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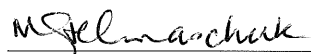
## Audited Financial Statements

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Of the Lloydminster Roman Catholic Separate School Division No. 89

School Division No. 6060000

For the Period Ending: August 31, 2019



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, 2019**

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## Management's Responsibility for the Financial Statements

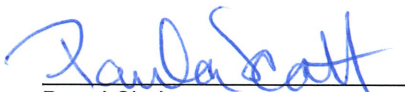
The School Division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily 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.

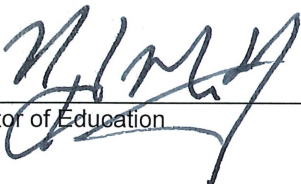
The School Division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained 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 Auditors' 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 27, 2019

## 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, 2019, and the statements of operations, 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, 2019, and the results of its operations 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 27, 2019

*MNP* **LLP**  
Chartered Professional Accountants

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Statement of Financial Position**  
**as at August 31, 2019**

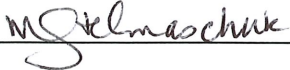
	2019	2018
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	3,907,420	3,173,270
Accounts Receivable (Note 7)	315,282	211,146
Portfolio Investments (Note 3)	4,582,753	4,582,050
<b>Total Financial Assets</b>	<b>8,805,455</b>	<b>7,966,466</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 8)	903,159	527,741
Liability for Employee Future Benefits (Note 5)	369,700	346,100
Deferred Revenue (Note 9)	924,670	900,931
<b>Total Liabilities</b>	<b>2,197,529</b>	<b>1,774,772</b>
<b>Net Financial Assets</b>	<b>6,607,926</b>	<b>6,191,694</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Schedule C)	47,976,731	49,856,611
Prepaid Expenses	281,001	271,535
<b>Total Non-Financial Assets</b>	<b>48,257,732</b>	<b>50,128,146</b>
<b>Accumulated Surplus (Note 12)</b>	<b>54,865,658</b>	<b>56,319,840</b>

Contingent Liabilities (Note 15)  
Contractual Obligations and Commitments (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, 2019**

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>REVENUES</b>	(Note 13)		
Property Taxes and Other Related Grants	3,438,613	3,381,823	3,442,781
Tuition and Related Fees	24,387,904	24,411,815	23,791,982
School Generated Funds	73,458	46,672	89,485
Complementary Services (Note 10)	630,990	765,000	913,507
External Services (Note 11)	561,269	589,220	507,249
Other	111,000	105,489	113,656
	524,992	644,746	623,618
<b>Total Revenues (Schedule A)</b>	<b>29,728,226</b>	<b>29,944,765</b>	<b>29,482,278</b>
<b>EXPENSES</b>			
Governance	201,986	203,191	174,841
Administration	1,449,260	1,483,958	1,424,068
Instruction	22,385,908	22,315,080	21,313,048
Plant	4,440,181	4,269,035	4,242,783
Transportation	1,423,806	1,370,617	1,323,786
Tuition and Related Fees	117,600	105,188	95,560
School Generated Funds	630,990	724,834	957,857
Complementary Services (Note 10)	922,112	791,204	781,512
External Services (Note 11)	128,314	127,138	130,646
Other	7,000	8,702	7,736
<b>Total Expenses (Schedule B)</b>	<b>31,707,157</b>	<b>31,398,947</b>	<b>30,451,837</b>
<b>Operating (Deficit) for the Year</b>	<b>(1,978,931)</b>	<b>(1,454,182)</b>	<b>(969,559)</b>
<b>Accumulated Surplus from Operations, Beginning of Year</b>	<b>56,319,840</b>	<b>56,319,840</b>	<b>57,289,399</b>
<b>Accumulated Surplus from Operations, End of Year</b>	<b>54,340,909</b>	<b>54,865,658</b>	<b>56,319,840</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, 2019**

	2019 Budget	2019 Actual	2018 Actual
	\$ (Note 13)	\$	\$
<b>Net Financial Assets, Beginning of Year</b>	<b>6,191,694</b>	<b>6,191,694</b>	<b>6,899,079</b>
<b>Changes During the Year</b>			
Operating (Deficit) for the Year	(1,978,931)	(1,454,182)	(969,559)
Acquisition of Tangible Capital Assets (Schedule C)	(165,000)	(189,271)	(1,744,732)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	750	33,220
Net (Gain) on Disposal of Capital Assets (Schedule C)	-	(750)	(18,722)
Amortization of Tangible Capital Assets (Schedule C)	2,150,000	2,069,151	2,159,645
Net Change in Prepaid Expenses	-	(9,466)	(167,237)
<b>Change in Net Financial Assets</b>	<b>6,069</b>	<b>416,232</b>	<b>(707,385)</b>
<b>Net Financial Assets, End of Year</b>	<b>6,197,763</b>	<b>6,607,926</b>	<b>6,191,694</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, 2019**

	2019	2018
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Operating (Deficit) for the Year	(1,454,182)	(969,559)
Add Non-Cash Items Included in Deficit (Schedule D)	2,068,401	2,140,923
Net Change in Non-Cash Operating Activities (Schedule E)	309,155	183,580
<b>Cash Provided by Operating Activities</b>	<b>923,374</b>	<b>1,354,944</b>
<b>CAPITAL ACTIVITIES</b>		
Cash Used to Acquire Tangible Capital Assets	(189,271)	(1,744,732)
Proceeds on Disposal of Tangible Capital Assets	750	33,220
<b>Cash (Used) by Capital Activities</b>	<b>(188,521)</b>	<b>(1,711,512)</b>
<b>INVESTING ACTIVITIES</b>		
Cash Used to Acquire Portfolio Investments	(703)	-
Proceeds on Disposal of Portfolio Investments	-	516,192
<b>Cash Provided (Used) by Investing Activities</b>	<b>(703)</b>	<b>516,192</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>734,150</b>	<b>159,624</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>3,173,270</b>	<b>3,013,646</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>3,907,420</b>	<b>3,173,270</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, 2019**

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Property Taxes and Other Related Revenue</b>			
<b>Tax Levy Revenue</b>			
Property Tax Levy Revenue	3,438,613	3,357,390	3,402,345
<b>Total Property Tax Revenue</b>	<u>3,438,613</u>	<u>3,357,390</u>	<u>3,402,345</u>
<b>Grants in Lieu of Taxes</b>			
Federal Government	-	629	667
Provincial Government	-	4,189	3,053
<b>Total Grants in Lieu of Taxes</b>	<u>-</u>	<u>4,818</u>	<u>3,720</u>
<b>Other Tax Revenues</b>			
House Trailer Fees	-	5,484	10,542
<b>Total Other Tax Revenues</b>	<u>-</u>	<u>5,484</u>	<u>10,542</u>
<b>Additions to Levy</b>			
Penalties	-	16,330	28,964
<b>Total Additions to Levy</b>	<u>-</u>	<u>16,330</u>	<u>28,964</u>
<b>Deletions from Levy</b>			
Cancellations	-	(2,199)	(2,790)
<b>Total Deletions from Levy</b>	<u>-</u>	<u>(2,199)</u>	<u>(2,790)</u>
<b>Total Property Taxes and Other Related Revenue</b>	<u>3,438,613</u>	<u>3,381,823</u>	<u>3,442,781</u>
<b>Grants</b>			
<b>Operating Grants</b>			
Ministry of Education Grants			
Operating Grant	9,239,828	8,991,854	9,137,255
Other Ministry Grants	39,456	39,450	83,760
<b>Total Ministry Grants</b>	<u>9,279,284</u>	<u>9,031,304</u>	<u>9,221,015</u>
Other Provincial Grants	108,310	157,957	-
Grants from Others	14,787,802	14,982,555	14,354,790
<b>Total Operating Grants</b>	<u>24,175,396</u>	<u>24,171,816</u>	<u>23,575,805</u>
<b>Capital Grants</b>			
Ministry of Education Capital Grants	212,508	239,999	212,508
Other Capital Grants	-	-	3,669
<b>Total Capital Grants</b>	<u>212,508</u>	<u>239,999</u>	<u>216,177</u>
<b>Total Grants</b>	<u>24,387,904</u>	<u>24,411,815</u>	<u>23,791,982</u>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule A: Supplementary Details of Revenues**  
**for the year ended August 31, 2019**

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Tuition and Related Fees Revenue</b>			
<b>Operating Fees</b>			
Tuition Fees			
Federal Government and First Nations	73,458	46,672	79,350
Individuals and Other	-	-	10,135
<b>Total Tuition Fees</b>	<u>73,458</u>	<u>46,672</u>	<u>89,485</u>
<b>Total Tuition and Related Fees Revenue</b>	<u>73,458</u>	<u>46,672</u>	<u>89,485</u>
<b>School Generated Funds Revenue</b>			
<b>Curricular</b>			
Student Fees	190,915	168,076	167,570
<b>Total Curricular Fees</b>	<u>190,915</u>	<u>168,076</u>	<u>167,570</u>
<b>Non-Curricular Fees</b>			
Commercial Sales - Non-GST	34,000	62,635	44,303
Fundraising	182,100	311,844	383,586
Grants and Partnerships	44,600	44,600	42,800
Students Fees	179,375	177,845	275,248
<b>Total Non-Curricular Fees</b>	<u>440,075</u>	<u>596,924</u>	<u>745,937</u>
<b>Total School Generated Funds Revenue</b>	<u>630,990</u>	<u>765,000</u>	<u>913,507</u>
<b>Complementary Services</b>			
<b>Operating Grants</b>			
Ministry of Education Grants			
Operating Grant	130,404	130,412	128,016
Other Ministry Grants	-	8,161	8,161
Other Provincial Grants	23,370	29,176	21,000
Other Grants	195,000	180,023	171,004
<b>Total Operating Grants</b>	<u>348,774</u>	<u>347,772</u>	<u>328,181</u>
<b>Fees and Other Revenue</b>			
Tuition and Related Fees	180,645	193,385	155,381
Other Revenue	31,850	48,063	23,687
<b>Total Fees and Other Revenue</b>	<u>212,495</u>	<u>241,448</u>	<u>179,068</u>
<b>Total Complementary Services Revenue</b>	<u>561,269</u>	<u>589,220</u>	<u>507,249</u>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule A: Supplementary Details of Revenues**  
**for the year ended August 31, 2019**

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>External Services</b>			
<b>Fees and Other Revenue</b>			
Other Revenue	111,000	105,489	113,656
<b>Total Fees and Other Revenue</b>	<b>111,000</b>	<b>105,489</b>	<b>113,656</b>
<b>Total External Services Revenue</b>	<b>111,000</b>	<b>105,489</b>	<b>113,656</b>
<b>Other Revenue</b>			
Miscellaneous Revenue	246,492	277,167	269,823
Sales & Rentals	151,000	177,387	177,720
Investments	127,500	189,442	157,353
Gain on Disposal of Capital Assets	-	750	18,722
<b>Total Other Revenue</b>	<b>524,992</b>	<b>644,746</b>	<b>623,618</b>
<b>TOTAL REVENUE FOR THE YEAR</b>	<b>29,728,226</b>	<b>29,944,765</b>	<b>29,482,278</b>

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

**Schedule B: Supplementary Details of Expenses**

for the year ended August 31, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Governance Expense</b>			
Board Members Expense	97,074	86,859	81,739
Professional Development - Board Members	3,500	9,848	3,293
Grants to School Community Councils	12,000	12,000	11,372
Other Governance Expenses	89,412	94,484	78,437
<b>Total Governance Expense</b>	<b>201,986</b>	<b>203,191</b>	<b>174,841</b>
<b>Administration Expense</b>			
Salaries	1,091,771	1,109,938	1,053,044
Benefits	109,814	111,195	101,257
Supplies & Services	119,448	140,892	155,025
Non-Capital Furniture & Equipment	11,500	12,880	22,612
Communications	47,767	42,646	36,445
Travel	58,960	53,187	50,047
Professional Development	10,000	13,220	5,638
<b>Total Administration Expense</b>	<b>1,449,260</b>	<b>1,483,958</b>	<b>1,424,068</b>
<b>Instruction Expense</b>			
Instructional (Teacher Contract) Salaries	14,611,673	14,350,626	14,225,208
Instructional (Teacher Contract) Benefits	758,825	755,208	731,113
Program Support (Non-Teacher Contract) Salaries	3,992,893	3,964,474	3,695,620
Program Support (Non-Teacher Contract) Benefits	752,793	789,343	690,634
Instructional Aids	337,476	325,219	339,363
Supplies & Services	576,511	610,165	321,561
Non-Capital Furniture & Equipment	159,238	155,459	116,640
Communications	115,480	95,660	94,075
Travel	46,583	43,903	39,229
Professional Development	155,667	181,518	138,546
Student Related Expense	186,769	386,565	203,729
Amortization of Tangible Capital Assets	692,000	656,940	717,330
<b>Total Instruction Expense</b>	<b>22,385,908</b>	<b>22,315,080</b>	<b>21,313,048</b>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2019**

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Plant Operation &amp; Maintenance Expense</b>			
Salaries	1,118,852	1,058,068	1,072,769
Benefits	212,109	182,382	173,770
Non-Capital Furniture & Equipment	11,500	879	3,344
Building Operating Expenses	1,757,090	1,720,127	1,690,744
Communications	24,480	26,267	23,617
Travel	20,150	26,429	14,814
Professional Development	1,000	587	66
Amortization of Tangible Capital Assets	1,295,000	1,254,296	1,263,659
<b>Total Plant Operation &amp; Maintenance Expense</b>	<b>4,440,181</b>	<b>4,269,035</b>	<b>4,242,783</b>
<b>Student Transportation Expense</b>			
Salaries	675,904	659,921	642,027
Benefits	124,796	119,794	101,361
Supplies & Services	187,200	156,324	161,738
Non-Capital Furniture & Equipment	152,000	172,150	139,612
Building Operating Expenses	31,656	26,133	26,790
Communications	3,500	3,293	3,908
Travel	2,250	1,980	1,980
Professional Development	1,000	795	-
Contracted Transportation	82,500	72,312	67,714
Amortization of Tangible Capital Assets	163,000	157,915	178,656
<b>Total Student Transportation Expense</b>	<b>1,423,806</b>	<b>1,370,617</b>	<b>1,323,786</b>
<b>Tuition and Related Fees Expense</b>			
Tuition Fees	117,600	105,188	95,560
<b>Total Tuition and Related Fees Expense</b>	<b>117,600</b>	<b>105,188</b>	<b>95,560</b>
<b>School Generated Funds Expense</b>			
Academic Supplies & Services	73,735	57,643	66,852
Cost of Sales	68,000	94,407	96,936
School Fund Expenses	489,255	572,784	794,069
<b>Total School Generated Funds Expense</b>	<b>630,990</b>	<b>724,834</b>	<b>957,857</b>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2019**

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Complementary Services Expense</b>			
Administration Salaries & Benefits	106,348	93,754	95,995
Instructional (Teacher Contract) Salaries & Benefits	168,116	167,975	186,775
Program Support (Non-Teacher Contract) Salaries & Benefits	399,097	343,440	339,288
Supplies & Services	5,500	10,217	9,041
Travel	4,050	4,050	4,050
Professional Development (Non-Salary Costs)	1,500	-	-
Student Related Expenses	237,501	171,768	146,363
<b>Total Complementary Services Expense</b>	<b>922,112</b>	<b>791,204</b>	<b>781,512</b>
<b>External Service Expense</b>			
Program Support (Non-Teacher Contract) Salaries & Benefits	59,989	55,760	56,072
Supplies & Services	58,500	68,280	63,530
Non-Capital Furniture & Equipment	9,000	2,273	10,219
Travel	825	825	825
<b>Total External Services Expense</b>	<b>128,314</b>	<b>127,138</b>	<b>130,646</b>
<b>Other Expense</b>			
<b>Interest and Bank Charges</b>			
Current Interest and Bank Charges	7,000	8,702	7,736
<b>Total Interest and Bank Charges</b>	<b>7,000</b>	<b>8,702</b>	<b>7,736</b>
<b>Total Other Expense</b>	<b>7,000</b>	<b>8,702</b>	<b>7,736</b>
<b>TOTAL EXPENSES FOR THE YEAR</b>	<b>31,707,157</b>	<b>31,398,947</b>	<b>30,451,837</b>

Lloydminster Roman Catholic Separate School Division No. 89  
 Schedule C - Supplementary Details of Tangible Capital Assets  
 for the year ended August 31, 2019

	Land		Buildings		School	Other	Furniture and Equipment		Computer Hardware and Equipment	Computer Software	Assets Under Construction		2018	
	\$	Improvements	\$	Short-Term	Buses	Vehicles	\$	\$	\$	\$	\$	\$	\$	\$
<b>Tangible Capital Assets - at Cost</b>														
Opening Balance as of September 1	3,340,556	2,006,673	55,736,256	2,726,210	2,283,479	236,592	2,385,850	1,911,819	30,551	1,433	70,659,419	69,338,034		
Additions/Purchases	-	1,073	-	-	-	43,092	59,665	85,441	-	-	189,271	1,744,732		
Disposals	-	-	-	-	(42,385)	-	(40,733)	(208,393)	-	-	(291,511)	(423,347)		
Transfers to (from)	-	-	1,433	-	-	-	-	-	-	(1,433)	-	-		
<b>Closing Balance as of August 31</b>	<b>3,340,556</b>	<b>2,007,746</b>	<b>55,737,689</b>	<b>2,726,210</b>	<b>2,241,094</b>	<b>279,684</b>	<b>2,404,782</b>	<b>1,788,867</b>	<b>30,551</b>	<b>-</b>	<b>70,557,179</b>	<b>70,659,419</b>		
<b>Tangible Capital Assets - Amortization</b>														
Opening Balance as of September 1	-	1,176,033	15,032,590	824,762	1,319,447	166,997	1,127,898	1,139,450	15,631	-	20,802,808	19,052,012		
Amortization of the Period	-	68,607	1,137,728	109,920	137,057	17,445	234,512	357,772	6,110	-	2,069,151	2,159,645		
Disposals	-	-	-	-	(42,385)	-	(40,733)	(208,393)	-	-	(291,511)	(408,849)		
<b>Closing Balance as of August 31</b>	<b>N/A</b>	<b>1,244,640</b>	<b>16,170,318</b>	<b>934,682</b>	<b>1,414,119</b>	<b>184,442</b>	<b>1,321,677</b>	<b>1,288,829</b>	<b>21,741</b>	<b>N/A</b>	<b>22,580,448</b>	<b>20,802,808</b>		
<b>Net Book Value</b>														
Opening Balance as of September 1	3,340,556	830,640	40,703,666	1,901,448	964,032	69,595	1,257,952	772,369	14,920	1,433	49,856,611	50,286,022		
Closing Balance as of August 31	3,340,556	763,106	39,567,371	1,791,528	826,975	95,242	1,083,105	500,038	8,810	-	47,976,731	49,856,611		
<b>Change in Net Book Value</b>	<b>-</b>	<b>(67,534)</b>	<b>(1,136,295)</b>	<b>(109,920)</b>	<b>(137,057)</b>	<b>25,647</b>	<b>(174,847)</b>	<b>(272,331)</b>	<b>(6,110)</b>	<b>(1,433)</b>	<b>(1,879,880)</b>	<b>(429,411)</b>		
<b>Disposals</b>														
Historical Cost	-	-	-	-	42,385	-	40,733	208,393	-	-	291,511	423,347		
Accumulated Amortization	-	-	-	-	42,385	-	40,733	208,393	-	-	291,511	408,849		
<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>14,498</b>		
Price of Sale	-	-	-	-	750	-	-	-	-	-	750	33,220		
<b>Gain on Disposal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>750</b>	<b>18,722</b>		

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**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule D: Non-Cash Items Included in Deficit**  
**for the year ended August 31, 2019**

	2019	2018
	\$	\$
<b>Non-Cash Items Included in Deficit</b>		
Amortization of Tangible Capital Assets (Schedule C)	2,069,151	2,159,645
Net (Gain) on Disposal of Tangible Capital Assets (Schedule C)	(750)	(18,722)
<b>Total Non-Cash Items Included in Deficit</b>	<b>2,068,401</b>	<b>2,140,923</b>

**Lloydminster Roman Catholic Separate School Division No. 89**  
**Schedule E: Net Change in Non-Cash Operating Activities**  
**for the year ended August 31, 2019**

	2019	2018
	\$	\$
<b>Net Change in Non-Cash Operating Activities</b>		
Decrease (Increase) in Accounts Receivable	(104,136)	865,110
Decrease in Inventories for Sale	-	21,868
Increase (Decrease) in Accounts Payable and Accrued Liabilities	375,418	(587,785)
Increase in Liability for Employee Future Benefits	23,600	36,500
Increase in Deferred Revenue	23,739	15,124
(Increase) in Prepaid Expenses	(9,466)	(167,237)
<b>Total Net Change in Non-Cash Operating Activities</b>	<b>309,155</b>	<b>183,580</b>

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

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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**

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).

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

**a) Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting.

**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 \$369,700 (2018 - \$ 346,100) because actual experience may differ significantly from actuarial estimations.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

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

- useful lives of capital assets and related amortization of \$2,069,151 (2018 - \$2,159,645) because the actual useful lives of the capital assets may differ from their estimated economic lives.
- property taxation revenue of \$3,381,823 (2018 - \$3,442,781) because final tax assessments may differ from initial estimates.

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 and 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 any financial instruments that give rise to material gains or losses.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

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

**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 initial maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

**Accounts Receivable** includes taxes 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 collectability of outstanding balances.

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 Ltd. and Lloydminster & District Co-operative and term deposits with 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.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

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

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
Other vehicles – heavy (graders, 1 ton truck, etc.)	10 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

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, license fees, and membership fees.

**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.

**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, 2019**

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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 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, 2019**

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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 Alberta 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 2018, the school division did not have a bylaw in place, for 2019 it does.

**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.

**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.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

**3. PORTFOLIO INVESTMENTS**

Portfolio investments are comprised of the following:

	2019	2018
<b>Portfolio investments in the cost or amortized cost category:</b>	<u>Cost</u>	<u>Cost</u>
Equity common shares of Lloydminster & District Co-operative	\$ 41,709	\$ 41,563
Equity common shares of Synergy Credit Union	41,044	40,487
Synergy Credit Union term deposits, interest rates 1.7% - 3.5%, maturing October 2019 to July 2022	4,500,000	4,500,000
<b>Total portfolio investments reported at cost or amortized cost</b>	<b>\$4,582,753</b>	<b>\$4,582,050</b>

**4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION**

Function	Salaries & Benefits	Goods & Services	Amortization of TCA	2019 Actual	2018 Actual
Governance	\$ -	\$ 203,191	\$ -	\$ 203,191	\$ 174,841
Administration	1,221,133	262,825	-	1,483,958	1,424,068
Instruction	19,859,651	1,798,489	656,940	22,315,080	21,313,048
Plant	1,240,450	1,774,289	1,254,296	4,269,035	4,242,783
Transportation	779,715	432,987	157,915	1,370,617	1,323,786
Tuition and Related Fees	-	105,188	-	105,188	95,560
School Generated Funds	-	724,834	-	724,834	957,857
Complementary Services	605,169	186,035	-	791,204	781,512
External Services	55,760	71,378	-	127,138	130,646
Other	-	8,702	-	8,702	7,736
<b>TOTAL</b>	<b>\$23,761,878</b>	<b>\$5,567,918</b>	<b>\$ 2,069,151</b>	<b>\$31,398,947</b>	<b>\$30,451,837</b>



**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

**5. EMPLOYEE FUTURE BENEFITS**

The school division provides certain post-employment, compensated absence and termination benefits to its employees. These benefits include 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. Morneau Shepell Ltd, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2018 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2019.

Details of the employee future benefits are as follows:

	<b>2019</b>	<b>2018</b>
Long-term assumptions used:		
Discount rate at end of period	1.93% per annum	3.00% per annum
Inflation and productivity rate (excluding merit and promotion) - Teachers	2.50% per annum	2.50% per annum
Inflation and productivity rate (excluding merit and promotion) - Non-Teachers	3.00% per annum	3.00% per annum
Expected average remaining service life (years)	15	15

<b>Liability for Employee Future Benefits</b>	<b>2019</b>	<b>2018</b>
<b>Accrued Benefit Obligation - beginning of year</b>	<b>\$ 327,500</b>	<b>\$ 353,800</b>
Current period service cost	31,400	32,700
Interest cost	10,500	10,300
Benefit payments	(18,300)	(10,400)
Actuarial (gains) losses	48,200	(58,900)
<b>Accrued Benefit Obligation - end of year</b>	<b>399,300</b>	<b>327,500</b>
Unamortized Net Actuarial Gains (Losses)	(29,600)	18,600
<b>Liability for Employee Future Benefits</b>	<b>\$ 369,700</b>	<b>\$ 346,100</b>

<b>Employee Future Benefits Expense</b>	<b>2019</b>	<b>2018</b>
Current period service cost	\$ 31,400	\$ 32,700
Amortization of net actuarial loss	-	3,900
<b>Benefit cost</b>	<b>31,400</b>	<b>36,600</b>
Interest cost	10,500	10,300
<b>Total Employee Future Benefits Expense</b>	<b>\$ 41,900</b>	<b>\$ 46,900</b>

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

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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:

	2019			2018
	STRP	ATRF	TOTAL	TOTAL
Number of active School Division members	160	29	189	181
Member contribution rate (percentage of salary)	9.50% / 11.70%	10.17% / 14.52%	9.50% / 14.52%	10.74% / 15.34%
Member contributions for the year	\$ 1,219,599	\$ 240,027	\$ 1,459,626	\$ 1,639,073

**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.

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

**6. PENSION PLANS (CONT'D)**

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.

Details of the MEPP are as follows:

	<u>2019</u>	<u>2018</u>
Number of active School Division members	163	166
Member contribution rate (percentage of salary)	9.00%	8.15%/9.00%
School Division contribution rate (percentage of salary)	9.00%	8.15%/9.00%
Member contributions for the year	\$ 540,542	\$ 485,942
School Division contributions for the year	\$ 540,542	\$ 485,942
Actuarial extrapolation date	<u>Dec-31-2018</u>	<u>Dec-31-2017</u>
Plan Assets (in thousands)	\$ 2,487,505	\$ 2,469,995
Plan Liabilities (in thousands)	\$ 2,024,269	\$ 2,015,818
Plan Surplus (in thousands)	\$ 463,236	\$ 454,177

**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>2019</u>			<u>2018</u>		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 6,817	\$ -	\$ 6,817	\$ -	\$ -	\$ -
Other Receivables	308,465	-	308,465	211,146	-	211,146
<b>Total Accounts Receivable</b>	<b>\$315,282</b>	<b>\$ -</b>	<b>\$315,282</b>	<b>\$211,146</b>	<b>\$ -</b>	<b>\$211,146</b>

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2019**

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**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Details of accounts payable and accrued liabilities are as follows:

	2019	2018
Accrued Salaries and Benefits	\$ 64,510	\$ 22,555
Supplier Payments	828,813	499,024
Staff Funds	9,836	6,162
<b>Total Accounts Payable and Accrued Liabilities</b>	<b>\$ 903,159</b>	<b>\$ 527,741</b>

**9. DEFERRED REVENUE**

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2018	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2019
<b>Non-Capital deferred revenue:</b>				
Unearned fees for service	\$ 87,223	\$ 21,109	\$ 57,843	\$ 50,489
Unearned taxation revenue	813,708	1,020,439	959,966	874,181
<b>Total Deferred Revenue</b>	<b>\$ 900,931</b>	<b>\$ 1,041,548</b>	<b>\$1,017,809</b>	<b>\$ 924,670</b>

**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:

**LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89**  
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**10. COMPLEMENTARY SERVICES (CONT'D)**

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Community and Inter-Agency Liason	Other Programs	2019	2018
<b>Revenues:</b>					
Operating Grants	\$ 130,412	\$ -	\$ 217,360	\$ 347,772	\$ 328,181
Fees and Other Revenues	-	-	241,448	241,448	179,068
<b>Total Revenues</b>	<b>130,412</b>	<b>-</b>	<b>458,808</b>	<b>589,220</b>	<b>507,249</b>
<b>Expenses:</b>					
Salaries & Benefits	280,410	93,755	231,004	605,169	622,058
Supplies and Services	-	10,217	-	10,217	9,041
Travel	-	4,050	-	4,050	4,050
Student Related Expenses	2,624	-	169,144	171,768	146,363
<b>Total Expenses</b>	<b>283,034</b>	<b>108,022</b>	<b>400,148</b>	<b>791,204</b>	<b>781,512</b>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<b>\$(152,622)</b>	<b>\$ (108,022)</b>	<b>\$ 58,660</b>	<b>\$(201,984)</b>	<b>\$(274,263)</b>

**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	Cafete ria	2019	2018
<b>Revenues:</b>			
Fees and Other Revenues	105,489	105,489	113,656
<b>Total Revenues</b>	<b>105,489</b>	<b>105,489</b>	<b>113,656</b>
<b>Expenses:</b>			
Salaries & Benefits	55,760	55,760	56,072
Supplies and Services	68,280	68,280	63,530
Non-Capital Equipment	2,273	2,273	10,219
Travel	825	825	825
<b>Total Expenses</b>	<b>127,138</b>	<b>127,138</b>	<b>130,646</b>
<b>(Deficiency) of Revenues over Expenses</b>	<b>\$ (21,649)</b>	<b>\$ (21,649)</b>	<b>\$ (16,990)</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. These internally restricted amounts, or designated assets, 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 2018	Additions during the year	Reductions during the year	August 31 2019
<b>Invested in Tangible Capital Assets:</b>				
Net Book Value of Tangible Capital Assets	\$ 49,856,611	\$ 189,271	\$ 2,069,151	\$ 47,976,731
	<b>49,856,611</b>	<b>189,271</b>	<b>2,069,151</b>	<b>47,976,731</b>
<b>PMR maintenance project allocations (1)</b>	-	<b>239,999</b>	<b>239,999</b>	-
<b>Federal Agencies Policy Reserve (2)</b>	<b>5,532</b>	-	-	<b>5,532</b>
<b>Designated Assets:</b>				
<b>Capital Projects:</b>				
Equipment Replacement	100,000	-	-	100,000
Administrative Building Reserve	400,005	57,551	-	457,556
Other Vehicle Reserve	12,264	2,215	-	14,479
Holy Rosary Expansion/New Elementary Reserve	2,000,000	-	-	2,000,000
Grounds/Parking Lot Reserve	500,000	-	-	500,000
Bus Fleet Expansion Reserve	50,000	210,000	-	260,000
	<b>3,062,269</b>	<b>269,766</b>	-	<b>3,332,035</b>
<b>Other:</b>				
Educational Programming Reserve	500,000	-	-	500,000
Information Technology resource contingency	-	7,294	3,001	4,293
Salary Contingency	-	400,000	-	400,000
School generated funds	71,319	578,227	525,897	123,649
School Community Council	50,766	186,773	206,255	31,284
	<b>622,085</b>	<b>1,172,294</b>	<b>735,153</b>	<b>1,059,226</b>
<b>Unrestricted Surplus</b>	<b>2,773,343</b>	-	<b>281,209</b>	<b>2,492,134</b>
<b>Total Accumulated Surplus</b>	<b>\$ 56,319,840</b>	<b>\$ 1,871,330</b>	<b>\$ 3,325,512</b>	<b>\$ 54,865,658</b>

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**12. ACCUMULATED SURPLUS (CONT'D)**

Details of accumulated surplus are as follows:

- (1) **PMR Maintenance Project Allocations** represent transfers received from the Ministry of Education as funding support for maintenance projects on the school division's approved 3-year capital maintenance plans. Unspent funds at the end of a fiscal year are designated for future approved capital plan maintenance project expenditures.
- (2) **Federal Agencies Policy Reserve** represents the capital portion of the tuition received from Federal Agencies as per Regulation 22 fee calculation. The funds to be used for future capital projects.

**13. BUDGET FIGURES**

Budget figures included in the financial statements were approved by the board of education on June 20, 2018 and the Minister of Education on August 22, 2018.

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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:

	Reiber		Brown		Arts		Ranger Rebekkah		Patrick Harty		William Gow		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Cash and short-term investments	\$7,991	\$7,921	\$34,769	\$36,420	\$1,243	\$1,203	\$34,037	\$35,720	\$8,699	\$9,118	\$11,866	\$3,063	\$98,605	\$93,445
<b>Total Assets</b>	<b>7,991</b>	<b>7,921</b>	<b>34,769</b>	<b>36,420</b>	<b>1,243</b>	<b>1,203</b>	<b>34,037</b>	<b>35,720</b>	<b>8,699</b>	<b>9,118</b>	<b>11,866</b>	<b>3,063</b>	<b>98,605</b>	<b>93,445</b>
<b>Revenues</b>														
Contributions and donations	-	-	-	-	-	-	-	-	-	-	10,000	3,063	10,000	3,063
Interest on investments	70	57	349	244	40	26	317	264	81	67	3	-	860	658
	70	57	349	244	40	26	317	264	81	67	10,003	3,063	10,860	3,721
<b>Expenses</b>														
Awards to students	-	-	2,000	2,000	-	200	2,000	2,000	500	500	1,200	-	5,700	4,700
	-	-	2,000	2,000	-	200	2,000	2,000	500	500	1,200	-	5,700	4,700
Excess (Deficiency) of Revenues over Expenses	70	57	(1,651)	(1,756)	40	(174)	(1,683)	(1,736)	(419)	(433)	8,803	3,063	5,160	(979)
Trust Fund Balance, Beginning of Year	7,921	7,864	36,420	38,176	1,203	1,377	35,720	37,456	9,118	9,551	3,063	-	93,445	94,424
<b>Trust Fund Balance, End of Year</b>	<b>\$7,991</b>	<b>\$7,921</b>	<b>\$34,769</b>	<b>\$36,420</b>	<b>\$1,243</b>	<b>\$1,203</b>	<b>\$34,037</b>	<b>\$35,720</b>	<b>\$8,699</b>	<b>\$9,118</b>	<b>\$11,866</b>	<b>\$3,063</b>	<b>\$98,605</b>	<b>\$93,445</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 AND COMMITMENTS**

Significant contractual obligations and commitments of the school division are as follows:

- Fee for instructional service \$130,000 per year expiring June 30, 2021
- Fee for consulting services \$50,000 (USD) per year plus up to \$10,000 expiring June 30, 2022

**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.

**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.

The aging of other accounts receivable as at August 31, 2019 was:

	<b>August 31, 2019</b>				
	<b>Total</b>	<b>0-30 days</b>	<b>30-60 days</b>	<b>60-90 days</b>	<b>Over 90 days</b>
Other Receivable	\$166,826	\$122,858	\$ 6,248	\$ 4,269	\$ 33,451
<b>Gross Receivables</b>	<b>166,826</b>	<b>122,858</b>	<b>6,248</b>	<b>4,269</b>	<b>33,451</b>
Allowance for Doubtful Accounts	-	-	-	-	-
<b>Net Receivables</b>	<b>\$166,826</b>	<b>\$122,858</b>	<b>\$ 6,248</b>	<b>\$ 4,269</b>	<b>\$ 33,451</b>

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

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**17. RISK MANAGEMENT (CONT'D)**

**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 and budget practices and monitoring.

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

	August 31, 2019				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$903,159	\$903,159	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$903,159</b>	<b>\$903,159</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</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 at August 31, 2019.

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