

Independent Auditors' Report

To the Board of Education of Englefeld Protestant Separate School Division No. 132:

We have audited the accompanying financial statements of Englefeld Protestant Separate School Division No. 132, which comprise the statement of financial position as at August 31, 2014, statements of operations and accumulated surplus and related schedules, 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Englefeld Protestant Separate School Division No. 132 as at August 31, 2014, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Melfort, SK

November 25, 2014

MNP LLP
Chartered Accountants

MNP

Englefeld Protestant Separate School Division No. 132
Statement of Financial Position
as at August 31, 2014

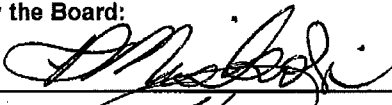
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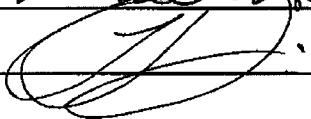
	2014	2013
Financial Assets		
Cash and Cash Equivalents	706,139	642,318
Accounts Receivable (Note 5)	61,990	62,519
Total Financial Assets	768,129	704,837
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	14,662	6,540
Total Liabilities	14,662	6,540
Net Financial Assets	753,467	698,297
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	127,178	144,291
Prepaid Expenses	4,866	5,751
Total Non-Financial Assets	132,044	150,042
Accumulated Surplus (Note 7)	885,511	848,339

Contractual Obligations and Commitments (Note 10)

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

Approved by the Board:





Chairperson

Chief Financial Officer

Englefeld Protestant Separate School Division No. 132
Statement of Operations and Accumulated Surplus
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
REVENUES	(Note 8)		
Property Taxation	97,670	93,156	85,655
Grants	1,113,860	1,175,908	1,107,358
Other	18,760	13,312	12,441
Total Revenues (Schedule A)	1,230,290	1,282,376	1,205,454
EXPENSES			
Governance	28,620	29,694	25,201
Administration	81,885	80,441	68,058
Instruction	917,451	894,147	861,329
Plant	86,630	91,758	82,815
Transportation	150,683	149,163	131,237
Total Expenses (Schedule B)	1,265,269	1,245,203	1,168,640
Surplus (Deficit) for the Year	(34,979)	37,173	36,814
Accumulated Surplus, Beginning of Year	848,339	848,338	811,524
Accumulated Surplus, End of Year	813,360	885,511	848,338

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

Englefeld Protestant Separate School Division No. 132

Statement of Changes in Net Financial Assets for the year ended August 31, 2014

	2014 Budget (Note 8)	2014 Actual	2013 Actual
Net Financial Assets, Beginning of Year	698,297	698,297	633,459
Changes During the Year:			
Surplus (Deficit) for the Year	(34,979)	37,173	36,814
Acquisition of Tangible Capital Assets (Schedule C)	-	(19,110)	-
Amortization of Tangible Capital Assets (Schedule C)	34,979	36,222	32,833
Net Acquisition of Prepaid Expenses	-	885	(4,809)
Change in Net Financial Assets	-	55,170	64,838
Net Financial Assets, End of Year	698,297	753,467	698,297

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

Englefeld Protestant Separate School Division No. 132
Statement of Cash Flows
for the year ended August 31, 2014

	2014	2013
OPERATING ACTIVITIES		
Surplus for the Year	37,173	36,814
Add Non-Cash Items Included in Surplus (Schedule D)	36,222	32,833
Net Change in Non-Cash Operating Activities (Schedule E)	9,536	(11,724)
Cash Provided by Operating Activities	82,931	57,923
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(19,110)	-
Cash Used by Capital Activities	(19,110)	-
INCREASE IN CASH AND CASH EQUIVALENTS	63,821	57,923
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	642,318	584,395
CASH AND CASH EQUIVALENTS, END OF YEAR	706,139	642,318

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

Englefeld Protestant Separate School Division No. 132
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	97,670	93,177	86,448
Total Property Tax Revenue	97,670	93,177	86,448
Additions to Levy:			
Penalties	-	(21)	213
Total Additions to Levy	-	(21)	213
Deletions from Levy:			
Discounts	-	-	(1,006)
Total Deletions from Levy	-	-	(1,006)
Total Property Taxation Revenue	97,670	93,156	85,655
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	1,113,860	1,175,908	1,107,358
Total Operating Grants	1,113,860	1,175,908	1,107,358
Total Grants	1,113,860	1,175,908	1,107,358
Other Revenue			
Miscellaneous Revenue	7,260	1,824	1,490
Investments	11,500	11,488	10,951
Total Other Revenue	18,760	13,312	12,441
TOTAL REVENUE FOR THE YEAR	1,230,290	1,282,376	1,205,454

Englefeld Protestant Separate School Division No. 132
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Governance Expense			
Board Members Expense	3,490	4,442	3,070
Professional Development- Board Members	900	-	-
Advisory Committees	1,500	1,500	1,500
Other Governance Expenses	22,730	23,752	20,631
Total Governance Expense	28,620	29,694	25,201
Administration Expense			
Salaries	48,320	48,672	47,506
Benefits	9,010	9,110	4,112
Supplies & Services	14,475	13,886	13,132
Communications	2,580	2,258	1,081
Travel	6,000	5,990	2,227
Professional Development	1,500	525	-
Total Administration Expense	81,885	80,441	68,058
Instruction Expense			
Instructional (Teacher Contracts) Salaries	671,920	676,147	654,209
Instructional (Teacher Contracts) Benefits	39,000	34,656	36,933
Program Support (Non-Teacher Contract) Salaries	79,150	64,804	69,825
Program Support (Non-Teacher Contract) Benefits	14,750	11,733	11,232
Instructional Aids	35,210	32,763	31,781
Supplies & Services	42,350	43,709	31,540
Non-Capital Furniture & Equipment	6,500	4,476	4,201
Communications	3,350	2,923	4,176
Travel	4,000	1,291	4,969
Professional Development	6,500	5,444	2,706
Student Related Expense	1,800	1,417	693
Amortization of Tangible Capital Assets	12,921	14,784	9,064
Total Instruction Expense	917,451	894,147	861,329

Englefeld Protestant Separate School Division No. 132
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
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Plant Operation & Maintenance Expense			
Salaries	20,310	20,306	19,823
Benefits	4,900	4,606	4,401
Building Operating Expenses	61,420	66,846	58,591
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Total Plant Operation & Maintenance Expense	86,630	91,758	82,815
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Student Transportation Expense			
Salaries	45,730	52,603	49,354
Benefits	9,300	8,679	8,672
Supplies & Services	35,600	32,493	24,803
Non-Capital Furniture & Equipment	23,655	21,939	14,287
Contracted Transportation	14,340	12,011	10,352
Amortization of Tangible Capital Assets	22,058	21,438	23,769
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Total Student Transportation Expense	150,683	149,163	131,237
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TOTAL EXPENSES FOR THE YEAR	1,265,269	1,245,203	1,168,640
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Englefeld Protestant Separate School Division No. 132

Schedule C - Supplementary Details of Tangible Capital Assets

for the year ended August 31, 2014

	School Buses	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	2014	2013
<i>Tangible Capital Assets - at Cost:</i>						
Opening Balance as of September 1	331,023	43,881	100,337	13,753	488,994	488,994
Additions/Purchases	-	6,479	12,631	-	19,110	-
Closing Balance as of August 31	331,023	43,881	100,337	13,753	508,104	488,994
<i>Tangible Capital Assets - Amortization:</i>						
Opening Balance as of September 1	203,306	42,766	84,878	13,753	344,703	311,870
Amortization of the Period	21,438	789	13,995	-	36,222	32,833
Closing Balance as of August 31	224,744	43,555	98,873	13,753	380,925	344,703
Net Book Value:						
Opening Balance as of September 1	127,717	1,115	15,459	-	144,291	177,124
Closing Balance as of August 31	106,278	326	1,464	-	127,178	144,291
Change in Net Book Value	(21,439)	(789)	(13,995)	-	(17,113)	(32,833)

Englefeld Protestant Separate School Division No. 132
Schedule D: Non-Cash Items Included in Surplus
for the year ended August 31, 2014

	2014	2013
Non-Cash Items Included in Surplus:		
Amortization of Tangible Capital Assets (Schedule C)	36,222	32,833
Total Non-Cash Items Included in Surplus	36,222	32,833

Englefeld Protestant Separate School Division No. 132
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2014

	2014	2013
Net Change in Non-Cash Operating Activities:		
Decrease (Increase) in Accounts Receivable	529	(6,960)
(Decrease) in Provincial Grant Overpayment	-	(2,340)
Increase In Accounts Payable and Accrued Liabilities	8,122	2,385
Decrease (Increase) in Prepaid Expenses	885	(4,809)
Total Net Change in Non-Cash Operating Activities	9,536	(11,724)

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2014

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 Englefeld Protestant Separate School Division No. 132" and operates as "the Englefeld Protestant Separate School Division No.132". 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) Adoption of New Public Sector Accounting (PSA) Standards

In 2014, the school division adopted the new PSA standard PS3260 Liability for Contaminated Sites. Detailed information on the impact of the adoption of this new PSA standard is provided in Note 11 Accounting Changes.

b) Reporting Entity

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

c) Basis of Accounting

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

d) Measurement Uncertainty and the Use of Estimates

Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year.

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

- property taxation revenue of \$93,156 (2013 - \$85,655) because final tax assessments may differ from initial estimates,
- uncollectible taxes of \$2,500 (2013 - \$2,500) because actual collectability may differ from initial estimates,
- useful lives of capital assets and related amortization of \$380,925 (2013 - \$344,703) because the actual useful lives of the capital assets may differ from their estimated economic lives, and

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES – continued

d) Measurement Uncertainty and the Use of Estimates – continued

- accrual for retroactive teachers' salaries related to the 2014 year of \$10,713 (2013 - \$NIL) because the actual amount in the final negotiated contract 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 material changes in the amounts recognized or disclosed.

e) 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, accrued salaries and benefits and accounts payable and accrued liabilities.

All financial assets and liabilities are measured at cost or amortized cost. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Impairment losses such as write-downs or write-offs are reported in the 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.

f) 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.

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

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES – continued

f) Financial Assets – continued

and information provided by municipalities regarding collectability of outstanding balances. Provincial grants receivable represent operating and capital 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.

g) 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 school buses, furniture and equipment, computer hardware and audio equipment and computer software. Tangible capital assets are recorded at cost 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:

School buses	12 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

Prepaid Expenses are prepaid amounts for goods or services such as fees, consumable supplies, insurance, and other expenses which will provide economic benefits in one or more future periods.

h) 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.

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES – continued

i) 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) 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.

j) Revenue Recognition

Revenues are recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that give rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The school division's major 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.

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 continue to 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) Interest Income:

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

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES – continued

j) Revenue Recognition – continued

iv) 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.

k) Statement of Remeasurement Gain and Losses

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

3. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Amortization of TCA	2014 Budget	2014 Actual	2013 Actual
Governance	\$ 5,942	\$ 23,752	\$ -	\$ 28,620	\$ 29,694	\$ 25,201
Administration	\$ 57,782	\$ 22,659	\$ -	\$ 81,885	\$ 80,441	\$ 68,058
Instruction	\$ 787,340	\$ 92,023	\$ 14,784	\$ 917,451	\$ 894,147	\$ 861,329
Plant	\$ 24,912	\$ 66,846	\$ -	\$ 86,630	\$ 91,758	\$ 82,815
Transportation	\$ 61,282	\$ 66,443	\$ 21,438	\$ 150,683	\$ 149,163	\$ 131,237
TOTAL	\$ 937,258	\$ 271,723	\$ 36,222	\$ 1,265,269	\$ 1,245,203	\$ 1,168,640

4. 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.

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2014

4. PENSION PLANS – continued

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

	2014			2013
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	10	1	11	10
Member contribution rate (percentage of salary)	7.8%-10%	6.05%-7.85%	6.05%-10%	6.05%-10%
Member contributions for the year	\$ 50,520	\$ 977	\$ 51,497	\$ 51,022

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.

Details of the MEPP are as follows:

	2014	2013
Number of active School Division members	8	7
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	\$ 10,482	\$ 10,160
School Division contributions for the year	\$ 10,482	\$ 10,160
Actuarial valuation date	31-Dec-13	31-Dec-12 (Restated)
Plan Assets (in thousands)	\$ 1,685,167	\$ 1,560,967
Plan Liabilities (in thousands)	\$ 1,498,853	\$ 1,420,319
Plan Surplus (in thousands)	\$ 186,314	\$ 140,648

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2014

5. 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:

	2014			2013		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 53,147	\$ 2,500	\$ 50,647	\$ 64,442	\$ 2,500	\$ 61,942
Grant Receivable	10,713	-	10,713	-	-	-
Other Receivables	630	-	630	576	-	576
Total Accounts Receivable	\$ 64,490	\$ 2,500	\$ 61,990	\$ 65,019	\$ 2,500	\$ 62,519

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2014	2013
Accrued Salaries and Benefits	\$ 14,662	\$ 4,104
Supplier Payments	-	2,436
Total Accounts Payable and Accrued Liabilities	\$ 14,662	\$ 6,540

7. 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 from operations, as approved by the board of education, have been designated for specific future purposes such as program expenditures and weekly indemnity plan. These internally restricted amounts are included in the accumulated surplus from operations presented in the statement of financial position. The school division does not maintain separate bank accounts for the internally restricted amounts.

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2014

7. ACCUMULATED SURPLUS – continued

Details of accumulated surplus are as follows:

	2014	2013
Invested in Tangible Capital Assets:		
Net Book Value of Tangible Capital Assets	\$ 127,178	\$ 144,291
S.286 pre-April 2009 capital reserves from prior years' operating surpluses (1)	342,000	342,000
Internally Restricted Surplus:		
Designated for Program Expenditures	250,000	250,000
Designated for Weekly Indemnity Plan	30,000	30,000
	280,000	280,000
Unrestricted Surplus	136,333	82,048
Total Accumulated Surplus from Operations	\$ 885,511	\$ 848,339

(1) S.286 pre-April 2009 Capital Reserves from Prior Years' Operating Surpluses represents capital reserves that were created by pre-April 2009 board of education motions that designated certain prior years' operating surpluses to be set aside for the purpose of future capital expenditures. Pursuant to S.286 of *The Education Act, 1995*, the school division is required to hold these reserves as a special fund for the purpose of constructing or acquiring any capital works that may be approved by the minister.

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

Designated for Program Expenditures represents amounts restricted for the implementation and development of curricular and co-curricular initiatives that will help support teachers in their adaptation to and continual development of curricular needs and teaching methods to support students in their learning and outcomes.

Designated for Weekly Indemnity Plan represents amounts restricted for unanticipated leave and associated costs that may occur to compensate for those leaves.

8. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on May 23, 2013 and the Minister of Education on August 23, 2013.

ENGLEFELD PROTESTANT SEPARATE SCHOOL DIVISION No. 132
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9. RELATED PARTIES

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

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.

	2014	2013
Revenues:		
Ministry of Education	\$ 1,175,908	\$ 1,107,358
<i>Saskatchewan Government Insurance</i>	-	1,490
	\$ 1,175,908	\$ 1,108,848
Expenses:		
<i>Saskatchewan Telecommunications</i>	\$ 4,002	\$ 3,811
<i>Saskatchewan Energy</i>	5,802	4,752
<i>Saskatchewan Power</i>	12,906	13,228
<i>Saskatchewan Government Insurance</i>	2,034	1,653
<i>Saskatchewan Workers Compensation</i>	2,150	1,938
<i>Horizon School Division</i>	18,447	19,296
<i>Lloydminster School Division</i>	-	1,200
<i>Northeast School Division</i>	500	2,000
	\$ 45,839	\$ 47,877
Accounts Receivable:		
Ministry of Education	\$ 10,713	\$ -
	\$ 10,713	\$ -

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

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

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10. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The school division rents a building from the Village of Englefeld with monthly payments of \$1,500. This Lease Agreement with these terms expired on August 31, 2014. Monthly payments have increased to \$2,000 under a new Lease Agreement with the Village of Englefeld, which expires on August 31, 2015. It is anticipated that the rental payments to the Village of Englefeld in relation to the building for the next five years are broken down as follows:

2015	24,000
2016	24,000
2017	24,000
2018	24,000
2019	24,000

11. ACCOUNTING CHANGES

PS 3260 Liability for Contaminated Sites

On September 1, 2013, the school division adopted the new PS3260 Liability for Contaminated Sites standard. This section establishes standards on how to account for and report a liability associated with the remediation of contaminated sites. Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds the maximum acceptable concentrations under an environmental standard. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The school division:
Directly responsible; or
Accepts responsibility
- The school division expects that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The adoption of the new PS3260 standard has not resulted in any changes to the measurement and recognition of liabilities in the school division's 2014 financial statements.

12. COMPARATIVE INFORMATION

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

13. 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. 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.

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13. RISK MANAGEMENT - continued

ii) Liquidity Risk

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

	August 31, 2014			
	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	14,662	-	-	-
Total	\$ 14,662	\$ -	\$ -	\$ -

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. Since the Englefeld School Division holds no debt, this risk is minimal.