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## Audited Financial Statements

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Of the Living Sky School Division No. 202

School Division No. 2020500

For the Period Ending: August 31, 2023

Lonny R. Daroch  
Chief Financial Officer

HRO  
Auditor

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

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## Management's Responsibility for the Financial Statements

The financial statements of Living Sky School Division No. 202 have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Living Sky School Division No. 202's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Education is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by HRO Chartered Professional Accountants, in accordance with Canadian public sector accounting standards (PSAS).

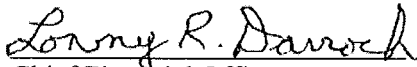
On behalf of the Living Sky School Division No. 202:



Board Chair



CEO/Director of Education



Chief Financial Officer

November 22, 2023



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Living Sky School Division No. 202

### *Opinion*

We have audited the financial statements of Living Sky School Division No. 202 (the organization), which comprise the statement of financial position as at August 31, 2023, and the statements of operations and accumulated surplus from operations, changes in net financial assets and cash flows 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 organization as at August 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

### *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 organization in accordance with 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 Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

(continues)

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LORALIE A. RAICHE, CPA, CA, CFP\*

DALLAN D. OBERG, CPA, CA\*

\*DENOTES A PROFESSIONAL CORPORATION

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*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 organization'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 organization'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 organization 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 those charged with governance 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.

North Battleford, Saskatchewan  
November 22, 2023

*HRO*

Chartered Professional Accountants

**Living Sky School Division No. 202**  
**Statement of Financial Position**  
**as at August 31, 2023**

	2023	2022
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	20,140,919	22,787,106
Accounts Receivable (Note 7)	3,005,328	492,712
Portfolio Investments (Note 3)	235,165	202,510
<b>Total Financial Assets</b>	<b>23,381,412</b>	<b>23,482,328</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 8)	5,391,633	6,574,995
Long-Term Debt (Note 9)	206,457	261,980
Liability for Employee Future Benefits (Note 5)	1,746,900	1,736,500
Deferred Revenue (Note 10)	1,292,158	1,135,629
<b>Total Liabilities</b>	<b>8,637,148</b>	<b>9,709,104</b>
<b>Net Financial Assets</b>	<b>14,744,264</b>	<b>13,773,224</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Schedule C)	27,047,278	28,474,099
Inventory of Supplies Held for Consumption	282,950	245,251
Prepaid Expenses	466,697	487,984
<b>Total Non-Financial Assets</b>	<b>27,796,925</b>	<b>29,207,334</b>
<b>Accumulated Surplus (Note 13)</b>	<b>42,541,189</b>	<b>42,980,558</b>

Contractual Obligations (Note 15)

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

**Approved by the Board:**

\_\_\_\_\_ Chairperson

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

**Living Sky School Division No. 202**  
**Statement of Operations and Accumulated Surplus from Operations**  
**for the year ended August 31, 2023**

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	\$	\$	\$
	(Note 14)		
<b>REVENUES</b>			
Grants	63,742,211	68,329,815	62,667,245
Tuition and Related Fees	5,254,800	5,658,695	5,376,724
School Generated Funds	2,000,000	2,078,626	1,534,528
Complementary Services (Note 11)	1,937,512	1,500,576	1,928,427
External Services (Note 12)	1,283,411	1,822,511	1,429,411
Other	940,000	1,432,292	751,775
<b>Total Revenues (Schedule A)</b>	<b>75,157,934</b>	<b>80,822,515</b>	<b>73,688,110</b>
<b>EXPENSES</b>			
Governance	411,895	342,703	336,782
Administration	2,824,200	2,973,947	2,862,789
Instruction	51,074,533	51,170,557	50,141,446
Plant Operation & Maintenance	10,705,797	12,054,407	12,357,807
Student Transportation	8,650,020	8,666,857	8,265,494
Tuition and Related Fees	406,600	459,454	307,011
School Generated Funds	2,000,000	2,083,121	1,471,136
Complementary Services (Note 11)	1,309,883	1,462,775	3,401,909
External Services (Note 12)	1,372,493	2,039,981	1,666,903
Other	4,807	8,082	5,336
<b>Total Expenses (Schedule B)</b>	<b>78,760,228</b>	<b>81,261,884</b>	<b>80,816,613</b>
<b>Operating Deficit for the Year</b>	<b>(3,602,294)</b>	<b>(439,369)</b>	<b>(7,128,503)</b>
<b>Accumulated Surplus from Operations, Beginning of Year</b>	<b>42,980,558</b>	<b>42,980,558</b>	<b>50,109,061</b>
<b>Accumulated Surplus from Operations, End of Year</b>	<b>39,378,264</b>	<b>42,541,189</b>	<b>42,980,558</b>

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

**Living Sky School Division No. 202**  
**Statement of Changes in Net Financial Assets**  
**for the year ended August 31, 2023**

	<b>2023 Budget</b>	<b>2023 Actual</b>	<b>2022 Actual</b>
	\$	\$	\$
	(Note 14)		
<b>Net Financial Assets, Beginning of Year</b>	<b>13,773,224</b>	<b>13,773,224</b>	<b>19,650,375</b>
<b>Changes During the Year</b>			
Operating Deficit, for the Year	(3,602,294)	(439,369)	(7,128,503)
Acquisition of Tangible Capital Assets (Schedule C)	(560,996)	(1,416,117)	(1,655,958)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	23,169	33,619
Net Gain on Disposal of Capital Assets (Schedule C)	-	(23,169)	(16,028)
Amortization of Tangible Capital Assets (Schedule C)	3,158,000	2,842,938	2,981,890
Net Acquisition of Inventory of Supplies Held for Consumption	-	(37,699)	(10,832)
Net Change in Other Non-Financial Assets	-	21,287	(81,339)
<b>Change in Net Financial Assets</b>	<b>(1,005,290)</b>	<b>971,040</b>	<b>(5,877,151)</b>
<b>Net Financial Assets, End of Year</b>	<b>12,767,934</b>	<b>14,744,264</b>	<b>13,773,224</b>

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

**Living Sky School Division No. 202**  
**Statement of Cash Flows**  
**for the year ended August 31, 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Operating Deficit for the Year	(439,369)	(7,128,503)
Add Non-Cash Items Included in Deficit (Schedule D)	2,819,769	2,965,862
Net Change in Non-Cash Operating Activities (Schedule E)	(3,545,461)	1,547,474
<b>Cash Used in Operating Activities</b>	<b>(1,165,061)</b>	<b>(2,615,167)</b>
<b>CAPITAL ACTIVITIES</b>		
Cash Used to Acquire Tangible Capital Assets	(1,416,117)	(1,655,958)
Proceeds on Disposal of Tangible Capital Assets	23,169	33,619
<b>Cash Used in Capital Activities</b>	<b>(1,392,948)</b>	<b>(1,622,339)</b>
<b>INVESTING ACTIVITIES</b>		
Cash Used to Acquire Portfolio Investments	(32,655)	(14,076)
<b>Cash Used in Investing Activities</b>	<b>(32,655)</b>	<b>(14,076)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from Issuance of Long-Term Debt	140,248	217,700
Repayment of Long-Term Debt	(195,771)	(147,355)
<b>Cash (Used in) Provided by Financing Activities</b>	<b>(55,523)</b>	<b>70,345</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,646,187)</b>	<b>(4,181,237)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>22,787,106</b>	<b>26,968,343</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>20,140,919</b>	<b>22,787,106</b>

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



**Living Sky School Division No. 202**  
**Schedule A: Supplementary Details of Revenues**  
**for the year ended August 31, 2023**

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	\$	\$	\$
<b>Grants</b>	(Note 14)		
<b>Operating Grants</b>			
Ministry of Education Grants			
Operating Grant	61,567,905	62,980,254	59,336,127
Operating Grant/PMR	-	1,868,830	-
Other Ministry Grants	2,174,306	398,392	2,182,665
<b>Total Ministry Grants</b>	<b>63,742,211</b>	<b>65,247,476</b>	<b>61,518,792</b>
Federal Grants	-	832,339	1,148,453
Grants from Others	-	-	-
<b>Total Operating Grants</b>	<b>63,742,211</b>	<b>66,079,815</b>	<b>62,667,245</b>
<b>Capital Grants</b>			
Ministry of Education Capital Grants	-	2,250,000	-
<b>Total Capital Grants</b>	<b>-</b>	<b>2,250,000</b>	<b>-</b>
<b>Total Grants</b>	<b>63,742,211</b>	<b>68,329,815</b>	<b>62,667,245</b>

**Living Sky School Division No. 202**  
**Schedule A: Supplementary Details of Revenues**  
**for the year ended August 31, 2023**

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
<b>Tuition and Related Fees Revenue</b>	(Note 14)		
<b>Operating Fees</b>			
Tuition Fees			
Federal Government and First Nations	5,244,800	5,655,664	5,372,659
<b>Total Tuition Fees</b>	<b>5,244,800</b>	<b>5,655,664</b>	<b>5,372,659</b>
Transportation Fees	10,000	3,031	4,065
<b>Total Operating Tuition and Related Fees</b>	<b>5,254,800</b>	<b>5,658,695</b>	<b>5,376,724</b>
<b>Total Tuition and Related Fees Revenue</b>	<b>5,254,800</b>	<b>5,658,695</b>	<b>5,376,724</b>
<b>School Generated Funds Revenue</b>			
<b>Curricular</b>			
Student Fees	135,000	165,140	69,028
<b>Total Curricular Fees</b>	<b>135,000</b>	<b>165,140</b>	<b>69,028</b>
<b>Non-Curricular Fees</b>			
Commercial Sales - Non-GST	150,000	207,260	142,616
Fundraising	840,000	789,821	578,204
Grants and Partnerships	50,000	121,701	68,830
Students Fees	525,000	648,471	463,674
Other	300,000	146,233	212,176
<b>Total Non-Curricular Fees</b>	<b>1,865,000</b>	<b>1,913,486</b>	<b>1,465,500</b>
<b>Total School Generated Funds Revenue</b>	<b>2,000,000</b>	<b>2,078,626</b>	<b>1,534,528</b>
<b>Complementary Services</b>			
<b>Operating Grants</b>			
Ministry of Education Grants			
Operating Grant	1,613,222	1,031,222	1,601,974
Other Ministry Grants	95,000	195,200	94,705
Other Provincial Grants	175,850	220,671	179,416
<b>Total Operating Grants</b>	<b>1,884,072</b>	<b>1,447,093</b>	<b>1,876,095</b>
<b>Fees and Other Revenue</b>			
Other Revenue	53,440	53,483	52,332
<b>Total Fees and Other Revenue</b>	<b>53,440</b>	<b>53,483</b>	<b>52,332</b>
<b>Total Complementary Services Revenue</b>	<b>1,937,512</b>	<b>1,500,576</b>	<b>1,928,427</b>

**Living Sky School Division No. 202**  
**Schedule A: Supplementary Details of Revenues**  
**for the year ended August 31, 2023**

	<b>2023 Budget</b>	<b>2023 Actual</b>	<b>2022 Actual</b>
	\$	\$	\$
<b>External Services</b>	(Note 14)		
<b>Operating Grants</b>			
Ministry of Education Grants			
Operating Grant	483,732	541,924	508,476
Other Ministry Grants	240,000	640,000	363,066
Other Provincial Grants	119,679	-	-
Other Grants	250,000	260,517	247,220
<b>Total Operating Grants</b>	<b>1,093,411</b>	<b>1,442,441</b>	<b>1,118,762</b>
<b>Fees and Other Revenue</b>			
Other Revenue	190,000	380,070	310,649
<b>Total Fees and Other Revenue</b>	<b>190,000</b>	<b>380,070</b>	<b>310,649</b>
<b>Total External Services Revenue</b>	<b>1,283,411</b>	<b>1,822,511</b>	<b>1,429,411</b>
<b>Other Revenue</b>			
Miscellaneous Revenue	325,000	423,909	218,078
Sales & Rentals	315,000	199,502	238,389
Investments	300,000	779,057	263,397
Gain on Disposal of Capital Assets	-	23,169	16,028
Treaty Land Entitlement / Rural	-	6,655	15,883
<b>Total Other Revenue</b>	<b>940,000</b>	<b>1,432,292</b>	<b>751,775</b>
<b>TOTAL REVENUE FOR THE YEAR</b>	<b>75,157,934</b>	<b>80,822,515</b>	<b>73,688,110</b>

**Living Sky School Division No. 202**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2023**

	<b>2023 Budget</b>	<b>2023 Actual</b>	<b>2022 Actual</b>
	\$	\$	\$
<b>Governance Expense</b>	(Note 14)		
Board Members Expense	212,741	163,814	166,620
Professional Development - Board Members	20,000	12,009	17,114
Grants to School Community Councils	44,154	28,821	21,210
Other Governance Expenses	135,000	138,059	131,838
<b>Total Governance Expense</b>	<b>411,895</b>	<b>342,703</b>	<b>336,782</b>
<b>Administration Expense</b>			
Salaries	2,060,655	2,271,473	2,175,848
Benefits	341,645	262,889	276,100
Supplies & Services	120,900	128,983	133,820
Non-Capital Furniture & Equipment	20,000	22,879	24,884
Building Operating Expenses	49,000	51,958	47,678
Communications	36,200	34,463	32,289
Travel	54,000	41,203	29,397
Professional Development	41,800	77,200	43,705
Amortization of Tangible Capital Assets	100,000	82,899	99,068
<b>Total Administration Expense</b>	<b>2,824,200</b>	<b>2,973,947</b>	<b>2,862,789</b>
<b>Instruction Expense</b>			
Instructional (Teacher Contract) Salaries	31,839,583	32,124,840	32,412,028
Instructional (Teacher Contract) Benefits	1,800,310	1,971,616	1,872,346
Program Support (Non-Teacher Contract) Salaries	9,493,665	9,985,514	8,807,929
Program Support (Non-Teacher Contract) Benefits	2,077,041	2,182,829	1,881,185
Instructional Aids	2,345,134	1,773,361	2,058,288
Supplies & Services	732,862	832,025	612,871
Non-Capital Furniture & Equipment	435,890	439,407	376,738
Communications	178,791	176,880	198,492
Travel	200,000	155,127	131,468
Professional Development	596,534	367,908	285,061
Student Related Expense	274,723	368,822	573,991
Amortization of Tangible Capital Assets	1,100,000	792,228	931,049
<b>Total Instruction Expense</b>	<b>51,074,533</b>	<b>51,170,557</b>	<b>50,141,446</b>

**Living Sky School Division No. 202**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2023**

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
<b>Plant Operation &amp; Maintenance Expense</b>	(Note 14)		
Salaries	2,871,981	2,870,301	3,096,691
Benefits	1,139,243	1,110,761	1,171,861
Supplies & Services	4,000	175,754	10,075
Non-Capital Furniture & Equipment	9,000	29,303	751
Building Operating Expenses	5,382,327	6,479,445	6,748,841
Communications	7,000	6,695	7,487
Travel	78,246	82,727	52,858
Professional Development	6,000	10,830	2,029
Amortization of Tangible Capital Assets	1,208,000	1,266,584	1,245,207
Amortization of Tangible Capital Assets ARO	-	22,007	22,007
<b>Total Plant Operation &amp; Maintenance Expense</b>	<b>10,705,797</b>	<b>12,054,407</b>	<b>12,357,807</b>
<b>Student Transportation Expense</b>			
Salaries	2,038,057	2,127,093	2,030,012
Benefits	461,989	470,994	443,362
Supplies & Services	1,030,500	1,110,429	1,048,241
Non-Capital Furniture & Equipment	550,000	501,621	533,414
Building Operating Expenses	68,500	45,958	38,881
Communications	4,500	4,004	4,073
Travel	-	-	229
Professional Development	1,000	390	2,481
Contracted Transportation	3,745,474	3,727,148	3,480,242
Amortization of Tangible Capital Assets	750,000	679,220	684,559
<b>Total Student Transportation Expense</b>	<b>8,650,020</b>	<b>8,666,857</b>	<b>8,265,494</b>
<b>Tuition and Related Fees Expense</b>			
Tuition Fees	406,600	459,454	307,011
<b>Total Tuition and Related Fees Expense</b>	<b>406,600</b>	<b>459,454</b>	<b>307,011</b>
<b>School Generated Funds Expense</b>			
Academic Supplies & Services	50,000	65,947	60,460
Cost of Sales	320,000	349,789	276,352
Non-Capital Furniture & Equipment	-	-	200
School Fund Expenses	1,630,000	1,667,385	1,134,124
<b>Total School Generated Funds Expense</b>	<b>2,000,000</b>	<b>2,083,121</b>	<b>1,471,136</b>

**Living Sky School Division No. 202**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2023**

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	\$	\$	\$
<b>Complementary Services Expense</b>	(Note 14)		
Instructional (Teacher Contract) Salaries & Benefits	672,979	659,099	722,361
Program Support (Non-Teacher Contract) Salaries & Benefits	496,904	620,946	2,481,070
Instructional Aids	20,000	44,029	26,169
Supplies & Services	120,000	104,364	138,906
Non-Capital Furniture & Equipment	-	6,386	3,576
Communications	-	1,128	1,398
Travel	-	1,189	494
Professional Development (Non-Salary Costs)	-	5,668	3,817
Student Related Expenses	-	19,966	24,118
<b>Total Complementary Services Expense</b>	<b>1,309,883</b>	<b>1,462,775</b>	<b>3,401,909</b>
<b>External Service Expense</b>			
Grant Transfers	240,000	460,000	240,000
Tuition Fees	141,799	144,452	167,308
Administration Salaries & Benefits	10,000	146	-
Instructional (Teacher Contract) Salaries & Benefits	314,433	603,501	535,709
Program Support (Non-Teacher Contract) Salaries & Benefits	153,261	184,313	150,622
Instructional Aids	-	175	478
Supplies & Services	440,000	522,822	417,510
Building Operating Expenses	-	35,686	35,169
Communications	-	-	1,220
Professional Development (Non-Salary Costs)	-	3,458	3,307
Student Related Expenses	-	15,841	52,773
Contracted Transportation & Allowances	73,000	69,587	62,807
<b>Total External Services Expense</b>	<b>1,372,493</b>	<b>2,039,981</b>	<b>1,666,903</b>

**Living Sky School Division No. 202**  
**Schedule B: Supplementary Details of Expenses**  
**for the year ended August 31, 2023**

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
<b>Other Expense</b>			
<b>Interest and Bank Charges</b>			
Current Interest and Bank Charges	-	(731)	(1,575)
Interest on Capital Loans	4,807	-	-
Interest on Other Long-Term Debt		8,813	6,911
<b>Total Interest and Bank Charges</b>	<b>4,807</b>	<b>8,082</b>	<b>5,336</b>
<b>Total Other Expense</b>	<b>4,807</b>	<b>8,082</b>	<b>5,336</b>
<b>TOTAL EXPENSES FOR THE YEAR</b>	<b>78,760,228</b>	<b>81,261,884</b>	<b>80,816,613</b>

**Living Sky School Division No. 202**

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

	Land		Buildings		Buildings	School	Other	Furniture and	Computer Hardware and	Computer		
	Land	Improvements	Buildings	Short-Term	ARO	Buses	Vehicles	Equipment	Audio Visual Equipment	Software	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Tangible Capital Assets - at Cost</b>												
Opening Balance as of September 1	964,997	464,061	82,450,348	1,526,881	1,302,645	8,678,208	662,528	16,040,920	6,408,636	889,376	119,388,600	118,408,493
Additions/Purchases	-	147,165	-	-	-	881,687	97,128	250,992	37,994	1,151	1,416,117	1,655,958
Disposals	-	-	-	-	-	(172,329)	(31,980)	-	-	-	(204,309)	(675,851)
<b>Closing Balance as of August 31</b>	<b>964,997</b>	<b>611,226</b>	<b>82,450,348</b>	<b>1,526,881</b>	<b>1,302,645</b>	<b>9,387,566</b>	<b>727,676</b>	<b>16,291,912</b>	<b>6,446,630</b>	<b>890,527</b>	<b>120,600,408</b>	<b>119,388,600</b>
<b>Tangible Capital Assets - Amortization</b>												
Opening Balance as of September 1	-	68,013	61,754,630	1,450,057	966,383	5,534,692	616,806	13,937,999	5,738,732	847,189	90,914,501	88,590,871
Amortization of the Period	-	30,561	1,216,600	34,982	22,007	600,835	34,159	560,281	317,841	25,672	2,842,938	2,981,890
Disposals	-	-	-	-	-	(172,329)	(31,980)	-	-	-	(204,309)	(658,260)
<b>Closing Balance as of August 31</b>	<b>N/A</b>	<b>98,574</b>	<b>62,971,230</b>	<b>1,485,039</b>	<b>988,390</b>	<b>5,963,198</b>	<b>618,985</b>	<b>14,498,280</b>	<b>6,056,573</b>	<b>872,861</b>	<b>93,553,130</b>	<b>90,914,501</b>
<b>Net Book Value</b>												
Opening Balance as of September 1	964,997	396,048	20,695,718	76,824	336,262	3,143,516	45,722	2,102,921	669,904	42,187	28,474,099	29,817,622
Closing Balance as of August 31	964,997	512,652	19,479,118	41,842	314,255	3,424,368	108,691	1,793,632	390,057	17,666	27,047,278	28,474,099
<b>Change in Net Book Value</b>	<b>-</b>	<b>116,604</b>	<b>(1,216,600)</b>	<b>(34,982)</b>	<b>(22,007)</b>	<b>280,852</b>	<b>62,969</b>	<b>(309,289)</b>	<b>(279,847)</b>	<b>(24,521)</b>	<b>(1,426,821)</b>	<b>(1,343,523)</b>
<b>Disposals</b>												
Historical Cost	-	-	-	-	-	172,329	31,980	-	-	-	204,309	675,851
Accumulated Amortization	-	-	-	-	-	172,329	31,980	-	-	-	204,309	658,260
<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>17,591</b>
Price of Sale	-	-	-	-	-	10,423	12,746	-	-	-	23,169	33,619
<b>Gain on Disposal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,423</b>	<b>12,746</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,169</b>	<b>16,028</b>

Closing costs of leased tangible capital assets of \$357,948 (2022 - \$193,381) representing \$140,248 (2022 - \$62,760) in Furniture and Equipment, \$197,687 (2022 - \$118,612) in Computer Hardware and Audio Visual Equipment, and \$20,013 (2022 - \$12,009) in Computer Software are included within the above amounts. Accumulated amortization of \$158,670 (2022 - \$275,357) has been recorded on these assets.

Buildings with a net book value of \$9,996,613 (2022 - \$10,988,440) include an asset retirement obligation for the removal and disposal of asbestos (Note 8)



**Living Sky School Division No. 202**  
**Schedule D: Non-Cash Items Included in Deficit**  
**for the year ended August 31, 2023**

	2023	2022
	\$	\$
<b>Non-Cash Items Included in Deficit</b>		
Amortization of Tangible Capital Assets (Schedule C)	2,842,938	2,981,890
Net Gain on Disposal of Tangible Capital Assets (Schedule C)	(23,169)	(16,028)
<b>Total Non-Cash Items Included in Deficit</b>	<b>2,819,769</b>	<b>2,965,862</b>

**Living Sky School Division No. 202**  
**Schedule E: Net Change in Non-Cash Operating Activities**  
**for the year ended August 31, 2023**

	2023	2022
	\$	\$
<b>Net Change in Non-Cash Operating Activities</b>		
(Increase) Decrease in Accounts Receivable	(2,512,616)	328,684
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(1,183,362)	1,264,086
Increase in Liability for Employee Future Benefits	10,400	23,300
Increase in Deferred Revenue	156,529	23,575
Increase in Inventory of Supplies Held for Consumption	(37,699)	(10,832)
Decrease (Increase) in Prepaid Expenses	21,287	(81,339)
<b>Total Net Change in Non-Cash Operating Activities</b>	<b>(3,545,461)</b>	<b>1,547,474</b>

## Living Sky School Division No. 202

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

	August 31 2022	Additions during the year	Reductions during the year	August 31 2023
	\$	\$	\$	\$
<b>External Sources</b>				
<b>Contractual Agreements</b>				
Mental Health Capacity Building grant	13,928	220,671	189,954	44,645
Invitational Shared Services Initiative grant	52,128	640,000	563,857	128,271
Mental Health Supports grant	22,420	-	6,000	16,420
Safe Talk Training grant	4,233	-	-	4,233
Cameco Fund: Step Up and Run	-	26,338	5,627	20,711
<b>Total Contractual Agreements</b>	<b>92,709</b>	<b>887,009</b>	<b>765,438</b>	<b>214,280</b>
<b>Jointly Administered Funds</b>				
School generated funds	1,322,303	-	131,545	1,190,758
Scholarship funds	131,499	8,650	15,565	124,584
<b>Total Jointly Administered Funds</b>	<b>1,453,802</b>	<b>8,650</b>	<b>147,110</b>	<b>1,315,342</b>
<b>Ministry of Education</b>				
PMR maintenance project allocations	3,708,563	1,868,830	2,682,240	2,895,153
Federal Capital Tuition	996,158	-	-	996,158
Early Learning Intensive Supports grant	44,649	150,000	66,951	127,698
Air Purification grant	66,319	-	66,319	-
Violence Threat Risk Assessment Training grant	-	30,300	24,983	5,317
Minor Capital Renewal - Medstead Central School	-	2,250,000	-	2,250,000
<b>Total Ministry of Education</b>	<b>4,815,689</b>	<b>4,299,130</b>	<b>2,840,493</b>	<b>6,274,326</b>
<b>Total</b>	<b>6,362,200</b>	<b>5,194,789</b>	<b>3,753,041</b>	<b>7,803,948</b>
<b>Internal Sources</b>				
<b>Curriculum and student learning</b>				
School based budgets	1,000,000	-	509,819	490,181
<b>Total curriculum and student learning</b>	<b>1,000,000</b>	<b>-</b>	<b>509,819</b>	<b>490,181</b>
<b>Facilities</b>				
Facilities renewal	2,763,259	-	-	2,763,259
Roofs and boilers	500,000	-	-	500,000
<b>Total facilities</b>	<b>3,263,259</b>	<b>-</b>	<b>-</b>	<b>3,263,259</b>
<b>Information technology</b>				
Payroll/Accounting/HR software	1,000,000	-	-	1,000,000
Staff devices	450,000	-	-	450,000
Server replacement	250,000	-	-	250,000
<b>Total information technology</b>	<b>1,700,000</b>	<b>-</b>	<b>-</b>	<b>1,700,000</b>
<b>Other</b>				
Designated for tangible capital asset expenditures	11,400	-	-	11,400
External Consultants	500,000	-	-	500,000
Innovation Fund	100,000	-	-	100,000
<b>Total Other</b>	<b>611,400</b>	<b>-</b>	<b>-</b>	<b>611,400</b>

(Note 13)

**School Division No. 202**  
**Schedule F: Detail of Designated Assets**  
**for the year ended August 31, 2023**

	August 31 2022	Additions during the year	Reductions during the year	August 31 2023
	\$	\$	\$	\$
				(Note 13)
<b>Professional development</b>				
LINC PD	113,617	-	-	113,617
Staff training	50,000	-	-	50,000
<b>Total professional development</b>	<b>163,617</b>	<b>-</b>	<b>-</b>	<b>163,617</b>
<b>Transportation</b>				
Bus replacement	1,000,000	-	-	1,000,000
Fleet vehicles	400,000	-	-	400,000
<b>Total transportation</b>	<b>1,400,000</b>	<b>-</b>	<b>-</b>	<b>1,400,000</b>
<b>Total</b>	<b>8,138,276</b>	<b>-</b>	<b>509,819</b>	<b>7,628,457</b>
<b>Total Designated Assets</b>	<b>14,500,476</b>	<b>5,194,789</b>	<b>4,262,860</b>	<b>15,432,405</b>

**LIVING SKY SCHOOL DIVISION NO. 202**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2023**

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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 Living Sky School Division No. 202” and operates as “the Living Sky School Division No. 202”. The school division provides education services to residents within its geographic region and is governed by an elected board of trustees. The school division is exempt from income tax and is a registered charity under the *Income Tax Act*.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

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

### **a) Basis of Accounting**

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

### **b) 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 \$1,746,900 (2022 - \$1,736,500) because actual experience may differ significantly from actuarial estimations.
- useful lives of capital assets and related accumulated amortization of \$93,553,130 (2022 - \$90,914,501) because the actual useful lives of the capital assets may differ from their estimated economic lives.
- estimated undiscounted asset retirement obligation of \$1,302,645 (2022 - \$1,302,645) because actual expense may differ significantly from valuation 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.

### **c) 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

**LIVING SKY SCHOOL DIVISION NO. 202**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2023**

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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, and long-term debt.

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.

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions. Financial assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. The school division believes that it is not subject to significant unrealized foreign exchange translation gains and losses arising from its financial instruments.

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.

**d) Financial Assets**

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

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

**Accounts Receivable** includes provincial grants receivable and other receivables. Provincial grants receivable represent capital, and other grants earned but not received at the end of the fiscal year, provided reasonable estimates of the amounts can be made. Grants are earned when the events giving rise to the grant have occurred, the grant is authorized and any eligibility criteria have been met.

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

**LIVING SKY SCHOOL DIVISION NO. 202**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2023**

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**Portfolio Investments** consist of term deposits and equity in co-operatives. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (c).

**e) 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 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
Leased capital assets	Lease term

\*Buildings that include asbestos and are fully and/or nearly fully amortized have had their useful life reassessed and increased by 20 years.

Pooled assets in furniture and equipment, computer hardware and audio-visual equipment and computer software are written down when the tangible capital assets in its current capacity can no longer contribute to the school divisions ability to provide services or the value of future economic benefits associated with the tangible capital asset is less than its net book value, and there is no alternative use for the asset.

**Inventory of Supplies Held for Consumption** consists of supplies held for consumption by the school division in the course of normal operations and are recorded at the lower of cost and replacement cost. These supplies are bus garage parts.

**LIVING SKY SCHOOL DIVISION NO. 202**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2023**

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

**f) Liabilities**

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

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

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

**Long-Term Debt** is comprised capital lease obligations where substantially all of the benefits and risks incident to ownership are transferred to the school division without necessarily transferring legal ownership. The amount of the lease liability recorded at the beginning of the lease term is the present value of the minimum lease payments, excluding the portion thereof relating to executory costs.

**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.

**g) 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 Saskatchewan Teachers' Superannuation Plan (STSP). The school division's

**LIVING SKY SCHOOL DIVISION NO. 202**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2023**

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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.

#### **h) 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.

##### **ii) Fees and Services**

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Revenues from transactions with performance obligations, which are enforceable promises to provide specific goods or services to the specific payor in return for promised consideration, are recognized when (or as) the school division satisfies a performance obligation and control of the benefits associated with the goods and services have been passed to the payor. For each performance obligation, the school division determines whether the performance obligation is satisfied over a period of time or at a point in time. The school division will need to consider the effects of multiple performance obligations, variable consideration, the existence of significant concessionary terms and non-cash considerations when determining the consideration to be received.

Revenues from transactions with no performance obligations are recognized when the school division has the authority to claim or retain an inflow of economic resources and has identified a past transaction or event that gives rise to an asset. For each transaction with no performance obligation, the school division recognizes revenue at its realizable value.

##### **iii) Interest Income**

Interest is recognized as revenue when it is earned.



**LIVING SKY SCHOOL DIVISION NO. 202**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2023**

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

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

**3. PORTFOLIO INVESTMENTS**

Portfolio investments are comprised of the following:

	2023	2022
<b>Portfolio investments in the cost or amortized cost category:</b>	<b>Cost</b>	<b>Cost</b>
Term deposits	\$ 68,600	\$ 68,600
Credit Union Member Rewards	89,741	67,762
Member Equity in Co-op Organization	76,824	66,149
<b>Total portfolio investments</b>	<b>\$ 235,165</b>	<b>\$ 202,510</b>

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

<b>Function</b>	<b>Salaries &amp; Benefits</b>	<b>Goods &amp; Services</b>	<b>Debt Service</b>	<b>Amortization of TCA</b>	<b>2023 Actual</b>	<b>2022 Actual</b>
Governance	\$ 163,814	\$ 178,889	\$ -	\$ -	\$ 342,703	\$ 336,782
Administration	2,534,362	356,686	-	82,899	2,973,947	2,862,789
Instruction	46,264,799	4,113,530	-	792,228	51,170,557	50,141,446
Plant Operation & Maintenance	3,981,062	6,784,754	-	1,288,591	12,054,407	12,357,807
Student Transportation	2,598,087	5,389,550	-	679,220	8,666,857	8,265,494
Tuition and Related Fees	-	459,454	-	-	459,454	307,011
School Generated Funds	-	2,083,121	-	-	2,083,121	1,471,136
Complementary Services	1,280,045	182,730	-	-	1,462,775	3,401,909
External Services	787,960	1,252,021	-	-	2,039,981	1,666,903
Other	-	-	8,082	-	8,082	5,336
<b>TOTAL</b>	<b>\$ 57,610,129</b>	<b>\$ 20,800,735</b>	<b>\$ 8,082</b>	<b>\$ 2,842,938</b>	<b>\$ 81,261,884</b>	<b>\$ 80,816,613</b>

**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, accumulating vacation banks, and accumulating paid time off (PTO) banks. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. HUB International Limited, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2021 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2023.

**LIVING SKY SCHOOL DIVISION NO. 202**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at August 31, 2023**

Details of the employee future benefits are as follows:

	2023	2022
Long-term assumptions used:		
Discount rate at end of period (per annum)	4.40%	4.01%
Inflation and productivity rate - Teachers (excluding merit and promotion) (per annum)	2.50%	2.50%
Inflation and productivity rate - Non-Teachers (excluding merit and promotion) (per annum)	3.00%	3.00%
Expected average remaining service life (years)	12	13

Liability for Employee Future Benefits	2023	2022
<b>Accrued Benefit Obligation - beginning of year</b>	<b>\$ 1,114,500</b>	<b>\$ 1,233,500</b>
Current period service cost	93,700	110,600
Interest cost	46,700	25,700
Benefit payments	(87,100)	(83,400)
Actuarial (gains)	(38,200)	(171,900)
Plan amendments	44,300	-
<b>Accrued Benefit Obligation - end of year</b>	<b>1,173,900</b>	<b>1,114,500</b>
Unamortized net actuarial gains	573,000	622,000
<b>Liability for Employee Future Benefits</b>	<b>\$ 1,746,900</b>	<b>\$ 1,736,500</b>

Employee Future Benefits Expense	2023	2022
Current period service cost	\$ 93,700	\$ 110,600
Amortization of net actuarial (gain)	(42,900)	(29,600)
<b>Benefit cost</b>	<b>50,800</b>	<b>81,000</b>
Interest cost	46,700	25,700
<b>Total Employee Future Benefits Expense</b>	<b>\$ 97,500</b>	<b>\$ 106,700</b>

## 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 Saskatchewan Teachers' Superannuation Plan (STSP)**

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

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The STRP and STSP are funded by contributions by the participating employee members and the Government of Saskatchewan. The school division's obligation to the STRP and STSP 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 Saskatchewan for the STSP.

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

	2023			2022
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	425	1	426	444
Member contribution rate (percentage of salary)	9.50% / 11.70 %	6.05% / 7.85 %	6.05% / 11.70 %	6.05% / 11.70 %
Member contributions for the year	\$ 3,298,958	\$ 216	\$ 3,299,174	\$ 3,289,337

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

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

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

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

Details of the MEPP are as follows:

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	<b>2023</b>	<b>2022</b>
Number of active School Division members	513	527
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	\$ 1,391,278	\$ 1,424,080
School Division contributions for the year	\$ 1,391,278	\$ 1,424,080
Actuarial extrapolation date	Dec-31-2022	Dec-31-2021
Plan Assets (in thousands)	\$ 3,275,495	\$ 3,568,400
Plan Liabilities (in thousands)	\$ 2,254,194	\$ 2,424,014
Plan Surplus (in thousands)	\$ 1,021,301	\$ 1,144,386

## 7. ACCOUNTS RECEIVABLE

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

	<b>2023</b>			<b>2022</b>		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Provincial Grants Receivable	\$ 2,278,870	\$ -	\$ 2,278,870	\$ -	\$ -	\$ -
Other Receivables	726,458	-	726,458	492,712	-	492,712
<b>Total Accounts Receivable</b>	<b>\$3,005,328</b>	<b>\$ -</b>	<b>\$3,005,328</b>	<b>\$ 492,712</b>	<b>\$ -</b>	<b>\$ 492,712</b>

## 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	<b>2023</b>	<b>2022</b>
Accrued Salaries and Benefits	\$ 825,610	\$ 2,242,916
Supplier Payments	3,259,029	3,029,092
Liability for Asset Retirement Obligation	1,302,645	1,302,645
Accrued Interest Payable	4,349	342
<b>Total Accounts Payable and Accrued Liabilities</b>	<b>\$ 5,391,633</b>	<b>\$ 6,574,995</b>

The school division recognized an estimated liability for asset retirement obligation of \$1,302,645 (2022 - \$1,302,645) for the removal and disposal of asbestos). The nature of the liability is related to asbestos containing materials within several of the school division's facilities that will be required to be properly disposed of when the building is disposed of, or remediation work is undertaken. The assumptions used in estimating the liability include the various types of asbestos containing materials within each of the school division's buildings, along with the standard of work that will be required to safely remove the asbestos containing materials. Additionally, assumptions were made around the remaining useful life of all school

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division buildings that contain asbestos materials to determine when the remediation costs may be incurred.

## 9. LONG-TERM DEBT

Details of long-term debt are as follows:

		2023	2022
Capital Leases:			
	Concentra Bank - Copier Lease repayable in annual installments of \$63,804 including interest at 3.994%. The lease is due August 2024.	\$ 66,208	\$ 130,054
	Cisco Systems Capital Canada -Hardware and software lease repayable in annual installments of \$85,775 and one additional payment at end of contract of \$46,152. The lease is due September 2023.	1	131,926
	Concentra Bank - Copier Lease repayable in annual installments of \$28,627 including interest at 3.5%. The lease is due August 2028.	140,248	-
<b>Total Long-Term Debt</b>		<b>\$ 206,457</b>	<b>\$ 261,980</b>

Future principal and interest repayments over the next 5 years are estimated as follows:		
	Capital Leases	Total
2024	\$ 99,457	\$ 99,457
2025	30,804	30,804
2026	30,803	30,803
2027	30,803	30,803
2028	30,804	30,804
Total	222,671	222,671
Less: Interest and executory cost	16,214	16,214
<b>Total future principal repayments</b>	<b>\$ 206,457</b>	<b>\$ 206,457</b>

Principal and interest payments on the long-term debt are as follows:			
	Capital Leases	2023	2022
Principal	\$ 195,771	\$ 195,771	\$ 147,355
Interest	8,813	8,813	6,911
<b>Total</b>	<b>\$ 204,584</b>	<b>\$ 204,584</b>	<b>\$ 154,266</b>

## 10. DEFERRED REVENUE

Details of deferred revenues are as follows:

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	Balance as at August 31, 2022	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2023
<b>Non-Capital deferred revenue:</b>				
Jordan's Principle	\$ 1,135,629	\$ 988,869	\$ 832,339	\$ 1,292,158
<b>Total Deferred Revenue</b>	<b>\$ 1,135,629</b>	<b>\$ 988,869</b>	<b>\$ 832,339</b>	<b>\$ 1,292,158</b>

## 11. COMPLEMENTARY SERVICES

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

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

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Other Programs - Mental Health Capacity Building, Summer Literacy, etc	2023	2022
<b>Revenues:</b>				
Operating Grants	\$ 1,031,222	\$ 415,871	\$ 1,447,093	\$ 1,876,095
Fees and Other Revenues	-	53,483	53,483	52,332
<b>Total Revenues</b>	<b>1,031,222</b>	<b>469,354</b>	<b>1,500,576</b>	<b>1,928,427</b>
<b>Expenses:</b>				
Salaries & Benefits	965,188	314,857	1,280,045	3,203,431
Instructional Aids	35,651	8,378	44,029	26,169
Supplies and Services	14,440	89,924	104,364	138,906
Non-Capital Equipment	6,386	-	6,386	3,576
Communications	-	1,128	1,128	1,398
Travel	1,189	-	1,189	494
Professional Development (Non-Salary Costs)	-	5,668	5,668	3,817
Student Related Expenses	4,186	15,780	19,966	24,118
<b>Total Expenses</b>	<b>1,027,040</b>	<b>435,735</b>	<b>1,462,775</b>	<b>3,401,909</b>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<b>\$ 4,182</b>	<b>\$ 33,619</b>	<b>\$ 37,801</b>	<b>\$ (1,473,482)</b>

## 12. 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:

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Summary of External Services Revenues and Expenses, by Program	Invitational Shared Services Initiative	Following Their Voices	Associate Schools*	Other Programs - Driver Training, Cafeteria, etc	2023	2022
<b>Revenues:</b>						
Operating Grants	\$ 640,000	\$ -	\$ 541,924	\$ 260,517	\$ 1,442,441	\$ 1,118,762
Fees and Other Revenues	-	108,498	-	271,572	380,070	310,649
<b>Total Revenues</b>	<b>640,000</b>	<b>108,498</b>	<b>541,924</b>	<b>532,089</b>	<b>1,822,511</b>	<b>1,429,411</b>
<b>Expenses:</b>						
Grant Transfers	460,000	-	-	-	460,000	240,000
Tuition & Other Related Fees	-	-	144,452	-	144,452	167,308
Salaries & Benefits	88,766	150,919	363,604	184,671	787,960	686,331
Instructional Aids	-	-	175	-	175	478
Supplies and Services	-	154	-	522,668	522,822	417,510
Building Operating Expenses	-	-	31,876	3,810	35,686	35,169
Communications	-	-	-	-	-	1,220
Professional Development	-	1,866	1,592	-	3,458	3,307
Student Related Expenses	15,091	525	225	-	15,841	52,773
Contracted Transportation & Allowances	-	-	-	69,587	69,587	62,807
<b>Total Expenses</b>	<b>563,857</b>	<b>153,464</b>	<b>541,924</b>	<b>780,736</b>	<b>2,039,981</b>	<b>1,666,903</b>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<b>\$ 76,143</b>	<b>\$ (44,966)</b>	<b>\$ -</b>	<b>\$ (248,647)</b>	<b>\$ (217,470)</b>	<b>\$ (237,492)</b>

\*Associate Schools - see table below for details of revenues and expenses by school

Summary of Associate School Revenues and Expenses, Details by School	Heritage Christian School	Meadow Lake Christian Academy	2023	2022
<b>Revenues:</b>				
Operating Grants	\$ 253,194	\$ 288,730	\$ 541,924	\$ 511,542
<b>Total Revenues</b>	<b>253,194</b>	<b>288,730</b>	<b>541,924</b>	<b>511,542</b>
<b>Expenses:</b>				
Tuition & Other Related Fees	34,371	110,081	144,452	167,308
Salaries & Benefits	184,955	178,649	363,604	312,181
Instructional Aids	175	-	175	478
Building Operating Expenses	31,876	-	31,876	29,756
Communications	-	-	-	1,220
Professional Development	1,592	-	1,592	599
Student Related Expenses	225	-	225	-
<b>Total Expenses</b>	<b>253,194</b>	<b>288,730</b>	<b>541,924</b>	<b>511,542</b>
<b>Excess of Revenues over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### 13. ACCUMULATED SURPLUS

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

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

Details of accumulated surplus are as follows:

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	August 31, 2022	Additions during the year	Reductions during the year	August 31, 2023
<b>Invested in Tangible Capital Assets:</b>				
Net Book Value of Tangible Capital Assets	\$ 28,474,099	\$ 1,416,117	\$ 2,842,938	\$ 27,047,278
Less: Liability for Asset Retirement Obligation	(1,302,645)	-	-	(1,302,645)
Less: Debt owing on Tangible Capital Assets	(261,980)	(140,248)	(195,771)	(206,457)
	<b>26,909,474</b>	<b>1,275,869</b>	<b>2,647,167</b>	<b>25,538,176</b>
<b>Designated Assets (Schedule F)</b>	<b>14,500,476</b>	<b>5,194,789</b>	<b>4,262,860</b>	<b>15,432,405</b>
<b>Unrestricted Surplus</b>	<b>1,570,608</b>	<b>-</b>	<b>-</b>	<b>1,570,608</b>
<b>Total Accumulated Surplus</b>	<b>\$ 42,980,558</b>	<b>\$ 6,470,658</b>	<b>\$ 6,910,027</b>	<b>\$ 42,541,189</b>

#### 14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on September 28, 2022 and the Minister of Education on October 27, 2022. Subsequently, certain line items in the budget were reclassified, although the total revenue and total expenses are unchanged. Per the Ministry of Education's directive, grants and expenses for the Drivers Education Program were reclassified from Instruction to External Services and revenue related to Treaty Land Entitlement was reclassified from Property Tax Revenue to Other Revenue.

#### 15. CONTRACTUAL OBLIGATIONS

Significant contractual obligations of the school division are as follows:

- student transportation services contract, variable monthly cost based on routes, with FirstCanada ULC for the period July 1, 2018, to June 30, 2025, with a school division option to extend the contract to June 30, 2028. Costs for the current year were \$3,824,128 (2022 - \$3,575,149).

Operating lease obligations of the school division are as follows:

	Capital Leases		
	Copier Leases	Computer Hardware and Software Lease	Total Operating
<b>Future minimum lease payments:</b>			
2024	\$ 99,456	\$ 1	\$ 99,457
2025	30,804	-	30,804
2026	30,803	-	30,803
2027	30,803	-	30,803
2028	30,804	-	30,804
<b>Total Lease Obligations</b>	<b>\$ 222,670</b>	<b>\$ 1</b>	<b>\$ 222,671</b>



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## 16. COMPARATIVE INFORMATION

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

## 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 and foreign exchange 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 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 grants and other accounts receivable as at August 31, 2023, was:

	August 31, 2023				
	Total	0-30 days	31-60 days	61-90 days	Over 90 days
Grants Receivable	\$ 2,278,870	\$ 2,278,870	\$ -	\$ -	\$ -
Other Receivables	603,176	140,836	-	318	462,022
<b>Net Receivables</b>	<b>\$ 2,882,046</b>	<b>\$2,419,706</b>	<b>\$ -</b>	<b>\$ 318</b>	<b>\$ 462,022</b>

Receivable amounts related to GST and PST 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, monitoring, and forecasts.

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

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	August 31, 2023				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 5,391,633	\$ 4,088,988	\$ -	\$ -	\$ 1,302,645
Long-term debt	206,457	-	92,595	113,862	-
<b>Total</b>	<b>\$ 5,598,090</b>	<b>\$4,088,988</b>	<b>\$ 92,595</b>	<b>\$ 113,862</b>	<b>\$ 1,302,645</b>

### iii) Market Risk

The school division is exposed to market risks with respect to interest rates and foreign currency exchange 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 and portfolio investments.

The school division also has an authorized bank line of credit of \$5,800,000 with interest payable monthly at a rate of prime per annum. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2023.

The school division minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency,
- 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, and
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt

#### Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The school division is exposed to currency risk on purchases denominated in U.S. dollars for which the related accounts payable balances are subject to exchange rate fluctuations; however, the school division believes that it is not subject to significant foreign exchange risk from its financial instruments.

## 18. LIVING SKY INNOVATION FUND

During the 2023 fiscal year, the organization established the Living Sky Innovation Fund through the Battlefords & District Community Foundation Inc (BDCF). The fund was established to carry on activities which are for the charitable purpose of the advancement of education and enhancement of the quality of education offered by the school division. These

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funds will be pooled and invested in accordance with the BDCF Investment Policy. The BDCF will determine the annual distributable earnings from the Fund which will be based on the Distribution Policy. The balance of the earnings will be added to the fund. A total of \$6,476 was added to the fund during the year and no funds have been distributed as of August 31, 2023.