

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

FINANCIAL STATEMENTS

August 31, 2011

Management's Responsibility for the Financial Statements

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

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

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

The external auditors, Deloitte & Touche LLP, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the school division's financial statements. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

On behalf of the St. Paul's Roman Catholic Separate School Division No. 20.

Board Chair

Director of Education

Chief Financial Officer

December 12, 2011

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 financial statements of St. Paul's Roman Catholic Separate School Division No. 20, which comprise the statement of financial position as at August 31, 2011, and the statements of operations and accumulated surplus, 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 financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

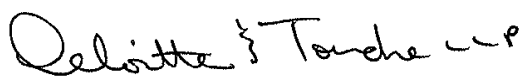
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 St. Paul's Roman Catholic Separate School Division No. 20 as at August 31, 2011, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Accountants
Saskatoon, Saskatchewan
December 12, 2011

St. Paul's Roman Catholic Separate School Division No. 20
Statement of Financial Position
as at August 31, 2011

	2011	2010
Financial Assets		
Cash	13,948,677	16,409,809
Accounts Receivable (Note 3)	6,387,797	5,014,783
Long Term Investments (Note 4)	56,100	56,100
Total Financial Assets	20,392,574	21,480,692
Liabilities		
Provincial Grant Overpayment	-	1,392,847
Accounts Payable and Accrued Liabilities (Note 5)	9,857,780	5,381,062
Long Term Debt (Note 6)	6,157,793	7,288,351
Liability for Employee Future Benefits (Note 7)	3,894,100	3,584,900
Deferred Revenue (Note 8)	8,115,868	7,812,748
Total Liabilities	28,025,541	25,459,908
Net Debt	(7,632,967)	(3,979,216)
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	103,050,068	89,487,413
Other Assets (Note 9)	463,591	2,116,431
Prepaid Expenses	391,817	376,445
Total Non-Financial Assets	103,905,476	91,980,289
Accumulated Surplus (Note 12)	96,272,509	88,001,073

Contractual Obligations and Commitments (Note 17)

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

Approved by the Board:

_____ Chairperson

_____ Chief Financial Officer

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

**Statement of Operations and Accumulated Surplus
for the year ended August 31, 2011**

	2011 Budget	2011 Actual	2010 Actual
	(Note 15)		
REVENUES			
Property Taxation	44,300,852	42,460,790	44,538,708
Grants	112,850,928	95,681,437	82,895,375
Tuition and Related Fees	1,241,067	971,247	1,104,091
School Generated Funds	3,882,605	3,939,352	3,789,816
Complementary Services (Note 10)	2,124,748	2,456,780	2,109,283
External Services (Note 11)	4,701,900	4,756,123	4,588,492
Other	860,638	1,351,373	1,070,671
Total Revenues (Schedule A)	169,962,738	151,617,102	140,096,436
EXPENSES			
Governance	693,306	688,578	760,507
Administration	1,437,888	1,533,769	1,616,716
Instruction	106,540,900	106,982,927	104,318,987
Plant	16,199,203	18,583,794	17,017,792
Transportation	4,113,133	4,278,049	3,976,906
Tuition and Related Fees	6,141	28,348	98,599
School Generated Funds	3,977,776	3,788,533	3,697,395
Complementary Services (Note 10)	2,119,396	2,277,840	2,670,382
External Services (Note 11)	4,736,543	4,784,290	4,680,417
Other Expenses	581,379	399,538	461,886
Total Expenses (Schedule B)	140,405,665	143,345,666	139,299,587
Surplus for the Year	29,557,074	8,271,436	796,849
Accumulated Surplus, Beginning of Year	88,001,073	88,001,073	87,204,224
Accumulated Surplus, End of Year	117,558,147	96,272,509	88,001,073

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

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

**Statement of Changes in Net Debt
for the year ended August 31, 2011**

	2011 Budget	2011 Actual	2010 Actual
	(Note 15)		
Net Debt, Beginning of Year	(3,979,216)	(3,979,216)	(1,472,123)
Changes During the Year:			
Surplus for the Year	29,557,074	8,271,436	796,849
Acquisition of Tangible Capital Assets (Schedule C)	(33,402,793)	(18,569,626)	(6,258,781)
Amortization of Tangible Capital Assets (Schedule C)	4,968,419	5,006,971	5,094,212
Net Change of Other Assets (Note 9)	-	1,652,840	(2,116,431)
Net Acquisition of Prepaid Expenses	-	(15,372)	(22,942)
Change in Net Debt	1,122,700	(3,653,751)	(2,507,093)
Net Debt, End of Year	(2,856,516)	(7,632,967)	(3,979,216)

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

St. Paul's Roman Catholic Separate School Division No. 20
Statement of Cash Flows
for the year ended August 31, 2011

	2011	2010
OPERATING ACTIVITIES		
Surplus for the Year	8,271,436	796,849
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	5,006,971	5,094,212
Net Change in Non-Cash Operating Activities (Schedule E)	555,523	(1,552,497)
Cash Provided by Operating Activities	13,833,930	4,338,564
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(16,817,344)	(5,652,387)
Cash Used by Capital Activities	(16,817,344)	(5,652,387)
INVESTING ACTIVITIES		
Cash Used to Acquire Long Term Investments	(11,600)	-
Proceeds on Disposal of Long Term Investments	11,600	-
Cash Provided by Investing Activities	-	-
FINANCING ACTIVITIES		
Due to (from) Horizon School Division No. 205	1,652,840	(2,116,431)
Repayment of Long Term Debt	(1,130,558)	(1,076,166)
Cash Provided (Used) by Financing Activities	522,282	(3,192,597)
DECREASE IN CASH AND CASH EQUIVALENTS	(2,461,132)	(4,506,420)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	16,409,809	20,916,229
CASH AND CASH EQUIVALENTS, END OF YEAR	13,948,677	16,409,809
REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash	13,948,677	16,409,809
CASH AND CASH EQUIVALENTS, END OF YEAR	13,948,677	16,409,809

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

St. Paul's Roman Catholic Separate School Division No. 20
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	43,603,847	42,250,195	43,555,215
Revenue from Supplemental Levies	387,642	579,696	314,843
Total Property Tax Revenue	43,991,489	42,829,891	43,870,058
Grants in Lieu of Taxes:			
Federal Government	471,607	398,524	448,088
Provincial Government	1,293,479	793,140	912,111
Other	-	379,582	313,865
Total Grants in Lieu of Taxes	1,765,086	1,571,246	1,674,064
Other Tax Revenues:			
House Trailer Fees	30,549	29,927	29,430
Total Other Tax Revenues	30,549	29,927	29,430
Additions to Levy:			
Penalties	12,702	17,437	9,718
Other	-	42,667	-
Total Additions to Levy	12,702	60,104	9,718
Deletions from Levy:			
Discounts	-	(72,133)	(111,510)
Cancellations	-	(50,938)	(41,798)
Other Deletions	(1,498,974)	(1,907,307)	(891,254)
Total Deletions from Levy	(1,498,974)	(2,030,378)	(1,044,562)
Total Property Taxation Revenue	44,300,852	42,460,790	44,538,708
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	79,443,699	81,241,192	78,677,298
Other Ministry Grants	-	84,000	110,344
Total Ministry Grants	79,443,699	81,325,192	78,787,642
Other Provincial Grants	-	-	-
Grants from Others	-	28,565	8,600
Total Operating Grants	79,443,699	81,353,757	78,796,242
Capital Grants			
Ministry of Education Capital Grants	32,449,229	13,667,680	3,949,133
Other Provincial Capital Grants	958,000	-	-
Other Capital Grants	-	660,000	150,000
Total Capital Grants	33,407,229	14,327,680	4,099,133
Total Grants	112,850,928	95,681,437	82,895,375

St. Paul's Roman Catholic Separate School Division No. 20
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
School Boards	200,000	101,885	135,500
Individuals and Other	1,040,000	867,435	967,722
Total Tuition Fees	1,240,000	969,320	1,103,222
Transportation Fees	1,067	1,927	869
Total Operating Tuition and Related Fees	1,241,067	971,247	1,104,091
Total Tuition and Related Fees Revenue	1,241,067	971,247	1,104,091
School Generated Funds Revenue			
Non-Curricular Fees:			
Commercial Sales - Non-GST	18,821	34,869	34,213
Fundraising	997,112	803,896	809,694
Grants and Partnerships	508,112	511,233	522,450
Students Fees	2,262,162	2,485,402	2,273,494
Other	96,398	103,952	149,965
Total Non-Curricular Fees	3,882,605	3,939,352	3,789,816
Total School Generated Funds Revenue	3,882,605	3,939,352	3,789,816
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	2,063,248	2,063,248	1,891,453
Ministry of Education Grants-Other	61,500	386,502	176,889
Federal Grants	-	-	9,536
Other Grants	-	-	21,615
Total Operating Grants	2,124,748	2,449,750	2,099,493
Fees and Other Revenue			
Other Revenue	-	7,030	9,790
Total Fees and Other Revenue	-	7,030	9,790
Total Complementary Services Revenue	2,124,748	2,456,780	2,109,283

St. Paul's Roman Catholic Separate School Division No. 20
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
External Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	4,261,168	4,342,275	4,187,804
Ministry of Education Grants-Other	-	-	-
Other Grants	-	30,756	-
Total Operating Grants	4,261,168	4,373,031	4,187,804
Fees and Other Revenue			
Other Revenue	440,732	383,092	400,688
Total Fees and Other Revenue	440,732	383,092	400,688
Total External Services Revenue	4,701,900	4,756,123	4,588,492
Other Revenue			
Miscellaneous Revenue	172,674	893,470	920,056
Sales & Rentals	283,487	320,292	119,224
Investments	404,477	137,611	31,391
Total Other Revenue	860,638	1,351,373	1,070,671
TOTAL REVENUE FOR THE YEAR	169,962,738	151,617,102	140,096,436

St. Paul's Roman Catholic Separate School Division No. 20
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Governance Expense			
Board Members Expense	234,391	236,283	255,000
Conventions - Board Members	48,998	29,023	40,780
Elections	-	-	59,419
Other Governance Expenses	409,917	423,272	405,308
Total Governance Expense	693,306	688,578	760,507
Administration Expense			
Salaries	946,273	990,239	915,862
Benefits	166,984	165,098	149,549
Supplies & Services	183,890	238,227	156,701
Non-Capital Furniture & Equipment	7,636	2,794	2,445
Building Operating Expenses	72,406	76,306	293,303
Communications	52,022	50,162	89,936
Travel	1,659	3,217	1,772
Professional Development	6,865	6,006	7,148
Amortization of Tangible Capital Assets	153	1,720	
Total Administration Expense	1,437,888	1,533,769	1,616,716
Instruction Expense			
Instructional Salaries	74,282,969	74,815,917	73,332,338
Instructional Benefits	4,384,822	3,712,885	3,667,034
Non-Teaching Support Salaries	16,602,350	17,493,762	16,232,127
Non-Teaching Support Benefits	3,487,469	3,662,812	3,426,333
Instructional Aids	2,335,960	2,520,085	2,569,093
Supplies & Services	1,180,579	1,132,200	1,212,819
Non-Capital Furniture & Equipment	596,853	466,635	609,892
Communications	463,637	461,807	461,360
Travel	260,800	241,347	232,900
Professional Development	911,578	522,009	518,035
Student Related Expense	175,038	151,373	123,643
Amortization of Tangible Capital Assets	1,858,845	1,802,095	1,933,413
Total Instruction Expense	106,540,900	106,982,927	104,318,987

St. Paul's Roman Catholic Separate School Division No. 20
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Plant Operation & Maintenance Expense			
Salaries	5,574,219	5,400,180	5,282,671
Benefits	1,138,419	1,105,443	1,054,375
Supplies & Services	2,988	20,390	20,174
Non-Capital Furniture & Equipment	171,989	65,632	43,532
Building Operating Expenses	6,207,666	8,796,371	7,425,575
Travel	11,668	72,979	60,180
Professional Development	4,500	966	936
Amortization of Tangible Capital Assets	3,087,754	3,121,833	3,130,349
Total Plant Operation & Maintenance Expense	16,199,203	18,583,794	17,017,792
Student Transportation Expense			
Salaries	16,275	14,921	15,801
Benefits	3,239	1,379	-
Contracted Transportation	4,093,619	4,261,749	3,961,105
Total Student Transportation Expense	4,113,133	4,278,049	3,976,906
Tuition and Related Fees Expense			
Tuition Fees	6,141	28,348	98,599
Total Tuition and Related Fees Expense	6,141	28,348	98,599
School Generated Funds Expense			
Cost of Sales	8,579	19,878	18,196
School Fund Expenses	3,969,197	3,768,655	3,679,199
Total School Generated Funds Expense	3,977,776	3,788,533	3,697,395
Complementary Services Expense			
Instructional (Teacher & LEADS Contract) Salaries & Benefits	528,155	647,295	540,152
Program Support (Non-Teacher Contract) Salaries & Benefits	1,254,237	1,265,074	1,897,462
Instructional Aids	35,000	4,535	-
Supplies & Services	-	12,306	-
Travel	-	482	651
Professional Development (Non-Salary Costs)	6,000	1,337	-
Student Related Expenses	296,004	344,401	232,117
Amortization of Tangible Capital Assets	-	2,410	-
Total Complementary Services Expense	2,119,396	2,277,840	2,670,382

St. Paul's Roman Catholic Separate School Division No. 20
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2011

	2011 Budget	2011 Actual	2010 Actual
External Service Expense			
Instructional (Teacher & LEADS Contract) Salaries & Benefits	2,514,598	2,460,024	2,487,170
Program Support (Non-Teacher Contract) Salaries & Benefits	890,525	910,606	769,473
Plant Operation & Maintenance Salaries & Benefits	180,799	178,949	174,754
Instructional Aids	108,400	79,690	86,660
Supplies & Services	343,577	319,908	313,484
Non-Capital Furniture & Equipment	33,471	19,832	28,964
Building Operating Expenses	184,997	177,056	345,217
Communications	3,486	4,580	2,820
Travel	3,298	6,923	3,963
Professional Development (Non-Salary Costs)	20,000	5,691	17,289
Student Related Expenses	121,000	173,558	97,575
Contracted Transportation & Allowances	310,725	368,560	322,598
Amortization of Tangible Capital Assets	21,667	78,913	30,450
Total External Services Expense	4,736,543	4,784,290	4,680,417
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	243,884	52,960	52,777
Interest on Other Capital Loans and Long Term Debt			
School Facilities	337,495	346,578	409,109
Total Other Expense	581,379	399,538	461,886
TOTAL EXPENSES FOR THE YEAR	140,405,665	143,345,666	139,299,587

St. Paul's Roman Catholic Separate School Division No. 20
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2011

	Land	Land Improvements	Buildings	Buildings Short term	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	Work-in-Progress	2011	2010
<i>Tangible Capital Assets - at Cost:</i>											
Opening Balance as of September 1, 2010	9,495,651	945,537	117,028,945	24,712,830	293,997	4,554,598	7,085,528	930,852	3,605,903	168,653,841	164,326,173
Additions/Purchases	-	-	64,963	42,010	-	416,312	1,207,177	32,287	16,806,877	18,569,626	6,258,781
Disposals	-	-	-	-	-	(697,268)	(1,275,781)	(84,070)	-	(2,057,119)	(1,931,113)
Write-Downs	-	-	-	-	-	-	-	-	-	-	-
Transfers to (from)	-	39,158	699,489	1,586,758	-	-	-	-	(2,325,405)	-	-
Closing Balance as of August 31, 2011	9,495,651	984,695	117,793,397	26,341,598	293,997	4,273,642	7,016,924	879,069	18,087,375	185,166,348	168,653,841
<i>Tangible Capital Assets - Amortization:</i>											
Opening Balance as of September 1, 2010	-	343,417	51,850,160	18,762,396	249,695	2,960,724	4,417,858	582,178	-	79,166,428	76,003,329
Amortization of the Period	-	46,104	2,299,033	652,134	19,529	410,624	1,403,733	175,814	-	5,006,971	5,094,212
Disposals	-	-	-	-	-	(697,268)	(1,275,781)	(84,070)	-	(2,057,119)	(1,931,113)
Write-Downs	-	-	-	-	-	-	-	-	-	-	-
Transfers to (from)	-	-	-	-	-	-	-	-	-	-	-
Closing Balance as of August 31, 2011	N/A	389,521	54,149,193	19,414,530	269,224	2,674,080	4,545,810	673,922	N/A	82,116,280	79,166,428
Net Book Value:											
Opening Balance as of September 1, 2010	9,495,651	602,120	65,178,785	5,950,434	44,302	1,593,874	2,667,670	348,674	3,605,903	89,487,413	88,322,844
Closing Balance as of August 31, 2011	9,495,651	595,174	63,644,204	6,927,068	24,773	1,599,562	2,471,114	205,147	18,087,375	103,050,068	89,487,413
Change in Net Book Value	-	(6,946)	(1,534,581)	976,634	(19,529)	5,688	(196,556)	(143,527)	14,481,472	13,562,655	1,164,569
Disposals:											
Historical Cost	-	-	-	-	-	697,268	1,275,781	84,070	-	2,057,119	1,931,113
Accumulated Amortization	-	-	-	-	-	697,268	1,275,781	84,070	-	2,057,119	1,931,113
Net Cost	-	-	-	-	-	-	-	-	-	-	-
Price of Sale	-	-	-	-	-	-	-	-	-	-	-
Gain/loss on Disposal	-	-	-	-	-	-	-	-	-	-	-

St. Paul's Roman Catholic Separate School Division No. 20
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2011

	2011	2010
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Non-Cash Items Included in Surplus / Deficit:		
Amortization of Tangible Capital Assets (Schedule C)	5,006,971	5,094,212
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Total Non-Cash Items Included in Surplus / Deficit	5,006,971	5,094,212
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St. Paul's Roman Catholic Separate School Division No. 20
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2011

	2011	2010
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Net Change in Non-Cash Operating Activities:		
Decrease (Increase) in Accounts Receivable	(1,373,014)	(1,157,496)
Increase (Decrease) in Provincial Grant Overpayment	(1,392,847)	(2,431,539)
Increase (Decrease) In Accounts Payable and Accrued Liabilities	2,724,436	678,009
Increase (Decrease) in Liability for Employee Future Benefits	309,200	261,400
Increase (Decrease) in Deferred Revenue	303,120	1,120,071
Decrease (Increase) in Prepaid Expenses	(15,372)	(22,942)
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Total Net Change in Non-Cash Operating Activities	555,523	(1,552,497)
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St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

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 the right to set their own mill rates. The School Division is exempt from income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

b) Measurement Uncertainty and the Use of Estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect reported amounts 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 future employee benefits of \$3,894,100 (2010 - \$3,584,900) because actual experience may differ significantly from actuarial estimations.
- Property taxation revenue of \$42,460,790 (2010 - \$44,538,708) because final tax assessments may differ from initial estimates.

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

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

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

c) 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 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.

Long Term Investments consist of guaranteed investment certificates and are carried at cost. Where there has been a permanent impairment in value of a long term investment, the investment is written down to reflect the loss in value.

d) Non Financial Assets

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

Tangible Capital Assets have useful lives extending beyond the accounting period, are used by the School Division to provide services to the public and are not intended for sale in the ordinary course of operations. Tangible capital assets include land, buildings, other vehicles, furniture and equipment, computer hardware and software, audio visual equipment, and assets under construction. Tangible capital assets are recorded at cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, design, construction, development, installation and betterment of the tangible capital asset. The School Division does not capitalize interest incurred while a tangible capital asset is under construction.

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

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings	50 years
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
Vehicles – passenger	5 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years
Leased capital assets	Lease term

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Other Assets includes a payment to Horizon School Division No. 205 of capital grant advanced from the Ministry of Education for the construction of Humboldt Collegiate Institute.

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.

e) 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.

Provincial Grant Overpayment represents grants advanced to the School Division in excess of the determined entitlement and which are repayable to the provincial government.

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

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

Liability for Employee Future Benefits represent post-employment and compensated absence benefits that accrue to the School Division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected discount rate, inflation, salary escalation, termination and retirement rates and mortality. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups. Actuarial valuations are performed periodically. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year.

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

Deferred revenue represents revenue received pursuant to legislation, regulation or agreement that may only be used for specific purposes. Revenue is recognized in the fiscal year in which the resources are used for the purpose specified.

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

f) Financial Instruments

For certain of the School Division's financial instruments, including cash, accounts receivable, Provincial Grant overpayment, accounts payable and accrued liabilities, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

Except as noted below, the School Division is not exposed to significant interest, currency or credit risk arising from these financial instruments that may affect the amount, timing and certainty of future cash flows. The School Division is exposed to credit risk from the potential non-payment of accounts receivable. However, the majority of the receivables are from local and provincial governments, and therefore, the credit risk is minimal.

The Division has entered into an interest rate swap agreement with the Royal Bank of Canada in order to manage the interest rate exposure associated with its capital loan. The agreement arranges for the exchanging of the floating interest rate cash flows from the underlying short-term debt instrument with fixed interest rate cash flows based on a notional amount. The School Division is not required to follow hedge accounting or recognize the fair value of the swap agreement in its financial statements. The fair value of the interest rate swap agreement is disclosed in Note 6.

g) Employee Pension Plans

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

- i) Teachers participate in the retirement plan of the Saskatchewan Teachers' Retirement Plan (STRP) or Saskatchewan Teachers' Superannuation Plan (STSP). The School Division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.
- ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). In accordance with PSAB, the plan is accounted for as a defined contribution plan whereby the School Division's contributions are expensed when due.

h) Revenue Recognition

Revenues are recognized in the year they are earned provided the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted revenues are amounts received pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions. Restricted revenues are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The school division's two major sources of revenues are provincial grants and property taxation.

- i) Provincial grants:
 Provincial grants are recognized in the financial statements in the period which the events giving rise to the grant occur provided the grant is authorized, eligibility criteria are met, and a reasonable estimate of the amount can be made. Grants that restrict how those resources are to be used are recognized as revenue in the fiscal year the related expenses are incurred or services are performed. Provincial operating grants are recognized on a 12 month basis with 1/12th of the grant recognized as revenue each month. Capital grants are recognized over the course of the construction project as the grant is earned and the amount is measurable. Restricted grants received but not yet earned are recorded as deferred revenue.
- ii) Property taxation:
 Property tax is levied and collected on a calendar year basis. Effective the 2009 calendar year, uniform education property tax mill rates are set by the Government of Saskatchewan, and agreed to by the board of education, although separate school divisions continue to have the legislative right to set their own mill rates.. Prior to 2009, each school division set the education property tax mill rate for properties in its jurisdiction. Tax revenues are recognized on the basis of time with 1/12th of estimated total tax revenue recorded in each month of the School Division's fiscal year. The tax revenue for the September to December portion of the fiscal year is based on the actual amounts reported by the municipalities for the calendar taxation year. For the January to August portion of its fiscal year, the School Division estimates tax revenue based on estimate information provided by municipalities who levy and collect the property tax on behalf of the school division. The final annual taxation amounts are reported to the division by each municipality following the conclusion of each calendar taxation year, and any difference between final amounts and the School Division's estimates is recorded as an adjustment to revenue in the next fiscal year.

Tuition fee revenue is received from participants in the International Student Program and Cyber School, which offers on-line high school classes. Revenues are recognized when the service is provided.

3. ACCOUNTS RECEIVABLE

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

	2011			2010		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 1,204,307	\$ -	\$ 1,204,307	\$ 1,249,983	\$ -	\$ 1,249,983
Provincial Grants Receivable	3,382,566		3,382,566	2,755,026		2,755,026
Other Receivables	1,800,924		1,800,924	1,009,774		1,009,774
Total Accounts Receivable	\$ 6,387,797	\$ -	\$ 6,387,797	\$ 5,014,783	\$ -	\$ 5,014,783

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

4. LONG TERM INVESTMENTS

Long Term Investments are comprised of the following:

	Cost / Book Value		Market Value	
	2011	2010	2011	2010
Equitable Trust GIC, interest of 4.11% payable January 6, due January 6, 2011	\$ -	\$ 11,600	\$ -	\$ 11,600
NatCan GIC, interest of 3.21% payable January 6, due January 6, 2016	11,600	-	11,600	-
National Bank of Canada GIC, interest of 4.27% payable October 16, due October 16, 2011	10,000	10,000	10,000	10,000
BMO Advisors Advantage GIC, interest of 4.25% payable January 23, due January 23, 2014	34,500	34,500	34,500	34,500
Total Long Term Investments	\$ 56,100	\$ 56,100	\$ 56,100	\$ 56,100

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of account payable and accrued liabilities are as follows:

	2011	2010
Accrued Salaries and Benefits	\$ 4,829,545	\$ 2,332,267
Supplier Payments	5,003,310	3,005,486
Other	24,925	43,309
Total Accounts Payable and Accrued Liabilities	\$ 9,857,780	\$ 5,381,062

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

6. LONG-TERM DEBT

Details of long-term-term debt are as follows:

		2011	2010
Capital Loans	Royal Bank Banker's Acceptance Loan - offering rate plus spread of 0.5%, ten year loan revolving quarterly at progressively smaller amounts until October 2016 (offering rate at August 31, 2011 was 1.3%)	5,825,000	6,783,000
	Long-term financial instrument created by interest rate swap agreement - 4.6%, terminates October 2016. The mark-to-market value of the interest rate swap as of August 31, 2011 and 2010 was a liability of \$504,035 and \$621,921 respectively.	(notional amount equal to the above)	(notional amount equal to the above)
		5,825,000	6,783,000
Capital Leases	Five year capital lease for Konica Minolta multifunction printing devices, variable monthly cost per copy payment based on useage, bearing interest at 6.75%, expiring June 30, 2012	36,850	78,426
	Five year capital lease for Konica Minolta multifunction printing devices, variable monthly cost per copy payment based on useage, bearing interest at 5.25%, expiring September 30, 2013	295,943	426,925
		332,793	505,351
Total Long Term Debt		\$ 6,157,793	\$ 7,288,351

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

	Capital Loans	Capital Leases	Total
2012	958,000	174,876	1,132,876
2013	1,002,000	145,449	1,147,449
2014	1,051,000	12,468	1,063,468
2015	1,100,000		1,100,000
2016	1,153,000		1,153,000
Thereafter	561,000		561,000
Total	\$ 5,825,000	\$ 332,793	\$ 6,157,793

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

6. LONG-TERM DEBT (Cont'd)

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

	Capital Loans	Capital Leases	2011	2010
Principal	\$ 958,000	\$ 174,876	\$ 1,132,876	\$ 1,076,166
Interest	323,263	23,315	346,578	409,109
Total	\$ 1,281,263	\$ 198,191	\$ 1,479,454	\$ 1,485,275

7. EMPLOYEE FUTURE BENEFITS

The 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 Employee Future Benefits in the Statement of Financial Position.

	2011 31-Aug-08	2010 31-Aug-08
Actuarial valuation date		
Long-term assumptions used:		
Salary escalation rate (percentage)		
Teaching staff	3.30%	3.50%
Non-teaching staff	3.30%	4.20%
Discount rate (percentage)	3.40%	3.60%
Inflation rate (percentage)	2.50%	
Expected average remaining service life (years)	13	13

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

Liability for Employee Future Benefits	2011	2010
Accrued Benefit Obligation - beginning of year	\$ 3,872,000	\$ 3,426,400
Current period benefit cost	308,100	278,400
Interest cost	147,400	148,300
Benefit payments	(169,000)	(173,200)
Actuarial gains / losses	4,300	192,100
Plan amendments		
Accrued Benefit Obligation - end of year	4,162,800	3,872,000
Unamortized Net Actuarial Gains / Losses	(268,700)	(287,100)
Liability for Employee Future Benefits	\$ 3,894,100	\$ 3,584,900

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

7. EMPLOYEE FUTURE BENEFITS (Cont'd)

Employee Future Benefits Expense	2011	2010
Current period benefit cost	\$ 308,100	\$ 278,400
Amortization of net actuarial gain / loss	22,700	7,900
Plan amendments		
Benefit cost	330,800	286,300
Interest cost on unfunded employee future benefits obligation	147,400	148,300
Total Employee Future Benefits Expense	\$ 478,200	\$ 434,600

8. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2010	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2011
Capital projects:				
Ministry of Education Capital Transfers	\$ 2,862,538	\$ 7,659,234	\$ (7,916,605)	\$ 2,605,167
Capital Grants from Others	540,000	547,186	(560,000)	527,186
Total capital projects deferred revenue	3,402,538	8,206,420	(8,476,605)	3,132,353
Other deferred revenue:				
School Fees	18,878	6,681	(18,878)	6,681
International Student Program Tuition	464,331	655,764	(464,331)	655,764
Grants from Others	2,000		(2,000)	-
Property Tax Income	3,925,001	4,321,070	(3,925,001)	4,321,070
Total other deferred revenue	4,410,210	4,983,515	(4,410,210)	4,983,515
Total Deferred Revenue	\$ 7,812,748	\$ 13,189,935	\$ (12,886,815)	\$ 8,115,868

9. OTHER ASSETS

Other assets are comprised of the following:

	2011	2010
Due from Horizon School Divison No. 205	\$ 463,591	\$ 2,116,431
Total Other Assets	\$ 463,591	\$ 2,116,431

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.

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

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

10. COMPLEMENTARY SERVICES (Cont'd)

educational assistant assigned to the classroom. The School Division has twenty pre-kindergarten programs in eleven schools.

There are currently eight schools within the Division that are designated community schools. Each receives a slate of resources including a Community School Coordinator, additional Educational Assistant support, approximately \$10,000 for local curriculum development and community school council development. As the dynamics of communities continues to change we have extended some of these resources to schools where the need exists without an official community schools designation.

Child Nutrition programs exist at sixteen schools, varying from school to school. Some serve breakfasts and lunches on a need basis while others serve universal meals to all students. During 2010-2011, over 96,000 lunches were served.

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

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Community School Programming	Child Nutrition	Other Programs	2011	2010
Revenue:						
Grants	\$ 928,124	\$ 1,165,415	\$ 201,161	\$ 155,050	\$ 2,449,750	\$ 2,099,493
Fees and Other Revenue				7,030	7,030	9,790
Total Revenue	928,124	1,165,415	201,161	162,080	2,456,780	2,109,283
Expenses:						
Salaries & Benefits	880,442	1,031,927			1,912,369	2,437,614
Instructional Aids	4,535				4,535	
Supplies and Services	12,306				12,306	
Travel		482			482	651
Amortization of Tangible Capital Assets	2,410				2,410	653
Professional Development	1,337				1,337	
Student Related Expenses	23,855	107,568	170,232	42,746	344,401	232,117
Total Expenses	924,885	1,139,977	170,232	42,746	2,277,840	2,670,382
Excess (Deficiency) of Revenue over Expenses	\$ 3,239	\$ 25,438	\$ 30,929	\$ 119,334	\$ 178,940	\$ (561,099)

11. EXTERNAL SERVICES

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

Oskāyak High School offers alternative grade nine to twelve programming to youth of First Nations ancestry. It is governed by the Oskāyak Parent Council. The school follows the policies and practices of the School Division and the curriculum of the Ministry of Education. Oskāyak is funded through the Ministry of Education Operating Grant.

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

11. EXTERNAL SERVICES (Cont'd)

Saskatoon French School is a Type A French immersion kindergarten to grade eight program governed by the Saskatoon French School Society. The school follows the policies and practices of the School Division and the curriculum of the Ministry of Education. Saskatoon French School is funded through the Ministry of Education Operating Grant.

The School Division runs cafeterias in five high schools. All expenses related to the operation of the cafeterias are recorded in External Services.

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

Summary of External Services Revenues and Expenses, by Program	Oskāyak High School	Saskatoon French School	Cafeteria	2011	2010
Revenue:					
Operating Grants	\$ 2,117,804	\$ 2,255,227		\$ 4,373,031	\$ 4,187,804
Fees and Other Revenue	16,165	62	366,865	383,092	400,688
Total Revenue	2,133,969	2,255,289	366,865	4,756,123	4,588,492
Expenses:					
Salaries & Benefits	1,637,653	1,619,271	292,656	3,549,580	3,431,397
Instructional Aids	56,112	23,362		79,474	86,660
Supplies and Services	49,637	31,675	241,055	322,367	313,484
Non-Capital Equipment	6,544	13,288		19,832	28,964
Amortization of Tangible Capital Assets	62,062	16,234	617	78,913	30,450
Building Operating Expenses	91,329	85,727		177,056	345,217
Communications	3,900	680		4,580	2,820
Travel	6,710	38	174	6,922	3,963
Professional Development	2,247	3,444		5,691	17,289
Student Related Expenses	170,814	500		171,314	97,575
Contacted Transportation & Allowances	40,121	328,440		368,561	322,598
Total Expenses	2,127,129	2,122,659	534,502	4,784,290	4,680,417
Excess (Deficiency) of Revenue over Expenses	\$ 6,840	\$ 132,630	\$ (167,637)	\$ (28,167)	\$ (91,925)

12. ACCUMULATED SURPLUS

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

Certain amounts of the Accumulated Surplus, as approved by the Board of Education, have been designated for specific future purposes. These internally restricted amounts are included in the Accumulated Surplus presented in the Consolidated Statement of Financial Position. The School Division does not maintain separate bank accounts for the internally restricted amounts.

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

12. ACCUMULATED SURPLUS (Cont'd)

Details of accumulated surplus are as follows:

	2011	2010
Invested in Tangible Capital Assets:		
Net Book Value of Tangible Capital Assets	\$ 103,050,068	\$ 89,487,413
Less: Debt owing on Tangible Capital Assets	6,157,793	7,288,351
	96,892,275	82,199,062
Internally Restricted Surplus:		
Other:		
Federal Tuition and Project Funding	6,413	6,254
School generated funds	928,714	871,111
Scholarship funds	200,319	196,941
Saskatoon French School	979,758	826,547
Oskayak High School	1,206,589	1,170,600
	3,321,793	3,071,453
(Deficit) Unrestricted Surplus	(3,941,559)	2,730,558
Total Accumulated Surplus	\$ 96,272,509	\$ 88,001,073

13. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2011 Budget	2011 Actual	2010 Actual
Governance	\$ -	\$ 688,578	\$ -	\$ -	\$ 693,306	\$ 688,578	\$ 760,507
Administration	1,155,337	376,712		1,720	1,437,888	1,533,769	1,616,716
Instruction	99,685,376	5,495,456		1,802,095	106,540,900	106,982,927	104,318,987
Plant	6,505,623	8,956,338		3,121,833	16,199,203	18,583,794	17,017,792
Transportation	16,300	4,261,749			4,113,133	4,278,049	3,976,906
Tuition and Related Fees		28,348			6,141	28,348	98,599
School Generated Funds		3,788,533			3,977,776	3,788,533	3,697,395
Complementary Services	1,912,369	363,061		2,410	2,119,396	2,277,840	2,670,382
External Services	3,549,579	1,155,798		78,913	4,736,543	4,784,290	4,680,417
Other - Interest		19,602	379,936		581,379	399,538	461,886
TOTAL	\$ 112,824,584	\$ 25,134,175	\$ 379,936	\$ 5,006,971	\$ 140,405,665	\$ 143,345,666	\$ 139,299,587

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

14. PENSION PLANS

Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the School Division contributes is as follows:

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

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

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

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

	2011			2010
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	1,054	80	1,134	1,108
Member contribution rate (percentage of salary)	9.0%/7.0%	7.85%/6.05%		7.85% - 9.0%
Member contributions for the year	\$ 5,171,770	\$ 399,026	\$ 5,570,796	\$ 5,508,825

- 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 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.

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

14. PENSION PLANS (Cont'd)

Details of the MEPP are as follows:

	2011	2010
Number of active School Division members	768	762
Member contribution rate (percentage of salary)	7.40%	6.40%
School Division contribution rate (percentage of salary)	7.40%	6.40%
Member contributions for the year	\$ 1,680,743	\$ 1,417,240
School Division contributions for the year	\$ 1,680,743	\$ 1,417,240
Actuarial valuation date	31-Dec-09	31-Dec-08
Plan Assets (in thousands)	\$ 1,399,241	\$ 1,284,959
Plan Liabilities (in thousands)	\$ 1,381,094	\$ 1,233,841
Plan Surplus (Deficit) (in thousands)	\$ 18,147	\$ 51,118

15. BUDGET FIGURES

Budget figures included in the financial statements, excluding the budget for amortization of tangible capital assets, were approved by the Board of Education on May 16, 2010. The amortization of tangible capital assets budget was approved November 21, 2011. Budget figures included in the financial statements were approved by the Minister of Education on August 31, 2010.

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 their organizations.

(a) Related Party Transactions:

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the financial statements and the table below. They are recorded at exchange amounts which approximate prevailing market rates charged by those organizations and are settled on normal trade terms.

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

16. RELATED PARTIES (Cont'd)

	2011	2010
Revenues:		
Ministry of Education	\$ 101,784,897	\$ 88,892,921
	\$ 101,784,897	\$ 88,892,921
Expenses:		
Correctional Facilities Industries Revolving Fund	\$ 1,137	\$ -
Saskatchewan Arts Board	140	-
Saskatchewan Cancer Agency	4,500	-
Saskatchewan Transportation Company	5,800	5,863
Saskatchewan Power Corporation	884,411	818,107
Saskatchewan Telecommunications Holding Corporation	436,677	489,219
SaskEnergy Incorporated	1,569,943	1,440,162
Workers' Compensation Board (Saskatchewan)	302,725	316,865
	\$ 3,205,333	\$ 3,070,216
Accounts Receivable:		
Ministry of Education	\$ 3,382,566	\$ 2,755,026
	\$ 3,382,566	\$ 2,755,026
Prepaid Expenses:		
Workers' Compensation Board (Saskatchewan)	\$ 111,966	\$ 99,194
	\$ 111,966	\$ 99,194
Other Assets:		
Due from Horizon School Divison No. 205	\$ 463,591	\$ 2,116,431
	\$ 463,591	\$ 2,116,431
Provincial Grant Overpayment:		
Ministry of Education	\$ -	\$ 1,392,847
	\$ -	\$ 1,392,847
Accounts Payable and Accrued Liabilities:		
Saskatchewan Transportation Company	\$ 53	\$ -
Saskatchewan Power Corporation	72,892	\$ 515
Saskatchewan Telecommunications Holding Corporation	39,144	36,312
SaskEnergy Incorporated	11,736	-
	\$ 123,772	\$ 36,827
Deferred Revenue:		
Ministry of Education	\$ 2,605,167	\$ 2,862,538
	\$ 2,605,167	\$ 2,862,538

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

(b) Ministry of Education Capital Transfers:

The Ministry of Education has approved \$19,548,698 in capital transfers to the School Division for projects in which construction has not yet started and/or completed. Approved capital transfers that have not yet been reflected in the financial statements of the school division are as follows:

Total Ministry obligation at August 31, 2011	\$19,548,698
Less: Revenue reported in financial statements	<u>(2,345,005)</u>
Remainder to be recognized as revenue in future periods	<u>\$17,203,693</u>

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

16. RELATED PARTIES (Cont'd)

In March 2011, PSAB issued revised section PS 3410 Government Transfers. Revised PS 3410 provides revised guidance for the recognition of government transfers and is effective for fiscal years beginning on or after April 1, 2012 (earlier adoption is encouraged), and may affect the future accounting treatment for these capital transfers to school divisions.

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

17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Construction contracts and commitments

During the year, the School Division continued construction on Humboldt Collegiate Institute, a joint project between Horizon School Division No. 205, Carlton Trail Regional College and the City of Humboldt. The project is approximately 78.39% complete at year-end. The school is expected to open in the fall of 2011. The value of the contract is \$21 million.

In September 2010, the School Division commenced construction on the new St. Mary Catholic Elementary Community School. The project is approximately 56% complete at year-end. The cost of the school will be shared with the Ministry of Education. The school is expected to open in the spring of 2012. The value of the contract is \$14.6 million.

In Spring 2011, Phase 1 of a major renovation project commenced at E.D. Feehan Catholic High School. The project is approximately 6% complete at year-end. The cost of the renovation will be shared with the Ministry of Education. The value of the contract is \$5.4 million.

In August 2011, the School Division contracted with VCM Construction Ltd. to construct four relocatable classrooms at Bethlehem Catholic High School. The cost of the project is to be shared with the Ministry of Education. The value of the contract is \$1.18 million.

Operating contracts and commitments

In May 2011, the School Division and Saskatoon Public School Division No. 13 signed a Letter of Intent with First Canada ULC for provision of transportation services for a period of five years with a total option to extend of five years commencing September 2011. The School Division's share of the contract is \$20.8 million.

The School Division leases instructional space for its Opening Doors Program from REM Holdings Inc. The lease is renewed on an annual basis.

The School Division has two capital leases 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 23,000,000 between both contracts.

St. Paul's Roman Catholic Separate School Division #20
Notes to the Financial Statements
for the year ending August 31, 2011

17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS (Cont'd)

	Operating Leases		Capital Leases	
	Instructional Space	Total Operating	Multifunction copiers	Total Capital
Future minimum lease payments:				
2012	\$ 25,682	\$ 25,682	\$ 188,273	\$ 188,273
2013		-	150,273	150,273
2014		-	12,523	12,523
	\$ 25,682	\$ 25,682	\$ 351,068	\$ 351,068
Interest costs	-	-	18,275	18,275
Total Lease Obligations	\$ 25,682	\$ 25,682	\$ 332,793	\$ 332,793

18. SUBSEQUENT EVENTS

The Saskatchewan Teachers' Provincial Collective Bargaining Agreement expired on August 31, 2010. The Saskatchewan Teachers' Federation (STF) and the Government Trustee Bargaining Committee (GTBC) reached a new collective agreement which was ratified on October 4, 2011 and covers the period September 1, 2010 to August 31, 2013. The new agreement provides for retroactive wage increases for teachers of the School Division for the period of September 1, 2010 to August 31, 2011 with a cost of \$1.98 million which was recorded as an expense in the 2010-2011 financial statements. The agreement provides for further wage increases in 2011-12 and 2012-13.

Subsequent to year-end, the Ministry of Education indicated that an amount of \$584,265 amount related to the operating grant reconciliation based on the 2010 property tax year amount will be adjusted on the December 2011 to March 2012 grant. No amount related to this adjustment has been recognized in the financial statements as this adjustment will be recognized in the fiscal year ended August 31, 2012.

The School Division received permission to borrow \$12.4 million from the Ministry of Education in a letter dated November 16, 2011. The loan was approved to fund the School Division's share of three major projects; Humboldt Collegiate Institute new construction, St. Mary Community School new construction and a major renovation of E.D. Feehan Catholic High School. The approved lender is the Royal Bank of Canada. The loan bears interest at 4.25% and is repayable in blended monthly instalments of \$77,107 over twenty years.

19. COMPARATIVE INFORMATION

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