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2010: SB52

MEMORANDUM TO: Secretary Treasurers of School Authorities (Isolate Boards)

FROM: Andrew Davis
Director
Financial Analysis and Accountability Branch

DATE: November 3, 2010

SUBJECT: **2009-10 Financial Statements Forms for School Authorities
(Isolate Boards)**

I am pleased to inform you that the 2009-10 Financial Statements, related guides and instructions are now available through the Financial Analysis and Accountability Branch website at http://faab.edu.gov.on.ca/Financial_Statements.htm . 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.

Tangible Capital Assets

For 2009-10, accurate Tangible Capital Asset (TCA) balances will be required to be reported in the Financial Statements. Proposed Financial Statement note disclosure after full implementation of PS3150 is included in Appendix I of the Tangible Capital Asset Guide posted the FAAB website at: <http://faab.edu.gov.on.ca/CAImplementation.htm>.

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

The ministry had provided each School Authority with balances on its land and building assets as of August 31, 2008 based on TCA information collected from School Authorities in 2005 for the consolidation and reporting of Public Accounts. However, some school authorities did not provide complete information. These balances are thus to be updated by School Authorities with more current and accurate data.

All information related to the implementation of this initiative, including material regarding the Book Value Calculator and a copy of the letter from the Office of the Auditor General of Ontario on their position on the valuation approach in using the Book Value Calculator for provincial

purposes can also be found at the above link.

For those boards that did not complete the Tangible Capital Assets Schedule 3C on the 2008-09 Financial Statement forms, I refer you to the requirements for the 2009-10 Financial Statement forms outlined in the e-mail sent to you from your Finance Officer dated September 1st, 2010.

Submission of Financial Reports

School authorities are required to submit by **December 31st, 2010** the electronic file of the financial statements to financials.edu@ontario.ca. Where the notes to the financial statements are available electronically, the electronic version should also be sent to the same address. Please also mail 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
Financial Analysis and Accountability Branch
17th 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.

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 **December 31st, 2010**. 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 Soundari Vigneshwaran at (416) 326-9168 or at Soundari.Vigneshwaran@ontario.ca.

For other questions on the financial statements package, please contact Tim.Kielman@ontario.ca or at (800) 461-9570, ext. 6892.



Andrew Davis

cc: DSAB Supervisory Officers, DSAB External Auditors