
Audited Financial Statements

Of the Good Spirit School Division No. 204

School Division No. 2040500

For the Period Ending: August 31, 2022

Keith Gervais, CPA, CMA
Chief Financial Officer

Prairie Strong Chartered Professional Accountants
Auditor

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

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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.

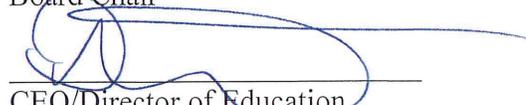
The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

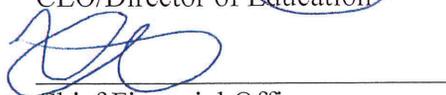
The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible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

The external auditors, Prairie Strong Chartered Professional Accountants, 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 Good Spirit School Division No. 204:


Board Chair


CEO/Director of Education


Chief Financial Officer

November 17, 2022

INDEPENDENT AUDITORS' REPORT

To: The Chairman and Board of Trustees of the
Good Spirit School Division No. 204
Yorkton, Saskatchewan

Opinion

We have audited the financial statements of Good Spirit School Division No. 204 (the School Division) which comprise the statement of financial position as at August 31, 2022, and the statements of operations and accumulated surplus from operations, changes in net financial assets 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 Good Spirit School Division No. 204 as at August 31, 2022, and the results of its operations and accumulated surplus from 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 audit 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 Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the 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.

Those charged with governance 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:

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- 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 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.

Prairie Strong

MILLER MOAR GRODECKI KREKLEWICH & CHORNEY
Chartered Professional Accountants

Melville, Saskatchewan
November 17, 2022

Good Spirit School Division No. 204
Statement of Financial Position
as at August 31, 2022

	2022	2021
	\$	\$
Financial Assets		(Restated - Note 2(j))
Cash and Cash Equivalents	18,658,456	19,430,147
Accounts Receivable (Note 7)	2,461,658	1,385,317
Portfolio Investments (Note 3)	53,839	57,270
Total Financial Assets	21,173,953	20,872,734
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	9,240,278	7,886,892
Long-Term Debt (Note 9)	492,359	744,969
Liability for Employee Future Benefits (Note 5)	1,037,700	1,022,300
Deferred Revenue (Note 10)	83,172	64,283
Total Liabilities	10,853,509	9,718,444
Net Financial Assets	10,320,444	11,154,290
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	69,845,143	66,688,358
Prepaid Expenses	819,693	1,034,682
Total Non-Financial Assets	70,664,836	67,723,040
Accumulated Surplus (Note 13)	80,985,280	78,877,330

Contingent Liabilities (Note 16)
Contractual Obligations (Note 17)

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

Approved by the Board:

_____ Chairperson

_____ Chief Financial Officer

Good Spirit School Division No. 204
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
REVENUES	(Note 14)		(Restated - Note 2(j))
Property Taxes and Other Related	-	4,432	3,018
Grants	79,155,034	77,149,310	76,666,554
Tuition and Related Fees	1,820,000	2,358,583	1,670,302
School Generated Funds	2,500,000	1,548,890	1,052,633
Complementary Services (Note 11)	914,132	920,626	874,399
External Services (Note 12)	440,736	366,824	337,580
Other	405,200	375,829	523,952
Total Revenues (Schedule A)	85,235,102	82,724,494	81,128,438
EXPENSES			
Governance	292,384	258,126	293,344
Administration	2,903,577	2,858,475	2,754,108
Instruction	56,041,787	55,750,657	55,122,418
Plant Operation & Maintenance	10,693,451	11,191,552	9,242,865
Student Transportation	7,399,115	7,243,855	6,570,953
Tuition and Related Fees	632,200	495,756	533,277
School Generated Funds	2,541,000	1,540,842	966,253
Complementary Services (Note 11)	896,407	867,142	878,839
External Services (Note 12)	464,256	369,259	457,614
Other	18,043	40,880	30,220
Total Expenses (Schedule B)	81,882,220	80,616,544	76,849,891
Operating Surplus for the Year	3,352,882	2,107,950	4,278,547
Accumulated Surplus from Operations, Beginning of Year	78,877,330	78,877,330	74,598,783
Accumulated Surplus from Operations, End of Year	82,230,212	80,985,280	78,877,330

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

Good Spirit School Division No. 204
Statement of Changes in Net Financial Assets
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$ (Note 14)	\$	\$ (Restated - Note 2(j))
Net Financial Assets, Beginning of Year	11,154,290	11,154,290	9,012,371
Changes During the Year			
Operating Surplus for the Year	3,352,882	2,107,950	4,278,547
Acquisition of Tangible Capital Assets (Schedule C)	(9,630,000)	(7,157,817)	(6,170,686)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	28,260	-
Net Loss on Disposal of Capital Assets (Schedule C)	-	26,640	-
Amortization of Tangible Capital Assets (Schedule C)	3,987,079	3,946,132	3,993,696
Net Change in Other Non-Financial Assets	-	214,989	40,362
Change in Net Financial Assets	(2,290,039)	(833,846)	2,141,919
Net Financial Assets, End of Year	8,864,251	10,320,444	11,154,290

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

Good Spirit School Division No. 204**Statement of Cash Flows
for the year ended August 31, 2022**

	2022	2021
	\$	\$
OPERATING ACTIVITIES		(Restated - Note 2(j))
Operating Surplus for the Year	2,107,950	4,278,547
Add Non-Cash Items Included in Surplus (Schedule D)	3,972,772	3,993,696
Net Change in Non-Cash Operating Activities (Schedule E)	526,323	(388,271)
Cash Provided by Operating Activities	6,607,045	7,883,972
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(7,157,817)	(6,170,686)
Proceeds on Disposal of Tangible Capital Assets	28,260	-
Cash Used by Capital Activities	(7,129,557)	(6,170,686)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(172)	(96)
Proceeds on Disposal of Portfolio Investments	3,603	-
Cash Provided (Used) by Investing Activities	3,431	(96)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	89,195	-
Repayment of Long-Term Debt	(341,805)	(502,550)
Cash Used by Financing Activities	(252,610)	(502,550)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(771,691)	1,210,640
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	19,430,147	18,219,507
CASH AND CASH EQUIVALENTS, END OF YEAR	18,658,456	19,430,147

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

Good Spirit School Division No. 204
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
Property Taxes and Other Related Revenue	(Note 14)		
Other Tax Revenues			
Treaty Land Entitlement - Rural	-	4,432	3,018
Total Other Tax Revenues	-	4,432	3,018
Total Property Taxes and Other Related Revenue	-	4,432	3,018
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	68,925,985	69,491,862	68,923,504
Other Ministry Grants	2,121,049	2,467,716	3,061,167
Total Ministry Grants	71,047,034	71,959,578	71,984,671
Other Provincial Grants	333,000	333,435	3,820,825
Federal Grants	-	179,147	96,758
Grants from Others	-	-	14,300
Total Operating Grants	71,380,034	72,472,160	75,916,554
Capital Grants			
Ministry of Education Capital Grants	7,225,000	4,677,150	750,000
Other Provincial Capital Grants	550,000	-	-
Total Capital Grants	7,775,000	4,677,150	750,000
Total Grants	79,155,034	77,149,310	76,666,554
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
Federal Government and First Nations	1,700,000	2,314,141	1,611,253
Individuals and Other	12,000	44,442	59,049
Total Tuition Fees	1,712,000	2,358,583	1,670,302
Transportation Fees	108,000	-	-
Total Operating Tuition and Related Fees	1,820,000	2,358,583	1,670,302
Total Tuition and Related Fees Revenue	1,820,000	2,358,583	1,670,302
School Generated Funds Revenue			
Curricular			
Student Fees	50,000	86,814	76,144
Total Curricular Fees	50,000	86,814	76,144
Non-Curricular Fees			
Commercial Sales - Non-GST	250,000	153,369	116,166
Fundraising	420,000	218,185	120,080
Grants and Partnerships	30,000	62,529	6,566
Other	1,750,000	1,027,993	733,677
Total Non-Curricular Fees	2,450,000	1,462,076	976,489
Total School Generated Funds Revenue	2,500,000	1,548,890	1,052,633

Good Spirit School Division No. 204
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
Complementary Services	(Note 14)		
Operating Grants			
Ministry of Education Grants			
Operating Grant	746,132	751,071	725,483
Other Ministry Grants	25,000	25,000	25,000
Federal Grants	115,000	117,648	94,567
Total Operating Grants	886,132	893,719	845,050
Fees and Other Revenue			
Other Revenue	28,000	26,907	29,349
Total Fees and Other Revenue	28,000	26,907	29,349
Total Complementary Services Revenue	914,132	920,626	874,399
External Services			
Operating Grants			
Ministry of Education Grants			
Other Ministry Grants	230,736	202,350	230,736
Other Provincial Grants	-	-	625
Other Grants	-	124	10,690
Total Operating Grants	230,736	202,474	242,051
Fees and Other Revenue			
Other Revenue	210,000	164,350	95,529
Total Fees and Other Revenue	210,000	164,350	95,529
Total External Services Revenue	440,736	366,824	337,580
Other Revenue			
Miscellaneous Revenue	80,200	30,700	267,308
Sales & Rentals	200,000	173,979	158,104
Investments	125,000	171,150	98,540
Total Other Revenue	405,200	375,829	523,952
TOTAL REVENUE FOR THE YEAR	85,235,102	82,724,494	81,128,438

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
Governance Expense	(Note 14)		(Restated - Note 2(j))
Board Members Expense	142,450	119,076	123,779
Professional Development - Board Members	8,800	11,625	2,415
Elections	-	-	21,768
Other Governance Expenses	141,134	127,425	145,382
Total Governance Expense	292,384	258,126	293,344
Administration Expense			
Salaries	2,109,758	2,099,527	2,067,724
Benefits	257,082	271,856	252,037
Supplies & Services	201,650	195,258	185,406
Non-Capital Furniture & Equipment	6,000	3,923	7,160
Building Operating Expenses	44,400	49,247	43,097
Communications	35,200	29,081	28,924
Travel	40,750	28,967	14,323
Professional Development	51,100	33,604	8,243
Amortization of Tangible Capital Assets	157,637	147,012	147,194
Total Administration Expense	2,903,577	2,858,475	2,754,108
Instruction Expense			
Instructional (Teacher Contract) Salaries	37,672,425	37,787,136	37,114,963
Instructional (Teacher Contract) Benefits	1,878,898	2,011,160	1,858,736
Program Support (Non-Teacher Contract) Salaries	8,775,844	8,402,244	8,401,630
Program Support (Non-Teacher Contract) Benefits	1,698,594	1,674,412	1,640,026
Instructional Aids	1,112,284	1,054,583	1,075,886
Supplies & Services	1,167,314	1,383,817	1,533,889
Non-Capital Furniture & Equipment	414,387	350,644	466,744
Communications	213,307	175,117	239,434
Travel	185,900	141,508	96,406
Professional Development	368,299	206,442	143,032
Student Related Expense	163,374	160,237	151,446
Amortization of Tangible Capital Assets	2,391,161	2,328,687	2,325,556
Amortization of Tangible Capital Assets ARO	-	74,670	74,670
Total Instruction Expense	56,041,787	55,750,657	55,122,418

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense	(Note 14)		(Restated - Note 2(j))
Salaries	3,365,114	3,359,102	3,269,132
Benefits	670,375	628,868	603,158
Supplies & Services	32,610	106,338	65,101
Non-Capital Furniture & Equipment	16,500	45,645	45,498
Building Operating Expenses	6,265,349	6,695,043	4,933,993
Communications	10,800	6,791	5,518
Travel	68,400	82,871	62,645
Professional Development	16,000	3,430	5,768
Amortization of Tangible Capital Assets	248,303	263,039	251,627
Amortization of Tangible Capital Assets ARO	-	425	425
Total Plant Operation & Maintenance Expense	10,693,451	11,191,552	9,242,865
Student Transportation Expense			
Salaries	3,337,900	3,041,026	3,032,293
Benefits	593,673	547,782	545,508
Supplies & Services	1,362,015	1,507,125	1,158,227
Non-Capital Furniture & Equipment	485,700	652,531	486,403
Building Operating Expenses	59,375	71,076	62,020
Communications	20,580	15,052	18,255
Travel	28,000	16,153	19,046
Professional Development	27,000	13,591	5,068
Contracted Transportation	315,955	268,280	79,844
Amortization of Tangible Capital Assets	1,168,917	1,109,305	1,162,355
Amortization of Tangible Capital Assets ARO	-	1,934	1,934
Total Student Transportation Expense	7,399,115	7,243,855	6,570,953
Tuition and Related Fees Expense			
Tuition Fees	625,000	492,556	529,677
Transportation Fees	7,200	3,200	3,600
Total Tuition and Related Fees Expense	632,200	495,756	533,277
School Generated Funds Expense			
Cost of Sales	250,000	160,260	97,039
School Fund Expenses	2,269,939	1,360,746	840,615
Amortization of Tangible Capital Assets	21,061	19,836	28,599
Total School Generated Funds Expense	2,541,000	1,540,842	966,253

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
Complementary Services Expense	(Note 14)		(Restated - Note 2(j))
Instructional (Teacher Contract) Salaries & Benefits	539,434	487,481	543,598
Program Support (Non-Teacher Contract) Salaries & Benefits	276,467	299,755	259,252
Instructional Aids	65,006	64,451	63,753
Supplies & Services	1,000	1,448	711
Non-Capital Furniture & Equipment	500	594	1,000
Building Operating Expenses	3,500	4,303	3,519
Communications	1,500	3,059	2,928
Travel	7,000	988	1,677
Professional Development (Non-Salary Costs)	-	3,823	146
Student Related Expenses	-	16	740
Contracted Transportation & Allowances	2,000	-	179
Amortization of Tangible Capital Assets	-	1,224	1,336
Total Complementary Services Expense	896,407	867,142	878,839
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	188,898	130,119	162,809
Supplies & Services	115,358	115,183	133,303
Non-Capital Furniture & Equipment	-	-	450
Communications	-	610	996
Travel	10,000	5,295	8,409
Professional Development (Non-Salary Costs)	-	-	1,647
Student Related Expenses	150,000	118,052	150,000
Total External Services Expense	464,256	369,259	457,614
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	2,000	485	1,078
Interest on Capital Loans	16,043	13,755	21,537
Interest on Other Long-Term Debt	-	-	7,605
Total Interest and Bank Charges	18,043	14,240	30,220
Loss on Disposal of Tangible Capital Assets	-	26,640	-
Total Other Expense	18,043	40,880	30,220
TOTAL EXPENSES FOR THE YEAR	81,882,220	80,616,544	76,849,891

Good Spirit School Division No. 204
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2022

	Land		Buildings		School	Other	Furniture and	Computer Hardware and	Computer	Assets		
	Land	Improvements	Buildings	ARO	Buses	Vehicles	Equipment	Audio Visual Equipment	Software	Under Construction	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(Restated - Note 2(j))												
Tangible Capital Assets - at Cost												
Opening Balance as of September 1	998,589	778,771	91,044,904	5,024,729	13,767,927	836,712	6,078,530	2,127,342	621,111	2,235,588	123,514,203	118,033,486
Additions/Purchases	-	-	-	-	871,830	109,201	251,538	543,503	119,720	5,262,025	7,157,817	6,170,686
Disposals	-	-	-	-	(1,052,425)	-	(642,594)	(80,765)	(71,750)	-	(1,847,534)	(689,969)
Closing Balance as of August 31	998,589	778,771	91,044,904	5,024,729	13,587,332	945,913	5,687,474	2,590,080	669,081	7,497,613	128,824,486	123,514,203
Tangible Capital Assets - Amortization												
Opening Balance as of September 1	-	241,669	39,933,633	3,465,012	7,475,485	696,556	3,880,831	802,010	330,649	-	56,825,845	53,522,118
Amortization of the Period	-	38,939	1,521,513	77,030	1,015,151	71,983	568,747	518,953	133,816	-	3,946,132	3,993,696
Disposals	-	-	-	-	(997,525)	-	(642,594)	(80,765)	(71,750)	-	(1,792,634)	(689,969)
Closing Balance as of August 31	N/A	280,608	41,455,146	3,542,042	7,493,111	768,539	3,806,984	1,240,198	392,715	N/A	58,979,343	56,825,845
Net Book Value												
Opening Balance as of September 1	998,589	537,102	51,111,271	1,559,717	6,292,442	140,156	2,197,699	1,325,332	290,462	2,235,588	66,688,358	64,511,368
Closing Balance as of August 31	998,589	498,163	49,589,758	1,482,687	6,094,221	177,374	1,880,490	1,349,882	276,366	7,497,613	69,845,143	66,688,358
Change in Net Book Value	-	(38,939)	(1,521,513)	(77,030)	(198,221)	37,218	(317,209)	24,550	(14,096)	5,262,025	3,156,785	2,176,990
Disposals												
Historical Cost	-	-	-	-	1,052,425	-	642,594	80,765	71,750	-	1,847,534	689,969
Accumulated Amortization	-	-	-	-	997,525	-	642,594	80,765	71,750	-	1,792,634	689,969
Net Cost	-	-	-	-	54,900	-	-	-	-	-	54,900	-
Price of Sale	-	-	-	-	28,260	-	-	-	-	-	28,260	-
Gain (Loss) on Disposal	-	-	-	-	(26,640)	-	-	-	-	-	(26,640)	-
Net Book Value (NBV) of Assets Pledged as Security for Debt	-	-	-	-	-	-	-	158,639	-	-	158,639	133,705

An Asset retirement obligation for the removal and disposal of asbestos (Note 8) is related to buildings with a net book value of \$5,709,397 (2021 - \$5,963,178).

Closing costs of leased tangible capital assets of \$397,608 (2021 - \$308,412) representing \$397,608 (2021 - \$308,412) in Computer Hardware and Audio Visual Equipment. Accumulated amortization of \$238,969 (2021 - \$174,707) has been recorded on these assets.

Good Spirit School Division No. 204
Schedule D: Non-Cash Items Included in Surplus
for the year ended August 31, 2022

	2022	2021
	\$	\$
Non-Cash Items Included in Surplus		(Restated - Note 2(j))
Amortization of Tangible Capital Assets (Schedule C)	3,946,132	3,993,696
Net Loss on Disposal of Tangible Capital Assets (Schedule C)	26,640	-
Total Non-Cash Items Included in Surplus	3,972,772	3,993,696

Good Spirit School Division No. 204
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2022

	2022	2021
	\$	\$
Net Change in Non-Cash Operating Activities		
(Increase) Decrease in Accounts Receivable	(1,076,341)	902,708
Increase (Decrease) in Accounts Payable and Accrued Liabilities	1,353,386	(703,084)
Increase in Liability for Employee Future Benefits	15,400	88,800
Increase (Decrease) in Deferred Revenue	18,889	(717,057)
Decrease in Prepaid Expenses	214,989	40,362
Total Net Change in Non-Cash Operating Activities	526,323	(388,271)

Good Spirit School Division No. 204

Schedule F: Detail of Designated Assets

for the year ended August 31, 2022

	August 31 2021	Additions during the year	Reductions during the year	August 31 2022
	\$	\$	\$	\$ (Note 13)
External Sources				
Jointly Administered Funds				
School generated funds	1,697,267	88,402	26,147	1,759,522
Fitness Centre, Kidsfirst, PPEP	93,545	200,122	156,275	137,392
Total Jointly Administered Funds	1,790,812	288,524	182,422	1,896,914
Ministry of Education				
Designated for tangible capital asset expenditures	45,000	-	-	45,000
PMR maintenance project allocations	4,464,947	2,307,239	2,456,662	4,315,524
Federal Capital Tuition	499,889	-	499,889	-
Education Emergency Pandemic Support program allocation	1,146,063	-	1,146,063	-
Unified Student Information System - USIS	72,638	-	59,137	13,501
Total Ministry of Education	6,228,537	2,307,239	4,161,751	4,374,025
Total External Sources	8,019,349	2,595,763	4,344,173	6,270,939
Internal Sources				
Board governance				
Elections	50,000	-	-	50,000
Total Board governance	50,000	-	-	50,000
Curriculum and student learning				
Instructional Resources	50,000	100,000	-	150,000
School Budget Carryovers	592,717	431,919	592,717	431,919
Total curriculum and student learning	642,717	531,919	592,717	581,919
Facilities				
YRHS Flood	100,000	-	-	100,000
Anne Portnuff Theatre	1,499	-	-	1,499
Risk Management & Security	11,299	-	-	11,299
Total facilities	112,798	-	-	112,798
Information technology				
Technology Resources	1,600,000	2,000,000	543,503	3,056,497
Total information technology	1,600,000	2,000,000	543,503	3,056,497
Transportation				
Bus Purchases	1,627,132	3,500,000	-	5,127,132
Total transportation	1,627,132	3,500,000	-	5,127,132
Total Internal Sources	4,032,647	6,031,919	1,136,220	8,928,346
Total Designated Assets	12,051,996	8,627,682	5,480,393	15,199,285

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

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 Good Spirit School Division No. 204 and operates as “the Good Spirit School Division No. 204. The school division provides education services to residents within its geographic region and is governed by an elected board of trustees. The school division is exempt from income tax and is a registered charity under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of Accounting

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

b) Trust Funds

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

Trust funds are not included in the financial statements as they are not controlled by the school division. Trust fund activities administered by the school division are disclosed in Note 15 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 \$ 1,037,700 (2021 - \$1,022,300) because actual experience may differ significantly from actuarial estimations.
- uncollectible accounts receivable of \$298,513 (2021 - \$ 298,513) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related accumulated amortization of \$ 58,979,343 (2021 - \$ 56,825,845) because the actual useful lives of the capital assets may differ from their estimated economic lives.

GOOD SPIRIT SCHOOL DIVISION NO. 204
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- estimated undiscounted asset retirement obligation of \$5,024,729 (2021 - \$ 5,024,729) 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.

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 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.

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

e) Financial Assets

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

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

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

Accounts Receivable includes provincial grants receivable and other receivables. Provincial grants receivable represents capital 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.

Portfolio Investments consist of shares and equity in Credit Unions and Co-operatives. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (d).

f) Non-Financial Assets

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

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

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

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

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings*	50 years
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	Asset Life

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

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

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

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, Workers' Compensation premiums, bus garage parts, computer parts, promotional items, and software licenses.

g) Liabilities

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

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

Asset Retirement Obligation (ARO) consists of schools, maintenance shops and bus garage building assets 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 depreciated on the same basis as the underlying asset.

Long-Term Debt is comprised of capital loans and other long-term debt with initial maturities of more than one year and are incurred for the purpose of financing capital expenses in accordance with the provisions of *The Education Act, 1995*.

Long-term debt also includes 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.

h) Employee Pension Plans

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

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NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

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). The school division's obligation for this plan is limited to collecting and remitting contributions of the employees at rates determined by the plan.
- 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.

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

ii) 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.

iii) Interest Income

Interest is recognized as revenue when it is earned.

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

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
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estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

j) Accounting Changes

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

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

	Previously Stated August 31, 2021	Increase (Decrease)	Restated August 31, 2021
Tangible Capital Assets	\$ 65,128,641	\$ 1,559,717	\$ 66,688,358
Accounts Payable and Accrued Liabilities	\$ 2,862,163	\$ 5,024,729	\$ 7,886,892
Accumulated Surplus	\$ 82,342,342	\$ (3,465,012)	\$ 78,877,330
Amortization of Tangible Capital Assets	\$ 3,916,666	\$ 77,030	\$ 3,993,696

3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2022	2021
Portfolio investments in the cost or amortized cost category:	<u>Cost</u>	<u>Cost</u>
Shares/Equity in Co-operatives/Credit Unions	\$ 53,839	\$ 57,270
Total portfolio investments	\$ 53,839	\$ 57,270

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2022 Actual	2021 Actual
						(Restated - Note 2(j))
Governance	\$ 130,701	\$ 127,425	\$ -	\$ -	\$ 258,126	\$ 293,344
Administration	2,371,383	340,080	-	147,012	2,858,475	2,754,108
Instruction	49,874,952	3,472,348	-	2,403,357	55,750,657	55,122,418
Plant Operation & Maintenance	3,987,970	6,940,118	-	263,464	11,191,552	9,242,865
Student Transportation	3,588,808	2,543,808	-	1,111,239	7,243,855	6,570,953
Tuition and Related Fees	-	495,756	-	-	495,756	533,277
School Generated Funds	-	1,521,006	-	19,836	1,540,842	966,253
Complementary Services	787,236	78,682	-	1,224	867,142	878,839
External Services	130,119	239,140	-	-	369,259	457,614
Other	-	-	40,880	-	40,880	30,220
TOTAL	\$ 60,871,169	\$ 15,758,363	\$ 40,880	\$ 3,946,132	\$ 80,616,544	\$ 76,849,891

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. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. HUB International Limited, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2021 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2022.

Details of the employee future benefits are as follows:

	2022	2021
Long-term assumptions used:		
Discount rate at end of period (per annum)	4.01%	1.97%
Inflation and productivity rate - Teachers (excluding merit and promotion) (per annum)	2.50%	2.50%
Inflation and productivity rate - Non-Teachers (excluding merit and promotion) (per annum)	3.00%	3.00%
Expected average remaining service life (years)	14	14

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

Liability for Employee Future Benefits	2022	2021
Accrued Benefit Obligation - beginning of year	\$ 729,800	\$ 1,006,000
Current period service cost	65,100	86,400
Interest cost	15,100	16,600
Benefit payments	(54,400)	(28,800)
Actuarial gains	(96,400)	(350,400)
Accrued Benefit Obligation - end of year	659,200	729,800
Unamortized net actuarial gains	378,500	292,500
Liability for Employee Future Benefits	\$ 1,037,700	\$ 1,022,300

Employee Future Benefits Expense	2022	2021
Current period service cost	\$ 65,100	\$ 86,400
Amortization of net actuarial (gain) loss	(10,400)	14,600
Benefit cost	54,700	101,000
Interest cost	15,100	16,600
Total Employee Future Benefits Expense	\$ 69,800	\$ 117,600

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)

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

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

Details of the contributions to this plan for the school division's employees are as follows:

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

	<u>2022</u>		<u>2021</u>
	<u>STRP</u>	<u>TOTAL</u>	<u>TOTAL</u>
Number of active School Division members	455	455	470
Member contribution rate (percentage of salary)	9.50% / 11.70%	9.50% / 11.70%	6.05% / 11.70 %
Member contributions for the year	\$ 3,823,059	\$ 3,823,059	\$ 3,783,793

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:

	<u>2022</u>	<u>2021</u>
Number of active School Division members	454	461
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	\$ 1,353,706	\$ 1,304,928
School Division contributions for the year	\$ 1,353,706	\$ 1,304,928
Actuarial extrapolation date	<u>Dec/31/2021</u>	<u>Dec/31/2020</u>
Plan Assets (in thousands)	\$ 3,568,400	\$ 3,221,426
Plan Liabilities (in thousands)	\$ 2,424,014	\$ 2,382,526
Plan Surplus (in thousands)	\$ 1,144,386	\$ 838,900

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

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:

	2022			2021		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Provincial Grants Receivable	\$ 1,290,539	\$ -	\$ 1,290,539	\$ 800,000	\$ -	\$ 800,000
GST/PST Receivables	562,485	-	562,485	258,730	-	258,730
Other Receivables	907,147	298,513	608,634	625,100	298,513	326,587
Total Accounts Receivable	\$ 2,760,171	\$ 298,513	\$ 2,461,658	\$ 1,683,830	\$ 298,513	\$ 1,385,317

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2022	2021
		(Restated - Note 2(j))
Accrued Salaries and Benefits	\$ 1,329,954	\$ 1,292,500
Supplier Payments	2,674,115	1,411,451
Liability for Asset Retirement Obligation	5,024,729	5,024,729
Other (Caution Fees, Schools, Scholarships)	211,480	158,212
Total Accounts Payable and Accrued Liabilities	\$ 9,240,278	\$ 7,886,892

The school division recognized an estimated liability for asset retirement obligation of \$ 5,024,729 (2021 - \$ 5,024,729) for the removal and disposal of asbestos. The nature of the liability is related to asbestos containing materials within a number of the school divisions facilities that will be required to be properly disposed of when the building is disposed of, or remediation work is undertaken. The assumptions used in estimating the liability include the various types of asbestos containing materials within each of the school divisions buildings, along with the standard of work that will be required to safely remove the asbestos containing materials. Additionally, assumptions were made around the remaining useful life of all school division buildings that contain asbestos materials to determine when the remediation costs may be incurred.

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

9. LONG-TERM DEBT

Details of long-term debt are as follows:

		2022	2021
Capital Loan:	BMO Bus Loan - 2.85% matures Oct 2023 monthly repayments of \$24,275	\$ 333,720	\$ 611,264
		333,720	611,264
<u>Other Long-Term Debt:</u>			
Capital Leases:	Concentra Copier Lease 17106 matured Sep 2021 quarterly repayments of \$4,038	-	3,866
	Concentra Copier Lease 18742 matures Aug 2023 quarterly repayments of \$4,184	19,526	36,263
	Concentra Copier Lease 50901 matures Sep 2024 quarterly repayments of \$7,198	64,783	93,576
	Concentra Copier Lease 56039 matures Nov 2026 quarterly repayments of \$4,450	74,330	-
		158,639	133,705
Total Long-Term Debt		\$ 492,359	\$ 744,969

Future repayments over the next 5 years are estimated as follows:

	Capital Loans	Capital Leases	Total
2023	\$ 285,493	\$ 63,369	\$ 348,862
2024	48,227	49,421	97,648
2025	-	25,037	25,037
2026	-	17,839	17,839
2027	-	2,973	2,973
Total future repayments	\$ 333,720	\$ 158,639	\$ 492,359

Principal and interest payments on the long-term debt are as follows:

	Capital Loans	Capital Leases	2022	2021
Principal	\$ 277,544	\$ 64,261	\$ 341,805	\$ 502,550
Interest	13,755	-	13,755	29,142
Total	\$ 291,299	\$ 64,261	\$ 355,560	\$ 531,692

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at August 31, 2021	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2022
Non-Capital deferred revenue:				
Parent and Preschool Education	\$ 64,283	\$ 45,836	\$ 26,947	\$ 83,172
Total Deferred Revenue	\$ 64,283	\$ 45,836	\$ 26,947	\$ 83,172

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	2022	2021
Revenues:				
Operating Grants	\$ 751,071	\$ 142,648	\$ 893,719	\$ 845,050
Fees and Other Revenues	-	26,907	26,907	29,349
Total Revenues	751,071	169,555	920,626	874,399
Expenses:				
Salaries & Benefits	670,080	117,156	787,236	802,850
Instructional Aids	41,908	22,543	64,451	63,753
Supplies and Services	-	1,448	1,448	711
Non-Capital Equipment	-	594	594	1,000
Building Operating Expenses	4,303	-	4,303	3,519
Communications	1,596	1,463	3,059	2,928
Travel	988	-	988	1,677
Professional Development (Non-Salary Costs)	3,364	459	3,823	146
Student Related Expenses	-	16	16	740
Contracted Transportation & Allowances	-	-	-	179
Amortization of Tangible Capital Assets	1,224	-	1,224	1,336
Total Expenses	723,463	143,679	867,142	878,839
Excess (Deficiency) of Revenues over Expenses	\$ 27,608	\$ 25,876	\$ 53,484	\$ (4,440)

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2022

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:

Summary of External Services Revenues and Expenses, by Program	Invitational Shared Services Initiative	KidsFirst	Other Programs	2022	2021
Revenues:					
Operating Grants	\$ 120,000	\$ 82,474	\$ -	\$ 202,474	\$ 242,051
Fees and Other Revenues	-	-	164,350	164,350	95,529
Total Revenues	120,000	82,474	164,350	366,824	337,580
Expenses:					
Salaries & Benefits	-	17,040	113,079	130,119	162,809
Supplies and Services	-	11,261	103,922	115,183	133,303
Non-Capital Equipment	-	-	-	-	450
Communications	-	610	-	610	996
Travel	-	5,295	-	5,295	8,409
Professional Development	-	-	-	-	1,647
Student Related Expenses	118,052	-	-	118,052	150,000
Total Expenses	118,052	34,206	217,001	369,259	457,614
Excess (Deficiency) of Revenues over Expenses	\$ 1,948	\$ 48,268	\$ (52,651)	\$ (2,435)	\$ (120,034)

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.

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Details of accumulated surplus are as follows:

	August 31, 2021	Additions during the year	Reductions during the year	August 31, 2022
Invested in Tangible Capital Assets:	(Restated - Note 2(j))			
Net Book Value of Tangible Capital Assets	\$ 66,688,358	\$ 7,157,817	\$ 4,001,032	\$ 69,845,143
Less: Liability for Asset Retirement Obligation	(5,024,729)	-	-	(5,024,729)
Less: Debt owing on Tangible Capital Assets	(744,969)	(89,195)	(341,805)	(492,359)
	60,918,660	7,068,622	3,659,227	64,328,055
Designated Assets (Schedule F)	12,051,996	8,627,682	5,480,393	15,199,285
Unrestricted Surplus	5,906,674	-	4,448,734	1,457,940
Total Accumulated Surplus	\$ 78,877,330	\$ 15,696,304	\$ 13,588,354	\$ 80,985,280

14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 16, 2021 and the Minister of Education on August 27, 2021.

15. TRUSTS

The school division, as the trustee, administers trust funds for the Public Section of the Saskatchewan School Boards Association and scholarships. The trust assets and transactions are not included in the financial statements.

Information about these trusts is as follows:

	Public Section		Scholarships		Total	Total
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash and short-term investments	\$ 83,502	\$ 186,719	\$ 32,722	\$ 19,366	\$ 116,224	\$ 206,085
Portfolio investments	100,000	-	233,569	215,099	333,569	215,099
Total Assets	183,502	186,719	266,291	234,465	449,793	421,184
Revenues						
Contributions and donations	109,112	97,441	47,030	16,476	156,142	113,917
Interest on investments	-	-	1,496	4,643	1,496	4,643
	109,112	97,441	48,526	21,119	157,638	118,560
Expenses						
Operations	112,329	97,225	-	-	112,329	97,225
Awards to Students	-	-	16,700	30,438	16,700	30,438
	112,329	97,225	16,700	30,438	129,029	127,663
Excess (Deficiency) of Revenues over Expenses	(3,217)	216	31,826	(9,319)	28,609	(9,103)
Trust Fund Balance, Beginning of Year	186,719	186,503	234,465	243,784	421,184	430,287
Trust Fund Balance, End of Year	\$ 183,502	\$ 186,719	\$ 266,291	\$ 234,465	\$ 449,793	\$ 421,184

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16. CONTINGENT LIABILITIES

The school division contracted Pinchin to do a phase I environmental assessment of the Yorkton Bus Garage facility. Their report dated December 21, 2018 recommended that a further phase II assessment be completed. At this time, the school division has no basis to determine if it has a contaminated site liability and no determination of cost, if any is known. Management plans that if the property was sold its sale price would be sufficient to cover any potential remediation cost or the property be sold as is for a nominal amount with the liability transferred to the buyer with their knowledge.

17. CONTRACTUAL OBLIGATIONS

Significant contractual obligations of the school division are as follows:

- bus purchase commitment for 9 buses in the amount of \$ 1,130,962

18. RISK MANAGEMENT

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

i) Credit Risk

Credit risk is the risk to the school division from potential non-payment of accounts receivable. The credit risk related to the school division's receivables from the provincial government, federal government and their agencies are considered to be minimal. For other receivables, the school division has adopted credit policies which include 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, 2022, was:

	August 31, 2022				
	Total	0-30 days	31-60 days	61-90 days	Over 90 days
Grants Receivable	\$ 1,290,539	\$ 1,290,539	\$ -	\$ -	\$ -
Other Receivables	907,147	25,062	-	1,778	880,307
Gross Receivables	2,197,686	1,315,601	-	1,778	880,307
Allowance for Doubtful Accounts	(298,513)	-	-	-	(298,513)
Net Receivables	\$ 1,899,173	\$ 1,315,601	\$ -	\$ 1,778	\$ 581,794

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

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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 monitoring budgets and maintaining adequate cash balances.

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

	August 31, 2022				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$9,240,278	\$4,115,274	\$ 100,275	\$ -	\$ 5,024,729
Long-term debt	492,359	173,415	175,447	143,497	-
Total	\$9,732,637	\$4,288,689	\$ 275,722	\$ 143,497	\$ 5,024,729

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 and portfolio investments.

The school division also has an authorized bank line of credit of \$ 6,200,000 with interest payable monthly at a rate of prime minus 1.75% per annum. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2022.

The school division minimizes these risks by:

- 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
- Managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt

19. 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

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reliably measure the potential future impact on the school division's financial position and operations.