
Audited Financial Statements

Of the Lloydminster Roman Catholic Separate School Division No. 89

School Division No. 6060000

For the Period Ending: August 31, 2023



Chief Financial Officer



Auditor

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

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
FINANCIAL STATEMENTS
AUGUST 31, 2023**

INDEX

	PAGE
Management's responsibility for the financial statements	2
Independent auditor's report	3 - 4
Statement of financial position	5
Statement of operations and accumulated surplus from operations	6
Statement of changes in net financial assets	7
Statement of cash flows	8
Schedule A: Supplementary details of revenue	9 - 11
Schedule B: Supplementary details of expenses	12 - 14
Schedule C: Supplementary details of tangible capital assets	15
Schedule D: Non-cash items included in surplus	16
Schedule E: Net change in non-cash operating activities	16
Schedule F: Detail of Designated Assets	17
Notes to the financial statements	18 - 34

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.

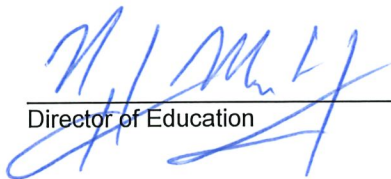
The Board of Education is composed of elected officials who are not employees of the School Division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible 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 22, 2023

Independent Auditor's Report

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, 2023, 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, 2023, 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.

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 22, 2023

MNP LLP
Chartered Professional Accountants

Lloydminster Roman Catholic Separate School Division No. 89

Statement of Financial Position

as at August 31, 2023

	2023	2022
	\$	\$
Financial Assets		
Cash and Cash Equivalents	1,576,664	6,086,555
Accounts Receivable (Note 7)	2,129,027	1,577,068
Portfolio Investments (Note 3)	3,584,068	4,091,061
Total Financial Assets	7,289,759	11,754,684
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	1,460,378	2,550,040
Liability for Employee Future Benefits (Note 5)	480,800	475,600
Deferred Revenue (Note 9)	210,329	2,677,808
Total Liabilities	2,151,507	5,703,448
Net Financial Assets	5,138,252	6,051,236
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	54,930,981	50,029,274
Prepaid Expenses	290,926	331,287
Total Non-Financial Assets	55,221,907	50,360,561
Accumulated Surplus (Note 12)	60,360,159	56,411,797

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, 2023

	2023	2023	2022
	Budget	Actual	Actual
	\$	\$	\$
REVENUES	(Note 13)		
Property Taxes and Other Related	3,144,338	2,742,133	3,353,310
Grants	32,312,394	32,971,910	30,812,159
Tuition and Related Fees	22,298	26,758	22,931
School Generated Funds	685,344	657,220	620,703
Complementary Services (Note 10)	541,989	615,433	519,265
External Services (Note 11)	245,338	310,267	272,287
Other	426,456	581,613	466,204
Total Revenues (Schedule A)	37,378,157	37,905,334	36,066,859
EXPENSES			
Governance	214,483	233,260	183,111
Administration	1,519,573	1,627,048	1,493,288
Instruction	23,508,606	23,812,028	23,371,687
Plant Operation & Maintenance	4,597,647	4,700,619	4,393,797
Student Transportation	1,607,761	1,631,929	1,620,766
Tuition and Related Fees	168,000	117,741	107,484
School Generated Funds	683,746	621,047	575,012
Complementary Services (Note 10)	766,036	874,539	760,441
External Services (Note 11)	287,399	334,218	314,561
Other	10,000	4,543	14,115
Total Expenses (Schedule B)	33,363,251	33,956,972	32,834,262
Operating Surplus for the Year	4,014,906	3,948,362	3,232,597
Accumulated Surplus from Operations, Beginning of Year	56,411,797	56,411,797	53,179,200
Accumulated Surplus from Operations, End of Year	60,426,703	60,360,159	56,411,797

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, 2023**

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
	(Note 13)		
Net Financial Assets, Beginning of Year	6,051,236	6,051,236	7,501,899
Changes During the Year			
Operating Surplus, for the Year	4,014,906	3,948,362	3,232,597
Acquisition of Tangible Capital Assets (Schedule C)	(7,696,000)	(6,773,289)	(6,664,050)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	9,000	-
Net Gain on Disposal of Capital Assets (Schedule C)	-	(9,000)	-
Amortization of Tangible Capital Assets (Schedule C)	1,864,439	1,871,582	1,923,025
Net Change in Other Non-Financial Assets	-	40,361	57,765
Change in Net Financial Asset	(1,816,655)	(912,984)	(1,450,663)
Net Financial Assets, End of Year	4,234,581	5,138,252	6,051,236

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, 2023

	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Operating Surplus for the Year	3,948,362	3,232,597
Add Non-Cash Items Included in Surplus (Schedule D)	1,862,582	1,923,025
Net Change in Non-Cash Operating Activities (Schedule E)	(4,063,539)	1,853,824
Cash Provided by Operating Activities	1,747,405	7,009,446
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(6,773,289)	(6,664,050)
Proceeds on Disposal of Tangible Capital Assets	9,000	-
Cash Used in Capital Activities	(6,764,289)	(6,664,050)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(12,167)	(7,925)
Proceeds on Disposal of Portfolio Investments	519,160	500,000
Cash Provided by Investing Activities	506,993	492,075
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(4,509,891)	837,471
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,086,555	5,249,084
CASH AND CASH EQUIVALENTS, END OF YEAR	1,576,664	6,086,555

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, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Property Taxes and Other Related Revenue	(Note 13)		
Tax Levy Revenue			
Property Tax Levy Revenue	3,144,338	2,742,133	3,339,083
Total Property Tax Revenue	3,144,338	2,742,133	3,339,083
Grants in Lieu of Taxes			
Federal Government	-	-	176
Provincial Government	-	-	3,242
Total Grants in Lieu of Taxes	-	-	3,418
Additions to Levy			
Penalties	-	-	18,753
Total Additions to Levy	-	-	18,753
Deletions from Levy			
Cancellations	-	-	(7,944)
Total Deletions from Levy	-	-	(7,944)
Total Property Taxes and Other Related Revenue	3,144,338	2,742,133	3,353,310
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	10,990,076	11,251,505	9,801,144
Operating Grant/PMR	274,325	253,089	274,325
Other Ministry Grants	-	241,255	131,885
Total Ministry Grants	11,264,401	11,745,849	10,207,354
Other Provincial Grants	116,029	-	-
Grants from Others	14,935,964	15,861,561	15,180,426
Total Operating Grants	26,316,394	27,607,410	25,387,780
Capital Grants			
Ministry of Education Capital Grants	1,896,000	2,067,987	1,856,386
Other Capital Grants	4,100,000	3,296,513	3,567,993
Total Capital Grants	5,996,000	5,364,500	5,424,379
Total Grants	32,312,394	32,971,910	30,812,159

Lloydminster Roman Catholic Separate School Division No. 89
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Tuition and Related Fees Revenue	(Note 13)		
Operating Fees			
Tuition Fees			
Federal Government and First Nations	22,298	26,758	22,931
Total Tuition Fees	22,298	26,758	22,931
Total Tuition and Related Fees Revenue	22,298	26,758	22,931
School Generated Funds Revenue			
Curricular			
Student Fees	144,506	171,156	147,016
Total Curricular Fees	144,506	171,156	147,016
Non-Curricular Fees			
Commercial Sales - Non-GST	26,600	31,715	36,676
Fundraising	314,950	215,931	243,902
Grants and Partnerships	35,510	35,510	34,040
Students Fees	163,778	202,908	159,069
Total Non-Curricular Fees	540,838	486,064	473,687
Total School Generated Funds Revenue	685,344	657,220	620,703
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	163,546	138,546	137,049
Other Ministry Grants	-	58,745	-
Other Provincial Grants	17,145	-	8,575
Federal Grants	-	-	25,000
Other Grants	147,250	144,395	122,325
Total Operating Grants	327,941	341,686	292,949
Fees and Other Revenue			
Tuition and Related Fees	189,510	245,253	206,059
Other Revenue	24,538	28,494	20,257
Total Fees and Other Revenue	214,048	273,747	226,316
Total Complementary Services Revenue	541,989	615,433	519,265

Lloydminster Roman Catholic Separate School Division No. 89
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
External Services	(Note 13)		
Operating Grants			
Other Grants	40,480	46,260	52,591
Total Operating Grants	40,480	46,260	52,591
Other Revenue	204,858	264,007	219,696
Total Fees and Other Revenue	204,858	264,007	219,696
Total External Services Revenue	245,338	310,267	272,287
Other Revenue			
Miscellaneous Revenue	123,362	178,333	131,839
Sales & Rentals	168,086	168,075	152,831
Investments	135,008	226,205	181,534
Gain on Disposal of Capital Assets	-	9,000	-
Total Other Revenue	426,456	581,613	466,204
TOTAL REVENUE FOR THE YEAR	37,378,157	37,905,334	36,066,859

Lloydminster Roman Catholic Separate School Division No. 89
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Governance Expense	(Note 13)		
Board Members Expense	106,233	115,312	97,969
Professional Development - Board Members	8,900	9,713	3,999
Grants to School Community Councils	12,000	-	-
Other Governance Expenses	87,350	108,235	81,143
Total Governance Expense	214,483	233,260	183,111
Administration Expense			
Salaries	1,216,648	1,263,505	1,175,102
Benefits	118,071	136,332	131,703
Supplies & Services	91,564	121,235	102,021
Non-Capital Furniture & Equipment	12,000	15,389	13,393
Communications	35,000	26,145	27,563
Travel	41,290	53,885	40,728
Professional Development	5,000	10,557	2,778
Total Administration Expense	1,519,573	1,627,048	1,493,288
Instruction Expense			
Instructional (Teacher Contract) Salaries	15,420,056	15,404,577	15,496,562
Instructional (Teacher Contract) Benefits	917,772	932,772	912,711
Program Support (Non-Teacher Contract) Salaries	4,621,868	4,487,468	4,283,635
Program Support (Non-Teacher Contract) Benefits	904,971	855,739	835,261
Instructional Aids	379,757	308,712	322,599
Supplies & Services	340,731	371,018	316,604
Non-Capital Furniture & Equipment	168,253	380,516	226,123
Communications	101,750	100,856	97,162
Travel	36,338	46,258	46,201
Professional Development	126,906	166,947	84,333
Student Related Expense	141,889	325,471	274,895
Amortization of Tangible Capital Assets	348,315	431,694	475,601
Total Instruction Expense	23,508,606	23,812,028	23,371,687

Lloydminster Roman Catholic Separate School Division No. 89
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023	2023	2022
	Budget	Actual	Actual
	\$	\$	\$
Plant Operation & Maintenance Expense	(Note 13)		
Salaries	1,210,089	1,266,409	1,142,986
Benefits	226,225	223,970	217,593
Non-Capital Furniture & Equipment	-	3,628	-
Building Operating Expenses	1,777,106	1,898,613	1,727,986
Communications	25,865	27,588	27,069
Travel	15,000	22,249	20,473
Professional Development	-	711	239
Amortization of Tangible Capital Assets	1,343,362	1,252,864	1,252,864
Amortization of Tangible Capital Assets ARO	-	4,587	4,587
Total Plant Operation & Maintenance Expense	4,597,647	4,700,619	4,393,797
Student Transportation Expense			
Salaries	720,440	746,754	696,749
Benefits	140,251	140,806	131,814
Supplies & Services	216,957	217,021	209,269
Non-Capital Furniture & Equipment	202,300	201,645	244,453
Building Operating Expenses	30,769	30,620	41,329
Communications	3,358	2,641	3,889
Travel	3,924	3,324	3,324
Professional Development	2,800	-	808
Contracted Transportation	114,200	106,681	99,158
Amortization of Tangible Capital Assets	172,762	182,437	189,973
Total Student Transportation Expense	1,607,761	1,631,929	1,620,766
Tuition and Related Fees Expense			
Tuition Fees	168,000	117,741	107,484
Total Tuition and Related Fees Expense	168,000	117,741	107,484
School Generated Funds Expense			
Academic Supplies & Services	70,329	64,241	58,058
Cost of Sales	45,100	74,715	67,307
School Fund Expenses	568,317	482,091	449,647
Total School Generated Funds Expense	683,746	621,047	575,012

Lloydminster Roman Catholic Separate School Division No. 89
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Complementary Services Expense	(Note 13)		
Administration Salaries & Benefits	86,084	102,165	103,316
Instructional (Teacher Contract) Salaries & Benefits	177,995	188,611	181,173
Program Support (Non-Teacher Contract) Salaries & Benefits	365,978	427,519	386,067
Supplies & Services	1,000	1,847	2,665
Travel	4,875	3,225	4,050
Professional Development (Non-Salary Costs)	500	100	1,316
Student Related Expenses	129,604	151,072	81,854
Total Complementary Services Expense	766,036	874,539	760,441
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	62,494	68,512	57,610
Supplies & Services	222,080	263,913	249,805
Non-Capital Furniture & Equipment	2,000	968	6,321
Travel	825	825	825
Total External Services Expense	287,399	334,218	314,561
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	10,000	4,543	14,115
Total Interest and Bank Charges	10,000	4,543	14,115
Total Other Expense	10,000	4,543	14,115
TOTAL EXPENSES FOR THE YEAR	33,363,251	33,956,972	32,834,262

Lloydminster Roman Catholic Separate School Division No. 89

**Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2023**

	Land		Buildings		Buildings	School	Other	Furniture and	Computer Hardware and	Assets		
	Land	Improvements	Buildings	Short-Term	ARO	Buses	Vehicles	Equipment	Audio Visual Equipment	Under Construction	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets - at Cost												
Opening Balance as of September 1	3,340,556	2,299,652	55,737,689	2,726,210	265,676	2,909,244	174,957	2,065,893	951,566	6,320,180	76,791,623	70,829,041
Additions/Purchases	-	-	-	-	-	-	-	92,837	178,507	6,501,945	6,773,289	6,664,050
Disposals	-	-	-	-	-	-	-	(245,467)	(313,080)	-	(558,547)	(701,468)
Closing Balance as of August 31	3,340,556	2,299,652	55,737,689	2,726,210	265,676	2,909,244	174,957	1,913,263	816,993	12,822,125	83,006,365	76,791,623
Tangible Capital Assets - Amortization												
Opening Balance as of September 1	-	1,513,016	19,579,202	1,264,439	214,029	1,893,483	98,970	1,614,380	584,830	-	26,762,349	25,540,792
Amortization of the Period	-	83,620	1,136,295	109,919	4,587	164,941	17,496	191,326	163,398	-	1,871,582	1,923,025
Disposals	-	-	-	-	-	-	-	(245,467)	(313,080)	-	(558,547)	(701,468)
Closing Balance as of August 31	N/A	1,596,636	20,715,497	1,374,358	218,616	2,058,424	116,466	1,560,239	435,148	N/A	28,075,384	26,762,349
Net Book Value												
Opening Balance as of September 1	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
Closing Balance as of August 31	3,340,556	703,016	35,022,192	1,351,852	47,060	850,820	58,491	353,024	381,845	12,822,125	54,930,981	50,029,274
Change in Net Book Value	-	(83,620)	(1,136,295)	(109,919)	(4,587)	(164,941)	(17,496)	(98,489)	15,109	6,501,945	4,901,707	4,741,025
Disposals												
Historical Cost	-	-	-	-	-	-	-	245,467	313,080	-	558,547	701,468
Accumulated Amortization	-	-	-	-	-	-	-	245,467	313,080	-	558,547	701,468
Net Cost	-	-	-	-	-	-	-	-	-	-	-	-
Price of Sale	-	-	-	-	-	-	-	9,000	-	-	9,000	-
Gain on Disposal	-	-	-	-	-	-	-	9,000	-	-	9,000	-

An asset retirement obligation for the removal and disposal of asbestos (Note 8) is related to buildings with a net book value of \$3,475,285 (2022 - \$3,727,296)

Lloydminster Roman Catholic Separate School Division No. 89

**Schedule D: Non-Cash Items Included in Surplus
for the year ended August 31, 2023**

	2023	2022
	\$	\$
Non-Cash Items Included in Surplus		
Amortization of Tangible Capital Assets (Schedule C)	1,871,582	1,923,025
Net Gain on Disposal of Tangible Capital Assets (Schedule C)	(9,000)	-
Total Non-Cash Items Included in Surplus	1,862,582	1,923,025

Lloydminster Roman Catholic Separate School Division No. 89

**Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2023**

	2023	2022
	\$	\$
Net Change in Non-Cash Operating Activities		
Increase in Accounts Receivable	(551,959)	(1,247,446)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(1,089,662)	1,357,689
Increase in Liability for Employee Future Benefits	5,200	20,600
(Decrease) Increase in Deferred Revenue	(2,467,479)	1,665,216
Decrease in Prepaid Expenses	40,361	57,765
Total Net Change in Non-Cash Operating Activities	(4,063,539)	1,853,824

Lloydminster Roman Catholic Separate School Division No. 89

Schedule F: Detail of Designated Assets
for the year ended August 31, 2023

	August 31 2022	Additions during the year	Reductions during the year	August 31 2023
	\$	\$	\$	\$ (Note 12)
External Sources				
Contractual Agreements				
Capital Maintenance and Renewal	76,944	143,365	197,104	23,205
Province of Alberta Grants	-	188,080	-	188,080
Total Contractual Agreements	76,944	331,445	197,104	211,285
Jointly Administered Funds				
School Generated Funds	197,459	561,241	546,424	212,276
School Community Council	49,975	110,979	74,623	86,331
Total Jointly Administered Funds	247,434	672,220	621,047	298,607
Ministry of Education				
Designated for tangible capital asset expenditures	1,573,431	-	1,017,818	555,613
PMR maintenance project allocations	243,259	253,089	262,044	234,304
Total Ministry of Education	1,816,690	253,089	1,279,862	789,917
Total	2,141,068	1,256,754	2,098,013	1,299,809
Internal Sources				
Curriculum and student learning				
Educational Programming Reserve	667,000	-	-	667,000
Total curriculum and student learning	667,000	-	-	667,000
Facilities				
Administrative Building	270,000	-	-	270,000
Facility Renewal	840,000	60,000	-	900,000
Grounds/Parking Lot	300,000	-	-	300,000
Playground & Faith Centre Renewal	200,000	-	-	200,000
Surveillance Replacement	100,000	-	-	100,000
Synergy Vault	100,000	-	-	100,000
Total facilities	1,810,000	60,000	-	1,870,000
Furniture and equipment				
Kitchen Equipment Replacement	100,000	-	-	100,000
Total furniture and equipment	100,000	-	-	100,000
Information technology				
Information Technology Resource Contingency	25,533	7,700	-	33,233
Technology Replacement Reserve	600,000	-	-	600,000
Total information technology	625,533	7,700	-	633,233
Transportation				
Bus Fleet Expansion Reserve	400,000	-	-	400,000
Other Vehicle Reserve	200,000	-	-	200,000
Total transportation	600,000	-	-	600,000
Total	3,802,533	67,700	-	3,870,233
Total Designated Assets	5,943,601	1,324,454	2,098,013	5,170,042

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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 \$480,800 (2022 - \$475,600) because actual experience may differ significantly from actuarial estimations.
- useful lives of capital assets and related accumulated amortization of \$28,075,384 (2022 - \$26,762,349) because the actual useful lives of the capital assets may differ from their estimated economic lives.
- estimated undiscounted asset retirement obligation of \$265,676 (2022 - \$265,676) because actual expense may differ significantly from valuation estimates.
- property taxation revenue of \$2,742,133 (2022 - \$3,353,310) because final tax assessments may differ from initial estimates.

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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, 2023

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 and operating 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, 2023

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 or vermiculite. 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 amortized 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, 2023

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, 2023

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 1/12th 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 2022 and 2023 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 1/12th 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, 2023

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.

3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2023	2022
Portfolio investments in the cost or amortized cost category:	<u>Cost</u>	<u>Cost</u>
Equity common shares of Lloydminster & District Co-operative	\$ 41,944	\$ 41,901
Equity common shares of Synergy Credit Union	42,124	49,160
Synergy Credit Union term deposits, interest rates 1.10% - 5.05%, maturing January 2024 to January 2027	3,500,000	4,000,000
Total portfolio investments reported at cost or amortized cost	3,584,068	4,091,061

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Amortization of TCA	2023 Actual	2022 Actual
Governance	\$ 115,312	\$ 117,948	\$ -	\$ 233,260	\$ 183,111
Administration	1,399,837	227,211	-	1,627,048	1,493,288
Instruction	21,680,556	1,699,778	431,694	23,812,028	23,371,687
Plant Operation & Maintenance	1,490,379	1,952,789	1,257,451	4,700,619	4,393,797
Student Transportation	887,560	561,932	182,437	1,631,929	1,620,766
Tuition and Related Fees	-	117,741	-	117,741	107,484
School Generated Funds	-	621,047	-	621,047	575,012
Complementary Services	718,295	156,244	-	874,539	760,441
External Services	68,512	265,706	-	334,218	314,561
Other	-	4,543	-	4,543	14,115
TOTAL	\$ 26,360,451	\$ 5,724,939	\$ 1,871,582	\$ 33,956,972	\$ 32,834,262

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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, 2023.

Details of the employee future benefits are as follows:

	2023	2022
Long-term assumptions used:		
Discount rate at end of period (per annum)	4.40%	4.01%
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

Liability for Employee Future Benefits	2023	2022
Accrued Benefit Obligation - beginning of year	\$ 283,600	\$ 381,500
Current period service cost	24,200	33,300
Interest cost	11,900	8,000
Benefit payments	(20,100)	(17,500)
Actuarial (gains)	(12,600)	(127,700)
Plan amendments	-	6,000
Accrued Benefit Obligation - end of year	287,000	283,600
Unamortized net actuarial gains	193,800	192,000
Liability for Employee Future Benefits	\$ 480,800	\$ 475,600

Employee Future Benefits Expense	2023	2022
Current period service cost	\$ 24,200	\$ 33,300
Amortization of net actuarial (gain)	(10,800)	(3,200)
Benefit cost	13,400	30,100
Interest cost	11,900	8,000
Total Employee Future Benefits Expense	\$ 25,300	\$ 38,100

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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:

	2023			2022
	STRP	ATRF	TOTAL	TOTAL
Number of active School Division members	195	36	231	219
Member contribution rate (percentage of salary)	9.50%/11.70%	9.00%/12.86%	9.00%/12.86%	9.50%/13.94%
Member contributions for the year	\$ 1,281,371	\$ 281,284	\$ 1,562,655	\$ 1,559,779

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.

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

6. PENSION PLANS CONT'D

Details of the MEPP are as follows:

	<u>2023</u>	<u>2022</u>
Number of active School Division members	185	178
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	\$ 596,319	\$ 566,821
School Division contributions for the year	\$ 596,319	\$ 566,821
Actuarial extrapolation date	<u>Dec-31-2022</u>	<u>Dec-31-2021</u>
Plan Assets (in thousands)	\$ 3,275,495	\$ 3,568,400
Plan Liabilities (in thousands)	\$ 2,254,194	\$ 2,424,014
Plan Surplus (in thousands)	\$ 1,021,301	\$ 1,144,386

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>2023</u>			<u>2022</u>		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 140,534	\$ -	\$ 140,534	\$ 262,064	\$ -	\$ 262,064
Provincial Grants Receivable	1,434,091	-	1,434,091	895,743	-	895,743
Other Receivables	554,402	-	554,402	419,261	-	419,261
Total Accounts Receivable	\$ 2,129,027	\$ -	\$ 2,129,027	\$ 1,577,068	\$ -	\$ 1,577,068

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2023	2022
Accrued Salaries and Benefits	\$ 111,676	\$ 209,534
Supplier Payments	1,071,532	2,059,658
Liability for Asset Retirement Obligation	265,676	265,676
Staff Funds	11,494	15,172
Total Accounts Payable and Accrued Liabilities	\$ 1,460,378	\$ 2,550,040

The school division recognized an estimated liability for Asset Retirement Obligation of \$265,676 (2022 - \$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, 2022	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2023
Capital projects:				
Capital Grants - Government of Alberta	\$ 2,496,013	\$ -	\$ 2,496,013	\$ -
Total capital projects deferred revenue	2,496,013	-	2,496,013	-
Non-Capital deferred revenue:				
Unearned fees for service	97,932	35,570	78,214	55,288
Unearned taxation revenue	83,863	48,143	83,863	48,143
Unearned tuition fees	-	22,332	-	22,332
Unearned donations received	-	84,566	-	84,566
Total non-capital deferred revenue	181,795	190,611	162,077	210,329
Total Deferred Revenue	\$ 2,677,808	\$ 190,611	\$ 2,658,090	\$ 210,329

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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	Other Programs	2023	2022
Revenues:					
Operating Grants	\$ 138,546	\$ -	\$ 203,140	\$ 341,686	\$ 292,949
Fees and Other Revenues	-	-	273,747	273,747	226,316
Total Revenues	138,546	-	476,887	615,433	519,265
Expenses:					
Salaries & Benefits	384,646	75,351	258,298	718,295	670,556
Supplies and Services	-	1,847	-	1,847	2,665
Travel	-	3,225	-	3,225	4,050
Professional Development (Non-Salary Costs)	-	100	-	100	1,316
Student Related Expenses	3,057	-	148,015	151,072	81,854
Total Expenses	387,703	80,523	406,313	874,539	760,441
Excess (Deficiency) of Revenues over Expenses	\$(249,157)	\$ (80,523)	\$ 70,574	\$(259,106)	\$(241,176)

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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	Driver Education Program	Cafeteria	2023	2022
Revenues:				
Fees and Other Revenues	\$ 46,260	\$ 264,007	\$ 310,267	\$ 272,287
Total Revenues	46,260	264,007	310,267	272,287
Expenses:				
Salaries & Benefits	-	68,512	68,512	57,610
Supplies and Services	101,390	162,523	263,913	249,805
Non-Capital Equipment	-	968	968	6,321
Travel	-	825	825	825
Total Expenses	101,390	232,828	334,218	314,561
Excess (Deficiency) of Revenues over Expenses	\$ (55,130)	\$ 31,179	\$ (23,951)	\$ (42,274)

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89

NOTES TO THE FINANCIAL STATEMENTS

As at August 31, 2023

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, 2022	Additions during the year	Reductions during the year	August 31, 2023
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 50,029,274	\$ 6,773,289	\$ 1,871,582	\$ 54,930,981
Less: Liability for Asset Retirement Obligation	(265,676)	-	-	(265,676)
	49,763,598	6,773,289	1,871,582	54,665,305
Designated Assets (Schedule F)	5,943,601	1,324,454	2,098,013	5,170,042
Unrestricted Surplus	704,598	-	179,786	524,812
Total Accumulated Surplus	\$ 56,411,797	\$ 8,097,743	\$ 4,149,381	\$ 60,360,159

13. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on August 22, 2022, and the Minister of Education on October 27, 2022. Subsequently, certain line items in the budget were reclassified, although the total revenue and total expenses are unchanged. Per the Ministry of Education's directive, grants and expenses for the Drivers Education Program were reclassified from Instruction to External Services.

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash and short-term investments	\$ 6,260	\$ 7,021	\$ 27,369	\$ 29,294	\$ 862	\$ 1,059	\$ 26,623	\$ 28,551	\$ 6,349	\$ 7,331	\$ 5,473	\$ 6,949	\$ 72,936	\$ 80,205
Total Assets	6,260	7,021	27,369	29,294	862	1,059	26,623	28,551	6,349	7,331	5,473	6,949	72,936	80,205
Revenues														
Interest on investments	19	20	75	77	3	3	72	76	18	20	24	27	211	223
	19	20	75	77	3	3	72	76	18	20	24	27	211	223
Expenses														
Awards to students	780	1,098	2,000	2,000	200	200	2,000	2,000	1,000	500	1,500	3,900	7,480	9,698
	780	1,098	2,000	2,000	200	200	2,000	2,000	1,000	500	1,500	3,900	7,480	9,698
(Deficiency) of Revenues over Expenses	(761)	(1,078)	(1,925)	(1,923)	(197)	(197)	(1,928)	(1,924)	(982)	(480)	(1,476)	(3,873)	(7,269)	(9,475)
Trust Fund Balance, Beginning of Year	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
Trust Fund Balance, End of Year	\$ 6,260	\$ 7,021	\$ 27,369	\$ 29,294	\$ 862	\$ 1,059	\$ 26,623	\$ 28,551	\$ 6,349	\$ 7,331	\$ 5,473	\$ 6,949	\$ 72,936	\$ 80,205

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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 \$389,042. Balance remaining on the contract is \$3,081 over the length of the Holy Rosary Expansion project, expected completion October 2023.
- Architectural contract signed to Wallace Klypak Architects Ltd. In the amount of \$810,620. Balance remaining on the contract is \$15,023 for Architectural designs for the Holy Rosary Expansion project, expiring upon the completion of services rendered, expected completion October 2023.
- Construction Management Services contract to Quorex Construction Services Ltd. in the amount of \$559,973. Balance remaining on the contract is \$5,600 for the Holy Rosary Expansion project, expected completion October 2023.
- Construction Contract to Quorex Construction Services Ltd. in the amount of \$8,852,225. Balance remaining of \$86,809 for construction of the Holy Rosary Expansion project, expected completion October 2023.

17. COMPARATIVE INFORMATION

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

18. 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.

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

18. RISK MANAGEMENT CONT'D

The aging of grants and other accounts receivable as at August 31, 2023, was:

	August 31, 2023			
	Total	0-30 days	31-60 days	61-90 days
Grants Receivable	\$ 1,434,091	\$ 1,434,091	\$ -	\$ -
Other Receivables	147,688	121,224	26,126	338
Gross Receivables	1,581,779	1,555,315	26,126	338
Allowance for Doubtful Accounts	-	-	-	-
Net Receivables	\$ 1,581,779	\$ 1,555,315	\$ 26,126	\$ 338

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, 2023				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 1,460,378	\$ 1,194,702	\$ -	\$ -	\$ 265,676
Total	\$ 1,460,378	\$ 1,194,702	\$ -	\$ -	\$ 265,676

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, 2023.

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