,628
Transportation	326,170	293,351	292,687
Tuition and Related Fees	66,000	58,000	60,078
School Generated Funds	350,000	302,732	332,432
Complementary Services (Note 12)	251,858	266,720	253,885
External Services (Note 13)	73,275	75,360	70,459
Other Expenses	80,000	249,679	94,794
Total Expenses (Schedule B)	**12,630,551**	**12,440,762**	**11,616,456**
Operating Surplus for the Year	**225,514**	**1,827,941**	**1,873,266**
Accumulated Surplus from Operations, Beginning of Year	**13,222,894**	**13,222,894**	**11,349,628**
Accumulated Surplus from Operations, End of Year	**13,448,408**	**15,050,835**	**13,222,894**

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

Holy Family Roman Catholic Separate School Division No. 140

Statement of Changes in Net Financial Assets

for the year ended August 31, 2015

	2015 Budget (Note 15)	2015 Actual	2014 Actual
Net Financial Assets, Beginning of Year	**1,613,809**	**1,613,809**	**33,611**
Changes During the Year:			
Operating Surplus for the Year	225,514	1,827,941	1,873,266
Acquisition of Tangible Capital Assets (Schedule C)	(507,500)	(1,179,551)	(744,390)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	87,316	800
Net Loss on Disposal of Capital Assets (Schedule C)	-	153,597	317
Amortization of Tangible Capital Assets (Schedule C)	489,433	436,426	436,997
Net Change in Other Non-Financial Assets	-	14,021	13,208
Change in Net Financial Assets	**207,447**	**1,339,750**	**1,580,198**
Net Financial Assets, End of Year	**1,821,256**	**2,953,559**	**1,613,809**

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

Holy Family Roman Catholic Separate School Division No. 140

Statement of Cash Flows

for the year ended August 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Operating Surplus for the Year	1,827,941	1,873,266
Add Non-Cash Items Included in Surplus (Schedule D)	590,023	437,314
Net Change in Non-Cash Operating Activities (Schedule E)	(542,003)	463,048
Cash Provided by Operating Activities	**1,875,961**	**2,773,628**
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(1,179,551)	(744,390)
Proceeds on Disposal of Tangible Capital Assets	87,316	800
Cash Used by Capital Activities	**(1,092,235)**	**(743,590)**
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(124)	-
Proceeds on Disposal of Portfolio Investments	87,550	290
Cash Provided by Investing Activities	**87,426**	**290**
FINANCING ACTIVITIES		
Repayment of Long-Term Debt	(200,110)	(217,836)
Cash Used by Financing Activities	**(200,110)**	**(217,836)**
INCREASE IN CASH AND CASH EQUIVALENTS	**671,042**	**1,812,492**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**2,423,948**	**611,456**
CASH AND CASH EQUIVALENTS, END OF YEAR	**3,094,990**	**2,423,948**

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

Holy Family Roman Catholic Separate School Division No. 140

Schedule A: 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	5,714,720	5,839,857	5,699,906
Total Property Tax Revenue	**5,714,720**	**5,839,857**	**5,699,906**
Grants in Lieu of Taxes:			
Provincial Government	-	100,219	101,913
Total Grants in Lieu of Taxes	**-**	**100,219**	**101,913**
Additions to Levy:			
Penalties	-	30,847	47,638
Total Additions to Levy	**-**	**30,847**	**47,638**
Deletions from Levy:			
Cancellations	-	(80,485)	(82,795)
Total Deletions from Levy	**-**	**(80,485)**	**(82,795)**
Total Property Taxation Revenue	**5,714,720**	**5,890,438**	**5,766,662**
Grants:			
Operating Grants			
Ministry of Education Grants:			
Operating Grant	6,318,865	6,333,035	6,772,637
Other Ministry Grants	-	-	3,715
Total Ministry Grants	**6,318,865**	**6,333,035**	**6,776,352**
Other Provincial Grants	-	15,881	7,318
Total Operating Grants	**6,318,865**	**6,348,916**	**6,783,670**
Capital Grants			
Ministry of Education Capital Grants	118,291	934,818	184,760
Total Capital Grants	**118,291**	**934,818**	**184,760**
Total Grants	**6,437,156**	**7,283,734**	**6,968,430**

Holy Family Roman Catholic Separate School Division No. 140

Schedule A: Supplementary Details of Revenues

for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
School Generated Funds Revenue			
Curricular:			
Student Fees	-	6,624	17,157
Total Curricular Fees	**-**	**6,624**	**17,157**
Non-Curricular Fees:			
Commercial Sales - Non-GST	-	48,201	47,014
Fundraising	-	104,437	92,458
Grants and Partnerships	-	1,317	2,152
Students Fees	-	7,400	12,489
Other	350,000	148,584	211,478
Total Non-Curricular Fees	**350,000**	**309,939**	**365,591**
Total School Generated Funds Revenue	**350,000**	**316,563**	**382,748**
Complementary Services			
Operating Grants:			
Ministry of Education Grants:			
Operating Grant	198,738	198,744	198,162
Other Ministry Grants	84,924	112,562	97,256
Total Operating Grants	**283,662**	**311,306**	**295,418**
Fees and Other Revenue			
Other Revenue	-	135	2,388
Total Fees and Other Revenue	**-**	**135**	**2,388**
Total Complementary Services Revenue	**283,662**	**311,441**	**297,806**

Holy Family Roman Catholic Separate School Division No. 140

Schedule A: Supplementary Details of Revenues

for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
External Services			
Operating Grants:			
Ministry of Education Grants:			
Other Provincial Grants	25,132	11,943	11,795
Total Operating Grants	**25,132**	**11,943**	**11,795**
Fees and Other Revenue			
Tuition and Related Fees	27,895	6,750	6,750
Other Revenue	-	-	12,608
Total Fees and Other Revenue	**27,895**	**6,750**	**19,358**
Total External Services Revenue	**53,027**	**18,693**	**31,153**
Other Revenue			
Miscellaneous Revenue	15,000	392,331	4,399
Sales & Rentals	2,500	5,178	16,363
Investments	-	46,625	22,161
Gain on Disposal of Capital Assets	-	3,700	-
Total Other Revenue	**17,500**	**447,834**	**42,923**
TOTAL REVENUE FOR THE YEAR	**12,856,065**	**14,268,703**	**13,489,722**

Holy Family Roman Catholic Separate School Division No. 140

Schedule B: Supplementary Details of Expenses

for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Governance Expense			
Board Members Expense	44,600	38,217	40,736
Professional Development- Board Members	58,800	39,130	52,516
Advisory Committees	-	-	279
Elections	1,000	-	-
Other Governance Expenses	90,997	83,212	79,166
Total Governance Expense	**195,397**	**160,559**	**172,697**
Administration Expense			
Salaries	698,025	799,923	585,045
Benefits	70,095	78,481	75,500
Supplies & Services	76,050	102,429	219,998
Non-Capital Furniture & Equipment	11,000	6,693	8,372
Building Operating Expenses	65,100	64,873	54,702
Communications	42,500	13,271	14,434
Travel	22,000	14,998	9,147
Professional Development	25,000	25,637	8,681
Amortization of Tangible Capital Assets	2,600	10,147	2,261
Total Administration Expense	**1,012,370**	**1,116,452**	**978,140**
Instruction Expense			
Instructional (Teacher Contract) Salaries	6,267,909	6,215,371	5,867,986
Instructional (Teacher Contract) Benefits	313,777	343,111	312,847
Program Support (Non-Teacher Contract) Salaries	1,192,560	1,128,178	1,034,980
Program Support (Non-Teacher Contract) Benefits	185,415	218,490	203,918
Instructional Aids	304,840	267,830	226,227
Supplies & Services	169,800	157,040	136,986
Non-Capital Furniture & Equipment	74,540	86,556	83,755
Communications	39,000	31,224	40,663
Travel	82,700	31,658	22,070
Professional Development	134,175	64,823	53,807
Student Related Expense	28,100	31,877	30,782
Amortization of Tangible Capital Assets	70,250	45,302	63,635
Total Instruction Expense	**8,863,066**	**8,621,460**	**8,077,656**

Holy Family Roman Catholic Separate School Division No. 140

Schedule B: Supplementary Details of Expenses

for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Plant Operation & Maintenance Expense			
Salaries	498,700	450,570	433,631
Benefits	91,420	80,187	81,112
Supplies & Services	7,000	13,860	30,656
Non-Capital Furniture & Equipment	7,100	6,687	7,881
Building Operating Expenses	439,600	404,583	378,354
Communications	3,700	2,536	4,021
Travel	6,000	12,168	13,925
Professional Development	4,500	1,116	807
Amortization of Tangible Capital Assets	354,395	324,742	333,241
Total Plant Operation & Maintenance Expense	**1,412,415**	**1,296,449**	**1,283,628**
Student Transportation Expense			
Salaries	128,500	122,644	98,422
Benefits	20,870	25,328	21,101
Supplies & Services	50,200	44,936	44,372
Non-Capital Furniture & Equipment	60,000	46,967	62,552
Building Operating Expenses	-	55	1,144
Communications	2,500	2,108	2,568
Travel	250	-	242
Contracted Transportation	12,000	15,594	33,800
Amortization of Tangible Capital Assets	51,850	35,719	28,486
Total Student Transportation Expense	**326,170**	**293,351**	**292,687**
Tuition and Related Fees Expense			
Tuition Fees	66,000	58,000	60,078
Total Tuition and Related Fees Expense	**66,000**	**58,000**	**60,078**
School Generated Funds Expense			
Supplies & Services	15,000	7,515	11,966
Cost of Sales	75,000	83,421	72,345
School Fund Expenses	251,329	192,168	240,371
Amortization of Tangible Capital Assets	8,671	19,628	7,750
Total School Generated Funds Expense	**350,000**	**302,732**	**332,432**

Holy Family Roman Catholic Separate School Division No. 140

Schedule B: 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	139,225	134,002	126,625
Program Support (Non-Teacher Contract) Salaries & Benefits	92,766	88,992	83,939
Plant Operation & Maintenance Salaries & Benefits	-	-	213
Instructional Aids	-	35,047	32,800
Supplies & Services	13,500	4,971	4,454
Non-Capital Furniture & Equipment	500	696	381
Building Operating Expenses	-	-	109
Communications	-	-	17
Travel	3,000	2,123	2,183
Professional Development (Non-Salary Costs)	1,200	-	785
Student Related Expenses	-	-	197
Contracted Transportation & Allowances	-	-	558
Amortization of Tangible Capital Assets	1,667	889	1,624
Total Complementary Services Expense	**251,858**	**266,720**	**253,885**
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	68,675	72,933	68,158
Instructional Aids	-	300	213
Supplies & Services	2,250	822	207
Communications	350	516	243
Travel	1,000	381	435
Professional Development (Non-Salary Costs)	1,000	408	1,046
Student Related Expenses	-	-	157
Total External Services Expense	**73,275**	**75,360**	**70,459**

Holy Family Roman Catholic Separate School Division No. 140

Schedule B: Supplementary Details of Expenses

for the year ended August 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	3,000	2,507	1,848
Interest on Other Capital Loans and Long-Term Debt			
School Facilities	77,000	89,875	92,629
Total Interest and Bank Charges	**80,000**	**92,382**	**94,477**
Loss on Disposal of Tangible Capital Assets	-	157,297	317
Total Other Expense	**80,000**	**249,679**	**94,794**
TOTAL EXPENSES FOR THE YEAR	**12,630,551**	**12,440,762**	**11,616,456**

Holy Family Roman Catholic Separate School Division No. 140
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2015

	Land Improvements	Buildings	Buildings Short-Term	School Buses	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Visual Equipment	Assets Under Construction	2015	2014
Tangible Capital Assets - at Cost:										
Opening Balance as of September 1	17,641	14,230,776	900,215	588,310	58,953	275,911	365,438	-	**16,437,244**	**15,699,562**
Additions/Purchases	-	-	81,739	194,987	26,029	87,114	68,486	721,196	**1,179,551**	**744,390**
Disposals	(930)	(1,213,651)	-	(91,091)	(18,530)	(4,699)	-	-	**(1,328,901)**	**(6,711)**
Closing Balance as of August 31	**16,711**	**13,017,125**	**981,954**	**692,206**	**66,452**	**358,326**	**433,924**	**721,196**	**16,287,894**	**16,437,241**
Tangible Capital Assets - Amortization:										
Opening Balance as of September 1	6,805	3,954,716	75,857	471,472	43,492	115,584	280,928	-	**4,948,854**	**4,517,448**
Amortization of the Period	836	260,342	51,218	35,719	13,290	31,125	43,896	-	**436,426**	**436,997**
Disposals	(512)	(975,612)	-	(88,635)	(18,530)	(4,699)	-	-	**(1,087,988)**	**(5,594)**
Closing Balance as of August 31	**7,129**	**3,239,446**	**127,075**	**418,556**	**38,252**	**142,010**	**324,824**	**N/A**	**4,297,292**	**4,948,851**
Net Book Value:										
Opening Balance as of September 1	10,836	10,276,060	824,358	116,838	15,461	160,327	84,510	-	**11,488,390**	**11,182,114**
Closing Balance as of August 31	9,582	9,777,679	854,879	273,650	28,200	216,316	109,100	721,196	**11,990,602**	**11,488,390**
Change in Net Book Value	**(1,254)**	**(498,381)**	**30,521**	**156,812**	**12,739**	**55,989**	**24,590**	**721,196**	**502,212**	**306,276**
Disposals:										
Historical Cost	930	1,213,651	-	91,091	18,530	4,699	-	-	**1,328,901**	**6,711**
Accumulated Amortization	512	975,612	-	88,635	18,530	4,699	-	-	**1,087,988**	**5,594**
Net Cost	**418**	**238,039**	-	**2,456**	-	-	-	-	**240,913**	**1,117**
Price of Sale	-	81,416	-	2,200	3,700	-	-	-	**87,316**	**800**
Gain (Loss) on Disposal	**(418)**	**(156,623)**	-	**(256)**	**3,700**	-	-	-	**(153,597)**	**(317)**
Net Book Value (NBV) of Assets Pledged as Security for Debt	-	-	-	**49,109**	-	-	-	-	**49,109**	**56,124**

Holy Family Roman Catholic Separate School Division No. 140

Schedule D: Non-Cash Items Included in Surplus

for the year ended August 31, 2015

	2015	2014
Non-Cash Items Included in Surplus:		
Amortization of Tangible Capital Assets (Schedule C)	436,426	436,997
Net Loss on Disposal of Tangible Capital Assets (Schedule C)	153,597	317
Total Non-Cash Items Included in Surplus	**590,023**	**437,314**

Holy Family Roman Catholic Separate School Division No. 140

Schedule E: Net Change in Non-Cash Operating Activities

for the year ended August 31, 2015

	2015	2014
Net Change in Non-Cash Operating Activities:		
(Increase) Decrease in Accounts Receivable	(655,370)	204,132
Increase in Accounts Payable and Accrued Liabilities	72,032	107,502
Increase in Liability for Employee Future Benefits	19,700	18,000
Increase in Deferred Revenue	7,614	120,206
Decrease in Prepaid Expenses	14,021	13,208
Total Net Change in Non-Cash Operating Activities	**(542,003)**	**463,048**

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

General note

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 Holy Family Roman Catholic Separate School Division No. 140" and operates as "the Holy Family Roman Catholic Separate School Division No. 140". The school division provides education services to residents within its geographic region and is governed by an elected board of trustees.

The school division is funded mainly by grants from the Government of Saskatchewan and a levy on the property assessment included in the school division's boundaries at mill rates determined by the provincial government and agreed to by the board of education, although separate school divisions continue to have a legislative right to set their own mill rates. The school division is exempt from income tax and is a registered charity under the *Income Tax Act.*

2. SIGNIFICANT ACCOUNTING POLICIES

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

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

a) Basis of Accounting

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

b) Reporting Entity

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

c) Measurement Uncertainty and the Use of Estimates

Canadian public sector accounting standards require 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 $239,300 (2014 - $219,600) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of $5,890,438 (2014 - $5,766,662) because final tax assessments may differ from initial estimates,
- useful lives of capital assets and related amortization of $436,426 (2014 - $436,997) because the actual useful lives of these assets may differ from their estimated economic lives.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 a financial instrument. The financial assets and financial liabilities portray these rights and obligations in the 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.

All financial instruments 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 revenues or expenses. Impairment losses such as write-downs or write-offs are reported in the statement of operations and accumulated surplus from operations.

Gains and losses on financial instruments measured at cost or amortized cost, are recognized in the 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, 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.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
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As at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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. 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.

Portfolio Investments consist of equity shares in co-operative associations. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (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 include land improvements, buildings, short-term buildings, school buses, other vehicles, furniture and equipment, computer hardware and audio visual equipment 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.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 (leasehold improvements, portables, storage sheds outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger	5 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years

Assets under construction are not amortized until completed and placed into service for use.

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 which will provide economic benefits in one or more future periods. Prepaid expenses include insurance premiums, photo copier leases, software licenses, Workers' Compensation premiums and tuition fees.

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.

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.*

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. 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.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Revenue from Non-government Sources represents fees or payments for services received in advance of the fee being earned or the services being performed, and other contributions for which the contributor has placed restrictions on the use of the resources. Revenue from tuition and related fees is recognized as the course is delivered, revenue from contractual services is recognized as the services are delivered, and revenue from other contributions is recognized in the fiscal year in which the resources are used for the purpose specified by the contributor.

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 Saskatchewan Teachers' Retirement Plan (STRP). The school division's obligation for this plan is limited to collecting and remitting contributions of the employees at rates determined by the plan.

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 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 statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 1/12th 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.

iii) Fees and Services

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

iv) Interest Income

Interest is recognized on an accrual basis when it is earned.

v) Other (Non-Government Transfer) Contributions

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

j) Statement of Remeasurement Gains and Losses

The school division has not presented a statement of remeasurement gains and losses because it does not have financial instruments that give rise to material remeasurement gains or losses.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

3. SHORT-TERM BORROWINGS

Bank indebtedness consists of a demand operating line of credit with a maximum borrowing limit of $3,000,000 that bears interest at the Royal Bank's prime rate minus 0.6% per annum. This line of credit is authorized by a borrowing resolution by the board of education and is secured by property taxes and ministry grants. This line of credit was approved by the Minister of Education on December 10, 2010. As at August 31, 2015 there was no balance outstanding on this credit facility (August 31, 2014 - $NIL).

4. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2015	2014
Portfolio investments in the cost and amortized cost category:	**Cost**	**Cost**
Co-operative Corporations, shares	$ 5,196	$ 5,122
Term deposits	-	87,500
Total portfolio investments reported at cost and amortized cost	**$ 5,196**	**$ 92,622**

5. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2015 Actual	2014 Actual
Governance	$ 49,275	$ 111,284	$ -	$ -	$ 160,559	$ 172,697
Administration	878,404	227,901	-	10,147	1,116,452	978,140
Instruction	7,905,150	671,008	-	45,302	8,621,460	8,077,656
Plant	530,757	440,950	-	324,742	1,296,449	1,283,628
Transportation	147,972	109,660	-	35,719	293,351	292,687
Tuition and Related Fees	-	58,000	-	-	58,000	60,078
School Generated Funds	-	283,104	-	19,628	302,732	332,432
Complementary Services	222,994	42,837	-	889	266,720	253,885
External Services	72,933	2,427	-	-	75,360	70,459
Other	-	157,297	92,382	-	249,679	94,794
TOTAL	**$ 9,807,485**	**$ 2,104,468**	**$ 92,382**	**$ 436,427**	**$ 12,440,762**	**$ 11,616,456**

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

6. 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 benefits, vested sick leave and retirement gratuity. 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 statement of financial position. Morneau Shepell Ltd, a firm of consulting actuaries, performed an actuarial valuation and estimated the Liability for Employee Future Benefits as at August 31, 2015.

Details of the employee future benefits are as follows:

	2015	2014
Actuarial valuation (extrapolation) date	Aug. 31, 2015	(Aug. 31, 2014)
Long-term assumptions used:		
Discount rate at end of period	2.50%	2.80%
Inflation and productivity rate (excluding merit and promotion)	3.20%	3.25%
Expected average remaining service life (years)	16	16

Liability for Employee Future Benefits	**2015**	**2014**
Accrued Benefit Obligation - beginning of year	**$ 202,300**	**$ 165,800**
Current period service cost	16,500	14,500
Interest cost	6,100	6,300
Benefit payments	(2,900)	(600)
Actuarial losses	32,000	16,300
Plan amendments	1,200	-
Accrued Benefit Obligation - end of year	**255,200**	**202,300**
Unamortized Net Actuarial Gains / Losses	(15,900)	17,300
Liability for Employee Future Benefits	**$ 239,300**	**$ 219,600**

Employee Future Benefits Expense	**2015**	**2014**
Current period service cost	$ 16,500	$ 14,500
Amortization of net actuarial (gain)	(1,200)	(2,200)
Plan amendments	1,200	-
Benefit cost	**16,500**	**12,300**
Interest cost	6,100	6,300
Total Employee Future Benefits Expense	**$ 22,600**	**$ 18,600**

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

7. 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):

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

The STRP is funded by contributions from participating employee members and the Government of Saskatchewan. The school division's obligation to the STRP is limited to collecting and remitting contributions of the employees at rates determined by the plan. Accordingly, these financial statements do not include any expense for employer contributions to this plan. Net pension assets or liabilities for this plan are not reflected in these financial statements as ultimate responsibility for retirement benefits rests with the Saskatchewan Teachers' Federation.

Details of the contributions to these plans for the school division's employees are as follows:

	2015		2014
	STRP	**TOTAL**	**TOTAL**
Number of active School Division members	89	89	85
Member contribution rate (percentage of salary)	9.1% / 11.3%	9.1% / 11.3%	7.80%
Member contributions for the year	$ 575,679	$ 575,679	$ 479,871

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.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

7. PENSION PLANS (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:

	2015	2014
Number of active School Division members	73	67
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	$ 166,316	$ 159,397
School Division contributions for the year	$ 166,316	$ 159,397
Actuarial (extrapolation) valuation date	(Dec-31-2014)	Dec-31-2013
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

8. ACCOUNTS RECEIVABLE

All accounts receivable presented on the statement of financial position are net of any valuation allowances for doubtful accounts.

Details of accounts receivable balances and allowances are as follows:

	2015			2014		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	$ 1,824,775	$ -	$ 1,824,775	$ 1,618,271	$ -	$ 1,618,271
Provincial Grants Receivable	800,000	-	800,000	336,987	-	336,987
Other Receivables	62,709	-	62,709	76,856	-	76,856
Total Accounts Receivable	**$ 2,687,484**	**$ -**	**$ 2,687,484**	**$ 2,032,114**	**$ -**	**$ 2,032,114**

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

		2015		2014
Accrued Salaries and Benefits	$	92,404	$	115,138
Accrued Interest on Capital Loans		5,916		-
Supplier Payments		123,285		34,435
Total Accounts Payable and Accrued Liabilities	**$**	**221,605**	**$**	**149,573**

10. LONG-TERM DEBT

Details of long-term debt are as follows:

		2015	2014
Capital Loans:			
	Canadian Imperial Bank of Commerce (CIBC) loan bearing interest of 5.22% per annum, repayable in monthly blended payments of $2,640. The loan was unsecured and paid in full in 2015.	$ -	$ 5,245
	Weyburn Credit Union loan bearing interest of 4.84% per annum, repayable in monthly blended payments of $10,108. The loan is secured by a specific security agreement covering property taxes and ministry grant. The loan matures on May 1, 2017.	209,937	318,211
	Weyburn Credit Union loan bearing interest of 2.54% per annum, repayable in monthly blended payments of $1,495. The loan is secured by a specific security agreement covering a motor vehicle. The loan matures on July 1, 2016.	17,568	34,851
	Toronto Dominion (TD) loan bearing interest of 3.77% per annum, repayable in monthly blended payments of $11,630. The loan is unsecured and matures on June 1, 2033.	1,810,617	1,879,925
Total Long-Term Debt		**$ 2,038,122**	**$ 2,238,232**

Future principal repayments over the next 5 years are estimated as follows:

		Capital Loans		Total
2016	$	203,943	**$**	**203,943**
2017		171,859		**171,859**
2018		78,221		**78,221**
2019		81,215		**81,215**
2020		83,737		**83,737**
Thereafter		1,419,147		**1,419,147**
Total	**$**	**2,038,122**	**$**	**2,038,122**

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

10. LONG-TERM DEBT (continued)

Principal and interest payments on the long-term debt are as follows:	Capital Loans	2015	2014
Principal	$ 200,110	$ **200,110**	$ **217,836**
Interest	89,875	**89,875**	**94,795**
Total	**$ 289,985**	**$ 289,985**	**$ 312,631**

11. 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:				
Proceeds from sale of school buildings	$ -	$ 642,954	$ 361,000	$ 281,954
Total capital projects deferred revenue	**-**	**642,954**	**361,000**	**281,954**
Other deferred revenue:				
Property Tax	326,470	53,130	326,470	53,130
Quota Club, Estevan	1,000	-	1,000	-
Total other deferred revenue	**327,470**	**53,130**	**327,470**	**53,130**
Total Deferred Revenue	**$ 327,470**	**$ 696,084**	**$ 688,470**	**$ 335,084**

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

12. COMPLEMENTARY SERVICES

Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the school division's ability to successfully deliver its K-12 curriculum/learning programs.

Following is a summary of the revenues and expenses of the Complementary Services programs operated by the school division in 2015 and 2014:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Early Childhood Intervention Program	FNME	English as a Second Language	French as a Second Language	2015	2014
Revenues:							
Operating Grants	$ 198,744	$ 81,629	$ 10,000	$ 12,988	$ 7,945	**$ 311,306**	**$ 295,418**
Capital Grants	-	-	-	-	-	**-**	**2,388**
Fees and Other Revenues	135	-	-	-	-	**135**	**-**
Total Revenues	**198,879**	**81,629**	**10,000**	**12,988**	**7,945**	**311,441**	**297,806**
Expenses:							
Salaries & Benefits	204,757	18,237	-	-	-	**222,994**	**210,779**
Instructional Aids	4,844	793	6,611	14,610	8,189	**35,047**	**32,798**
Supplies and Services	4,566	405	-	-	-	**4,971**	**4,454**
Non-Capital Equipment	696	-	-	-	-	**696**	**381**
Building Operating Expenses	-	-	-	-	-	**-**	**109**
Communications	-	-	-	-	-	**-**	**17**
Travel	579	1,544	-	-	-	**2,123**	**2,183**
Professional Development (Non-Salary Costs)	-	-	-	-	-	**-**	**785**
Student Related Expenses	-	-	-	-	-	**-**	**197**
Contracted Transportation & Allowances	-	-	-	-	-	**-**	**558**
Amortization of Tangible Capital Assets	889	-	-	-	-	**889**	**1,624**
Total Expenses	**216,331**	**20,979**	**6,611**	**14,610**	**8,189**	**266,720**	**253,885**
Excess (Deficiency) of Revenues over Expenses	**$ (17,452)**	**$ 60,650**	**$ 3,389**	**$ (1,622)**	**$ (244)**	**$ 44,721**	**$ 43,921**

The purpose and nature of each Complementary Services program is as follows:

Pre-K Program – is an early childhood education program supporting three and four year old children held at St. Michael, St. Mary's and Sacred Heart Schools. It is a partnership between the Government of Saskatchewan, boards of education and communities.

Early Childhood Intervention Program – is a province-wide network of community-based supports for families of children who experience development delays. Children are often delayed in reaching developmental milestones or are born with a condition or diagnosis that makes is more difficult for them to develop at rates that are typical for a specific age group.

First Nations, Métis Education (FNME) – is a priority for the government and school division investing resources into specialized programs and initiatives for students who are First Nations or Métis.

English as a Second Language and French as a Second Language – is a priority for the government and school division investing resources into specialized programs and initiatives for students whose first language if different than the English or French Immersion schools they are attending.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
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As at August 31, 2015

13. EXTERNAL SERVICES

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

Following is a summary of the revenues and expenses of the External Services programs operated by the school division in 2015 and 2014:

Summary of External Services Revenues and Expenses, by Program	**Child Family Services**	**2015**	**2014**
Revenues:			
Operating Grants	$ 11,943	**$ 11,943**	**$ 11,795**
Fees and Other Revenues	6,750	**6,750**	**19,358**
Total Revenues	**18,693**	**18,693**	**31,153**
Expenses:			
Salaries & Benefits	72,933	**72,933**	**68,158**
Instructional Aids	300	**300**	**213**
Supplies and Services	822	**822**	**208**
Communications	516	**516**	**242**
Travel	381	**381**	**435**
Professional Development	408	**408**	**1,046**
Student Related Expenses	-	**-**	**157**
Total Expenses	**75,360**	**75,360**	**70,459**
(Deficiency) of Revenues over Expenses	**$ (56,667)**	**$ (56,667)**	**$ (39,306)**

The purpose and nature of each External Services program is as follows:

Child and Family Services – in connection with the Ministry of Social Services and Sun Country Health to provide school based family counselling and support services for students and their families that will increase opportunities for students to experience success and achieve learning in school.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
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14. ACCUMULATED SURPLUS

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

Certain amounts of the accumulated surplus, as approved by the board of education, have been designated for specific future capital projects, plant operations and instructional carryovers. These internally restricted amounts are included in the accumulated surplus presented in the 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:

	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	$ 11,488,390	$ 743,125	$ 240,913	$ 11,990,602
Less: Debt owing on Tangible Capital Assets	(2,238,232)	-	(200,110)	(2,038,122)
	9,250,158	**743,125**	**40,803**	**9,952,480**
PMR maintenance project allocations (1)	**118,291**	**134,818**	**116,013**	**137,096**
Internally Restricted Surplus:				
Capital projects: (2)				
Designated for Tangible Capital Asset expenditures - Grants (2a)	-	800,000	585,661	214,339
Designated for Tangible Capital Asset expenditures - Capital sale (2b)	-	432,050	135,535	296,515
Designated for Tangible Capital Asset expenditures - Board motion (2c)	15,837	37,000	15,837	37,000
	15,837	**1,269,050**	**737,033**	**547,854**
Other: (3)				
School Generated Funds	139,268	130,768	138,568	131,468
School Budget Carryovers	22,566	(14,941)	22,566	(14,941)
Radville Amalgamation Agreement	123,405	2,082	-	125,487
Estevan Amalgamation Agreement	53,925	475	-	54,400
Professional Development	4,456	1,704	4,456	1,704
Plant Contracted Services	6,510	3,630	6,510	3,630
Ministry Grants	46,222	112,562	50,388	108,396
	396,352	**236,280**	**222,488**	**410,144**
Unrestricted Surplus	**3,442,256**	**561,005**	**-**	**4,003,261**
Total Accumulated Surplus	**$ 13,222,894**	**$ 2,944,278**	**$ 1,116,337**	**$ 15,050,835**

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

(1) 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 the fiscal year are designated for future approved capital maintenance project expenditures.

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
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14. ACCUMULATED SURPLUS (continued)

(2) Capital Projects represent the following:

a. Transfers received from the Ministry of Education as funding support for capital projects for the school division on a capital project submission basis. Unspent funds at the end of the fiscal year are designated for the completion of the project in the subsequent year.
b. Sale of school buildings designated for Ministry of Education and Board approved capital projects. Unspent funds at the end of the fiscal year are designated for the completion of the project in the subsequent year.
c. Board approved capital project designated for capital in the subsequent year

(3) Other represents allocated funds that are unspent at the end of the fiscal year and are designated for future expenditures.

15. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on May 22, 2014 and the Minister of Education on August 12, 2014.

16. RELATED PARTIES

These financial statements include transactions with related parties. The school division is related to all Government of Saskatchewan ministries, agencies, boards, school divisions, health authorities, colleges, and crown corporations under the common control of the Government of Saskatchewan. The school division is also related to non-crown enterprises that the Government jointly controls or significantly influences. In addition, the school division is related to other non-government organizations by virtue of its economic interest in these organizations.

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.

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16. RELATED PARTIES (continued)

	2015	2014
Revenues:		
Ministry of Education	$ 7,591,102	$ 7,294,380
SGI, Saskatchewan Government Insurance	15,881	7,318
Ministry of Social Services	11,943	11,795
Sun Country Health	6,750	6,750
	$7,625,676	**$ 7,320,243**
Expenses:		
Lloydminister Catholic	$ -	$ 130
Radville Laurier Regional Park	-	1,033
Sask Government Services	-	56,532
Sask Energy	43,072	43,589
Sask Power	149,015	147,018
Sasktel, Sasktel Mobility	39,507	17,505
SGI, Saskatchewan Government Insurance	7,210	2,687
South East Cornerstone School	14,869	9,301
Sakatchewan Workers Compensation Board	19,976	23,572
	$ 273,649	**$ 301,367**
Accounts Receivable:		
Ministry of Education, operating grants	$ -	$ 91,264
Ministry of Education, capital grants	800,000	245,723
SGI, Saskatchewan Government Insurance	196	-
	$ 800,196	**$ 336,987**
Prepaid Expenses:		
Sakatchewan Workers Compensation Board	$ 7,786	$ 4,299
	$ 7,786	**$ 4,299**

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.

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

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

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17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

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

- Division office lease of $1,492,300 over 10 years.
- Copier lease agreement of $76,404 over 3 years.

Operating lease obligations of the school division are as follows:

	Operating Leases		
	Office Rental	**Copier Leases**	**Total Operating**
Future minimum lease payments:			
2016	$ 142,008	$ 25,468	**$ 167,476**
2017	143,448	$ 25,468	**168,916**
2018	144,946	$ 25,468	**170,414**
2019	146,503	-	**146,503**
2020	148,123	-	**148,123**
Thereafter	767,272	-	**767,272**
Total Lease Obligations	**$ 1,492,300**	**$ 76,404**	**$ 1,568,704**

18. COMPARATIVE INFORMATION

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

HOLY FAMILY ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 140
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19. RISK MANAGEMENT

The school division is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk consisting of interest rate risk.

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 short term accounts receivable due on demand of invoicing or contract.

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 an impairment in collectability.

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

	August 31, 2015			
	Total	Current	60-90 days	Over 90 days
Grants Receivable	$ 800,000	$ 800,000	$ -	$ -
Other Receivables	16,042	13,419	1,524	1,099
Net Receivables	**$ 816,042**	**$ 813,419**	**$ 1,524**	**$ 1,099**

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 a line of credit, budget practices and forecasts.

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19. RISK MANAGEMENT (continued)

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	$ 221,605	$ -	$ -	$ -
Long-term debt *(includes interest)*	139,398	139,234	656,644	1,790,948
Total	**$ 361,003**	**$ 139,234**	**$ 656,644**	**$1,790,948**

iii) Market Risk

The school division is exposed to market risks with respect to interest 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 its authorized bank line of credit of $3,000,000 with interest payable monthly at a rate of prime minus 0.6%. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no outstanding balance on this credit facility at August 31, 2015.

The school division minimizes these risks by:

- The school division minimizes these risks by holding cash in an account at a Canadian bank, denominated in Canadian currency
- investing term deposits for short terms at fixed interest rates
- investing in Co-operative Corporations
- managing cash flows to minimize utilization of its bank line of credit
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt