
Audited Financial Statements

Of the Lloydminster Roman Catholic Separate School Division No. 89

School Division No. 6060000

For the Period Ending: August 31, 2021



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, 2021**

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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 24, 2021

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, 2021, 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, 2021, 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 24, 2021

MNP LLP
Chartered Professional Accountants

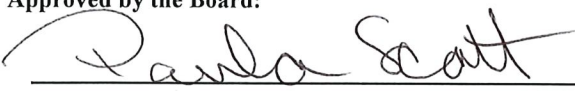
Lloydminster Roman Catholic Separate School Division No. 89
Statement of Financial Position
as at August 31, 2021

	2021	2020
	\$	\$
Financial Assets		
Cash and Cash Equivalents	5,249,084	4,373,404
Accounts Receivable (Note 7)	329,622	745,833
Portfolio Investments (Note 3)	4,583,136	4,581,952
Total Financial Assets	10,161,842	9,701,189
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	926,675	1,493,858
Liability for Employee Future Benefits (Note 5)	455,000	410,800
Deferred Revenue (Note 9)	1,012,592	332,925
Total Liabilities	2,394,267	2,237,583
Net Financial Assets	7,767,575	7,463,606
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	45,232,015	46,269,632
Prepaid Expenses	389,052	250,241
Total Non-Financial Assets	45,621,067	46,519,873
Accumulated Surplus (Note 12)	53,388,642	53,983,479


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, 2021

	2021	2021	2020
	Budget	Actual	Actual
	\$	\$	\$
	(Note 13)		
REVENUES			
Property Taxes and Other Related	3,309,906	3,417,592	3,417,960
Grants	25,467,175	28,210,442	26,332,465
Tuition and Related Fees	54,850	70,146	52,656
School Generated Funds	693,136	341,189	603,265
Complementary Services (Note 10)	539,040	436,266	520,884
External Services (Note 11)	105,000	93,213	82,113
Other	474,056	446,392	617,895
Total Revenues (Schedule A)	30,643,163	33,015,240	31,627,238
EXPENSES			
Governance	234,762	206,618	176,362
Administration	1,481,679	1,513,040	1,479,443
Instruction	22,913,555	23,560,747	22,482,626
Plant	5,102,910	5,500,639	5,535,957
Transportation	1,429,288	1,493,790	1,233,555
Tuition and Related Fees	110,600	131,238	88,005
School Generated Funds	693,133	335,055	622,891
Complementary Services (Note 10)	824,698	728,407	778,529
External Services (Note 11)	133,049	128,822	105,111
Other	7,500	11,721	6,938
Total Expenses (Schedule B)	32,931,174	33,610,077	32,509,417
Operating (Deficit) for the Year	(2,288,011)	(594,837)	(882,179)
Accumulated Surplus from Operations, Beginning of Year	53,983,479	53,983,479	54,865,658
Accumulated Surplus from Operations, End of Year	51,695,468	53,388,642	53,983,479

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, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
	(Note 13)		
Net Financial Assets, Beginning of Year	7,463,606	7,463,606	6,607,926
Changes During the Year			
Operating (Deficit) for the Year	(2,288,011)	(594,837)	(882,179)
Acquisition of Tangible Capital Assets (Schedule C)	(130,000)	(922,011)	(322,968)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	-	18,300
Net (Gain) on Disposal of Capital Assets (Schedule C)	-	-	(18,300)
Amortization of Tangible Capital Assets (Schedule C)	1,947,212	1,959,628	2,030,067
Net Change in Prepaid Expenses	-	(138,811)	30,760
	(470,799)	303,969	855,680
Net Financial Assets, End of Year	6,992,807	7,767,575	7,463,606

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, 2021

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Operating (Deficit) for the Year	(594,837)	(882,179)
Add Non-Cash Items Included in Deficit (Schedule D)	1,959,628	2,011,767
Net Change in Non-Cash Operating Activities (Schedule E)	434,084	(359,737)
Cash Provided by Operating Activities	1,798,875	769,851
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(922,011)	(322,968)
Proceeds on Disposal of Tangible Capital Assets	-	18,300
Cash (Used) by Capital Activities	(922,011)	(304,668)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(1,184)	-
Proceeds on Disposal of Portfolio Investments	-	801
Cash Provided (Used) by Investing Activities	(1,184)	801
INCREASE IN CASH AND CASH EQUIVALENTS	875,680	465,984
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,373,404	3,907,420
CASH AND CASH EQUIVALENTS, END OF YEAR	5,249,084	4,373,404

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, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Property Taxes and Other Related Revenue			
Tax Levy Revenue			
Property Tax Levy Revenue	3,309,906	3,385,227	3,393,114
Total Property Tax Revenue	3,309,906	3,385,227	3,393,114
Grants in Lieu of Taxes			
Federal Government	-	570	647
Provincial Government	-	3,777	3,161
Total Grants in Lieu of Taxes	-	4,347	3,808
Other Tax Revenues			
House Trailer Fees	-	332	7,057
Total Other Tax Revenues	-	332	7,057
Additions to Levy			
Penalties	-	28,432	16,821
Total Additions to Levy	-	28,432	16,821
Deletions from Levy			
Cancellations	-	(746)	(2,840)
Total Deletions from Levy	-	(746)	(2,840)
Total Property Taxes and Other Related Revenue	3,309,906	3,417,592	3,417,960
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	9,577,113	9,436,002	9,480,068
Other Ministry Grants	245,521	478,764	387,464
Total Ministry Grants	9,822,634	9,914,766	9,867,532
Other Provincial Grants	91,897	831,087	40,381
Federal Grants	-	6,300	-
Grants from Others	14,802,644	15,681,224	14,901,617
Total Operating Grants	24,717,175	26,433,377	24,809,530
Capital Grants			
Ministry of Education Capital Grants	-	800,000	-
Other Provincial Capital Grants	750,000	977,065	-
Other Capital Grants	-	-	1,522,935
Total Capital Grants	750,000	1,777,065	1,522,935
Total Grants	25,467,175	28,210,442	26,332,465

Lloydminster Roman Catholic Separate School Division No. 89
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
Federal Government and First Nations	54,850	70,146	52,656
Total Tuition Fees	54,850	70,146	52,656
Total Tuition and Related Fees Revenue	54,850	70,146	52,656
School Generated Funds Revenue			
Curricular			
Student Fees	128,430	105,581	113,726
Total Curricular Fees	128,430	105,581	113,726
Non-Curricular Fees			
Commercial Sales - Non-GST	54,000	23,352	56,434
Fundraising	303,450	119,707	247,845
Grants and Partnerships	34,220	18,240	35,890
Students Fees	173,036	74,309	149,370
Total Non-Curricular Fees	564,706	235,608	489,539
Total School Generated Funds Revenue	693,136	341,189	603,265
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	132,392	132,392	131,698
Other Ministry Grants	-	8,435	33,225
Other Provincial Grants	13,161	9,450	-
Federal Grants	25,000	25,000	-
Other Grants	87,080	71,115	191,231
Total Operating Grants	257,633	246,392	356,154
Fees and Other Revenue			
Tuition and Related Fees	247,170	167,842	140,358
Other Revenue	34,237	22,032	24,372
Total Fees and Other Revenue	281,407	189,874	164,730
Total Complementary Services Revenue	539,040	436,266	520,884

Lloydminster Roman Catholic Separate School Division No. 89
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
External Services			
Fees and Other Revenue			
Other Revenue	105,000	93,213	82,113
Total Fees and Other Revenue	105,000	93,213	82,113
Total External Services Revenue	105,000	93,213	82,113
Other Revenue			
Miscellaneous Revenue	152,367	133,556	269,220
Sales & Rentals	163,551	142,282	126,130
Investments	158,138	170,554	204,245
Gain on Disposal of Capital Assets	-	-	18,300
Total Other Revenue	474,056	446,392	617,895
TOTAL REVENUE FOR THE YEAR	30,643,163	33,015,240	31,627,238

Lloydminster Roman Catholic Separate School Division No. 89
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	101,200	98,027	86,938
Professional Development - Board Members	6,500	2,553	4,151
Grants to School Community Councils	12,000	-	-
Elections	16,000	451	-
Other Governance Expenses	99,062	105,587	85,273
Total Governance Expense	234,762	206,618	176,362
Administration Expense			
Salaries	1,162,516	1,192,383	1,156,227
Benefits	118,452	137,558	121,959
Supplies & Services	97,270	98,263	104,480
Non-Capital Furniture & Equipment	13,000	10,548	16,964
Communications	41,471	31,195	36,085
Travel	43,970	29,382	41,468
Professional Development	5,000	13,711	2,260
Total Administration Expense	1,481,679	1,513,040	1,479,443
Instruction Expense			
Instructional (Teacher Contract) Salaries	15,259,328	15,303,401	14,421,647
Instructional (Teacher Contract) Benefits	771,847	874,192	813,757
Program Support (Non-Teacher Contract) Salaries	4,202,941	4,360,168	4,228,183
Program Support (Non-Teacher Contract) Benefits	805,851	768,168	780,760
Instructional Aids	365,141	322,108	348,734
Supplies & Services	409,169	644,093	508,316
Non-Capital Furniture & Equipment	142,105	336,533	208,563
Communications	98,432	93,579	99,766
Travel	38,055	41,130	49,831
Professional Development	109,470	71,016	102,377
Student Related Expense	191,064	223,679	317,253
Amortization of Tangible Capital Assets	520,152	522,680	603,439
Total Instruction Expense	22,913,555	23,560,747	22,482,626

Lloydminster Roman Catholic Separate School Division No. 89

**Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021**

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	1,162,509	1,271,798	1,003,468
Benefits	216,477	214,846	185,386
Non-Capital Furniture & Equipment	-	-	947
Building Operating Expenses	2,427,849	2,716,123	3,043,762
Communications	26,231	25,824	26,569
Travel	16,980	19,040	22,961
Professional Development	-	144	-
Amortization of Tangible Capital Assets	1,252,864	1,252,864	1,252,864
Total Plant Operation & Maintenance Expense	5,102,910	5,500,639	5,535,957
Student Transportation Expense			
Salaries	674,319	735,126	589,388
Benefits	130,486	132,689	98,572
Supplies & Services	165,000	143,374	124,348
Non-Capital Furniture & Equipment	170,500	198,739	166,627
Building Operating Expenses	30,175	26,522	25,628
Communications	2,532	3,817	1,557
Travel	2,580	2,876	1,980
Professional Development	1,000	1,432	500
Contracted Transportation	78,500	65,131	51,191
Amortization of Tangible Capital Assets	174,196	184,084	173,764
Total Student Transportation Expense	1,429,288	1,493,790	1,233,555
Tuition and Related Fees Expense			
Tuition Fees	110,600	131,238	88,005
Total Tuition and Related Fees Expense	110,600	131,238	88,005
School Generated Funds Expense			
Academic Supplies & Services	69,806	47,434	60,844
Cost of Sales	87,000	30,857	78,783
School Fund Expenses	536,327	256,764	483,264
Total School Generated Funds Expense	693,133	335,055	622,891

Lloydminster Roman Catholic Separate School Division No. 89
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Complementary Services Expense			
Administration Salaries & Benefits	110,492	115,480	114,670
Instructional (Teacher Contract) Salaries & Benefits	166,102	172,742	161,738
Program Support (Non-Teacher Contract) Salaries & Benefits	446,407	379,175	389,912
Supplies & Services	3,000	11,478	3,816
Travel	5,370	5,370	5,172
Professional Development (Non-Salary Costs)	1,000	225	325
Student Related Expenses	92,327	43,937	102,896
Total Complementary Services Expense	824,698	728,407	778,529
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	56,674	61,072	50,992
Supplies & Services	74,050	65,459	49,279
Non-Capital Furniture & Equipment	1,500	1,206	4,015
Travel	825	825	825
Professional Development (Non-Salary Costs)	-	260	-
Total External Services Expense	133,049	128,822	105,111
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	7,500	11,721	6,938
Total Interest and Bank Charges	7,500	11,721	6,938
Total Other Expense	7,500	11,721	6,938
TOTAL EXPENSES FOR THE YEAR	32,931,174	33,610,077	32,509,417

Lloydminster Roman Catholic Separate School Division No. 89

Schedule C - Supplementary Details of Tangible Capital Assets

for the year ended August 31, 2021

	Land		Buildings		School	Other	Furniture and	Computer Hardware and	Computer	Assets		
	Land	Improvements	Buildings	Short-Term	Buses	Vehicles	Equipment	Audio Visual Equipment	Software	Under Construction	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets - at Cost												
Opening Balance as of September 1	3,340,556	2,007,746	55,737,689	2,726,210	2,302,427	290,482	2,344,832	1,346,320	30,551	-	70,126,813	70,557,179
Additions/Purchases	-	291,906	-	-	216,666	-	24,003	32,243	-	357,193	922,011	322,968
Disposals	-	-	-	-	-	-	(223,681)	(244,721)	(17,057)	-	(485,459)	(753,334)
Closing Balance as of August 31	3,340,556	2,299,652	55,737,689	2,726,210	2,519,093	290,482	2,145,154	1,133,842	13,494	357,193	70,563,365	70,126,813
Tangible Capital Assets - Amortization												
Opening Balance as of September 1	-	1,342,318	17,306,613	1,044,601	1,565,945	167,975	1,502,177	899,700	27,852	-	23,857,181	22,580,448
Amortization of the Period	-	85,349	1,136,294	109,919	155,061	29,024	214,514	226,768	2,699	-	1,959,628	2,030,067
Disposals	-	-	-	-	-	-	(223,681)	(244,721)	(17,057)	-	(485,459)	(753,334)
Closing Balance as of August 31	N/A	1,427,667	18,442,907	1,154,520	1,721,006	196,999	1,493,010	881,747	13,494	N/A	25,331,350	23,857,181
Net Book Value												
Opening Balance as of September 1	3,340,556	665,428	38,431,076	1,681,609	736,482	122,507	842,655	446,620	2,699	-	46,269,632	47,976,731
Closing Balance as of August 31	3,340,556	871,985	37,294,782	1,571,690	798,087	93,483	652,144	252,095	-	357,193	45,232,015	46,269,632
Change in Net Book Value	-	206,557	(1,136,294)	(109,919)	61,605	(29,024)	(190,511)	(194,525)	(2,699)	357,193	(1,037,617)	(1,707,099)
Disposals												
Historical Cost	-	-	-	-	-	-	223,681	244,721	17,057	-	485,459	753,334
Accumulated Amortization	-	-	-	-	-	-	223,681	244,721	17,057	-	485,459	753,334
Net Cost	-	-	-	-	-	-	-	-	-	-	-	-
Price of Sale	-	-	-	-	-	-	-	-	-	-	-	18,300
Gain (Loss) on Disposal	-	-	-	-	-	-	-	-	-	-	-	18,300

Lloydminster Roman Catholic Separate School Division No. 89

**Schedule D: Non-Cash Items Included in Deficit
for the year ended August 31, 2021**

	2021	2020
	\$	\$
Non-Cash Items Included in Deficit		
Amortization of Tangible Capital Assets (Schedule C)	1,959,628	2,030,067
Net (Gain) on Disposal of Tangible Capital Assets (Schedule C)	-	(18,300)
Total Non-Cash Items Included in Deficit	1,959,628	2,011,767

Lloydminster Roman Catholic Separate School Division No. 89

**Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2021**

	2021	2020
	\$	\$
Net Change in Non-Cash Operating Activities		
Decrease (Increase) in Accounts Receivable	416,211	(430,551)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(567,183)	590,699
Increase in Liability for Employee Future Benefits	44,200	41,100
Increase (Decrease) in Deferred Revenue	679,667	(591,745)
Decrease (Increase) in Prepaid Expenses	(138,811)	30,760
Total Net Change in Non-Cash Operating Activities	434,084	(359,737)

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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 \$455,000 (2020 - \$ 410,800) because actual experience may differ significantly from actuarial estimations.
- useful lives of capital assets and related accumulated amortization of \$25,331,350 (2020 - \$23,857,181) because the actual useful lives of the capital assets may differ from their estimated economic lives.

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- property taxation revenue of \$3,417,592 (2020 - \$3,417,960) 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, 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.

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
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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 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.

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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
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, 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.

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, 2021

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' Superannuation Plan (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, 2021

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 2020 and 2021 taxation years, the school division does have a bylaw in place.

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, 2021

3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2021	2020
Portfolio investments in the cost or amortized cost category:	<u>Cost</u>	<u>Cost</u>
Equity common shares of Lloydminster & District Co-operative	\$ 41,852	\$ 41,841
Equity common shares of Synergy Credit Union	41,284	40,111
Synergy Credit Union term deposits, interest rates 1.10% - 3.50%, maturing October 2021 to July 2024	4,500,000	4,500,000
Total portfolio investments reported at cost or amortized cost	4,583,136	4,581,952

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Amortization of TCA	2021 Actual	2020 Actual
Governance	\$ 98,027	\$ 108,591	\$ -	\$ 206,618	\$ 176,362
Administration	1,329,941	183,099	-	1,513,040	1,479,443
Instruction	21,305,929	1,732,138	522,680	23,560,747	22,482,626
Plant	1,486,644	2,761,131	1,252,864	5,500,639	5,535,957
Transportation	867,815	441,891	184,084	1,493,790	1,233,555
Tuition and Related Fees	-	131,238	-	131,238	88,005
School Generated Funds	-	335,055	-	335,055	622,891
Complementary Services	667,397	61,010	-	728,407	778,529
External Services	61,072	67,750	-	128,822	105,111
Other	-	11,721	-	11,721	6,938
TOTAL	\$25,816,825	\$5,833,624	\$ 1,959,628	\$33,610,077	\$32,509,417

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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, 2021.

Details of the employee future benefits are as follows:

	2021	2020
Long-term assumptions used:		
Discount rate at end of period (per annum)	1.97%	1.54%
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	2021	2020
Accrued Benefit Obligation - beginning of year	\$ 457,800	\$ 399,300
Current period service cost	41,700	38,500
Interest cost	7,600	8,400
Benefit payments	(9,600)	(9,000)
Actuarial (gains) losses	(116,000)	21,600
Plan amendments	-	(1,000)
Accrued Benefit Obligation - end of year	381,500	457,800
Unamortized net actuarial gains (losses)	73,500	(47,000)
Liability for Employee Future Benefits	\$ 455,000	\$ 410,800

Employee Future Benefits Expense	2021	2020
Current period service cost	\$ 41,700	\$ 38,500
Amortization of net actuarial loss	4,500	3,200
Benefit cost	46,200	41,700
Interest cost	7,600	8,400
Total Employee Future Benefits Expense	\$ 53,800	\$ 50,100

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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:

	2021			2020
	STRP	ATRF	TOTAL	TOTAL
Number of active School Division members	156	36	192	187
Member contribution rate (percentage of salary)	9.50%/11.70%	9.76%/13.94%	9.50%/13.94%	9.50%/14.52%
Member contributions for the year	\$ 1,258,061	\$ 289,428	\$ 1,547,489	\$ 1,460,493

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, 2021

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:

	2021	2020
Number of active School Division members	171	176
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	\$ 561,845	\$ 551,616
School Division contributions for the year	\$ 561,845	\$ 551,616
Actuarial extrapolation date	Dec-31-2020	Dec-31-2019
Plan Assets (in thousands)	\$ 3,221,426	\$ 2,819,222
Plan Liabilities (in thousands)	\$ 2,382,526	\$ 2,160,754
Plan Surplus (in thousands)	\$ 838,900	\$ 685,468

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:

	2021			2020		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 6,273	\$ -	\$ 6,273	\$ 456,856	\$ -	\$ 456,856
Other Receivables	323,349	-	323,349	288,977	-	288,977
Total Accounts Receivable	\$ 329,622	\$ -	\$ 329,622	\$ 745,833	\$ -	\$ 745,833

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2021	2020
Accrued Salaries and Benefits	\$ 190,601	\$ 207,352
Supplier Payments	721,079	1,273,991
Staff Funds	14,995	12,515
Total Accounts Payable and Accrued Liabilities	\$ 926,675	\$ 1,493,858

9. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at August 31, 2020	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2021
Non-Capital deferred revenue:				
Unearned fees for service	84,611	39,570	32,056	92,125
Unearned taxation revenue	-	745,522	-	745,522
Unearned donation for capital project	-	200,000	25,055	174,945
Unearned CAIF Grant	21,249	-	21,249	-
Unearned Government grants	227,065	-	227,065	-
Total Deferred Revenue	\$ 332,925	\$ 985,092	\$ 305,425	\$ 1,012,592

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:

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NOTES TO THE FINANCIAL STATEMENTS
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Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Community and Inter-Agency Liason	Other Programs	2021	2020
Revenues:					
Operating Grants	\$ 132,392	\$ -	\$ 114,000	\$ 246,392	\$ 356,154
Fees and Other Revenues	-	-	189,874	189,874	164,730
Total Revenues	132,392	-	303,874	436,266	520,884
Expenses:					
Salaries & Benefits	344,234	75,606	247,557	667,397	666,320
Supplies and Services	-	623	10,855	11,478	3,816
Travel	-	5,370	-	5,370	5,172
Professional Development (Non-Salary Costs)	-	225	-	225	325
Student Related Expenses	4,616	-	39,321	43,937	102,896
Total Expenses	348,850	81,824	297,733	728,407	778,529
Excess (Deficiency) of Revenues over Expenses	\$(216,458)	\$(81,824)	\$ 6,141	\$(292,141)	\$(257,645)

11. EXTERNAL SERVICES

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

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

Summary of External Services Revenues and Expenses, by Program	Cafeteria	2021	2020
Revenues:			
Fees and Other Revenues	\$ 93,213	\$ 93,213	\$ 82,113
Total Revenues	93,213	93,213	82,113
Expenses:			
Salaries & Benefits	61,072	61,072	50,992
Supplies and Services	65,459	65,459	49,279
Non-Capital Equipment	1,206	1,206	4,015
Travel	825	825	825
Professional Development	260	260	-
Total Expenses	128,822	128,822	105,111
(Deficiency) of Revenues over Expenses	\$ (35,609)	\$ (35,609)	\$ (22,998)

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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, 2020	Additions during the year	Reductions during the year	August 31, 2021
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 46,269,632	\$ 922,011	\$ 1,959,628	\$ 45,232,015
	46,269,632	922,011	1,959,628	45,232,015
PMR maintenance project allocations (1)	-	249,161	249,161	-
Education Emergency Pandemic Support program allocation (2)	-	831,087	703,660	127,427
Designated Assets:				
Capital Projects:				
Administrative Building Reserve	515,107	57,551	-	572,658
Bus Fleet Expansion Reserve	260,000	200,000	130,000	330,000
Equipment Replacement	100,000	-	-	100,000
Future Elementary Reserve	-	500,000	-	500,000
Grounds/Parking Lot Reserve	500,000	-	291,906	208,094
Holy Rosary Expansion/New Elementary Reserve	2,000,000	-	7,269	1,992,731
Holy Rosary Expansion Reserve	-	475,131	-	475,131
Mechanical Replacement Reserve	-	533,000	-	533,000
Other Vehicle Reserve	75,000	25,000	-	100,000
Surveillance Replacement Reserve	-	100,000	-	100,000
Synergy Vault Reserve	40,000	50,000	-	90,000
Technology Replacement Reserve	-	300,000	-	300,000
	3,490,107	2,240,682	429,175	5,301,614
Other:				
Catholic Distinctiveness Fund	-	150,000	-	150,000
Educational Programming Reserve	667,000	-	-	667,000
Enrollment Contingency Fund	533,000	-	533,000	-
Information Technology resource contingency	11,478	7,005	-	18,483
School generated funds	115,420	39,150	-	154,570
School Community Council	37,748	-	12,476	25,272
Salary Contingency	400,000	-	-	400,000
	1,764,646	196,155	545,476	1,415,325
Unrestricted Surplus	2,459,094	-	1,146,833	1,312,261
Total Accumulated Surplus	\$ 53,983,479	\$ 4,439,096	\$ 5,033,933	\$ 53,388,642

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

12. ACCUMULATED SURPLUS (CONT'D)

- (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) **Education Emergency Pandemic Support Program Allocation** represent transfers received from the Ministry of Finance in 2020-21 to support costs related to the COVID-19 pandemic in the current and following school year. Unspent funds at the end of the 2021-22 school year must be repaid to the Government of Saskatchewan.

13. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 22, 2020 and the Minister of Education on August 14, 2020.

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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	Total
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Cash and short-term investments	\$8,099	\$8,015	\$33,216	\$32,892	\$1,256	\$1,243	\$30,474	\$32,138	\$7,811	\$8,225	\$10,823	\$11,905	\$91,679	\$94,418
Total Assets	8,099	8,015	33,216	32,892	1,256	1,243	30,474	32,138	7,811	8,225	10,823	11,905	91,679	94,418
Revenues														
Interest on investments	84	24	325	123	13	-	337	101	86	26	117	39	962	313
	84	24	325	123	13	-	337	101	86	26	117	39	962	313
Expenses														
Awards to students	-	-	2,000	2,000	-	-	2,000	2,000	500	500	1,200	-	5,700	4,500
	-	-	2,000	2,000	-	-	2,000	2,000	500	500	1,200	-	5,700	4,500
Excess (Deficiency) of Revenues over Expenses	84	24	(1,675)	(1,877)	13	-	(1,663)	(1,899)	(414)	(474)	(1,083)	39	(4,738)	(4,187)
Trust Fund Balance, Beginning of Year	8,015	7,991	32,892	34,769	1,243	1,243	32,138	34,037	8,225	8,699	11,905	11,866	94,418	98,605
Trust Fund Balance, End of Year	\$8,099	\$8,015	\$31,217	\$32,892	\$1,256	\$1,243	\$30,475	\$32,138	\$7,811	\$8,225	\$10,822	\$11,905	\$89,680	\$94,418

LLOYDMINSTER ROMAN CATHOLIC SEPARATE SCHOOL DIVISION NO. 89
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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:

- Signed Project Management contract with Colliers Project Leaders Inc. in the amount of \$270,480. Balance remaining on the contract is \$166,860 over the length of the Holy Rosary Expansion project.
- Architectural contract signed to Wallace Klypak Architects Ltd. in the amount of \$720,900. Balance remaining on the contract is \$576,567 for Architectural designs for the Holy Rosary Expansion, expiring upon the completion of services required.
- Construction Management Services contract to Quorex Construction Services Ltd. in the amount of \$570,605 for the Holy Rosary Expansion, expiring upon the completion of the project. No amounts on this contract have been expended.

17. RISK MANAGEMENT

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

i) Credit Risk

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

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

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17. RISK MANAGEMENT (CONT'D)

The aging of other accounts receivable as at August 31, 2021, was:

	August 31, 2021				
	Total	0-30 days	30-60 days	60-90 days	Over 90 days
Other Receivables	\$ 138,109	\$105,979	\$ 28,429	\$ -	\$ 3,701
Gross Receivables	138,109	105,979	28,429	-	3,701
Allowance for Doubtful Accounts	-	-	-	-	-
Net Receivables	\$ 138,109	\$105,979	\$ 28,429	\$ -	\$ 3,701

Receivable amounts related to GST, PST 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, forecasts, etc.

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

	August 31, 2021				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 926,675	\$926,675	\$ -	\$ -	\$ -
Total	\$ 926,675	\$926,675	\$ -	\$ -	\$ -

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, 2021.

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17. RISK MANAGEMENT (CONT'D)

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

18. COVID-19 PANDEMIC

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

In 2019-20, some municipalities deferred property tax collections due to the COVID-19 pandemic. This did not change the revenue recognition of education property tax, however, it resulted in decreased cash collections and an increase in accounts receivables in 2019-20. Consequently, the school operating grant from the Ministry of Education also increased in 2019-20 to offset this cash shortfall. In 2020-21, the cash was collected from the deferred education property tax, therefore decreasing accounts receivable and the school operating grant from the Ministry of Education.