

Ministry of Education
Transfer Payments and
Financial Reporting Branch

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Ministère de l'Éducation
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2009: SB35

MEMORANDUM TO: Secretary Treasurers of School Authorities

FROM: Andrew Davis
Director
Transfer Payments and Financial Reporting

DATE: September 2, 2009

SUBJECT: **2008-09 Financial Statements Forms for School Authorities
(Isolate Boards)**

2008-09 Financial Statements Forms

I am pleased to inform you that the 2008-09 Financial Statements, related guides and instructions are now available through the Financial Statements link on the Financial Reporting website at <http://tpfr.edu.gov.on.ca>.

A separate set of instructions for auditors will not be issued; note disclosures and audit assurances should conform to the requirements of the CICA handbooks.

Technical Amendments to the 2008-09 Regulation

An amendment to the 2008-09 grant regulation is proposed and outlined below. The financial statements forms have been designed subject to approval of those proposed amendments being approved by the Lieutenant Governor in Council.

- The forms implement the funding increases that support the provisions in the Provincial Framework Agreements (PFAs). Proposed regulation amendments to align an implementation approach comparable to 2009-10 are reflected in the forms.

Tangible Capital Assets

For 2008-09 Tangible Capital Asset (TCA) balances will be required in the audited notes to the 2008-09 financial statements; proposed note disclosure is included in Appendix H of the updated Tangible Capital Asset Guide that has been posted in the Financial Reporting website.

A Capital Asset Continuity Schedule (Schedule 3C) has been introduced in the 2008-09 Financial Statements. School Authorities are required to complete the land and building portion of the schedule. Other tangible capital assets data may be input by School Authorities if the information is available.

The ministry has provided each School Authority with balances on its land and building assets as of August 31, 2008.

All information related to the implementation of this initiative, including available material on the Book Value Calculator, have been posted on the TPFR website. A letter from the Office of the Auditor General of Ontario on their position on the use of the Book Value Calculator in the valuation approach for provincial purposes is also posted on the site. (Note: to access the Book Value Calculator, go to http://tpfr.edu.gov.on.ca/Reporting_Entity_Home.htm and then select 'tangible capital asset implementation')

Submission of Financial Reports

School authorities are required to submit by November 16, 2009 the electronic file of the financial statements to the following ministry mailbox:

financials.edu@ontario.ca

Where the notes to the financial statements are available electronically, the electronic version should also be sent to the ministry mailbox.

School authorities are also required to send two signed copies of the printouts of the financial statements, auditors report and notes to the financial statements to:

Ms. Diane Strumila
Project Manager, Grant Services
Transfer Payment and Financial Reporting Branch
21st Floor, Mowat Block, 900 Bay Street
Toronto, Ontario M7A 1L2

Late Submissions

It is important that boards meet the due date above since this information is needed for the interim reporting in the provincial budget.

School Authorities merging with District School Boards on September 1, 2009 – Requests for transitional funding relating to the mergers can only be considered once the submission of the financial statements is complete. As there is a limited amount of transitional funding available, all financial data should be submitted on time to ensure all requests for transitional funding can be considered and reviewed appropriately.

Other School Authorities - Cash flow penalties may be implemented and the board's regular cash flow may be reduced by 50% where a board has not submitted its Financial Statements by November 16, 2009. Upon submission of the Financial Statements, the ministry will revert back to the normal monthly payment process and will include in the monthly payment the total amount withheld up to that point.

Contacts

Questions relating to reporting of capital activities for capital asset reporting should be directed to Sangita Forodi at (416) 325-8584 or at Sangita.Forodi@ontario.ca.

For other questions on the financial statements package, please contact your Ministry Finance Officer.



Andrew Davis

cc: DSAB Supervisory Officers
cc: DSAB External Auditors
cc: Superintendents of Business – Successor DSBs