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## Audited Financial Statements

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Of the Lloydminster Roman Catholic Separate School Division No. 89

School Division No. 6060000

For the Period Ending: August 31, 2022

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Auditor

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

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**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89  
FINANCIAL STATEMENTS  
AUGUST 31, 2022**

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## Management's Responsibility for the Financial Statements

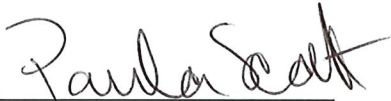
The School Division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The School Division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and 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.

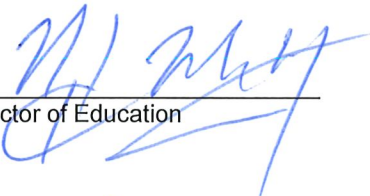
The Board of Education is composed of elected officials who are not employees of the School Division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible for the appointment of the school division's external auditors.

The external auditors, MNP LLP, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School Division's financial statements. 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.

On behalf of the Lloydminster Roman Catholic Separate School Division No. 89:



Board Chair



Director of Education



Chief Financial Officer

November 23, 2022

## Independent Auditor's Report

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To the Trustees of the Board of Education of Lloydminster Roman Catholic Separate School Division No. 89:

### *Opinion*

We have audited the financial statements of Lloydminster Roman Catholic Separate School Division No. 89 (the "School Division"), which comprise the statement of financial position as at August 31, 2022, and the statements of operations and accumulated surplus from operations, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2022, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the School Division in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Emphasis of Matter - Asset Retirement Obligations*

During the year, the School Division elected to early adopt the new Public Sector Accounting standard for asset retirement obligations (PS 3280) via modified retrospective application. The adoption of this standard has resulted in a restatement of comparative figures as outlined in Note 2(j).

### *Responsibilities of Management and the Trustees of the Board of Education for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the School Division's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the School Division or to cease operations, or has no realistic alternative but to do so.

The Trustees of the Board of Education are responsible for overseeing the School Division's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Division's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School Division's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees of the Board of Education regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Lloydminster, Saskatchewan  
November 23, 2022

*MNP* LLP  
Chartered Professional Accountants

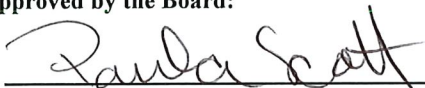
**Lloydminster Roman Catholic Separate School Division No. 89**  
**Statement of Financial Position**  
**as at August 31, 2022**

	2022	2021
	\$	\$
<b>Financial Assets</b>		(Restated - Note 2(j))
Cash and Cash Equivalents	6,086,555	5,249,084
Accounts Receivable (Note 7)	1,577,068	329,622
Portfolio Investments (Note 3)	4,091,061	4,583,136
<b>Total Financial Assets</b>	<b>11,754,684</b>	<b>10,161,842</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 8)	2,550,040	1,192,351
Liability for Employee Future Benefits (Note 5)	475,600	455,000
Deferred Revenue (Note 9)	2,677,808	1,012,592
<b>Total Liabilities</b>	<b>5,703,448</b>	<b>2,659,943</b>
<b>Net Financial Assets</b>	<b>6,051,236</b>	<b>7,501,899</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Schedule C)	50,029,274	45,288,249
Prepaid Expenses	331,287	389,052
<b>Total Non-Financial Assets</b>	<b>50,360,561</b>	<b>45,677,301</b>
<b>Accumulated Surplus (Note 12)</b>	<b>56,411,797</b>	<b>53,179,200</b>

Contingent Liabilities (Note 15)  
Contractual Obligations (Note 16)

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

**Approved by the Board:**



Chairperson



Chief Financial Officer

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Statement of Operations and Accumulated Surplus from Operations**  
**for the year ended August 31, 2022**

	<b>2022 Budget</b>	<b>2022 Actual</b>	<b>2021 Actual</b>
	\$	\$	\$
<b>REVENUES</b>	(Note 13)		(Restated - Note 2(j))
Property Taxes and Other Related	3,354,463	3,353,310	3,417,592
Grants	29,170,101	30,812,159	28,210,442
Tuition and Related Fees	21,940	22,931	70,146
School Generated Funds	749,410	620,703	341,189
Complementary Services (Note 10)	550,747	519,265	436,266
External Services (Note 11)	102,875	219,696	93,213
Other	433,154	518,795	446,392
<b>Total Revenues (Schedule A)</b>	<b>34,382,690</b>	<b>36,066,859</b>	<b>33,015,240</b>
<b>EXPENSES</b>			
Governance	215,311	183,111	206,618
Administration	1,510,671	1,493,288	1,513,040
Instruction	23,257,656	23,486,907	23,560,747
Plant Operation & Maintenance	4,201,617	4,393,797	5,505,226
Student Transportation	1,441,701	1,620,766	1,493,790
Tuition and Related Fees	128,800	107,484	131,238
School Generated Funds	742,412	575,012	335,055
Complementary Services (Note 10)	803,787	760,441	728,407
External Services (Note 11)	113,701	199,341	128,822
Other	8,000	14,115	11,721
<b>Total Expenses (Schedule B)</b>	<b>32,423,656</b>	<b>32,834,262</b>	<b>33,614,664</b>
<b>Operating Surplus (Deficit) for the Year</b>	<b>1,959,034</b>	<b>3,232,597</b>	<b>(599,424)</b>
<b>Accumulated Surplus from Operations, Beginning of Year</b>	<b>53,179,200</b>	<b>53,179,200</b>	<b>53,778,624</b>
<b>Accumulated Surplus from Operations, End of Year</b>	<b>55,138,234</b>	<b>56,411,797</b>	<b>53,179,200</b>

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

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Statement of Changes in Net Financial Assets**  
**for the year ended August 31, 2022**

	<b>2022 Budget</b>	<b>2022 Actual</b>	<b>2021 Actual</b>
	\$ (Note 13)	\$	\$ (Restated - Note 2(j))
<b>Net Financial Assets, Beginning of Year</b>	<b>7,501,899</b>	<b>7,501,899</b>	<b>7,197,930</b>
<b>Changes During the Year</b>			
Operating Surplus (Deficit) for the Year	1,959,034	3,232,597	(599,424)
Acquisition of Tangible Capital Assets (Schedule C)	(6,474,630)	(6,664,050)	(922,011)
Amortization of Tangible Capital Assets (Schedule C)	1,919,353	1,923,025	1,964,215
Net Change in Other Non-Financial Assets	-	57,765	(138,811)
<b>Change in Net Financial Assets</b>	<b>(2,596,243)</b>	<b>(1,450,663)</b>	<b>303,969</b>
<b>Net Financial Assets, End of Year</b>	<b>4,905,656</b>	<b>6,051,236</b>	<b>7,501,899</b>

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



**Lloydminster Roman Catholic Separate School Division No. 89****Statement of Cash Flows  
for the year ended August 31, 2022**

	<b>2022</b>	<b>2021</b>
	\$	\$
<b>OPERATING ACTIVITIES</b>		(Restated - Note 2(j))
Operating Surplus (Deficit) for the Year	3,232,597	(599,424)
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	1,923,025	1,964,215
Net Change in Non-Cash Operating Activities (Schedule E)	1,853,824	434,084
<b>Cash Provided by Operating Activities</b>	<b>7,009,446</b>	<b>1,798,875</b>
<b>CAPITAL ACTIVITIES</b>		
Cash Used to Acquire Tangible Capital Assets	(6,664,050)	(922,011)
<b>Cash Used by Capital Activities</b>	<b>(6,664,050)</b>	<b>(922,011)</b>
<b>INVESTING ACTIVITIES</b>		
Cash Used to Acquire Portfolio Investments	(7,925)	(1,184)
Proceeds on Disposal of Portfolio Investments	500,000	-
<b>Cash Provided (Used) by Investing Activities</b>	<b>492,075</b>	<b>(1,184)</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>837,471</b>	<b>875,680</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>5,249,084</b>	<b>4,373,404</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>6,086,555</b>	<b>5,249,084</b>

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

## Lloydminster Roman Catholic Separate School Division No. 89

Schedule A: Supplementary Details of Revenues  
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
<b>Property Taxes and Other Related Revenue</b>	(Note 13)		
<b>Tax Levy Revenue</b>			
Property Tax Levy Revenue	3,354,463	3,339,083	3,385,227
<b>Total Property Tax Revenue</b>	<b>3,354,463</b>	<b>3,339,083</b>	<b>3,385,227</b>
<b>Grants in Lieu of Taxes</b>			
Federal Government	-	176	570
Provincial Government	-	3,242	3,777
<b>Total Grants in Lieu of Taxes</b>	<b>-</b>	<b>3,418</b>	<b>4,347</b>
<b>Other Tax Revenues</b>			
House Trailer Fees	-	-	332
<b>Total Other Tax Revenues</b>	<b>-</b>	<b>-</b>	<b>332</b>
<b>Additions to Levy</b>			
Penalties	-	18,753	28,432
<b>Total Additions to Levy</b>	<b>-</b>	<b>18,753</b>	<b>28,432</b>
<b>Deletions from Levy</b>			
Cancellations	-	(7,944)	(746)
<b>Total Deletions from Levy</b>	<b>-</b>	<b>(7,944)</b>	<b>(746)</b>
<b>Total Property Taxes and Other Related Revenue</b>	<b>3,354,463</b>	<b>3,353,310</b>	<b>3,417,592</b>
<b>Grants</b>			
<b>Operating Grants</b>			
Ministry of Education Grants			
Operating Grant	9,837,564	9,801,144	9,436,002
Other Ministry Grants	249,161	274,325	478,764
<b>Total Ministry Grants</b>	<b>10,086,725</b>	<b>10,075,469</b>	<b>9,914,766</b>
Other Provincial Grants	114,160	131,885	831,087
Federal Grants	-	-	6,300
Grants from Others	14,769,216	15,180,426	15,681,224
<b>Total Operating Grants</b>	<b>24,970,101</b>	<b>25,387,780</b>	<b>26,433,377</b>
<b>Capital Grants</b>			
Ministry of Education Capital Grants	4,200,000	1,856,386	800,000
Other Provincial Capital Grants	-	-	977,065
Other Capital Grants	-	3,567,993	-
<b>Total Capital Grants</b>	<b>4,200,000</b>	<b>5,424,379</b>	<b>1,777,065</b>
<b>Total Grants</b>	<b>29,170,101</b>	<b>30,812,159</b>	<b>28,210,442</b>

## Lloydminster Roman Catholic Separate School Division No. 89

### Schedule A: Supplementary Details of Revenues

for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
<b>Tuition and Related Fees Revenue</b>	(Note 13)		
<b>Operating Fees</b>			
Tuition Fees			
Federal Government and First Nations	21,940	22,931	70,146
<b>Total Tuition Fees</b>	<b>21,940</b>	<b>22,931</b>	<b>70,146</b>
<b>Total Tuition and Related Fees Revenue</b>	<b>21,940</b>	<b>22,931</b>	<b>70,146</b>
<b>School Generated Funds Revenue</b>			
<b>Curricular</b>			
Student Fees	154,014	147,016	105,581
<b>Total Curricular Fees</b>	<b>154,014</b>	<b>147,016</b>	<b>105,581</b>
<b>Non-Curricular Fees</b>			
Commercial Sales - Non-GST	51,000	36,676	23,352
Fundraising	341,750	243,902	119,707
Grants and Partnerships	34,040	34,040	18,240
Students Fees	168,606	159,069	74,309
<b>Total Non-Curricular Fees</b>	<b>595,396</b>	<b>473,687</b>	<b>235,608</b>
<b>Total School Generated Funds Revenue</b>	<b>749,410</b>	<b>620,703</b>	<b>341,189</b>
<b>Complementary Services</b>			
<b>Operating Grants</b>			
Ministry of Education Grants			
Operating Grant	136,148	137,049	132,392
Other Ministry Grants	-	-	8,435
Other Provincial Grants	17,734	8,575	9,450
Federal Grants	25,000	25,000	25,000
Other Grants	121,045	122,325	71,115
<b>Total Operating Grants</b>	<b>299,927</b>	<b>292,949</b>	<b>246,392</b>
<b>Fees and Other Revenue</b>			
Tuition and Related Fees	233,820	206,059	167,842
Other Revenue	17,000	20,257	22,032
<b>Total Fees and Other Revenue</b>	<b>250,820</b>	<b>226,316</b>	<b>189,874</b>
<b>Total Complementary Services Revenue</b>	<b>550,747</b>	<b>519,265</b>	<b>436,266</b>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule A: Supplementary Details of Revenues**  
**for the year ended August 31, 2022**

	<b>2022 Budget</b>	<b>2022 Actual</b>	<b>2021 Actual</b>
	\$	\$	\$
<b>External Services</b>	(Note 13)		
<b>Fees and Other Revenue</b>			
Other Revenue	102,875	219,696	93,213
<b>Total Fees and Other Revenue</b>	<b>102,875</b>	<b>219,696</b>	<b>93,213</b>
<b>Total External Services Revenue</b>	<b>102,875</b>	<b>219,696</b>	<b>93,213</b>
<b>Other Revenue</b>			
Miscellaneous Revenue	140,624	184,430	133,556
Sales & Rentals	161,551	152,831	142,282
Investments	130,979	181,534	170,554
<b>Total Other Revenue</b>	<b>433,154</b>	<b>518,795</b>	<b>446,392</b>
<b>TOTAL REVENUE FOR THE YEAR</b>	<b>34,382,690</b>	<b>36,066,859</b>	<b>33,015,240</b>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2022**

	<b>2022 Budget</b>	<b>2022 Actual</b>	<b>2021 Actual</b>
	\$	\$	\$
<b>Governance Expense</b>	(Note 13)		(Restated - Note 2(j))
Board Members Expense	100,805	97,969	98,027
Professional Development - Board Members	6,500	3,999	2,553
Grants to School Community Councils	12,000	-	-
Elections	-	-	451
Other Governance Expenses	96,006	81,143	105,587
<b>Total Governance Expense</b>	<b>215,311</b>	<b>183,111</b>	<b>206,618</b>
<b>Administration Expense</b>			
Salaries	1,176,820	1,175,102	1,192,383
Benefits	143,152	131,703	137,558
Supplies & Services	93,071	102,021	98,263
Non-Capital Furniture & Equipment	11,000	13,393	10,548
Communications	39,168	27,563	31,195
Travel	42,460	40,728	29,382
Professional Development	5,000	2,778	13,711
<b>Total Administration Expense</b>	<b>1,510,671</b>	<b>1,493,288</b>	<b>1,513,040</b>
<b>Instruction Expense</b>			
Instructional (Teacher Contract) Salaries	15,210,291	15,496,562	15,303,401
Instructional (Teacher Contract) Benefits	879,948	912,711	874,192
Program Support (Non-Teacher Contract) Salaries	4,320,457	4,283,635	4,360,168
Program Support (Non-Teacher Contract) Benefits	866,544	835,261	768,168
Instructional Aids	362,543	322,599	322,108
Supplies & Services	471,852	431,824	644,093
Non-Capital Furniture & Equipment	216,650	226,123	336,533
Communications	95,638	97,162	93,579
Travel	26,487	46,201	41,130
Professional Development	124,406	84,333	71,016
Student Related Expense	166,302	274,895	223,679
Amortization of Tangible Capital Assets	516,538	475,601	522,680
<b>Total Instruction Expense</b>	<b>23,257,656</b>	<b>23,486,907</b>	<b>23,560,747</b>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2022**

	<b>2022 Budget</b>	<b>2022 Actual</b>	<b>2021 Actual</b>
	\$	\$	\$
<b>Plant Operation &amp; Maintenance Expense</b>	(Note 13)		(Restated - Note 2(j))
Salaries	1,156,682	1,142,986	1,271,798
Benefits	223,699	217,593	214,846
Building Operating Expenses	1,517,856	1,727,986	2,716,123
Communications	26,821	27,069	25,824
Travel	15,000	20,473	19,040
Professional Development	-	239	144
Amortization of Tangible Capital Assets	1,261,559	1,252,864	1,252,864
Amortization of Tangible Capital Assets ARO	-	4,587	4,587
<b>Total Plant Operation &amp; Maintenance Expense</b>	<b>4,201,617</b>	<b>4,393,797</b>	<b>5,505,226</b>
<b>Student Transportation Expense</b>			
Salaries	701,555	696,749	735,126
Benefits	139,924	131,814	132,689
Supplies & Services	174,230	209,269	143,374
Non-Capital Furniture & Equipment	150,400	244,453	198,739
Building Operating Expenses	25,500	41,329	26,522
Communications	2,112	3,889	3,817
Travel	3,924	3,324	2,876
Professional Development	2,800	808	1,432
Contracted Transportation	100,000	99,158	65,131
Amortization of Tangible Capital Assets	141,256	189,973	184,084
<b>Total Student Transportation Expense</b>	<b>1,441,701</b>	<b>1,620,766</b>	<b>1,493,790</b>
<b>Tuition and Related Fees Expense</b>			
Tuition Fees	128,800	107,484	131,238
<b>Total Tuition and Related Fees Expense</b>	<b>128,800</b>	<b>107,484</b>	<b>131,238</b>
<b>School Generated Funds Expense</b>			
Academic Supplies & Services	72,849	58,058	47,434
Cost of Sales	83,100	67,307	30,857
School Fund Expenses	586,463	449,647	256,764
<b>Total School Generated Funds Expense</b>	<b>742,412</b>	<b>575,012</b>	<b>335,055</b>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2022**

	<b>2022 Budget</b>	<b>2022 Actual</b>	<b>2021 Actual</b>
	\$	\$	\$
<b>Complementary Services Expense</b>	(Note 13)		(Restated - Note 2(j))
Administration Salaries & Benefits	111,915	103,316	115,480
Instructional (Teacher Contract) Salaries & Benefits	181,901	181,173	172,742
Program Support (Non-Teacher Contract) Salaries & Benefits	403,069	386,067	379,175
Supplies & Services	1,500	2,665	11,478
Travel	5,370	4,050	5,370
Professional Development (Non-Salary Costs)	500	1,316	225
Student Related Expenses	99,532	81,854	43,937
<b>Total Complementary Services Expense</b>	<b>803,787</b>	<b>760,441</b>	<b>728,407</b>
<b>External Service Expense</b>			
Program Support (Non-Teacher Contract) Salaries & Benefits	56,295	57,610	61,072
Supplies & Services	56,581	134,585	65,459
Non-Capital Furniture & Equipment	-	6,321	1,206
Travel	825	825	825
Professional Development (Non-Salary Costs)	-	-	260
<b>Total External Services Expense</b>	<b>113,701</b>	<b>199,341</b>	<b>128,822</b>
<b>Other Expense</b>			
<b>Interest and Bank Charges</b>			
Current Interest and Bank Charges	8,000	14,115	11,721
<b>Total Interest and Bank Charges</b>	<b>8,000</b>	<b>14,115</b>	<b>11,721</b>
<b>Total Other Expense</b>	<b>8,000</b>	<b>14,115</b>	<b>11,721</b>
<b>TOTAL EXPENSES FOR THE YEAR</b>	<b>32,423,656</b>	<b>32,834,262</b>	<b>33,614,664</b>

**Lloydminster Roman Catholic Separate School Division No. 89**

**Schedule C - Supplementary Details of Tangible Capital Assets**

for the year ended August 31, 2022

	Land		Buildings	Buildings	School	Other	Furniture and	Computer Hardware and Audio Visual	Computer	Assets Under			
	Land	Improvements	Buildings	Short-Term	ARO	Buses	Vehicles	Equipment	Equipment	Software	Construction	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(Restated - Note 2(j))													
<b>Tangible Capital Assets - at Cost</b>													
Opening Balance as of September 1	3,340,556	2,299,652	55,737,689	2,726,210	265,676	2,519,093	290,482	2,145,154	1,133,842	13,494	357,193	70,829,041	70,392,489
Additions/Purchases	-	-	-	-	-	390,151	-	5,958	304,954	-	5,962,987	6,664,050	922,011
Disposals	-	-	-	-	-	-	(115,525)	(85,219)	(487,230)	(13,494)	-	(701,468)	(485,459)
<b>Closing Balance as of August 31</b>	<b>3,340,556</b>	<b>2,299,652</b>	<b>55,737,689</b>	<b>2,726,210</b>	<b>265,676</b>	<b>2,909,244</b>	<b>174,957</b>	<b>2,065,893</b>	<b>951,566</b>	<b>-</b>	<b>6,320,180</b>	<b>76,791,623</b>	<b>70,829,041</b>
<b>Tangible Capital Assets - Amortization</b>													
Opening Balance as of September 1	-	1,427,667	18,442,907	1,154,520	209,442	1,721,006	196,999	1,493,010	881,747	13,494	-	25,540,792	24,062,036
Amortization of the Period	-	85,349	1,136,295	109,919	4,587	172,477	17,496	206,589	190,313	-	-	1,923,025	1,964,215
Disposals	-	-	-	-	-	-	(115,525)	(85,219)	(487,230)	(13,494)	-	(701,468)	(485,459)
<b>Closing Balance as of August 31</b>	<b>N/A</b>	<b>1,513,016</b>	<b>19,579,202</b>	<b>1,264,439</b>	<b>214,029</b>	<b>1,893,483</b>	<b>98,970</b>	<b>1,614,380</b>	<b>584,830</b>	<b>-</b>	<b>N/A</b>	<b>26,762,349</b>	<b>25,540,792</b>
<b>Net Book Value</b>													
Opening Balance as of September 1	3,340,556	871,985	37,294,782	1,571,690	56,234	798,087	93,483	652,144	252,095	-	357,193	45,288,249	46,330,453
Closing Balance as of August 31	3,340,556	786,636	36,158,487	1,461,771	51,647	1,015,761	75,987	451,513	366,736	-	6,320,180	50,029,274	45,288,249
<b>Change in Net Book Value</b>	<b>-</b>	<b>(85,349)</b>	<b>(1,136,295)</b>	<b>(109,919)</b>	<b>(4,587)</b>	<b>217,674</b>	<b>(17,496)</b>	<b>(200,631)</b>	<b>114,641</b>	<b>-</b>	<b>5,962,987</b>	<b>4,741,025</b>	<b>(1,042,204)</b>
<b>Disposals</b>													
Historical Cost	-	-	-	-	-	-	115,525	85,219	487,230	13,494	-	701,468	485,459
Accumulated Amortization	-	-	-	-	-	-	115,525	85,219	487,230	13,494	-	701,468	485,459
<b>Net Cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

An asset retirement obligation for the removal and disposal of asbestos (Note 8) is related to buildings with a net book value of \$3,727,296 (2021 - \$3,979,307).



**Lloydminster Roman Catholic Separate School Division No. 89**

**Schedule D: Non-Cash Items Included in Surplus / Deficit  
for the year ended August 31, 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Non-Cash Items Included in Surplus / Deficit</b>		(Restated - Note 2(j))
Amortization of Tangible Capital Assets (Schedule C)	1,923,025	1,964,215
<b>Total Non-Cash Items Included in Surplus / Deficit</b>	<b>1,923,025</b>	<b>1,964,215</b>

**Lloydminster Roman Catholic Separate School Division No. 89**

**Schedule E: Net Change in Non-Cash Operating Activities  
for the year ended August 31, 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Net Change in Non-Cash Operating Activities</b>		
(Increase) Decrease in Accounts Receivable	(1,247,446)	416,211
Increase (Decrease) in Accounts Payable and Accrued Liabilities	1,357,689	(567,183)
Increase in Liability for Employee Future Benefits	20,600	44,200
Increase in Deferred Revenue	1,665,216	679,667
Decrease (Increase) in Prepaid Expenses	57,765	(138,811)
<b>Total Net Change in Non-Cash Operating Activities</b>	<b>1,853,824</b>	<b>434,084</b>

## Lloydminster Roman Catholic Separate School Division No. 89

## Schedule F: Detail of Designated Assets

for the year ended August 31, 2022

	August 31 2021	Additions during the year	Reductions during the year	August 31 2022
	\$	\$	\$	\$
(Note 12)				
<b>External Sources</b>				
<b>Contractual Agreements</b>				
Capital Maintenance and Renewal	-	256,779	179,835	76,944
<b>Total Contractual Agreements</b>	-	<b>256,779</b>	<b>179,835</b>	<b>76,944</b>
<b>Jointly Administered Funds</b>				
School Generated Funds	154,570	42,889	-	197,459
School Community Council	25,272	24,703	-	49,975
<b>Total Jointly Administered Funds</b>	<b>179,842</b>	<b>67,592</b>	-	<b>247,434</b>
<b>Ministry of Education</b>				
Designated for tangible capital asset expenditures	2,467,862	-	894,431	1,573,431
PMR maintenance project allocations	-	274,325	31,066	243,259
Education Emergency Pandemic Support program allocation	127,427	-	127,427	-
<b>Total Ministry of Education</b>	<b>2,595,289</b>	<b>274,325</b>	<b>1,052,924</b>	<b>1,816,690</b>
<b>Total</b>	<b>2,775,131</b>	<b>598,696</b>	<b>1,232,759</b>	<b>2,141,068</b>
<b>Internal Sources</b>				
<b>Board governance</b>				
<b>Curriculum and student learning</b>				
Catholic Distinctiveness Fund	150,000	-	150,000	-
Educational Programming Reserve	667,000	-	-	667,000
Salary Contingency	400,000	-	400,000	-
<b>Total curriculum and student learning</b>	<b>1,217,000</b>	-	<b>550,000</b>	<b>667,000</b>
<b>Facilities</b>				
Administrative Building	572,658	-	302,658	270,000
Future Elementary	500,000	-	500,000	-
Facility Renewal	-	840,000	-	840,000
Grounds/Parking Lot	208,094	91,906	-	300,000
Mechanical Replacement	533,000	-	533,000	-
Playground & Faith Centre Renewal	-	200,000	-	200,000
Surveillance Replacement	100,000	-	-	100,000
Synergy Vault	90,000	10,000	-	100,000
<b>Total facilities</b>	<b>2,003,752</b>	<b>1,141,906</b>	<b>1,335,658</b>	<b>1,810,000</b>
<b>Furniture and equipment</b>				
Kitchen Equipment Replacement	100,000	-	-	100,000
<b>Total furniture and equipment</b>	<b>100,000</b>	-	-	<b>100,000</b>
<b>Information technology</b>				
Information Technology Resource Contingency	18,483	8,659	1,609	25,533
Technology Replacement Reserve	300,000	495,929	195,929	600,000
<b>Total information technology</b>	<b>318,483</b>	<b>504,588</b>	<b>197,538</b>	<b>625,533</b>
<b>Transportation</b>				
Bus Fleet Expansion Reserve	330,000	400,000	330,000	400,000
Other Vehicle Reserve	100,000	100,000	-	200,000
<b>Total transportation</b>	<b>430,000</b>	<b>500,000</b>	<b>330,000</b>	<b>600,000</b>
<b>Total</b>	<b>4,069,235</b>	<b>2,146,494</b>	<b>2,413,196</b>	<b>3,802,533</b>
<b>Total Designated Assets</b>	<b>6,844,366</b>	<b>2,745,190</b>	<b>3,645,955</b>	<b>5,943,601</b>

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2022**

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## 1. AUTHORITY AND PURPOSE

The school division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of “The Board of Education of the Lloydminster Roman Catholic Separate School Division No. 89” and operates as “the Lloydminster Roman Catholic Separate School Division No. 89”. The school division provides education services to residents within its geographic region and is governed by an elected board of trustees. The school division is exempt from income tax and is a registered charity under the *Income Tax Act*.

## 2. SIGNIFICANT ACCOUNTING POLICIES

Significant aspects of the accounting policies adopted by the school division are as follows:

### a) Basis of Accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards for other government organizations as established by the Public Sector Accounting Board (PSAB) and as published by the Chartered Professional Accountants of Canada (CPA Canada).

### b) Trust Funds

Trust funds are properties assigned to the school division (trustee) under a trust agreement or statute to be administered for the benefit of the trust beneficiaries. As a trustee, the school division merely administers the terms and conditions embodied in the agreement, and it has no unilateral authority to change the conditions set out in the trust indenture.

Trust funds are not included in the financial statements as they are not controlled by the school division. Trust fund activities administered by the school division are disclosed in Note 14 of the financial statements.

### c) Measurement Uncertainty and the Use of Estimates

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

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

- the liability for employee future benefits of \$475,600 (2021 - \$455,000) because actual experience may differ significantly from actuarial estimations.
- useful lives of capital assets and related accumulated amortization of \$26,762,349 (2021 - \$25,540,792) because the actual useful lives of the capital assets may differ from their estimated economic lives.
- estimated undiscounted asset retirement obligation of \$265,676 (2021 - \$265,676) because actual expense may differ significantly from valuation estimates.
- property taxation revenue of \$3,353,310 (2021 - \$3,417,592) because final tax assessments may differ from initial estimates.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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## **2. SIGNIFICANT ACCOUNTING POLICIES CONT'D**

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

While best estimates are used for reporting items subject to measurement uncertainty, it is reasonably possible that changes in future conditions, occurring within one fiscal year, could require material changes in the amounts recognized or disclosed.

### **d) Financial Instruments**

Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights, and obligations to receive or deliver economic benefits. The school division recognizes a financial instrument when it becomes a party to the contractual provisions of a financial instrument. The financial assets and financial liabilities portray these rights and obligations in the financial statements. Financial instruments of the school division include cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities.

All financial instruments are measured at cost or amortized cost. Transaction costs are a component of the cost of financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenues or expenses. Impairment losses such as write-downs or write-offs are reported in the statement of operations and accumulated surplus from operations.

Gains and losses on financial instruments, measured at cost or amortized cost, are recognized in the statement of operations and accumulated surplus from operations in the period the gain or loss occurs.

Remeasurement gains and losses have not been recognized by the school division in a statement of remeasurement gains and losses because it does not have financial instruments that give rise to material gains or losses.

### **e) Financial Assets**

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Valuation allowances are used where considered necessary to reduce the amounts reported for financial assets to their net realizable value.

**Cash and Cash Equivalents** consist of cash, bank deposits and highly liquid investments with maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2022**

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## 2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

**Accounts Receivable** includes taxes receivable, provincial grants receivable and other receivables. Taxes receivable represent education property taxes assessed or estimated owing to the end of the fiscal period but not yet received. The allowance for uncollected taxes is a valuation allowance used to reduce the amount reported for taxes receivable to the estimated net recoverable amount. The allowance represents management's estimate of the amount of taxes that will not be collected taking into consideration prior years' tax collections and information provided by municipalities regarding the collectability of outstanding balances. Provincial grants receivable represent capital grants earned but not received at the end of the fiscal year. Grants are earned when the events giving rise to the grant have occurred, the grant is authorized and any eligibility criteria have been met.

Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful.

**Portfolio Investments** consist of equity common shares with Synergy Credit Union and Lloydminster & District Co-operative and term deposits with initial maturity dates greater than 3 months. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (d).

### f) Non-Financial Assets

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the school division unless they are sold.

**Tangible Capital Assets** have useful lives extending beyond the accounting period, are used by the school division to provide services to the public and are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, design, construction, development, installation, and betterment of the tangible capital asset. The school division does not capitalize interest incurred while a tangible capital asset is under construction.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings*	50 years
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger	5 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

\*Buildings that include asbestos and are fully and/or nearly fully amortized have had their useful life reassessed and increased by 15 years.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2022**

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## 2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

Assets under construction are not amortized until completed and placed into service for use.

**Prepaid Expenses** are prepaid amounts for goods or services which will provide economic benefits in one or more future periods. Prepaid expenses include supplies, insurance premiums, Saskatchewan School Boards Association membership fees, vehicle license fees and software licenses.

### g) Liabilities

Liabilities are present obligations arising from transactions and events occurring prior to year-end, which will be satisfied in the future through the use of assets or another form of economic settlement.

**Accounts Payable and Accrued Liabilities** include accounts payable and accrued liabilities owing to third parties and employees for work performed, goods supplied, and services rendered, but not yet paid, at the end of the fiscal period.

**Asset Retirement Obligation (ARO)** consists of facilities that may contain asbestos. The school division recognizes the fair value of an ARO in the period in which it incurs a legal obligation associated with the retirement of a tangible capital asset. The estimated fair value of an ARO is capitalized as part of the related tangible capital asset and depreciated on the same basis as the underlying asset.

**Liability for Employee Future Benefits** represents post-employment and compensated absence benefits that accrue to the school division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method pro-rated on service. Actuarial valuations are performed periodically using assumptions including discount rate, inflation, salary escalation, termination and retirement rates and mortality. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2022**

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## **2. SIGNIFICANT ACCOUNTING POLICIES CONT'D**

### **h) Employee Pension Plans**

Employees of the school division participate in the following pension plans:

#### **Multi-Employer Defined Benefit Plans**

The school division's employees participate in one of the following multi-employer defined benefit plans:

- i)** Teachers participate in the Saskatchewan Teachers' Retirement Plan (STRP) or the Alberta Teachers' Retirement Fund (ATRF). The school division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.
- ii)** Other employees participate in the Municipal Employees' Pension Plan (MEPP). The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

#### **Defined Contribution Plans**

The school division's support staff participate in a defined contribution pension plan. The school division's contributions to the plan are expensed when due.

### **i) Revenue Recognition**

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

The school division's sources of revenue include the following:

#### **i) Government Transfers (Grants)**

Grants from governments are considered to be government transfers. Government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Transfers with stipulations that meet the definition of a liability are recorded as deferred revenue and recognized as revenue in the statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2022**

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## **2. SIGNIFICANT ACCOUNTING POLICIES CONT'D**

### **ii) Property Taxation**

Property tax is levied and collected on a calendar year basis. Uniform education property tax mill rates are set by the Government of Saskatchewan and agreed to by the board of education, although separate school divisions have a legislative right to set their own mill rates. Tax revenues are recognized on the basis of time with 1/12<sup>th</sup> of estimated total tax revenue recorded in each month of the school division's fiscal year. The tax revenue for the September to December portion of the fiscal year is based on the actual amounts reported by the municipalities for the calendar taxation year. For the January to August portion of its fiscal year, the school division estimates tax revenue based on estimate information provided by municipalities who levy and collect property tax on behalf of the school division. The final annual taxation amounts are reported to the division by each municipality following the conclusion of each calendar taxation year, and any difference between final amounts and the school division's estimates is recorded as an adjustment to revenue in the next fiscal year.

On January 1, 2018, pursuant to *The Education Property Tax Act*, the Government of Saskatchewan became the taxing authority for education property tax. The legislation provides authority to separate school divisions to set a bylaw to determine and apply their own mill rates for education property taxes. For both the 2021 and 2022 taxation years, the school division does have a bylaw in place.

Beginning on January 1, 2022, the school division and the City of Lloydminster entered into an agreement where the City of Lloydminster will pay 1/12<sup>th</sup> of the tax levy amount to the school division each month. The City of Lloydminster takes on all of the risk related to the collection of the tax levy, therefore the division records the tax payment received as income when it becomes due each month.

### **iii) Fees and Services**

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

### **iv) Interest Income**

Interest is recognized as revenue when it is earned.



**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2022**

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**2. SIGNIFICANT ACCOUNTING POLICIES CONT'D**

**v) Other (Non-Government Transfer) Contributions**

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the school division if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

**j) Accounting Changes**

**Modified Retroactive adjustment of opening accumulated surplus with restatement of prior period comparatives**

During the year, the school division implemented a new accounting policy with respect to its Asset Retirement Obligations (ARO) associated with tangible capital assets to conform to the new Public Sector Accounting standard for ARO (PS 3280). The Obligation has been accounted for using the modified retroactive application with restatement of prior period comparative amounts. The change in accounting policy has impacted the school division's financial statements as follows:

	<b>Previously Stated August 31, 2021</b>	<b>Increase (decrease)</b>	<b>Restated August 31, 2021</b>
Tangible Capital Assets	\$45,232,015	\$56,234	\$45,288,249
Accounts Payable and Accrued Liabilities	926,675	265,676	1,192,351
Accumulated Surplus	53,388,642	(209,442)	53,179,200
Amortization of Tangible Capital Assets	1,959,628	4,587	1,964,215

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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### 3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2022	2021
<b>Portfolio investments in the cost or amortized cost category:</b>	<b><u>Cost</u></b>	<b><u>Cost</u></b>
Equity common shares of Lloydminster & Distric Co-operative	\$ 41,901	\$ 41,852
Equity common shares of Synergy Credit Union	49,160	41,284
Synergy Credit Union term deposits, interest rates 1.10% - 4.45%, maturing October 2022 to July 2025	4,000,000	4,500,000
<b>Total portfolio investments reported at cost or amortized cost</b>	<b>\$ 4,091,061</b>	<b>\$ 4,583,136</b>

### 4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Amortization of TCA	2022 Actual	2021 Actual
					(Restated - Note 2(j))
Governance	\$ 97,969	\$ 85,142	\$ -	\$ 183,111	\$ 206,618
Administration	1,306,805	186,483	-	1,493,288	1,513,040
Instruction	21,528,169	1,483,137	475,601	23,486,907	23,560,747
Plant Operation & Maintenance	1,360,579	1,775,767	1,257,451	4,393,797	5,505,226
Student Transportation	828,563	602,230	189,973	1,620,766	1,493,790
Tuition and Related Fees	-	107,484	-	107,484	131,238
School Generated Funds	-	575,012	-	575,012	335,055
Complementary Services	670,556	89,885	-	760,441	728,407
External Services	57,610	141,731	-	199,341	128,822
Other	-	14,115	-	14,115	11,721
<b>TOTAL</b>	<b>\$ 25,850,251</b>	<b>\$ 5,060,986</b>	<b>\$ 1,923,025</b>	<b>\$ 32,834,262</b>	<b>\$ 33,614,664</b>

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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## 5. EMPLOYEE FUTURE BENEFITS

The school division provides certain post-employment, compensated absence and termination benefits to its employees. These benefits include accumulating non-vested sick leave and retirement gratuity. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. HUB International Limited, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2021 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2022.

Details of the employee future benefits are as follows:

	<b>2022</b>	<b>2021</b>
Long-term assumptions used:		
Discount rate at end of period (per annum)	4.01%	1.97%
Inflation and productivity rate - Teachers (excluding merit and promotion) (per annum)	2.50%	2.50%
Inflation and productivity rate - Non-Teachers (excluding merit and promotion) (per annum)	3.00%	3.00%
Expected average remaining service life (years)	15	15

<b>Liability for Employee Future Benefits</b>	<b>2022</b>	<b>2021</b>
<b>Accrued Benefit Obligation - beginning of year</b>	<b>\$ 381,500</b>	<b>\$ 457,800</b>
Current period service cost	33,300	41,700
Interest cost	8,000	7,600
Benefit payments	(17,500)	(9,600)
Actuarial gains	(127,700)	(116,000)
Plan amendments	6,000	-
<b>Accrued Benefit Obligation - end of year</b>	<b>283,600</b>	<b>381,500</b>
Unamortized net actuarial gains	192,000	73,500
<b>Liability for Employee Future Benefits</b>	<b>\$ 475,600</b>	<b>\$ 455,000</b>

<b>Employee Future Benefits Expense</b>	<b>2022</b>	<b>2021</b>
Current period service cost	\$ 33,300	\$ 41,700
Amortization of net actuarial (gain) loss	(3,200)	4,500
<b>Benefit cost</b>	<b>30,100</b>	<b>46,200</b>
Interest cost	8,000	7,600
<b>Total Employee Future Benefits Expense</b>	<b>\$ 38,100</b>	<b>\$ 53,800</b>

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## 6. PENSION PLANS

### Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the school division contributes is as follows:

#### i) Saskatchewan Teachers' Retirement Plan (STRP) and Alberta Teachers' Retirement Fund (ATRF)

The STRP and ATRF provide retirement benefits based on length of service and pensionable earnings.

The STRP and ATRF are funded by contributions by the participating employee members and the Governments of Saskatchewan and Alberta respectively. The school division's obligation to the STRP and ATRF is limited to collecting and remitting contributions of the employees at rates determined by the plans. Accordingly, these financial statements do not include any expense for employer contributions to these plans. Net pension assets or liabilities for these plans are not reflected in these financial statements as ultimate responsibility for retirement benefits rests with the Saskatchewan Teachers' Federation for the STRP and with the Government of Alberta for the ATRF.

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

	2022			2021
	STRP	ATRF	TOTAL	TOTAL
Number of active School Division members	192	27	219	192
Member contribution rate (percentage of salary)	9.50%/11.70%	10.87%/13.94%	9.50%/13.94%	9.50%/13.94%
Member contributions for the year	\$ 1,327,566	\$ 232,213	\$ 1,559,779	\$ 1,547,489

#### ii) Municipal Employees' Pension Plan (MEPP)

The MEPP provides retirement benefits based on length of service and pensionable earnings. The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees which could affect future contribution rates and/or benefits.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

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**6. PENSION PLANS CONT'D**

Details of the MEPP are as follows:

	<u>2022</u>	<u>2021</u>
Number of active School Division members	178	171
Member contribution rate (percentage of salary)	9.00%	9.00%
School Division contribution rate (percentage of salary)	9.00%	9.00%
Member contributions for the year	\$ 566,821	\$ 561,845
School Division contributions for the year	\$ 566,821	\$ 561,845
Actuarial extrapolation date	<u>Dec-31-2021</u>	<u>Dec-31-2020</u>
Plan Assets (in thousands)	\$ 3,568,400	\$ 3,221,426
Plan Liabilities (in thousands)	\$ 2,424,014	\$ 2,382,526
Plan Surplus (in thousands)	\$ 1,144,386	\$ 838,900

**7. ACCOUNTS RECEIVABLE**

All accounts receivable presented on the statement of financial position are net of any valuation allowances for doubtful accounts. Details of accounts receivable balances and allowances are as follows:

	<u>2022</u>			<u>2021</u>		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 262,064	\$ -	\$ 262,064	\$ 6,273	\$ -	\$ 6,273
Provincial Grants Receivable	895,743	-	895,743	-	-	-
Other Receivables	419,261	-	419,261	323,349	-	323,349
<b>Total Accounts Receivable</b>	<b>\$ 1,577,068</b>	<b>\$ -</b>	<b>\$ 1,577,068</b>	<b>\$ 329,622</b>	<b>\$ -</b>	<b>\$ 329,622</b>

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## 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2022	2021
		(Restated - Note 2(j))
Accrued Salaries and Benefits	\$ 209,534	\$ 190,601
Supplier Payments	2,059,658	721,079
Liability for Asset Retirement Obligation	265,676	265,676
Staff Funds	15,172	14,995
<b>Total Accounts Payable and Accrued Liabilities</b>	<b>\$ 2,550,040</b>	<b>\$ 1,192,351</b>

The school division recognized an estimated liability for Asset Retirement Obligation of \$265,676 (2021 - \$265,676) for the remediation of facility contaminants. The nature of the liability is related to asbestos containing materials within a number of the school divisions facilities that will be required to be properly disposed of when the building is disposed of, or remediation work is undertaken. The assumptions used in estimating the liability include the various types of asbestos containing materials within each of the school divisions buildings, along with the standard of work that will be required to safely remove the asbestos containing materials. Additionally, assumptions were made around the remaining useful life of all school division buildings that contain asbestos materials to determine when the remediation costs may be incurred.

## 9. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at August 31, 2021	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2022
<b>Capital projects:</b>				
Capital Grants - Government of Alberta	\$ -	\$ 5,860,000	\$ 3,363,987	\$ 2,496,013
<b>Total capital projects deferred revenue</b>	<b>-</b>	<b>5,860,000</b>	<b>3,363,987</b>	<b>2,496,013</b>
<b>Non-Capital deferred revenue:</b>				
Unearned fees for service	92,125	46,418	40,611	97,932
Unearned taxation revenue	745,522	-	661,659	83,863
Unearned donation for capital project	174,945	-	174,945	-
<b>Total non-capital deferred revenue</b>	<b>1,012,592</b>	<b>46,418</b>	<b>877,215</b>	<b>181,795</b>
<b>Total Deferred Revenue</b>	<b>\$ 1,012,592</b>	<b>\$ 5,906,418</b>	<b>\$ 4,241,202</b>	<b>\$ 2,677,808</b>

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**10. COMPLEMENTARY SERVICES**

Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the school division's ability to successfully deliver its K-12 curriculum/learning programs.

Following is a summary of the revenues and expenses of the Complementary Services programs operated by the school division:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Community and Inter- Agency Liason	Youth in Hospitals	Other Programs	2022	2021
<b>Revenues:</b>						
Operating Grants	\$ 137,049	\$ -	\$ -	\$ 155,900	\$ 292,949	\$ 246,392
Fees and Other Revenues	-	-	-	226,316	226,316	189,874
<b>Total Revenues</b>	<b>137,049</b>	<b>-</b>	<b>-</b>	<b>382,216</b>	<b>519,265</b>	<b>436,266</b>
<b>Expenses:</b>						
Salaries & Benefits	350,828	76,492	-	243,236	670,556	667,397
Supplies and Services	-	1,542	-	1,123	2,665	11,478
Travel	-	4,050	-	-	4,050	5,370
Professional Development (Non-Salary Costs)	-	1,316	-	-	1,316	225
Student Related Expenses	3,567	-	-	78,287	81,854	43,937
<b>Total Expenses</b>	<b>354,395</b>	<b>83,400</b>	<b>-</b>	<b>322,646</b>	<b>760,441</b>	<b>728,407</b>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<b>\$ (217,346)</b>	<b>\$ (83,400)</b>	<b>\$ -</b>	<b>\$ 59,570</b>	<b>\$ (241,176)</b>	<b>\$ (292,141)</b>

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## 11. EXTERNAL SERVICES

External services represent those services and programs that are outside of the school division's learning/learning support and complementary programs. These services have no direct link to the delivery of the school division's K-12 programs nor do they directly enhance the school division's ability to deliver its K-12 programs.

Following is a summary of the revenues and expenses of the External Services programs operated by the school division:

Summary of External Services Revenues and Expenses, by Program	Cafeteria	2022	2021
<b>Revenues:</b>			
Fees and Other Revenues	219,696	219,696	93,213
<b>Total Revenues</b>	<b>219,696</b>	<b>219,696</b>	<b>93,213</b>
<b>Expenses:</b>			
Salaries & Benefits	57,610	57,610	61,072
Supplies and Services	134,585	134,585	65,459
Non-Capital Equipment	6,321	6,321	1,206
Travel	825	825	825
Professional Development	-	-	260
<b>Total Expenses</b>	<b>199,341</b>	<b>199,341</b>	<b>128,822</b>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<b>\$ 20,355</b>	<b>\$ 20,355</b>	<b>\$ (35,609)</b>



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## 12. ACCUMULATED SURPLUS

Accumulated surplus represents the financial assets and non-financial assets of the school division less liabilities. This represents the accumulated balance of net surplus arising from the operations of the school division including school generated funds.

Certain amounts of the accumulated surplus, as approved by the board of education, have been designated for specific future purposes and are included in the accumulated surplus presented in the statement of financial position. The school division does not maintain separate bank accounts for designated assets.

Details of accumulated surplus are as follows:

	August 31, 2021	Additions during the year	Reductions during the year	August 31, 2022
	(Restated - Note 2(j))			
<b>Invested in Tangible Capital Assets:</b>				
Net Book Value of Tangible Capital Assets	\$ 45,288,249	\$ 6,664,050	\$ 1,923,025	\$ 50,029,274
Less: Liability for Asset Retirement Obligation	(265,676)	-	-	(265,676)
	<b>45,022,573</b>	<b>6,664,050</b>	<b>1,923,025</b>	<b>49,763,598</b>
<b>Designated Assets (Schedule F)</b>	<b>6,844,366</b>	<b>2,745,190</b>	<b>3,645,955</b>	<b>5,943,601</b>
<b>Unrestricted Surplus</b>	<b>1,312,261</b>	<b>-</b>	<b>607,663</b>	<b>704,598</b>
<b>Total Accumulated Surplus</b>	<b>\$ 53,179,200</b>	<b>\$ 9,409,240</b>	<b>\$ 6,176,643</b>	<b>\$ 56,411,797</b>

## 13. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 21, 2021 and the Minister of Education on August 27, 2021.

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#### 14. TRUSTS

The school division, as the trustee, administers trust funds for legacy scholarships. The trust assets and transactions are not included in the financial statements.

Information about these trusts is as follows:

	<u>Reiber</u>		<u>Brown</u>		<u>Arts</u>		<u>Ranger Rebekkah</u>		<u>Patrick Harty</u>		<u>William Gow</u>		<u>Total</u>	<u>Total</u>
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash and short-term investments	\$ 7,021	\$ 8,099	\$ 29,294	\$ 31,217	\$ 1,059	\$ 1,256	\$ 28,551	\$ 30,475	\$ 7,331	\$ 7,811	\$ 6,949	\$ 10,822	\$ 80,205	\$ 89,680
<b>Total Assets</b>	<b>7,021</b>	<b>8,099</b>	<b>29,294</b>	<b>31,217</b>	<b>1,059</b>	<b>1,256</b>	<b>28,551</b>	<b>30,475</b>	<b>7,331</b>	<b>7,811</b>	<b>6,949</b>	<b>10,822</b>	<b>80,205</b>	<b>89,680</b>
<b>Revenues</b>														
Interest on investments	20	84	77	325	3	13	76	337	20	86	27	117	223	962
	20	84	77	325	3	13	76	337	20	86	27	117	223	962
<b>Expenses</b>														
Awards to students	1,098	-	2,000	2,000	200	-	2,000	2,000	500	500	3,900	1,200	9,698	5,700
	1,098	-	2,000	2,000	200	-	2,000	2,000	500	500	3,900	1,200	9,698	5,700
Excess (Deficiency) of Revenues over Expenses	(1,078)	84	(1,923)	(1,675)	(197)	13	(1,924)	(1,663)	(480)	(414)	(3,873)	(1,083)	(9,475)	(4,738)
Trust Fund Balance, Beginning of Year	8,099	8,015	31,217	32,892	1,256	1,243	30,475	32,138	7,811	8,225	10,822	11,905	89,680	94,418
<b>Trust Fund Balance, End of Year</b>	<b>\$ 7,021</b>	<b>\$ 8,099</b>	<b>\$ 29,294</b>	<b>\$ 31,217</b>	<b>\$ 1,059</b>	<b>\$ 1,256</b>	<b>\$ 28,551</b>	<b>\$ 30,475</b>	<b>\$ 7,331</b>	<b>\$ 7,811</b>	<b>\$ 6,949</b>	<b>\$ 10,822</b>	<b>\$ 80,205</b>	<b>\$ 89,680</b>

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## 15. CONTINGENT LIABILITIES

The school division has been named as a defendant in certain legal actions in which damages have been sought. The outcome of these actions is not determinable as at the date of reporting and accordingly, no provision has been made in these financial statements for any liability that may result. The school division's share of settlement, if any, will be charged to expenses in the year in which the amount is determinable.

## 16. CONTRACTUAL OBLIGATIONS

Significant contractual obligations of the school division are as follows:

- Signed Project Management contract with Colliers Project Leaders Inc. in the amount of \$270,480. Balance remaining on the contract is \$18,832 over the length of the Holy Rosary Expansion project, expected completion February 2023.
- Architectural contract signed to Wallace Klypak Architects Ltd. In the amount of \$720,900. Balance remaining on the contract is \$110,205 for Architectural designs for the Holy Rosary Expansion project, expiring upon the completion of services rendered, expected completion February 2023.
- Construction Management Services contract to Quorex Construction Services Ltd. in the amount of \$570,605. Balance remaining on the contract is \$216,309 for the Holy Rosary Expansion project, expected completion February 2023.
- Construction Contract to Quorex Construction Services Ltd. in the amount of \$7,652,108. Balance remaining of \$3,246,359 for construction of the Holy Rosary Expansion project, expected completion February 2023.

## 17. RISK MANAGEMENT

The school division is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk (consisting of interest rate risk).

### i) Credit Risk

Credit risk is the risk to the school division from potential non-payment of accounts receivable. The credit risk related to the school division's receivables from the provincial government, federal government and their agencies are considered to be minimal. For other receivables, the school division has adopted credit policies which include the close monitoring of overdue accounts.

The school division does not have a significant exposure to any individual customer. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect impairment in collectability.

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## 17. RISK MANAGEMENT CONT'D

The aging of grants and other accounts receivable as at August 31, 2022, was:

	August 31, 2022				
	Total	0-30 days	31-60 days	61-90 days	Over 90 days
Grants Receivable	\$ 895,743	\$ 895,743	\$ -	\$ -	\$ -
Other Receivables	176,930	121,870	27,037	25,553	2,470
<b>Gross Receivables</b>	<b>1,072,673</b>	<b>1,017,613</b>	<b>27,037</b>	<b>25,553</b>	<b>2,470</b>
Allowance for Doubtful Accounts	-	-	-	-	-
<b>Net Receivables</b>	<b>\$ 1,072,673</b>	<b>\$ 1,017,613</b>	<b>\$ 27,037</b>	<b>\$ 25,553</b>	<b>\$ 2,470</b>

Receivable amounts related to GST and Property Tax are not applicable to credit risk, as these do not meet the definition of a financial instrument.

### ii) Liquidity Risk

Liquidity risk is the risk that the school division will not be able to meet its financial obligations as they come due. The school division manages liquidity risk by maintaining adequate cash balances, budget practices and monitoring, forecast, etc.

The following table sets out the contractual maturities of the school division's financial liabilities:

	August 31, 2022				
	Total	Within 6 months	6 months to 1 year		> 5 years
Accounts payable and accrued liabilities	\$ 2,550,040	\$ 2,284,364	\$ -	\$ -	\$ 265,676
<b>Total</b>	<b>\$ 2,550,040</b>	<b>\$ 2,284,364</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 265,676</b>

### iii) Market Risk

The school division is exposed to market risks with respect to interest rates, as follows:

#### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The school division's interest rate exposure relates to cash and cash equivalents.

The school division also has an authorized bank line of credit of \$4,000,000 with interest payable monthly at a rate of prime per annum. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2022.

The school division minimizes these risks by:

- Investing in GICs and term deposits for short terms at fixed interest rates
- Managing cash flows to minimize utilization of its bank line of credit

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**18. COVID-19 PANDEMIC**

The COVID-19 pandemic is complex and rapidly evolving. It has caused material disruption to businesses and has resulted in an economic slowdown. The school division continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the school division's financial position and operations.