

Consolidated financial statements of

**Superior Greenstone District
School Board**

August 31, 2008

Superior Greenstone District School Board

August 31, 2008

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SUPERIOR-GREENSTONE DISTRICT SCHOOL BOARD

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MANAGEMENT REPORT

Management's Responsibility for the Financial Statements

The accompanying financial statements of the Superior-Greenstone District School Board are the responsibility of the Board management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Board management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by Deloitte & Touche LLP, independent external auditors appointed by the Board. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's financial statements.

Patti Pella
Director of Education

Bruce Rousseau
Superintendent of Business

November 21, 2008

Auditors' Report

To the Board of Trustees of the
Superior Greenstone District School Board

We have audited the consolidated statement of financial position of the Superior Greenstone District School Board as at August 31, 2008 and the consolidated statements of financial activities and fund balance and of changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, 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 common with many school boards, individual schools derive revenue from school fundraising activities held throughout the year. Adequate documentation and controls were not in place throughout the year to allow us to obtain satisfactory audit verification as to the completeness of these revenues. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the individual schools and we were not able to determine whether adjustments might be necessary to school fundraising revenue, net expenditure, financial assets and net financial position.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of school fundraising revenue referred to in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Superior Greenstone District School Board as at August 31, 2008 and the results of its operations and changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants
Licensed Public Accountants
November 21, 2008

Superior Greenstone District School Board

Consolidated statement of financial position as at August 31, 2008

	2008	2007
	\$	\$
Financial assets		
Cash and cash equivalents	4,476,221	4,442,088
Accounts receivable		
Municipalities	483,730	599,040
Other (Note 2)	3,345,307	3,783,651
Total financial assets	8,305,258	8,824,779
Liabilities		
Short-term borrowing (Note 3)	1,451,882	556,351
Accounts payable and accrued liabilities	1,817,102	2,891,139
Deferred revenue		
Reserve funds (Note 4)	203,246	181,135
Other	363,210	354,837
Retirement and other employee future benefits (Note 5)	11,360,001	11,117,522
Long-term debt (Note 6)	2,418,499	1,482,352
Total liabilities	17,613,940	16,583,336
Net financial liabilities	(9,308,682)	(7,758,557)
Non-financial asset - Prepaid expenses	87,561	84,354
Net liabilities	(9,221,121)	(7,674,203)
Financial position		
Fund balances		
Operating Fund - Schedule 2.1	-	-
Capital Fund - Schedule 2.2	(937,889)	(1,168,952)
Reserve Funds - Schedule 2.3 (Note 7)	4,266,330	5,474,204
School Generated Funds - Schedule 2.4	283,060	229,492
Total fund balances	3,611,501	4,534,744
Amounts to be recovered in future years (Note 8)	(12,832,622)	(12,208,947)
Net financial position	(9,221,121)	(7,674,203)

Chief Executive Officer

Chair of the Board

Superior Greenstone District School Board

Consolidated statement of financial activities and fund balance year ended August 31, 2008

		2008	2007
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
Revenues			
Local taxation	5,355,161	5,044,172	5,389,684
Provincial grants			
Student Focused Funding	24,665,136	24,610,416	24,116,212
Other	282,720	763,908	721,380
Federal grants and fees	2,477,939	2,813,055	2,456,230
Other revenues - school boards	700,000	906,355	998,363
Other fees and revenues	578,809	980,573	1,087,923
School fundraising	575,000	555,664	575,339
Total revenues	34,634,765	35,674,143	35,345,131
Expenditures (Note 10)			
Instruction	24,473,114	25,070,095	25,506,043
Administration	1,947,159	1,816,863	1,981,729
Transportation	2,156,315	2,210,570	2,164,616
School operations and maintenance	4,386,912	4,694,914	4,640,950
Pupil accommodation	1,348,621	2,927,082	3,530,363
School funded activities	550,000	504,744	625,280
Total expenditures	34,862,121	37,224,268	38,448,981
Net expenditure	(227,356)	(1,550,125)	(3,103,850)
Increase (decrease) in non-financial asset			
Prepaid expenses	-	3,207	(4,598)
Change in net liabilities	(227,356)	(1,546,918)	(3,108,448)
Financing transactions			
Long-term debt issued	-	970,022	1,498,725
Debt repayment	(33,875)	(33,875)	(16,373)
Increase (decrease) in unfunded liabilities	583,683	(312,472)	127,508
Change in amounts to be recovered	549,808	623,675	1,609,860
Change in fund balance	322,452	(923,243)	(1,498,588)
Fund balance, beginning of year	5,404,373	4,534,744	6,033,332
Fund balance, end of year	5,726,825	3,611,501	4,534,744

Superior Greenstone District School Board

Consolidated statement of changes in financial position
year ended August 31, 2008

	2008	2007
	\$	\$
Operating activities		
Net expenditure	(1,550,125)	(3,103,850)
Sources and uses		
Decrease in accounts receivable	553,654	436,221
Decrease in accounts payable and accrued liabilities	(1,074,037)	(119,834)
Increase (decrease) in deferred revenues		
Reserve funds	22,111	(104,867)
Other	8,373	248,701
Increase in retirement and other employee future benefits	242,479	354,454
	(247,420)	814,675
Financing activities		
Increase (decrease) in short-term borrowing	895,531	(348,522)
Long-term debt issued	970,022	1,498,725
Long-term debt-principal repaid	(33,875)	(16,373)
	1,831,678	1,133,830
Net change in cash and cash equivalents	34,133	(1,155,345)
Cash and cash equivalents, beginning of year	4,442,088	5,597,433
Cash and cash equivalents, end of year	4,476,221	4,442,088

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

1. Significant accounting policies

The consolidated financial statements are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants.

Significant accounting policies adopted are as follows:

a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and fund balances of the reporting entity. The reporting entity is comprised of all organizations which are controlled by the Board.

School generated funds, which include the assets, liabilities, revenues, expenditures and fund balances of various organizations that exist at the school level and which are controlled by the Board are reflected in the consolidated financial statements.

All material interdepartmental and inter-entity transactions and balances between these organizations are eliminated on consolidation.

b) Trust funds

Trust funds and their related operations administered by the Board amounting to \$473,194 (2007 - \$447,186) are not included in the consolidated financial statements.

c) Basis of accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenditures are recognized as they are incurred and measurable as the result of the receipt of goods or services and the creation of a legal obligation to pay.

d) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, demand deposits and short-term investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value and have an initial term to maturity of less than 90 days.

e) Capital assets

The historical cost and accumulated depreciation of capital assets are not reported. Capital assets are reported as expenditures on the Consolidated Statement of Financial Activities and Fund Balance in the year of acquisition or construction.

f) Deferred revenue

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts will be recognized as revenue in the fiscal year the related qualifying expenditures are incurred or services are performed.

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

1. Significant accounting policies (continued)

g) Retirement and other employee future benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include health and dental, retirement gratuity, non-vesting accumulating sick leave, and early retirement incentive plan. The Board has adopted the following policies with respect to accounting for these employee benefits:

- i) The costs of self insured retirement and other employee future benefit plans are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, disability recovery rates, long-term inflation rates and discount rates.

For self insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as retirement gratuities, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

For non-vesting accumulating sick days, the costs are actuarially determined using probabilities to estimate the number of sick days employees will use from the sick bank they have accumulated to the valuation date, August 31.

For those self insured benefit obligations that arise from specific events that occur from time to time, such as obligations for life insurance, dental and health care benefits for certain employees on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

Actuarial gains and losses related to obligations for long-term disability are amortized over the expected average service life of the employee group.

- ii) The Board's contributions to multi-employer defined benefits pension plans, such as the Ontario Municipal Employees Retirement System pensions, are recorded in the period in which they become payable.
- iii) The costs of insured benefits for active employees reflected in these financial statements, are the employer's portion of insurance premiums owed for coverage of employees during the period.

h) Reserves and reserve funds

Certain amounts, as approved by Board Trustees, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund in accordance with Board approval.

i) Government transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, all eligibility criteria have been met and reasonable estimates of the amount can be made.

j) Investment income

Investment income earned on surplus operating funds, capital funds, reserves and reserve funds and school generated funds are reported as revenue in the period earned.

Interest income earned on monies invested specifically for externally restricted funds is added to the fund balance and forms part of the respective deferred revenue balances.

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

1. Significant accounting policies (continued)

k) Budget figures

Budget figures have been provided for comparison purposes and have been derived from the original budget approved by the Board of Trustees. The budget approved by the Board of Trustees was developed in accordance with the provincially mandated funding model for school boards and is used to manage program spending within the guidelines of the funding model. Given differences between the funding model and generally accepted accounting principles for local governments established by the Public Sector Accounting Board, the budget figures presented have been adjusted to conform with this basis of accounting used to prepare the consolidated financial statements. The budget figures are unaudited.

l) 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the year. Actual results could differ from these estimates. Estimates are reviewed periodically by management and, as adjustments become necessary they are reported in the period in which they became known.

2. Accounts receivable

The accounts receivable - other balance includes tuition fees receivable from the First Nations as follows:

	Balance at August 31, 2007	Invoices	Payments	Balance at August 31, 2008
	\$	\$	\$	\$
Aroland First Nation	252,166	552,788	(251,467)	553,487
Biinjitwaabek First Nation	151,367	295,778	(297,039)	150,106
Lac La Croix	533	-	-	533
Marten Falls First Nation	45,022	33,582	(78,864)	(260)
Northern Nishnawebe Education	(45)	-	45	-
Pays Plat First Nation	3,654	87,909	(34,504)	57,059
Pic Mobert First Nation	220,104	220,150	(398,720)	41,534
Pic River First Nation	(30,305)	389,453	(440,684)	(81,536)
Red Rock First Nation	962,904	712,687	(1,473,835)	201,756
White Sands First Nation	-	14,925	(15,053)	(128)
	1,605,400	2,307,272	(2,990,121)	922,551

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

3. Short-term borrowings

	2008	2007
	\$	\$
Operating line of credit bearing interest at the bank's prime lending rate less 0.50% per annum (4.25% at August 31, 2008 (2007 - 5.75%))	1,451,882	556,351

The Board has incurred short-term borrowing at August 31, 2008 in the amount of \$1,451,882, to provide interim financing for the Good Places to Learn (GPL) initiative of the Ministry of Education (the "Ministry"). The GPL initiative will provide the Board with approximately \$7,548,581 for major renewal projects for its school buildings. GPL phase 1 providing \$1,498,725, GPL phase 2 providing \$970,022, and GPL phase 3 providing a further \$5,079,834 were announced in 2005-2006, 2006-2007, and 2007-2008 respectively. The Ministry is funding the interest cost incurred on the short-term financing. Further, the Ministry will periodically arrange for the permanent financing, under a long-term financing arrangement (see also Note 6).

4. Deferred revenue - reserve funds

Deferred revenue externally restricted for specific purposes by legislation, regulation or agreement as at August 31, is comprised of:

	2008	2007
	\$	\$
Pupil Accommodation Allocation	203,246	181,135

Continuity of Deferred Revenue - Reserve Funds of the Board are summarized below:

	2008	2007
	\$	\$
Balance, beginning of year	181,135	286,002
Restricted Provincial Grants received	3,477,847	3,341,005
Interest earned	242	-
	3,659,224	3,627,007
Provincial grants earned	(3,455,978)	(3,445,872)
Balance, end of year	203,246	181,135

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

5. Retirement and other employee future benefits

Retirement and other employee future benefit liabilities

	2008			2007
	Retirement benefits	Other employee future benefits	Total employee future benefits	Total employee future benefits
	\$	\$	\$	\$
Accrued employee future benefit obligation	3,804,115	5,706,971	9,511,086	8,948,254
Unamortized actuarial gains	698,306	1,150,609	1,848,915	2,169,268
Accrued employee future benefit liability, end of year	4,502,421	6,857,580	11,360,001	11,117,522

Actual benefit payments made during the year totaled \$660,786 (2007 - \$514,042).

Retirement and other employee future benefit expenses

	2008			2007
	Retirement benefits	Other employee future benefits	Total employee future benefits	Total employee future benefits
	\$	\$	\$	\$
Current year benefit cost	271,272	338,491	609,763	598,096
Interest on accrued benefit obligation	176,354	266,031	442,385	423,104
Amortization of actuarial gains	(57,591)	(91,292)	(148,883)	(152,704)
Employee future benefits expenses	390,035	513,230	903,265	868,496

The following items are included in the accrued employee future benefit liability:

i) Retirement gratuities

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The amount of the gratuities paid to eligible employees at retirement is based on their salary, accumulated sick days, and years of service at retirement. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's financial statements.

ii) Retirement life insurance and health care benefits

Employees are able to continue coverage for life insurance, dental and health care benefits after retirement until the members reach 65 years of age; however, the retirees pay a premium associated with this coverage.

iii) Sick leave accumulations

The Board provides compensated absences from sick leave accumulations through an unfunded defined benefit plan.

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

5. Retirement and other employee future benefits (continued)

Other employee future benefits

Long-term disability life insurance and health care benefits

The Board provides life insurance, dental and health care benefits to employees on long-term disability leave for a period of two years after the date of disability. The insurance carrier waives the life insurance premiums for employees on long-term disability, however, the Board is responsible for the payment of the costs of insurance, dental and health care benefits under this plan. The Board provides these benefits through an unfunded defined benefit plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured and not included in this plan.

The accrued benefit obligations for employee future benefit plans as at August 31, 2008 are based on an actuarial update for accounting purposes as at August 31, 2008. The last full actual valuation was completed as of August 31, 2007. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2008	2007
	%	%
Inflation	3.00	2.50
Wage and salary escalation	3.40	3.40
Discount rate on accrued benefit obligations	4.75	4.75

The Board has designated reserves for certain of these employee future benefit obligations. The balance of these reserves totalled \$1,573,894 at August 31, 2008 (2007 - \$1,973,924). Above amounts exclude pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan, as described below.

Retirement benefits

i) Ontario Teacher's Pension Plan

Teachers and related employee groups are eligible to be members of Ontario Teacher's Pension Plan. Employer contributions for these employees are provided directly by the Province of Ontario. The pension costs and obligations related to this plan are a direct responsibility of the Province. Accordingly, no costs or liabilities related to this plan are included in the Board's financial statements.

ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board's contributions equal the employee contributions to the Plan. During the year ended August 31, 2008, the Board contributed \$380,708 (2007 - \$349,424) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's financial statements.

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

6. Long-term debt

Long-term debt reported on the consolidated statement of financial position is comprised of the following:

	2008	2007
	\$	\$
4.56% Ontario Financing Authority, GPL 1	1,448,477	1,482,352
4.90% Ontario Financing Authority, GPL 2	970,022	-
	2,418,499	1,482,352

On November 15, 2006, the Board entered into a loan agreement with the Ontario Financing Authority to refinance \$1,498,725 of the GPL Phase 1 outstanding at that time. The loan is repayable by semi-annual installments of principal and interest of \$50,544 based on a 25 year amortization schedule and bears interest of 4.56%. The annual principal and interest costs will be funded by the Ministry.

On March 3, 2008, the Board entered into a loan agreement with the Ontario Financing Authority to refinance \$970,022 of the GPL Phase 2 outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of \$34,004 based on a 25 year amortization schedule and bears interest of 4.90%. The annual principal, interest and administration costs will be funded by the Ministry.

7. Reserves and reserve funds

Internally restricted reserves and reserve funds set-aside for specific purposes by the Board of Trustees as at August 31 are comprised of:

	2008	2007
	\$	\$
Pupil accommodation	159,396	159,181
Proceeds of disposition	605,480	582,942
Retirements	1,573,894	1,973,924
Capital - buildings	-	817,437
Capital - equipment	44,205	41,737
Insurance	22,511	21,679
Pay Equity	63,620	80,080
Working Fund	1,797,224	1,797,224
	4,266,330	5,474,204

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

8. Amounts to be recovered in future years

The amounts to be recovered in future years reported on the Consolidated Statement of Financial Position are comprised of:

	2008	2007
	\$	\$
Retirement and other employee future benefits liability (Note 5)	11,360,001	11,117,522
Less amount previously recorded through operations	(1,086,550)	(513,209)
	10,273,451	10,604,313
Net long-term debt (Note 6)	2,418,499	1,482,352
Interest accrual	32,615	19,839
Vacation accrual	108,057	102,443
	12,832,622	12,208,947

9. Areas of jurisdiction without municipal organization

The Board performs the duties of levying and collecting taxes, conducting elections of members, and certain other duties in a territory without municipal organization. Certain costs are recoverable through a levy on all rateable property in the area and other costs (approved) are recoverable through an offset to the local taxation revenue.

10. Expenditures by object

The following is a summary of the expenditures reported on the Consolidated Statement of Financial Activities by object:

		2008	2007
	Budget	Actual	Actual
	(unaudited)		
	\$	\$	\$
Current expenditures			
Salary and wages	22,601,088	22,756,854	23,300,369
Employee benefits	3,799,894	3,937,058	4,023,860
Staff development	171,652	328,699	333,959
Supplies and services	3,096,773	3,165,882	3,199,644
Replacements	251,506	164,068	168,729
Interest charges on long-term debt	67,213	107,471	54,009
Rental expenditures	116,190	113,856	145,575
Fees and contract services	2,743,419	3,089,806	2,872,919
Other	701,675	621,583	714,438
Transfers to other boards	-	-	4,550
Capital expenditures	1,312,711	2,938,991	3,630,929
	34,862,121	37,224,268	38,448,981

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

11. Ontario School Board Insurance Exchange (OSBIE)

The Board participates for its liability, property and automobile insurance in the Ontario School Boards' Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act, that is funded by the member boards across Ontario. Liability insurance is available to a maximum of \$20 million per occurrence.

The ultimate premiums over a five year period are based on both the reciprocal's and the Board's actual claims experience. Periodically, the Board may receive a refund or be asked to pay an additional premium based on its pro rata share of claims experience. The current five year term expires in January 2012.

12. Contractual obligations

The Board has ongoing commitments under operating leases. The sum of \$205,736 is payable with respect to these operating leases during the next five years as follows:

2008/09	82,232
2009/10	50,924
2010/11	39,911
2011/12	28,090
2012/13	4,579
	<hr/> 205,736 <hr/>

13. Contingent liabilities

The Board has been named as the defendant in certain legal actions, in which damages have been sought. The outcome of these actions is not determinable as at August 31, 2008 and accordingly, no provision has been made in these financial statements for any liability that may result. Any losses arising from these actions will be recorded in the year that the related litigation is settled or when likely amounts are measurable.

14. Repayment of "55 School Board Trust" funding

On June 1, 2003, the Board received \$1,718,287 from the "55 School Board Trust" for its capital related debt eligible for provincial funding support pursuant to a 30-year agreement it entered into with the trust. The "55 School Board Trust" was created to refinance the outstanding not permanently financed (NPF) debt of participating boards who are beneficiaries of the trust. Under the terms of the agreement, the "55 School Board Trust" repaid the board's debt in consideration for the assignment by the board to the trust of future provincial grants payable to the Board in respect of the NPF debt.

The flow-through of \$128,014 in respect of the above agreement for the year ended August 31, 2008 (2007 - \$128,014) is not recorded in these consolidated financial statements.

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

15. Service Contract/CFSA Approval with the Ministry Of Community and Social Services

The Board has a Service Contract/CFSA Approval with the Ministry of Community and Social Services. One requirement of the Service Contract/CFSA Approval is the production by Management of a report, APER, which shows a summary by service of all revenues and expenditures and any resulting surplus or deficit that relates to the Service Contract/CFSA Approval.

A review of this report shows the Teacher Diagnostician services to be in a break-even position as at August 31, 2008 and therefore no amounts are repayable to the Ministry of Community and Social Services.

16. Tangible capital assets

For fiscal years beginning on or after January 1, 2009 the Board will be required to report the historical cost and the accumulated amortization of tangible capital assets in its financial statements in accordance with The Public Sector Accounting Handbook PS3150 - Tangible Capital Assets. As required by the Ministry of Education, the Board will fully implement this standard beginning with the August 31, 2009 fiscal year.

For 2008, Public Sector Guideline 7 requires the disclosure of tangible capital asset information in the notes to the financial statements to the extent that reliable information is available. The Board currently does not have detailed information related to furniture, equipment, computer hardware, computer software and vehicles to disclose. Information related to land and buildings summarized below has been obtained from the Ministry of Education which was used for purposes of provincial consolidation. As these amounts were used for purposes of the provincial consolidation, the amounts reported are as of March 31, 2008 which is the Province of Ontario's fiscal year-end.

Tangible capital assets will be recorded at historical cost. Historical cost includes the costs directly related to the acquisition, design, construction, development, improvement or betterment of tangible capital assets. Cost includes overheads directly attributable to construction and development. Estimated historical cost was used to record existing tangible capital assets, if the actual cost was unknown when the Board first started to prepare to implement tangible capital asset accounting.

Superior-Greenstone District School Board

Notes to consolidated financial statements

August 31, 2008

16. Tangible capital assets (continued)

Amortization is reflected on a straight-line basis over the estimated useful life of the assets at the following amortization rates:

Land improvements with finite lives	15 years
Buildings	40 years
Portable structures	20 years

This information will be subject to audit during the year that PS3150 is fully implemented for purposes of the school board's financial statements.

Unaudited								Net book value March 31, 2008	Net book value March 31, 2007
	Cost	Accumulated amortization							
Balance at March 31, 2007	Balance at March 31, 2008	Disposals, Write offs and Adjustments	Balance at March 31, 2007	Amortization	Disposals, Write offs and Adjustments	Balance at March 31, 2008			
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land	993,239	-	-	993,239	-	-	-	993,239	993,239
Land improvements	1,147,074	76,536	-	1,223,610	74,124	65,497	-	1,083,989	1,072,950
Buildings	47,655,840	4,617,818	-	52,273,658	9,450,297	1,374,637	-	10,824,934	41,448,724
Portable structures	114,700	-	(51,400)	63,300	102,900	11,800	(51,400)	63,300	-
Assets permanently removed from service	1,454,800	-	-	1,454,800	1,454,800	-	-	1,454,800	-
Construction in progress	40,005	(40,005)	-	-	-	-	-	-	40,005
Pre acquisition and construction cost	18,053	(18,053)	-	-	-	-	-	-	18,053
51,423,711	4,636,296	(51,400)	56,008,607	11,082,121	1,451,934	(51,400)	12,482,655	43,525,952	40,341,590

Superior Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2008

17. Comparative figures

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

Superior Greenstone District School Board

Schedule of operating fund financial activities and fund balance - Schedule 2.1
year ended August 31, 2008

	2008		2007
	Budget	Actual	Actual
	(unaudited)		
	\$	\$	\$
Revenues			
Local taxation	5,355,161	5,044,172	5,389,684
Provincial grants			
Student focused funding	24,665,136	24,610,416	24,116,212
Other	282,720	763,908	721,380
Federal grants and fees	2,477,939	2,813,055	2,456,230
Other revenues - school boards	700,000	906,355	998,363
Other fees and revenues	406,084	838,314	941,721
Total revenues	33,887,040	34,976,220	34,623,590
Expenditures			
Instruction	24,407,114	24,950,806	25,365,379
Administration	1,914,159	1,816,772	1,967,818
Transportation	2,156,315	2,210,570	2,164,616
School operations and maintenance	4,386,912	4,694,914	4,640,950
Pupil accommodation	134,910	107,471	54,009
Total expenditures	32,999,410	33,780,533	34,192,772
Net revenue	887,630	1,195,687	430,818
Increase (decrease) in non-financial assets			
Prepaid expenses	-	3,207	(4,598)
Debt repayment	(33,875)	(33,875)	(16,373)
Increase in unfunded liabilities	583,683	(312,472)	127,508
Change in amounts to be recovered in future years	549,808	(346,347)	111,135
Net transfers (to) from other funds			
Transfers to Capital Fund	(1,437,438)	(1,337,542)	(1,292,643)
Transfers from Reserve Funds	-	487,643	760,733
Transfers to school fund	-	(2,648)	(5,445)
Net transfers to other funds	(1,437,438)	(852,547)	(537,355)
Change in operating fund balance	-	-	-
Operating fund balance, beginning of year	-	-	-
Operating fund balance, end of year	-	-	-

Superior Greenstone District School Board

Schedule of capital fund financial activities and fund balance - Schedule 2.2
year ended August 31, 2008

		2008	2007
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
Revenues			
Other revenues	-	-	-
Expenditures			
Instruction	66,000	119,289	140,664
Administration	33,000	91	13,911
Pupil accommodation	1,213,711	2,819,611	3,476,354
Total expenditures	1,312,711	2,938,991	3,630,929
Net expenditure	(1,312,711)	(2,938,991)	(3,630,929)
Long-term financing	-	970,022	1,498,725
Net transfers from reserve funds	-	862,490	1,602,796
Net transfers from operating fund	1,437,438	1,337,542	1,292,643
	1,437,438	2,200,032	2,895,439
Change in capital fund balance	124,727	231,063	763,235
Capital fund balance, beginning of year	(308,735)	(1,168,952)	(1,932,187)
Capital fund balance, end of year	(184,008)	(937,889)	(1,168,952)

Superior Greenstone District School Board

Schedule of reserve funds financial activities and fund balance - Schedule 2.3
year ended August 31, 2008

		2008	2007
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
Revenue - interest	172,725	142,259	146,202
Net transfers to operating fund	-	(487,643)	(760,733)
Net transfers to capital fund	-	(862,490)	(1,602,796)
	-	(1,350,133)	(2,363,529)
Change in reserve fund balance	172,725	(1,207,874)	(2,217,327)
Reserve fund balance, beginning of year	5,438,108	5,474,204	7,691,531
Reserve fund balance, end of year	5,610,833	4,266,330	5,474,204

Superior Greenstone District School Board

Schedule of school generated funds financial activities and fund balance - Schedule 2.4

year ended August 31, 2008

		2008	2007
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
Revenues			
School fundraising and other revenues	575,000	555,664	575,339
Expenditures			
School funded activities	550,000	504,744	625,280
Net revenue (expenditure)	25,000	50,920	(49,941)
Net transfers from operating fund	-	2,648	5,445
Change in school generated fund balance	25,000	53,568	(44,496)
School generated fund activities fund balance, beginning of year	275,000	229,492	273,988
School generated fund activities fund balance, end of year	300,000	283,060	229,492