



Ministry of
Education

Auditor's Report and Financial Statement

Of the Regina School Division No.4
School Division No. 2150000

For the Period Ending: August 31, 2009

D.G. Burnett
Secretary Treasurer

Meyers Norris Penny LLP
Auditor

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



MEYERS NORRIS PENNY LLP

Auditors' Report

To the Chairman and Trustees of
The Board of Education of the Regina School Division No. 4 of Saskatchewan:

We have audited the statement of Financial Position of Regina School Division No. 4 as at August 31, 2009 and the following statements for the year ended August 31, 2009:

- a) Statement of Financial Position
- b) Statement of Financial Activities and Fund Balances
- c) Statement of Changes in Financial Position
- d) Details of Revenue
- e) Details of Expenses
- f) Schedule of Physical Assets
- g) Summary of Complementary Services Revenue and Expenses, by Program
- h) Summary of External Services Revenue and Expenses, by Program

These financial statements are the responsibility of the School Division's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2009 and the results of its operations for the year period then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
November 20, 2009

Meyers Norris Penny LLP
MEYERS NORRIS PENNY LLP



CHARTERED ACCOUNTANTS & BUSINESS ADVISORS
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Management's Responsibility

To the Chairman and Trustees of The Board of Education of the Regina School Division No. 4 of Saskatchewan:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls 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 is composed entirely of Trustees who are neither management nor employees of the School Division. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the School Division's external auditors.

Meyers Norris Penny LLP, an independent firm of Chartered Accountants, is appointed by the Board to audit the financial statements and report directly to them; their report follows. 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.

November 20, 2009

D.G. Burnett
D.G. Burnett
Deputy Director

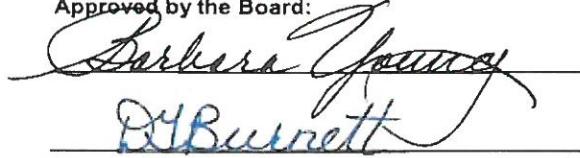

B.W. Lipinski
Superintendent

Regina School Division No.4
Statement of Financial Position
as at August 31, 2009

| | Operating Fund | Capital Fund | Other Funds | Current Yr Total | Prior Yr Total |
|---|-------------------|--------------------|-------------------|---------------------|--------------------|
| Financial Assets | | | | | |
| Cash | 82,229,226 | - | - | 82,229,226 | 29,299,100 |
| Short Term Investments | - | - | - | - | 45,500,277 |
| Taxes Receivable | 7,556 | - | - | 7,556 | 381,280 |
| Less Allowance | 7,556 | - | - | 7,556 | 381,280 |
| Provincial Grants Receivable | 5,007,989 | - | - | 5,007,989 | 215,415 |
| Other Receivables (Note 3) | 504,896 | 1,427,438 | - | 1,932,334 | 2,416,670 |
| Inventories for sale | - | - | - | - | - |
| Long Term Investments (Note 4) | 682,513 | - | - | 682,513 | 687,870 |
| Other Assets | - | - | - | - | - |
| Interfund Debt Receivable | - | 14,119,920 | 22,202,796 | - | - |
| Total Financial Assets | 88,432,180 | 15,547,358 | 22,202,796 | 89,859,618 | 78,500,612 |
| Liabilities | | | | | |
| Bank Indebtedness | - | - | - | - | - |
| Provincial Grants (Note 13) | - | 14,119,920 | - | 14,119,920 | 15,623,350 |
| Other Payables (Note 14) | 29,068,942 | - | - | 29,068,942 | 26,460,353 |
| Short Term Loans | - | - | - | - | - |
| Debentures | - | - | - | - | - |
| Capital Loans | - | - | - | - | - |
| Other Long Term Debt (Note 6) | - | 5,926,102 | - | 5,926,102 | 6,482,892 |
| Accrued Employee Future Benefits (Note 7) | 8,543,800 | - | - | 8,543,800 | 8,198,204 |
| Other Liabilities | - | - | - | - | - |
| Interfund Debt Payable | 36,322,716 | - | - | - | - |
| Total Liabilities | 73,935,458 | 20,046,022 | - | 57,658,764 | 56,764,799 |
| Net Financial Assets (Debt) | 14,496,722 | (4,498,664) | 22,202,796 | 32,200,854 | 21,735,813 |
| Non Financial Assets | | | | | |
| Physical assets | - | 169,012,287 | - | 169,012,287 | 162,822,313 |
| Inventory of supplies | 414,850 | - | - | 414,850 | 738,561 |
| Prepaid Items | 1,393,688 | - | - | 1,393,688 | 1,080,063 |
| Total Non Financial Assets | 1,808,538 | 169,012,287 | - | 170,820,825 | 164,640,937 |
| Net Assets | 16,305,260 | 164,513,623 | 22,202,796 | 203,021,679 | 186,376,750 |
| Equity in Physical Assets | - | 164,513,623 | - | 164,513,623 | 157,766,859 |
| Fund Balances | 16,305,260 | - | 22,202,796 | 38,508,056 | 28,609,891 |
| School Position | 16,305,260 | 164,513,623 | 22,202,796 | 203,021,679 | 186,376,750 |

The accompanying notes are an integral part of these statements

Approved by the Board:



Chairperson

Secretary-Treasurer

Regina School Division No.4
Statement of Financial Activities and Fund Balances
for the period ending August 31, 2009

| | Operating Fund | Capital Fund | Other Funds | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|---|--------------------|--------------------|-------------------|----------------------------|----------------------|--------------------------|
| REVENUES | | | | | | |
| Property Taxation | 78,564,304 | | - | 78,564,304 | 81,494,392 | 80,752,552 |
| Grants | 96,669,669 | 3,848,374 | | 100,518,043 | 74,615,870 | 88,166,130 |
| Tuition and Related Fees | 1,570,440 | 1,184 | | 1,571,624 | 1,369,600 | 1,476,465 |
| School Generated Funds | 4,195,918 | - | | 4,195,918 | 4,000,000 | 4,075,992 |
| Complementary Services | 2,447,841 | - | | 2,447,841 | 3,005,273 | 3,025,092 |
| External Services | 3,856,812 | - | | 3,856,812 | 5,241,875 | 5,041,569 |
| Other | 2,249,294 | 479,741 | - | 2,729,035 | 2,706,000 | 3,547,258 |
| Total Revenues | 189,554,278 | 4,329,299 | - | 193,883,577 | 172,433,010 | 186,085,058 |
| EXPENDITURES | | | | | | |
| Governance | 353,067 | - | | 353,067 | 368,050 | 354,614 |
| Administration | 2,103,242 | - | | 2,103,242 | 1,823,475 | 2,054,833 |
| Instruction | 127,044,602 | 1,117,225 | | 128,161,827 | 128,556,730 | 122,117,491 |
| Plant | 24,524,432 | 8,174,744 | | 32,699,176 | 24,967,290 | 25,166,806 |
| Transportation | 6,172,832 | - | | 6,172,832 | 5,027,022 | 6,178,543 |
| Tuition and Related Fees | 345,468 | - | | 345,468 | 288,690 | 300,949 |
| School Generated Funds | 4,501,837 | - | | 4,501,837 | 4,000,000 | 4,289,317 |
| Complementary Services | 4,905,906 | - | | 4,905,906 | 5,130,761 | 4,426,392 |
| External Services | 3,896,215 | - | | 3,896,215 | 3,784,563 | 3,599,727 |
| Interest and Bank Charges | 21,285 | 267,767 | - | 289,052 | 20,000 | 264,328 |
| Total Expenditures | 173,868,886 | 9,559,736 | - | 183,428,622 | 173,966,581 | 168,753,000 |
| Excess (Deficiency) of Revenue over Expenditure | 15,685,392 | (5,230,437) | - | 10,454,955 | (1,533,571) | 17,332,058 |
| Interfund Transfers to (from) | | | | | | |
| for Capital Expenditures | (7,777,903) | 5,788,411 | 1,989,492 | | | |
| for Debt Repayment | - | - | - | | | |
| for Reserves | (5,639,490) | (1,184) | 5,640,674 | | | |
| Excess (Deficiency) after Interfund Transfers | 2,267,999 | 556,790 | 7,630,166 | 10,454,955 | (1,533,571) | 17,332,058 |
| Long Term Capital Debt Issued | | - | | - | - | 924,513 |
| Long Term Capital Debt Repaid | | (556,790) | | (556,790) | - | (441,309) |
| Surplus (Deficit) for the Year | 2,267,999 | - | 7,630,166 | 9,898,165 | (1,533,571) | 17,815,262 |
| Opening Fund Balances, as Previously Reported | 16,274,574 | - | 30,195,980 | 46,470,554 | 46,470,554 | 34,656,292 |
| Change in Accrued Employee Future Benefits (Note 12) | (2,237,313) | - | - | (2,237,313) | - | (8,238,313) |
| Change in Accounting Policy Capital Liability (Note 13) | - | - | (15,623,350) | (15,623,350) | - | (15,623,350) |
| Opening Fund Balances, as Restated | 14,037,261 | - | 14,572,630 | 28,609,891 | 46,470,554 | 10,794,629 |
| Closing Fund Balances | 16,305,260 | - | 22,202,796 | 38,508,056 | 44,936,983 | 28,609,891 |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Statement of Changes in Financial Position
for the period ending August 31, 2009

| | <u>Current Year</u> | <u>Prior Year</u> |
|--|---------------------|-------------------|
| Operations | | |
| Net Revenue (Expenditure) before Financing | 10,454,955 | 17,332,058 |
| Decrease (Increase) in Taxes Receivable | 373,725 | (381,280) |
| Decrease (Increase) in Grants Receivable | (4,792,573) | 804,906 |
| Decrease (Increase) in Other Receivables | 484,337 | (174,457) |
| Decrease (Increase) in Prepaid Items | (313,624) | (38,043) |
| Decrease (Increase) in Other Assets | - | - |
| Increase (Decrease) in Provincial Grants | (1,503,430) | - |
| Increase (Decrease) In Other Payables | 2,608,589 | 4,188,819 |
| Increase (Decrease) in Short Term Loans | - | - |
| (Decrease) in Accrued Employee Future Benefits | 345,596 | (40,109) |
| Increase (Decrease) in Other Liabilities | - | - |
| Net Increase (Decrease) in Cash from Operations | 7,657,575 | 21,691,894 |
| Investing | | |
| Decrease (Increase) in Inventories | 323,711 | 436,915 |
| Decrease (Increase) in Long Term Investments | 5,357 | 4,801 |
| Net Increase (Decrease) in Cash from Investing | 329,068 | 441,716 |
| Financing | | |
| Debentures Issued | - | - |
| Debentures Repaid | - | - |
| Other Capital Loans and Long Term Debt Issued | - | 924,513 |
| Other Capital Loans and Long Term Debt Repaid | (556,790) | (441,309) |
| Net Increase (Decrease) in Cash from Financing | (556,790) | 483,204 |
| Net Change In Cash and Cash Equivalents | 7,429,853 | 22,616,814 |
| Opening Cash and Equivalents | 74,799,378 | 52,182,564 |
| Closing Cash and Cash Equivalents | 82,229,231 | 74,799,378 |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Details of Revenue
for the period ending August 31, 2009

| | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|--|----------------------------|----------------------|--------------------------|
| Property Taxation Revenue | | | |
| Operating Fund | | | |
| Tax Revenue: | | | |
| Property Tax Revenue (<i>net Education Tax Credit</i>) | 73,536,826 | 76,374,677 | 75,540,149 |
| Revenue from Supplemental Levies | 518,208 | 600,000 | 707,748 |
| Total Property Tax Revenue | 74,055,034 | 76,974,677 | 76,247,897 |
| Grants in Lieu of Taxes: | | | |
| Federal Government | 1,708,125 | 1,657,885 | 1,630,718 |
| Provincial Government | 4,117,487 | 4,374,744 | 4,233,778 |
| Railways | - | - | - |
| Other | - | - | - |
| Total Grants in Lieu of Taxes | 5,825,612 | 6,032,629 | 5,864,496 |
| Treaty Land Entitlement - Urban | 7,556 | - | - |
| Treaty Land Entitlement - Rural | - | - | - |
| House Trailer Fees | - | - | - |
| Additions to Levy: | | | |
| Penalties | - | - | - |
| Other | - | - | - |
| Total Additions to Levy | - | - | - |
| Deletions from Levy: | | | |
| Discounts | - | - | - |
| Cancellations | - | - | - |
| Other Deletions | (1,323,898) | (1,512,914) | (1,359,841) |
| Provision for Uncollectable Taxes | - | - | - |
| Total Deletions from Levy | (1,323,898) | (1,512,914) | (1,359,841) |
| Total Operating Property Tax Revenue to Summary | 78,564,304 | 81,494,392 | 80,752,552 |
| Other Funds | | | |
| Tax Levy: | | | |
| Special Tax Levy | - | - | - |
| Total Other Funds Property Tax Revenue to Summary | - | - | - |
| Total Property Taxation Revenue to Summary | 78,564,304 | 81,494,392 | 80,752,552 |
| Grants: | | | |
| Operating Fund | | | |
| Ministry of Education Grants: | | | |
| K-12 Operating Grant | 89,134,219 | 66,215,870 | 63,891,170 |
| Education Property Tax Credit | - | - | - |
| Other Ministry Grants | 7,469,075 | 8,400,000 | 9,000,812 |
| Total Ministry Grants | 96,603,294 | 74,615,870 | 72,891,982 |
| Other Provincial Grants | - | - | - |
| Federal Grants | 66,375 | - | - |
| Grants from Others | - | - | - |
| Total Operating Fund Grants To Summary | 96,669,669 | 74,615,870 | 72,891,982 |
| Capital Fund | | | |
| Capital Grants | 3,848,374 | - | 15,274,148 |
| Total Capital Fund Grants to Summary | 3,848,374 | - | 15,274,148 |
| Total Grants to Summary | 100,518,043 | 74,615,870 | 88,166,130 |

The accompanying notes are an integral part of these statements

Regina School Division No.4

**Details of Revenue
for the year ending August 31, 2009**

| | <u>Current Yr Consolidated</u> | <u>Current Yr Budget</u> | <u>Prior Yr Consolidated</u> |
|--|------------------------------------|------------------------------|----------------------------------|
| Tuition and Related Fees Revenue | | | |
| Operating Fund | | | |
| Tuition Fees: | | | |
| School Boards | 1,054,082 | 1,040,000 | 946,895 |
| Federal Government and First Nations | 103,079 | 8,800 | - |
| Individuals and Other | 410,879 | 316,800 | 523,943 |
| Total Tuition Fees | <u>1,568,040</u> | <u>1,365,600</u> | <u>1,470,838</u> |
| Transportation Fees | 2,400 | 4,000 | 4,000 |
| Other Related Fees | - | - | - |
| Total Operating Fund Tuition and Fees to Summary | 1,570,440 | 1,369,600 | 1,474,838 |
| Capital Fund | | | |
| Federal/First Nations Capital Fees | 1,184 | - | 1,627 |
| Total Capital Fund Tuition and Fees to Summary | 1,184 | <b">-</b"> | 1,627 |
| Total Tuition and Related Fees Revenue to Summary | 1,571,624 | 1,369,600 | 1,476,465 |
| School Generated Funds Revenue | | | |
| Operating Fund | | | |
| Curricular Fees: | | | |
| Student Fees | 905,132 | - | 796,939 |
| Other | - | - | - |
| Total Curricular Fees | <u>905,132</u> | <u>-</u> | <u>796,939</u> |
| Non-Curricular Fees: | | | |
| Commercial Sales - GST | - | - | - |
| Commercial Sales - Non-GST | - | - | - |
| Fundraising | - | - | - |
| Grants and Partnerships | - | - | - |
| Students Fees | 3,290,786 | 4,000,000 | 3,279,053 |
| Other | - | - | - |
| Total Non-Curricular Fees | <u>3,290,786</u> | <u>4,000,000</u> | <u>3,279,053</u> |
| Total School Generated Funds Revenue to Summary | 4,195,918 | 4,000,000 | 4,075,992 |
| Complementary Services | | | |
| Operating Fund | | | |
| Ministry of Education Grants: | | | |
| Ministry of Education-Foundation Operating Grant | 2,143,001 | 2,728,873 | 2,749,204 |
| Ministry of Education Grants-Property Tax Credit | - | - | - |
| Ministry of Education Grants-Other | 144,317 | 166,000 | 110,440 |
| Other Provincial Grants | 137,959 | 110,400 | 141,046 |
| Federal Grants | - | - | - |
| Other Grants | - | - | - |
| Tuition Fees: | | | |
| Tuition Fees-School Divisions | - | - | - |
| Tuition Fees-Federal Government | - | - | - |
| Tuition Fees-First Nations | - | - | - |
| Tuition Fees-Individuals and Other Parties | - | - | - |
| Transporation Fees: | | | |
| Transp Fees-School Divisions | - | - | - |
| Transp Fees-Federal Government | - | - | - |
| Transp Fees-First Nations | - | - | - |
| Transp Fees-Individuals and Other Parties | - | - | - |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Details of Revenue
for the year ending August 31, 2009

| | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|---|----------------------------|----------------------|--------------------------|
| Other Related Fees: | | | |
| Other Related Fees-School Divisions | - | - | - |
| Other Related Fees-Federal Government | - | - | - |
| Other Related Fees-First Nations | - | - | - |
| Other Related Fees-Individuals and Other Parties | - | - | - |
| Misc Revenue: | | | |
| Misc Revenue-User Fees | - | - | - |
| Misc Revenue-Reimbursements | - | - | - |
| Misc Revenue-Other Miscellaneous Revenue | 22,564 | - | 24,402 |
| Food Sales | - | - | - |
| Sale of Materials | - | - | - |
| Rentals | - | - | - |
| Sale of Non-Capital Assets | - | - | - |
| Other Sales and Rentals Revenue | - | - | - |
| Total Operating Fund Complementary Services Revenue to Summary | 2,447,841 | 3,005,273 | 3,025,092 |
| Capital Fund | | | |
| Ministry of Education Capital Grants | - | - | - |
| Other Provincial Capital Grants | - | - | - |
| Federal Capital Grants | - | - | - |
| Capital Grants-other | - | - | - |
| Other Miscellaneous Revenue | - | - | - |
| Sale of Capital Assets | - | - | - |
| Interest and Dividends | - | - | - |
| Total Capital Fund Complementary Services Revenue to Summary | - | - | - |
| Total Complementary Services Revenue to Summary | 2,447,841 | 3,005,273 | 3,025,092 |
| External Services | | | |
| Operating Fund | | | |
| K-12 Operating Grant | 3,589,740 | 5,004,075 | 4,648,966 |
| Other Ministry of Education Grants | - | 100,000 | 63,000 |
| Other Provincial Grants | - | - | - |
| Federal Grants | - | - | - |
| Other Grants | - | - | - |
| Tuition Fees: | | | |
| Tuition Fees-School Divisions | 36,500 | - | 36,030 |
| Tuition Fees-Federal Government | - | - | - |
| Tuition Fees-First Nations | - | - | - |
| Tuition Fees-Individuals and Other Parties | 15,027 | 20,000 | - |
| Transportation Fees: | | | |
| Transp Fees-School Divisions | - | - | - |
| Transp Fees-Federal Government | - | - | - |
| Transp Fees-First Nations | - | - | - |
| Transp Fees-Individuals and Other Parties | - | - | - |
| Other Related Fees: | | | |
| Other Related Fees-School Divisions | - | - | - |
| Other Related Fees-Federal Government | - | - | - |
| Other Related Fees-First Nations | - | - | - |
| Other Related Fees-Individuals and Other Parties | - | - | - |

The accompanying notes are an integral part of these statements

Regina School Division No.4

**Details of Revenue
for the year ending August 31, 2009**

| | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|--|----------------------------|----------------------|--------------------------|
| Misc Revenue: | | | |
| Misc Revenue-User Fees | - | - | - |
| Misc Revenue-Reimbursements | 215,545 | 117,800 | 293,573 |
| Misc Revenue-Other Miscellaneous Revenue | - | - | - |
| Food Sales | - | - | - |
| Sale of Materials | - | - | - |
| Rentals | - | - | - |
| Sale of Non-Capital Assets | - | - | - |
| Other Sales and Rentals Revenue | - | - | - |
| Total Operating Fund External Services Revenue to Summary | 3,856,812 | 5,241,875 | 5,041,569 |
| Capital Fund | | | |
| Ministry of Education Capital Grants | - | - | - |
| Other Provincial Capital Grants | - | - | - |
| Federal Capital Grants | - | - | - |
| Capital Grants | - | - | - |
| Other Miscellaneous Revenue | - | - | - |
| Sale of Capital Assets | - | - | - |
| Interest and Dividends | - | - | - |
| Total Capital Fund External Services Revenue to Summary | - | - | - |
| Total External Services Revenue to Summary | 3,856,812 | 5,241,875 | 5,041,569 |
| Other Revenue | | | |
| Operating Fund | | | |
| Miscellaneous Revenue | 926,324 | 408,500 | 1,001,337 |
| Sales & Rentals | 619,441 | 597,500 | 495,314 |
| Investments | 703,529 | 1,700,000 | 1,450,328 |
| Total Operating Fund Other Revenue to Summary | 2,249,294 | 2,706,000 | 2,946,979 |
| Capital Fund | | | |
| Miscellaneous Revenue | - | - | - |
| Sales & Rentals | 454,868 | - | 90 |
| Investments | 24,873 | - | 600,189 |
| Total Capital Fund Other Revenue to Summary | 479,741 | - | 600,279 |
| Other Funds | | | |
| Miscellaneous Revenue | - | - | - |
| Investments | - | - | - |
| Total Other Funds Other Revenue to Summary | - | - | - |
| Total Other Revenue to Summary | 2,729,035 | 2,706,000 | 3,547,258 |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Details of Expenses
for the period ending August 31, 2009

| | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|--|----------------------------|----------------------|--------------------------|
| Governance Expenses | | | |
| Operating Fund | | | |
| Board Members Expense | 165,132 | 163,950 | 159,782 |
| Conventions - Board Members | 15,813 | 14,000 | 6,013 |
| Local Boards/Advisory Committees | - | - | - |
| Conventions - Local Boards/Advisory Committees | - | - | - |
| Elections | - | - | - |
| Other Governance Expenses | 172,122 | 190,100 | 188,819 |
| Total Operating Fund Governance Expenses to Summary | 353,067 | 368,050 | 354,614 |
| Capital Fund | | | |
| Capital Equipment | - | - | - |
| Total Capital Fund Governance Expenses to Summary | - | - | - |
| Total Governance Expenses to Summary | 353,067 | 368,050 | 354,614 |
| Administration Expenses | | | |
| Operating Fund | | | |
| Salaries | 1,139,724 | 1,157,473 | 1,099,186 |
| Benefits | 217,803 | 218,202 | 199,034 |
| Supplies/Services | 440,185 | 300,800 | 301,876 |
| Non-Capital Equipment | 222,289 | 82,000 | 51,915 |
| Building Operating Expenses | - | - | - |
| Communications | 54,326 | 47,000 | 82,456 |
| Travel | - | - | - |
| Professional Development | 28,915 | 18,000 | 12,545 |
| Total Operating Fund Administration to Summary | 2,103,242 | 1,823,475 | 1,747,012 |
| Capital Fund | | | |
| Capital Equipment | - | - | 307,821 |
| Total Capital Fund Administration to Summary | - | - | 307,821 |
| Total Administration Expenses to Summary | 2,103,242 | 1,823,475 | 2,054,833 |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Details of Expenses (continued)
for the period ending August 31, 2009

| | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|--|----------------------------|----------------------|--------------------------|
| Instruction Expenses | | | |
| Operating Fund | | | |
| Instructional Salaries: | | | |
| Instructional Salaries | 82,024,416 | 82,949,599 | 79,521,264 |
| Supportive Instructional Salaries | 6,458,248 | 6,505,078 | 5,907,360 |
| Substitute Instructional Salaries | 4,297,318 | 4,623,332 | 4,028,838 |
| Other Instructional Salaries | | | |
| Total Instructional Salaries | 92,779,982 | 94,078,009 | 89,457,462 |
| Instructional Benefits | 6,151,237 | 6,090,395 | 5,660,168 |
| Non-Teacher Support Salaries | 15,483,842 | 15,460,731 | 14,213,829 |
| Non-Instructional Support Benefits | 2,545,114 | 2,572,699 | 2,343,519 |
| Instructional Aids | 3,498,865 | 4,759,770 | 3,901,325 |
| Supplies and Services | 2,254,000 | 1,267,509 | 1,604,149 |
| Non-Capital Equipment | 2,431,825 | 2,584,201 | 2,715,624 |
| Communications | 223,895 | 185,980 | 209,242 |
| Travel | 296,262 | 270,146 | 265,049 |
| Professional Development | 796,480 | 653,500 | 615,348 |
| Student Related Expense | 583,100 | 633,790 | 374,234 |
| Total Operating Fund Instruction to Summary | 127,044,602 | 128,556,730 | 121,359,949 |
| Capital Fund | | | |
| Capital Equipment | 1,117,225 | - | 757,542 |
| Total Capital Fund Instruction to Summary | 1,117,225 | - | 757,542 |
| Total Instruction Expenses to Summary | 128,161,827 | 128,556,730 | 122,117,491 |
| Plant Operation & Maintenance Expenses | | | |
| Operating Fund | | | |
| Salaries | 8,448,438 | 8,732,283 | 8,387,567 |
| Benefits | 2,099,092 | 2,233,030 | 2,043,489 |
| Supplies/Services | 17,187 | 3,000 | 997 |
| Non-Capital Equipment | 116,661 | 138,282 | 135,335 |
| Building Operating Expenses | 13,141,316 | 13,136,984 | 12,891,051 |
| Communications | 491,166 | 518,000 | 513,390 |
| Travel | 173,601 | 180,711 | 199,768 |
| Professional Development | 36,971 | 25,000 | 31,383 |
| Total Operating Fund Plant & Maintenance to Summary | 24,524,432 | 24,967,290 | 24,202,980 |
| Capital Fund | | | |
| Capital Equipment and Building Costs | 8,174,744 | - | 963,826 |
| Total Capital Fund Plant & Maintenance to Summary | 8,174,744 | - | 963,826 |
| Total Plant Operation & Maintenance Expenses to Summary | 32,699,176 | 24,967,290 | 25,166,806 |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Details of Expenses (continued)
for the period ending August 31, 2009

| | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|---|----------------------------|----------------------|--------------------------|
| Student Transportation Expenses | | | |
| Operating Fund | | | |
| Salaries | 155,482 | 150,083 | 149,078 |
| Benefits | 31,085 | 30,409 | 29,086 |
| Supplies/Services | 439,612 | 448,600 | 478,966 |
| Non-Capital Equipment | 445,290 | 397,500 | 383,179 |
| Building Operating Expenses | 124,525 | 139,000 | 127,353 |
| Communications | 6,859 | 10,000 | 6,788 |
| Travel | - | - | - |
| Professional Development | - | 2,000 | 3,248 |
| Contracted Transportation | 4,969,979 | 3,849,430 | 4,082,658 |
| Total Operating Fund Student Transportation to Summary | 6,172,832 | 5,027,022 | 5,260,356 |
| Capital Fund | | | |
| Capital Equipment | - | - | 918,187 |
| Total Capital Fund Student Transportation to Summary | - | - | 918,187 |
| Total Student Transportation Expenses to Summary | 6,172,832 | 5,027,022 | 6,178,543 |
| Tuition and Related Fees Expenses | | | |
| Operating Fund | | | |
| Tuition Fees | 312,968 | 268,690 | 280,926 |
| Transportation Fees | 32,500 | 20,000 | 20,023 |
| Other Fees | - | - | - |
| Total Operating Fund Tuition and Related Fees to Summary | 345,468 | 288,690 | 300,949 |
| Capital Fund | | | |
| Capital Equipment | - | - | - |
| Total Capital Fund Tuition and Related Fees to Summary | - | - | - |
| Total Tuition and Related Fees Expenses to Summary | 345,468 | 288,690 | 300,949 |
| School Generated Funds Expenses | | | |
| Operating Fund | | | |
| Supplies & Services | 802,659 | - | 833,233 |
| Cost of Sales | - | - | - |
| Non-Capital Furniture & Equipment | 313,999 | - | - |
| Special Programs | - | - | - |
| School Fund Expenses | 3,385,179 | 4,000,000 | 3,456,084 |
| Total School Generated Funds Expenses to Summary | 4,501,837 | 4,000,000 | 4,289,317 |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Details of Expenses (continued)
for the period ending August 31, 2009

| | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|---|----------------------------|----------------------|--------------------------|
| Complementary Services Expenses | | | |
| Operating Fund | | | |
| Tuition Fees | - | - | - |
| Transportation Fees | - | - | - |
| Other Fees | - | - | - |
| Administration Salaries & Benefits | - | - | - |
| Instructional Salaries & Benefits | 1,509,770 | 1,127,140 | 878,021 |
| Program Support (Non-Teacher Contract) | 2,473,822 | 3,145,108 | 2,696,703 |
| Plant Operation & Maint Salaries & Benefits | - | - | - |
| Transportation Salaries & Benefits | - | - | - |
| Instructional Aids | 555,720 | 600,305 | 568,036 |
| Supplies & Services | 147,024 | 140,000 | 164,996 |
| Non-Capital Furniture & Equipment | 155,072 | 40,600 | 44,074 |
| Building Operating Expenses | - | - | - |
| Communications | 14,604 | 19,600 | 18,298 |
| Travel | 12,551 | 13,008 | 19,867 |
| Professional Development (Non-Salary Costs) | 7,785 | 10,000 | 7,458 |
| Student Related Expenses | 29,558 | 35,000 | 28,939 |
| Contracted Transportation & Allowances | - | - | - |
| Total Operating Fund Complementary Services to Summary | 4,905,906 | 5,130,761 | 4,426,392 |
| Capital Fund | | | |
| Capital Expenditures | - | - | - |
| Total Capital Fund Complementary Services to Summary | - | - | - |
| Total Complementary Services Expenses to Summary | 4,905,906 | 5,130,761 | 4,426,392 |
| External Services | | | |
| Operating Fund | | | |
| Tuition Fees | 402,737 | 379,984 | 443,957 |
| Transportation Fees | 5,300 | 2,650 | - |
| Other Related Fees | - | - | - |
| Administration Salaries & Benefits | - | - | - |
| Instructional Salaries & Benefits | 3,340,561 | 3,314,129 | 3,057,781 |
| Program Support (Non-Teacher Contract) Salaries & Benefits | 68,601 | - | 54,565 |
| Plant Operation & Maintenance Salaries & Benefits | - | - | - |
| Transportation Salaries & Benefits | - | - | - |
| Instructional Aids | 5,184 | 21,000 | 1,269 |
| Supplies & Services | 48,026 | 44,000 | 21,645 |
| Non-Capital Furniture & Equipment | - | 12,500 | 10,032 |
| Building Operating Expenses | - | - | - |
| Communications | 5,916 | 5,300 | 2,988 |
| Travel | - | - | - |
| Professional Development (Non-Salary Costs) | 19,890 | 5,000 | 7,490 |
| Student Related Expenses | - | - | - |
| Contracted Transportation & Allowances | - | - | - |
| Total Operating Fund External Services to Summary | 3,896,215 | 3,784,563 | 3,599,727 |
| Capital Fund | | | |
| Capital Expenditures | - | - | - |
| Total Capital Fund External Services to Summary | - | - | - |
| Total Complementary Services Expenses to Summary | 3,896,215 | 3,784,563 | 3,599,727 |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Details of Expenses (continued)
for the period ending August 31, 2009

| | | Current Yr Consolidated | Current Yr Budget | Prior Yr Consolidated |
|--|---------------------|----------------------------|----------------------|--------------------------|
| Interest and Bank Charges Expense | | | | |
| Operating Fund | | | | |
| Current Interest and Bank Charges | | 21,285 | 20,000 | 21,405 |
| Total Operating Fund Interest and Bank Charges to Summary | | 21,285 | 20,000 | 21,405 |
| Capital Fund | | | | |
| Interest on Debentures | | | | |
| Other Interest | - School Facilities | - | - | - |
| | - Other | - | - | - |
| Interest on Other Capital Loans and Long Term Debt | | | | |
| Other Interest | - School Facilities | - | - | - |
| | - Other | 267,767 | - | 242,923 |
| Total Capital Fund Interest to Summary | | 267,767 | - | 242,923 |
| Other Funds | | | | |
| Current Interest and Bank Charges | | - | - | - |
| Total Other Funds Interest and Bank Charges to Summary | | - | - | - |
| Total Interest and Bank Charges Expense to Summary | | 289,052 | 20,000 | 264,328 |
| Capital Fund Debt Principal Repayment | | | | |
| Debenture Principal | | | | |
| Other Debt | - School Facilities | - | - | - |
| | - Other | - | - | - |
| Other Capital Loan and Long Term Debt Principal | | | | |
| Other Debt | - School Facilities | - | - | - |
| | - Other | 556,790 | - | 441,309 |
| Total Capital Fund Debt Principal Repayment to Summary | | 556,790 | - | 441,309 |

The accompanying notes are an integral part of these statements

Regina School Division No.4
Schedule of Physical Assets
for the period ending August 31, 2009

| | Land | Buildings | Equipment | Work-in-Progress | Current Yr Total | Prior Yr Total |
|--|-------------------|--------------------|-------------------|------------------|--------------------|--------------------|
| Physical Assets - at Cost: | | | | | | |
| Opening cost | 9,169,539 | 132,770,124 | 20,882,650 | - | 162,822,313 | 160,832,437 |
| Additions | 341,385 | 5,007,935 | 1,524,286 | 2,418,363 | 9,291,969 | 1,989,876 |
| Write-downs | - | - | - | - | - | - |
| Disposals | - | (2,282,780) | (819,215) | - | (3,101,995) | - |
| Transfers to (from) | - | - | - | - | - | - |
| Closing Cost of Physical Assets | 9,510,924 | 135,495,279 | 21,587,721 | 2,418,363 | 169,012,287 | 162,822,313 |
| Equity in Physical Assets: | | | | | | |
| Opening balance | 10,596,977 | 131,170,124 | 15,999,758 | - | 157,766,859 | 156,260,187 |
| Physical asset additions | 341,385 | 5,007,935 | 1,524,286 | 2,418,363 | 9,291,969 | 1,989,876 |
| Physical asset write-downs | - | - | - | - | - | - |
| Physical asset disposals | - | (2,282,780) | (819,215) | - | (3,101,995) | - |
| Debentures & LT Debt issued | - | - | - | - | - | (924,513) |
| Debentures & LT Debt principal repaid | - | - | 556,790 | - | 556,790 | 441,309 |
| Transfers to (from) | - | - | - | - | - | - |
| Closing Equity in Physical Assets | 10,938,362 | 133,895,279 | 17,261,619 | 2,418,363 | 164,513,623 | 157,766,859 |

Regina School Division No. 4
Summary of Complementary Services Revenue and Expenses, by Program
for the period ending August 31, 2009

| | Circle of Courage | Community Schools | Hawks Nest Project | Indian/Metis Education | Nutrition Program |
|---|----------------------|----------------------|-----------------------|---------------------------|----------------------|
| Complementary Services Revenue | | | | | |
| Operating Fund | | | | | |
| Sask Learning Grants | - | 1,168,412 | - | 41,340 | - |
| Other Provincial Grants | 7,660 | - | 3,418 | - | 121,718 |
| Other | 1,950 | - | - | - | 720 |
| Total Operating Fund Complementary Services Revenue | 9,610 | 1,168,412 | 3,418 | 41,340 | 122,438 |
| Capital Fund | | | | | |
| Capital Revenue | - | - | - | - | - |
| Total Capital Fund Complementary Services Revenue | 9,610 | 1,168,412 | 3,418 | 41,340 | 122,438 |
| Total Complementary Services Revenue | | | | | |
| Complementary Services Expenses | | | | | |
| Operating Fund | | | | | |
| Salaries & Benefits | - | 2,290,175 | - | - | 184,494 |
| Supplies & Services | 9,610 | 235,245 | 3,418 | 50,139 | 222,238 |
| Non-Capital Furniture & Equipment | - | 2,479 | - | - | 6,474 |
| Building Operating Expenses | - | - | - | - | - |
| Communications | - | 13,773 | - | - | - |
| Travel | - | 7,784 | - | - | 102 |
| Professional Development (Non-Salary Costs) | - | 7,785 | - | - | - |
| Student Related Expenses | - | - | - | - | - |
| Tuition and Other Related Fees | - | - | - | - | - |
| Contracted Transportation & Allowances | - | - | - | - | - |
| Total Operating Fund Complementary Services Expenses | 9,610 | 2,557,241 | 3,418 | 50,139 | 413,308 |
| Capital Fund | | | | | |
| Capital Expenditures | - | - | - | - | - |
| Total Capital Fund Complementary Services Expenses | 9,610 | 2,557,241 | 3,418 | 50,139 | 413,308 |
| Total Complementary Services Expenses to Summary | (1,388,829) | - | (8,799) | (290,870) | |
| Excess (Deficiency) of Revenue Over Expenses | | | | | |

The accompanying notes are an integral part of these statements

Regina School Division No. 4

**Summary of Complementary Services Revenue and Expenses, by Program
for the period ending August 31, 2009**

| | Pre- Kindergarten | Resource Officer Program | Kids in Custody | Dreambrokers Program |
|---|----------------------|-----------------------------|--------------------|-------------------------|
| Complementary Services Revenue | | | | |
| Operating Fund | | | | |
| Sask Learning Grants | 807,733 | - | 166,856 | - |
| Other Provincial Grants | 88,088 | - | - | - |
| Other | - | - | 166,856 | 19,894 |
| Total Operating Fund Complementary Services Revenue | 895,821 | | | |
| Capital Fund | | | | |
| Capital Revenue | - | - | - | - |
| Total Capital Fund Complementary Services Revenue | 895,821 | | | |
| Total Complementary Services Revenue | | | | |
| Complementary Services Expenses | | | | |
| Operating Fund | | | | |
| Salaries & Benefits | 1,447,687 | - | 61,236 | - |
| Supplies & Services | 38,554 | - | 100,577 | 24,095 |
| Non-Capital Furniture & Equipment | 146,119 | - | - | - |
| Building Operating Expenses | - | - | - | - |
| Communications | - | - | 831 | - |
| Travel | 453 | - | 4,212 | - |
| Professional Development (Non-Salary Costs) | - | - | - | - |
| Student Related Expenses | - | 29,558 | - | - |
| Tuition and Other Related Fees | - | - | - | - |
| Contracted Transportation & Allowances | - | - | - | - |
| Total Operating Fund Complementary Services Expenses | 1,632,813 | 29,558 | 166,856 | 24,095 |
| Capital Fund | | | | |
| Capital Expenditures | - | - | - | - |
| Total Capital Fund Complementary Services Expenses | 1,632,813 | 29,558 | 166,856 | 24,095 |
| Total Complementary Services Expenses to Summary | | | | |
| Excess (Deficiency) of Revenue Over Expenses | (736,992) | (29,558) | | (4,201) |

The accompanying notes are an integral part of these statements

Regina School Division No. 4
Summary of Complementary Services Revenue and Expenses, by Program
 for the period ending August 31, 2009

| | PREK Literacy Project | Career Development | Other | Other | Total |
|---|------------------------|--------------------|----------|----------|--------------------|
| | Complementary Services | | | | |
| Complementary Services Revenue | | | | | |
| Operating Fund | | | | | |
| Sask Learning Grants | - | 3,811 | 16,241 | - | 2,143,001 |
| Other Provincial Grants | - | - | - | - | 282,276 |
| Other | - | - | - | - | 22,564 |
| Total Operating Fund Complementary Services Revenue | 3,811 | 16,241 | - | - | 2,447,841 |
| Capital Fund | | | | | |
| Capital Revenue | - | - | - | - | - |
| Total Capital Fund Complementary Services Revenue | - | - | - | - | - |
| Total Complementary Services Revenue | 3,811 | 16,241 | - | - | 2,447,841 |
| Complementary Services Expenses | | | | | |
| Operating Fund | | | | | |
| Salaries & Benefits | - | 3,811 | 15,057 | - | 3,983,592 |
| Supplies & Services | - | - | - | - | 702,744 |
| Non-Capital Furniture & Equipment | - | - | - | - | 155,072 |
| Building Operating Expenses | - | - | - | - | - |
| Communications | - | - | - | - | - |
| Travel | - | - | - | - | - |
| Professional Development (Non-Salary Costs) | - | - | - | - | - |
| Student Related Expenses | - | - | - | - | - |
| Tuition and Other Related Fees | - | - | - | - | - |
| Contracted Transportation & Allowances | - | - | - | - | - |
| Total Operating Fund Complementary Services Expenses | 3,811 | 15,057 | - | - | 4,905,906 |
| Capital Fund | | | | | |
| Capital Expenditures | - | - | - | - | - |
| Total Capital Fund Complementary Services Expenses | - | - | - | - | - |
| Total Complementary Services Expenses to Summary | 3,811 | 15,057 | - | - | 4,905,906 |
| Excess (Deficiency) of Revenue Over Expenses | - | 1,184 | - | - | (2,458,065) |

The accompanying notes are an integral part of these statements

Regina School Division No. 4
Summary of External Services Revenue and Expenses, by Program
for the period ending August 31, 2009

| | Associate Schools | Distance Education | Visa Program | Other | Total External Services |
|--|-------------------|--------------------|-----------------|----------|-------------------------|
| External Services Revenue | | | | | |
| Operating Fund | | | | | |
| Sask Learning Grants | 3,589,740 | - | - | - | 3,589,740 |
| Other Provincial Grants | - | 36,500 | - | - | 36,500 |
| Other | 215,545 | - | 15,027 | - | 230,572 |
| Total Operating Fund External Services Revenue | 3,805,285 | 36,500 | 15,027 | - | 3,856,812 |
| Capital Fund | | | | | |
| Capital Revenue | - | - | - | - | - |
| Total Capital Fund External Services Revenue | - | - | - | - | - |
| Total External Services Revenue | 3,805,285 | 36,500 | 15,027 | - | 3,856,812 |
| External Services Expenses | | | | | |
| Operating Fund | | | | | |
| Salaries & Benefits | 3,409,162 | - | - | - | 3,409,162 |
| Supplies & Services | 19,924 | 5,095 | 28,191 | - | 53,210 |
| Non-Capital Furniture & Equipment | - | - | - | - | - |
| Building Operating Expenses | - | - | - | - | - |
| Communications | - | 385 | 5,531 | - | 5,916 |
| Travel | - | - | - | - | - |
| Professional Development (Non-Salary Costs) | - | - | 19,890 | - | 19,890 |
| Student Related Expenses | - | - | - | - | - |
| Tuition and Other Related Fees | 408,037 | - | - | - | 408,037 |
| Contracted Transportation & Allowances | - | - | - | - | - |
| Total Operating Fund External Services Expenses | 3,837,123 | 5,480 | 53,612 | - | 3,896,215 |
| Capital Fund | | | | | |
| Capital Expenditures | - | - | - | - | - |
| Total Capital Fund External Services Expenses | - | - | - | - | - |
| Total External Services Expenses to Summary | 3,837,123 | 5,480 | 53,612 | - | 3,896,215 |
| Excess (Deficiency) of Revenue Over Expenses | (31,838) | 31,020 | (38,585) | - | (39,403) |

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The accompanying notes are an integral part of these statements

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

1. PURPOSE AND AUTHORITY

The Board of Education (the "Board") of the Regina School Division No. 4 of Saskatchewan (the "School Division") delivers education programs under the authority of *The Education Act, 1995*.

The Board is responsible for administering and managing the educational affairs of the School Division in accordance with the intent of *The Education Act, 1995* and *Regulations*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Fund Accounting

A fund is a separate self-balancing group of accounts provided for each accounting entity established within the accounting system, to segregate the transactions of a particular activity. These funds are:

Operating Fund

The Operating Fund contains the current revenues, expenses, assets and liabilities pertaining to the general operations of the School Division.

Capital Fund

The Capital Fund contains the physical assets which are property and equipment, long-term debt and transactions pertaining to the capital fund and the equity in physical assets.

Other Funds

Other Funds contain the assets, liabilities, transactions and fund balances that have been designated by the school division. These funds are used to account for trusts, school funds and reserves for the anticipated future costs of planned projects.

Reserves are created by authorization of the Board of Education. Contributions to, and expenditures from the reserves are made in accordance with terms and conditions established by the Board.

b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect reported financial assets and liabilities at the date of the financial statements and the reported revenues and expenditures during the period. Actual results could differ from those estimates.

Significant estimates include assumptions used in estimating the collectability of amounts receivable to determine the allowance for doubtful accounts and in the estimating of provisions for accrued liabilities.

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

c) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash in banks and temporary cash investments with original maturity of 90 days or less. Short term investments are valued at the lower of cost and market value.

d) Inventory

Inventory consists of stock and supplies for internal use and is valued at the lower of cost and net realizable value. Cost is determined by the weighted-average method.

e) Physical assets

Physical assets are accounted for at cost in the Capital Fund and are not depreciated. The cost of repairs, maintenance and replacements for existing equipment are recorded as expenditures in the year.

f) Long term investments

Long term investments are carried at amortized cost. Bond premiums and discounts are amortized to income over the period remaining from the acquisition date to the date of bond maturity.

g) Revenue recognition

Revenue and related assets are recorded at the time the School Division has earned the entitlement to receive the revenue without further obligation.

Unrestricted grants are recognized as revenue of the appropriate fund when received or receivable. Restricted grants are recognized as revenue of the appropriate fund in the year in which the related expenditures are incurred. Taxation revenue is recognized as it is earned. Tuition fees and other service revenues are recognized as the course instruction or services are delivered.

h) Revenue contributions to capital

Certain capital expenditures not financed through capital building grants or debenture proceeds are funded through inter-fund transfers from the operating fund and are expensed in the capital fund.

These capital additions are also reflected as additions to property and equipment with a corresponding increase to investment in physical assets.

i) Pension

The School Division's non-teaching employees participate in a multi-employer defined benefit plan. Accordingly, the School Division expenses all contributions it is required to make in the period.

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

j) Financial Instruments

For certain of the School Division's financial instruments, including cash, short term investments, taxes receivable, provincial grants receivable, other receivables, long term investments, other payables, capital loans and other long term debt, the carrying amount approximates fair value due to the immediate or short-term maturity of these items.

k) Employee Future Benefits

The School Division provides certain post-employment benefits, including retirement gratuities, severance benefits and non-vested sick leave benefits, for certain employees pursuant to applicable contracts and union agreements.

The School Division accrues its obligations and related costs under employee future benefit plans. The future benefit cost is actuarially determined using the projected benefit method pro-rated on service and using management's best estimate of expected salary escalation, termination and retirement rates and mortality. The discount rate used to measure obligations is based on market rates at the measurement date.

l) Tangible Capital Assets

In September 2006, the CICA revised Section PS 3150, Tangible capital assets. This section establishes standards on how to account for and report tangible capital assets in government financial statements and will be applicable to financial statements for fiscal years beginning on or after January 1, 2009. The section applies to all levels of government, including local governments.

3. CAPITAL RECEIVABLE

In 1987, the Central Collegiate land and building were transferred to The City of Regina for 5.017 hectares of future lands having an estimated value of \$1,775,000. The amount is set up as capital receivable to be applied against future property acquisitions from The City of Regina. In 1999, an agreement was finalized with The City of Regina relating to the provision of municipal reserve lands on which an elementary school would be constructed in southeast Regina. As part of the transaction, the School Division received credit for the equivalent of one hectare under the Central Collegiate Land Exchange Agreement. Accordingly, an amount of \$347,562 has been applied to the capital receivable resulting in a balance of \$1,427,438.

4. LONG TERM INVESTMENTS

Long term investments consist of bonds with the Government of Canada, the provincial government and a financial institution. Interest rates range from 3.35% to 5.70% and maturities range from 2010 to 2014. The fair value of these bonds at August 31, 2009 was \$682,513 (August 31, 2008 - \$687,870).

5. LINE OF CREDIT

The School Division has a line of credit with an authorization limit of \$20,000,000. The balance of the line of credit as at August 31, 2009 was \$nil at an interest rate of 1.25% (August 31, 2008 - \$nil at an interest rate of 4.25%)

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

6. CAPITAL LOANS AND OTHER LONG TERM DEBT

| | August 31 2009 | August 31 2008 |
|---|---------------------|---------------------|
| Purchase obligation payable on November 18, 2013 with no interest | \$ 1,600,000 | \$ 1,600,000 |
| Capital Lease Obligations | 4,326,102 | 4,882,892 |
| | \$ 5,926,102 | \$ 6,482,892 |

Due to the nature of the purchase obligation payable the fair value is not readily available.

The School Division has entered into various capital lease agreements with differing terms and conditions. Assets under capital lease, with a net book value of \$5,447,165, are included in the Equipment column in the Schedule of Physical Assets. The carrying amount of the capital lease obligations approximates fair value because the stated rate of interest approximates market rates. The stated rates of interest range from 5.415% to 8.980%.

Principal and interest payments for future capital lease obligations over the next five years are estimated as follows:

| | Principal Payments | Interest Payments |
|------|-----------------------|----------------------|
| 2010 | \$ 579,166 | \$ 226,192 |
| 2011 | 482,689 | 185,168 |
| 2012 | 488,126 | 153,257 |
| 2013 | 256,443 | 74,776 |
| 2014 | 89,010 | 23,467 |

7. EMPLOYEE FUTURE BENEFITS

The School Division provides certain post-employment benefits, including retirement gratuities, severance benefits and non-vested sick leave benefits, for certain employees pursuant to applicable contracts and union agreements.

The School Division accrues its obligations and related costs under employee future benefit plans. The future benefit cost is actuarially determined using the projected benefit method pro rated on service and using management's best estimate of expected salary escalation, termination and retirement rates and mortality. The discount rate used to measure obligations is based on market rates at the measurement date.

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

7. EMPLOYEE FUTURE BENEFITS (CON'T)

| | August 31 2009 | August 31 2008 |
|---|---------------------|---------------------|
| Accrued employee future benefit obligations | \$ 9,268,700 | \$ 8,198,204 |
| Unamortized actuarial gains (losses) | (724,900) | - |
| Employee future benefits liability | \$ 8,543,800 | \$ 8,198,204 |

The accrued benefit obligation for employee future benefits is not funded as funding is provided when the benefits are paid. Accordingly, there are no plan assets.

The period of amortization, if any, is equal to the expected average remaining service lifetime (EARSL) of active employees.

| | August 31 2009 | August 31 2008 |
|---|---------------------|---------------------|
| Reconciliation of accrued benefit obligation | | |
| Accrued benefit obligation, September 1 | \$ 8,198,204 | \$ 8,228,400 |
| Service cost | 556,800 | 528,300 |
| Interest cost | 453,300 | 444,300 |
| Benefit payments | (664,504) | (1,002,796) |
| Actuarial losses (gains) | 724,900 | - |
| Accrued benefit obligation, August 31 | \$ 9,268,700 | \$ 8,198,204 |

Components of net benefit expense

| | | |
|------------------|--------------|------------|
| Service cost | \$ 556,800 | \$ 528,300 |
| Interest cost | 453,300 | 444,300 |
| Net benefit cost | \$ 1,010,100 | \$ 972,600 |

The significant actuarial assumptions adopted for measuring the School Division's accrued benefit obligation are:

| | August 31 2009 | August 31 2008 |
|---|---|-------------------|
| Assumptions | | |
| Discount rate | 4.10% | 5.40% |
| Salary growth | 3.00% to 3.50% | 3.00% to 3.50% |
| Expected Average Remaining Service Lifetime (EARSL) | 13.0 years | 13.0 years |
| Retirement | One year after eligible for an unreduced pension and no later than age 65 | |
| Mortality | Uninsured Pensioners' Table for 1994 projected to 2015 | |

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

7. EMPLOYEE FUTURE BENEFITS (CON'T)

- a) Retirement gratuities – are provided to certain employees that retire with the school division and that have at least ten years of service with the school division. Information about the retirement gratuity accrued benefit obligation is as follows:

| | August 31 2009 | August 31 2008 |
|---|---------------------|---------------------|
| Reconciliation of accrued benefit obligation | | |
| Accrued benefit obligation, September 1 | \$ 4,997,709 | \$ 5,085,300 |
| Service cost | 328,500 | 311,600 |
| Interest cost | 276,700 | 272,197 |
| Benefit payments | (399,012) | (671,388) |
| Actuarial Loss/(Gain) | 880,700 | - |
| Accrued benefit obligation, August 31 | \$ 6,084,597 | \$ 4,997,709 |

| | August 31 2009 | August 31 2008 |
|--|-------------------|-------------------|
| Components of net benefit expense | | |
| Service cost | \$ 328,500 | \$ 311,600 |
| Interest cost | 276,700 | 272,197 |
| Net benefit cost | \$ 605,200 | \$ 583,797 |

- b) Severance benefits – are provided to certain employees based on the sick leave pool they accumulate from their date of employment to the date they leave the employment of the school division. Information about the severance accrued benefit obligation is as follows:

| | August 31 2009 | August 31 2008 |
|---|---------------------|-------------------|
| Reconciliation of accrued benefit obligation | | |
| Accrued benefit obligation, September 1 | \$ 963,182 | \$ 915,700 |
| Service cost | 75,300 | 71,500 |
| Interest cost | 51,900 | 49,990 |
| Benefit payments | (103,892) | (74,008) |
| Actuarial Loss/(Gain) | 42,200 | - |
| Accrued benefit obligation, August 31 | \$ 1,028,690 | \$ 963,182 |

| | August 31 2009 | August 31 2008 |
|--|-------------------|-------------------|
| Components of net benefit expense | | |
| Service cost | \$ 75,300 | \$ 71,500 |
| Interest cost | 51,900 | 49,990 |
| Net benefit cost | \$ 127,200 | \$ 121,490 |

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

7. EMPLOYEE FUTURE BENEFITS (CON'T)

- c) Non-vested sick leave benefits – are provided to certain employees based on the sick leave pool they accumulate from their date of employment to the date they leave the employment of the school division. Information about the non-vested sick leave benefit obligation is as follows:

| | August 31 2009 | August 31 2008 |
|---|---------------------|---------------------|
| Reconciliation of accrued benefit obligation | | |
| Accrued benefit obligation, September 1 | \$ 2,237,313 | \$ 2,227,400 |
| Service cost | 153,000 | 145,200 |
| Interest cost | 124,700 | 122,113 |
| Benefit payments | (161,600) | (257,400) |
| Actuarial Loss/(Gain) | (198,000) | - |
| Accrued benefit obligation, August 31 | \$ 2,155,413 | \$ 2,237,313 |
| Components of net benefit expense | | |
| Service cost | \$ 153,000 | \$ 145,200 |
| Interest cost | 124,700 | 122,113 |
| Net benefit cost | \$ 277,700 | \$ 267,313 |

8. PROVISION FOR RESERVES

Reserves are created by charging current operations with the anticipated future costs of planned projects. When the actual expenditure is made for a specific project, it is recognized as a current expenditure and the reserve is decreased by a transfer to current revenue.

Reserves are comprised of the following:

| | Balance Aug. 31/08 | Transfers | Current Provision | Balance Aug. 31/09 |
|-----------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Appeals Reserve (Note 10) | \$ 652,787 | \$ - | \$ (397,652) | \$ 255,135 |
| Election Reserve | 46,013 | 40,000 | - | 86,013 |
| General Reserves | 3,394,354 | 397,652 | - | 3,792,006 |
| Board Capital Contributions | 5,391,437 | 3,405,768 | (1,862,655) | 6,934,550 |
| Transportation | 300,000 | - | - | 300,000 |
| School Funds | 2,695,325 | 2,684,432 | (2,428,323) | 2,951,434 |
| Encumberances | 692,864 | 761,024 | (692,864) | 761,024 |
| Facility Upgrades | 218,632 | 4,850,000 | - | 5,068,632 |
| IT Upgrades | 515,000 | 540,000 | - | 1,055,000 |
| Instructional Innovation | 141,225 | 195,900 | - | 337,125 |
| Other* | 524,985 | 1,385,725 | (1,244,833) | 665,877 |
| Total | \$ 14,572,622 | \$ 14,260,501 | \$ (6,626,327) | \$ 22,206,796 |

* including legal fees, library software, leadership development

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

9. PENSION

Employees of the School Division participate in one of the following three pension plans. Teachers participate in the Saskatchewan Teachers Retirement Plan (STRP) or Saskatchewan Teachers Superannuation Commission (STSC), which are multi-employer defined benefit plans. Non-teaching employees participate in the Regina Civic Employees Pension Plan, which is a multi-employer defined benefit plan.

An actuarial valuation of the Regina Civic Employees Pension Plan was completed on September 26, 2008. This valuation identified an unfunded liability of \$43,622,000 as of December 31, 2007. On a going-concern basis, the funded ratio was 95.1% at December 31, 2007, and on a termination basis, the Plan had a solvency ratio of 99.4%. Based on the valuation, it is expected that special payments of \$5,318,000 per year will be required over the 15 year period to December 31, 2022 to amortize the unfunded liability. The actual time period for the extra contributions would depend on future plan earnings, member usage and valuation assumptions and plan design. The Plan managers have been unable to determine the portion of the unfunded liability attributable to each employer.

Effective April 1, 2009 employee and employer contribution rates were 9.42% of earnings below the CPP maximum (2008 – 8.85%) and 13.96% of earnings above the CPP maximum (2008 – 13.11%). These increases were a result of approved amendments to the Regina Civic Employees Pension Plan.

The Board's obligation to the STRP and STSC plans is limited to collecting and remitting contributions of the employees.

Pension expense for the period amounted to \$2,272,981 (August 31, 2008 - \$2,092,428) and is included in benefits.

10. CITY OF REGINA TAX LEVY

The City of Regina issues property tax billings based on assessed values in accordance with legislation and the Saskatchewan Assessment Manual. The assessed values are multiplied by the Education mill rate in order to arrive at the School Division's gross taxation revenue for the year. The City of Regina collects taxation revenues on behalf of the School Division and the Ministry of Education, net of collection fees and payments resulting from tax appeals.

Individual and corporate taxpayers have the right to appeal their assessments initially to a local Board of Revision, then to the Saskatchewan Municipal Board Assessment Committee and ultimately to the Provincial Appeals Court.

While the final outcome of the appeals cannot be definitively predicted at this time, it is estimated that the School Division's gross exposure for potentially refundable taxes related to appeals for the years 2003 through 2008 is approximately \$823,408. It is expected that approximately \$568,273 of this total could, according to current practice, be recoverable from the provincial government. Provision for the projected net exposure of the School Division has been recorded in the reserve funds.

At August 31, 2009, an additional gross exposure for potentially refundable taxes was identified for the 2009 taxation year. Provision for this exposure has not been made in the school division's financial statements as the Ministry of Education has taken responsibility for the property tax levy for 2009 and subsequent years.

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

11. COMMITMENTS

The School Division has entered into various lease agreements with estimated minimum annual payments as follows:

| | |
|-----------|------------|
| 2009-2010 | \$ 982,958 |
| 2010-2011 | \$ 982,958 |
| 2011-2012 | \$ 617,102 |
| 2012-2013 | \$ 552,158 |
| 2013-2014 | \$ 475,258 |

12. CHANGE IN ACCOUNTING POLICY/PRIOR PERIOD ADJUSTMENT – FUTURE BENEFITS

During the 2007-2008 year, the School Division adopted the Public Sector Accounting Handbook Section 3255, Post-employment benefits, compensated absences and termination benefits. Prior period statements have been adjusted to reflect the change in accounting policy. The effect of the restatement was to decrease fund balances by \$6,001,000. The operating fund balance decreased from \$18,096,763 to \$12,095,763. The total fund balances changed from \$34,656,292 to \$28,655,292. The impact on the current year for the Accrued Employee Future benefits was an expense of \$40,109 which was recorded as an expense in the instruction expenses line item.

In 2008-2009, the School Division recognized the post-employment benefits that were referred to in Note 13. CONTINGENCY NOTE to the August 31, 2008 notes to the financial statements. Prior period statements have been adjusted to reflect this change in accounting policy. The effect of the restatement was to decrease fund balances by \$2,237,313. The operating fund balance decreased from \$16,274,574 to \$14,037,261. The total fund balances changed from \$46,470,554 to \$44,233,241. The impact on the current year for the Accrued Employee Future benefits was an expense of \$284,800 which was recorded as an expense in the instruction expenses line item.

13. CHANGE IN ACCOUNTING POLICY/PRIOR PERIOD ADJUSTMENT – CAPITAL LIABILITY

In 2008-2009, the School Division determined that certain capital reserves that were set-up for Ministry of Education future capital projects should have been identified instead as capital liabilities as they are related to projects where funds have been deposited with the school division as the accountable partner. Prior period statements have been adjusted to reflect the change in accounting policy. The effect of the restatement was to decrease the fund balances by \$15,623,350. The other fund balance decreased from \$30,195,980 to \$14,572,630. The total fund balances changed from \$44,233,241 to \$28,609,891. The impact on the capital liabilities reported are as follows:

REGINA SCHOOL DIVISION NO. 4 OF SASKATCHEWAN

Notes to the Financial Statements

August 31, 2009

13. CHANGE IN ACCOUNTING POLICY/PRIOR PERIOD ADJUSTMENT – CAPITAL LIABILITY (CON'T)

| CAPITAL LIABILITIES | Balance | | Expenditures | Balance | |
|----------------------------|---------------|--------------|----------------|---------------|-------|
| | Aug. 31/08 | Revenue | | Aug. 31/09 | |
| Trades and Skills Program | \$ 13,142,283 | \$ 757,141 | \$ (1,615,510) | \$ 12,283,914 | |
| Scott Collegiate | 1,632,773 | 284,543 | (944,130) | 973,186 | |
| Sale of Mable Brown School | 399,249 | 5,541 | - | 404,790 | |
| Sale of Al Pickard School | 445,428 | 6,182 | - | 451,610 | |
| Capital Tuition Fees | 3,616 | 2,804 | - | 6,420 | |
| | ————— | ————— | ————— | ————— | ————— |
| Total | \$ 15,623,349 | \$ 1,056,211 | \$ (2,559,640) | \$ 14,119,920 | |

14. OTHER PAYABLES

Other Payables consist of the following items:

| | August 31 2009 | August 31 2008 |
|-----------------------------------|----------------------|----------------------|
| Accrued salaries | \$ 4,558,680 | \$ 3,727,683 |
| Payroll deductions | 999,528 | 961,574 |
| Trade accounts payable | 2,599,264 | 3,016,303 |
| Deferred revenue - Ministry | 5,689,872 | 3,070,298 |
| Deferred revenue - City of Regina | 11,492,971 | 12,552,317 |
| Deferred revenue - Other | 769,360 | 894,989 |
| Other accounts payable | 2,959,267 | 2,237,189 |
| Other Payables | <u>\$ 29,068,942</u> | <u>\$ 26,460,353</u> |

15. CONTINGENCY NOTE

In the normal conduct of operations, there are other pending claims by and against the Board. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. In the opinion of management, based on the advice and information provided by its legal counsel, final determination, if any, of these other litigations will not materially affect the Board's financial position or results of operations.