
Audited Financial Statements

Of the Good Spirit School Division No. 204

School Division No. 2040500

For the Period Ending: August 31, 2023

Keith Gervais, CPA, CMA
Chief Financial Officer

Prairie Strong Chartered Professional Accountants
Auditor

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

Saskatchewan 

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Management's Responsibility for the Financial Statements

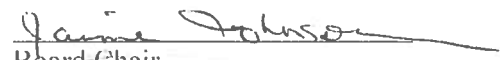
The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily 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 16, 2023

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, 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 Good Spirit School Division No. 204 as at August 31, 2023, 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

PRAIRIE STRONG
Chartered Professional Accountants
Melville, Saskatchewan
November 16, 2023



Good Spirit School Division No. 204
Statement of Financial Position
as at August 31, 2023

	2023	2022
	\$	\$
Financial Assets		
Cash and Cash Equivalents	16,626,894	18,658,456
Accounts Receivable (Note 7)	3,145,051	2,461,658
Portfolio Investments (Note 3)	45,473	53,839
Total Financial Assets	19,817,418	21,173,953
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	7,526,354	9,240,278
Long-Term Debt (Note 9)	137,725	492,359
Liability for Employee Future Benefits (Note 5)	1,060,300	1,037,700
Deferred Revenue (Note 10)	87,225	83,172
Total Liabilities	8,811,604	10,853,509
Net Financial Assets	11,005,814	10,320,444
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	76,604,678	69,845,143
Inventory of Supplies Held for Consumption	224,099	-
Prepaid Expenses	777,156	819,693
Total Non-Financial Assets	77,605,933	70,664,836
Accumulated Surplus (Note 13)	88,611,747	80,985,280

Contingent Liabilities (Note 16)

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, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
REVENUES	(Note 14)		
Grants	83,250,255	84,503,539	76,815,875
Tuition and Related Fees	2,328,847	2,183,600	2,358,583
School Generated Funds	2,500,000	2,553,261	1,548,890
Complementary Services (Note 11)	927,312	993,743	920,626
External Services (Note 12)	722,350	777,438	700,259
Other	377,700	815,830	380,261
Total Revenues (Schedule A)	90,106,464	91,827,411	82,724,494
EXPENSES			
Governance	295,450	308,303	258,126
Administration	2,954,470	2,972,664	2,858,475
Instruction	56,658,219	56,541,466	55,415,091
Plant Operation & Maintenance	10,912,895	11,946,397	11,191,552
Student Transportation	8,417,807	7,965,163	7,243,855
Tuition and Related Fees	602,200	321,642	495,756
School Generated Funds	2,541,000	2,352,479	1,540,842
Complementary Services (Note 11)	862,688	1,001,372	867,142
External Services (Note 12)	736,021	698,116	704,825
Other	7,805	93,342	40,880
Total Expenses (Schedule B)	83,988,555	84,200,944	80,616,544
Operating Surplus for the Year	6,117,909	7,626,467	2,107,950
Accumulated Surplus from Operations, Beginning of Year	80,985,280	80,985,280	78,877,330
Accumulated Surplus from Operations, End of Year	87,103,189	88,611,747	80,985,280

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, 2023

	2023	2023	2022
	Budget	Actual	Actual
	\$	\$	\$
	(Note 14)		
Net Financial Assets, Beginning of Year	10,320,444	10,320,444	11,154,290
Changes During the Year			
Operating Surplus, for the Year	6,117,909	7,626,467	2,107,950
Acquisition of Tangible Capital Assets (Schedule C)	(11,278,000)	(10,980,193)	(7,157,817)
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)	3,959,653	4,220,658	3,946,132
Net Acquisition of Inventory of Supplies Held for Consumption	-	(224,099)	-
Net Change in Other Non-Financial Assets	-	42,537	214,989
Change in Net Financial Assets	(1,200,438)	685,370	(833,846)
Net Financial Assets, End of Year	9,120,006	11,005,814	10,320,444

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, 2023

	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Operating Surplus for the Year	7,626,467	2,107,950
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	4,220,658	3,972,772
Net Change in Non-Cash Operating Activities (Schedule E)	(2,552,226)	526,323
Cash Provided by Operating Activities	9,294,899	6,607,045
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(10,980,193)	(7,157,817)
Proceeds on Disposal of Tangible Capital Assets	-	28,260
Cash Used in Capital Activities	(10,980,193)	(7,129,557)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(205)	(172)
Proceeds on Disposal of Portfolio Investments	8,571	3,603
Cash Provided by Investing Activities	8,366	3,431
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	-	89,195
Repayment of Long-Term Debt	(354,634)	(341,805)
Cash Used in Financing Activities	(354,634)	(252,610)
DECREASE IN CASH AND CASH EQUIVALENTS	(2,031,562)	(771,691)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	18,658,456	19,430,147
CASH AND CASH EQUIVALENTS, END OF YEAR	16,626,894	18,658,456

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, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Grants	(Note 14)		
Operating Grants			
Ministry of Education Grants			
Operating Grant	71,064,595	71,488,077	69,491,862
Operating Grant/PMR	2,307,239	2,098,928	2,307,239
Other Ministry Grants	13,421	453,285	160,477
Total Ministry Grants	73,385,255	74,040,290	71,959,578
Other Provincial Grants	130,000	-	-
Federal Grants	297,000	437,360	179,147
Grants from Others	-	536,766	-
Total Operating Grants	73,812,255	75,014,416	72,138,725
Capital Grants			
Ministry of Education Capital Grants	9,438,000	9,489,123	4,677,150
Total Capital Grants	9,438,000	9,489,123	4,677,150
Total Grants	83,250,255	84,503,539	76,815,875

Good Spirit School Division No. 204
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Tuition and Related Fees Revenue	(Note 14)		
Operating Fees			
Tuition Fees			
Federal Government and First Nations	2,316,847	2,157,504	2,314,141
Individuals and Other	12,000	25,496	44,442
Total Tuition Fees	2,328,847	2,183,000	2,358,583
Transportation Fees	-	600	-
Total Operating Tuition and Related Fees	2,328,847	2,183,600	2,358,583
Total Tuition and Related Fees Revenue	2,328,847	2,183,600	2,358,583
School Generated Funds Revenue			
Curricular			
Student Fees	50,000	149,083	86,814
Total Curricular Fees	50,000	149,083	86,814
Non-Curricular Fees			
Commercial Sales - Non-GST	250,000	239,562	153,369
Fundraising	420,000	342,416	218,185
Grants and Partnerships	30,000	28,785	62,529
Students Fees	1,750,000	-	-
Other	-	1,793,415	1,027,993
Total Non-Curricular Fees	2,450,000	2,404,178	1,462,076
Total School Generated Funds Revenue	2,500,000	2,553,261	1,548,890
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	759,312	759,312	751,071
Other Ministry Grants	25,000	125,000	25,000
Other Provincial Grants	115,000	92,996	-
Federal Grants	-	-	117,648
Total Operating Grants	899,312	977,308	893,719
Fees and Other Revenue			
Other Revenue	28,000	16,435	26,907
Total Fees and Other Revenue	28,000	16,435	26,907
Total Complementary Services Revenue	927,312	993,743	920,626

Good Spirit School Division No. 204
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
External Services	(Note 14)		
Operating Grants			
Ministry of Education Grants			
Other Ministry Grants	202,350	300,000	202,350
Other Grants	310,000	254,794	333,559
Total Operating Grants	512,350	554,794	535,909
Fees and Other Revenue			
Other Revenue	210,000	222,644	164,350
Total Fees and Other Revenue	210,000	222,644	164,350
Total External Services Revenue	722,350	777,438	700,259
Other Revenue			
Miscellaneous Revenue	77,700	41,879	30,700
Sales & Rentals	175,000	177,157	173,979
Investments	125,000	596,794	171,150
Treaty Land Entitlement / Rural	-	-	4,432
Total Other Revenue	377,700	815,830	380,261
TOTAL REVENUE FOR THE YEAR	90,106,464	91,827,411	82,724,494

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Governance Expense	(Note 14)		
Board Members Expense	144,950	129,200	119,076
Professional Development - Board Members	8,800	30,425	11,625
Other Governance Expenses	141,700	148,678	127,425
Total Governance Expense	295,450	308,303	258,126
Administration Expense			
Salaries	2,139,646	2,185,039	2,099,527
Benefits	273,490	282,004	271,856
Supplies & Services	205,650	208,175	195,258
Non-Capital Furniture & Equipment	6,000	5,615	3,923
Building Operating Expenses	51,000	42,482	49,247
Communications	35,200	27,932	29,081
Travel	45,750	31,958	28,967
Professional Development	51,100	42,825	33,604
Amortization of Tangible Capital Assets	146,634	146,634	147,012
Total Administration Expense	2,954,470	2,972,664	2,858,475
Instruction Expense			
Instructional (Teacher Contract) Salaries	38,312,435	38,026,972	37,787,136
Instructional (Teacher Contract) Benefits	1,997,476	2,152,960	2,011,160
Program Support (Non-Teacher Contract) Salaries	8,600,919	8,669,589	8,402,244
Program Support (Non-Teacher Contract) Benefits	1,703,437	1,774,350	1,674,412
Instructional Aids	1,159,251	1,134,426	1,054,583
Supplies & Services	1,143,273	1,112,999	1,048,251
Non-Capital Furniture & Equipment	438,851	338,662	350,644
Communications	195,767	181,172	175,117
Travel	224,900	180,824	141,508
Professional Development	363,037	325,800	206,442
Student Related Expense	173,257	172,407	160,237
Amortization of Tangible Capital Assets	2,345,616	2,396,635	2,328,687
Amortization of Tangible Capital Assets ARO	-	74,670	74,670
Total Instruction Expense	56,658,219	56,541,466	55,415,091

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense	(Note 14)		
Salaries	3,137,808	3,232,166	3,359,102
Benefits	636,729	600,189	628,868
Supplies & Services	34,010	219,840	106,338
Non-Capital Furniture & Equipment	16,500	39,748	45,645
Building Operating Expenses	6,698,739	7,483,870	6,695,043
Communications	10,800	7,684	6,791
Travel	88,400	90,295	82,871
Professional Development	16,000	2,382	3,430
Amortization of Tangible Capital Assets	273,909	269,798	263,039
Amortization of Tangible Capital Assets ARO	-	425	425
Total Plant Operation & Maintenance Expense	10,912,895	11,946,397	11,191,552
Student Transportation Expense			
Salaries	3,411,084	3,157,404	3,041,026
Benefits	619,961	578,736	547,782
Supplies & Services	2,233,815	1,702,631	1,507,125
Non-Capital Furniture & Equipment	510,700	762,613	652,531
Building Operating Expenses	57,475	79,273	71,076
Communications	15,140	14,816	15,052
Travel	31,500	27,083	16,153
Professional Development	43,500	44,023	13,591
Contracted Transportation	311,955	309,831	268,280
Amortization of Tangible Capital Assets	1,182,677	1,286,819	1,109,305
Amortization of Tangible Capital Assets ARO	-	1,934	1,934
Total Student Transportation Expense	8,417,807	7,965,163	7,243,855
Tuition and Related Fees Expense			
Tuition Fees	595,000	316,842	492,556
Transportation Fees	7,200	4,800	3,200
Total Tuition and Related Fees Expense	602,200	321,642	495,756
School Generated Funds Expense			
Cost of Sales	250,000	207,859	160,260
School Fund Expenses	2,280,183	2,102,581	1,360,746
Amortization of Tangible Capital Assets	10,817	42,039	19,836
Total School Generated Funds Expense	2,541,000	2,352,479	1,540,842

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Complementary Services Expense	(Note 14)		
Instructional (Teacher Contract) Salaries & Benefits	500,508	562,323	487,481
Program Support (Non-Teacher Contract) Salaries & Benefits	280,674	321,845	299,755
Instructional Aids	65,006	49,458	64,451
Supplies & Services	1,000	261	1,448
Non-Capital Furniture & Equipment	500	441	594
Building Operating Expenses	3,500	4,447	4,303
Communications	1,500	2,970	3,059
Travel	8,000	2,020	988
Professional Development (Non-Salary Costs)	-	363	3,823
Student Related Expenses	-	55,540	16
Contracted Transportation & Allowances	2,000	-	-
Amortization of Tangible Capital Assets	-	1,704	1,224
Total Complementary Services Expense	862,688	1,001,372	867,142
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	179,163	170,933	130,119
Supplies & Services	425,358	420,420	450,749
Communications	-	612	610
Travel	11,500	7,161	5,295
Student Related Expenses	120,000	98,990	118,052
Total External Services Expense	736,021	698,116	704,825

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	2,000	478	485
Interest on Capital Loans	5,805	5,796	13,755
Total Interest and Bank Charges	<u>7,805</u>	<u>6,274</u>	<u>14,240</u>
Loss on Disposal of Tangible Capital Assets	-	-	26,640
Provision for Uncollectable Accounts	-	87,068	-
Total Other Expense	<u>7,805</u>	<u>93,342</u>	<u>40,880</u>
TOTAL EXPENSES FOR THE YEAR	<u>83,988,555</u>	<u>84,200,944</u>	<u>80,616,544</u>

Good Spirit School Division No. 204
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2023

	Furniture and Computer Assets											
	Land	Improvements	Buildings	Buildings	School Buses	Other Vehicles	Computer		Assets			
							Equipment	Equipment	Software	Under Construction		
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Operating Balance as of September 1	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
Additions/Purchases	-	-	-	-	2,452,230	274,708	327,202	428,443	-	7,497,610	10,980,193	7,157,817
Disposals	-	-	-	-	-	-	(913,485)	(140,471)	(90,728)	-	(1,144,684)	(1,847,534)
Write-Downs	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to (from)	-	-	-	-	-	-	318,618	-	-	(318,618)	-	-
Closing Balance as of August 31	998,589	778,771	91,044,904	5,024,729	16,039,562	1,220,621	5,101,191	3,196,670	578,353	14,676,605	138,659,995	128,824,486

Tangible Capital Assets - Amortization

Operating Balance as of September 1	280,608	41,455,146	3,542,042	7,493,111	768,539	3,806,984	1,240,198	392,715	-	58,979,343	56,825,845
Amortization of the Period	38,939	1,516,443	77,028	1,212,611	110,513	510,120	639,333	115,671	-	4,220,658	3,946,132
Disposals	-	-	-	-	-	(913,485)	(140,471)	(90,728)	-	(1,144,684)	(1,792,634)
Closing Balance as of August 31	N/A	319,547	42,971,589	8,705,722	879,052	3,403,619	1,739,060	417,658	N/A	62,055,317	58,979,343

Net Book Value

Operating Balance as of September 1 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)	(1,516,443)	(77,028)	1,239,619	164,195	(182,918)	107,728	(115,671)	7,178,992	6,759,535	3,156,785

Disposals

Historical Cost	-	-	-	-	913,485	-	140,471	140,471	90,728	-	1,144,684	1,847,534
Accumulated Amortization	-	-	-	-	913,485	-	140,471	140,471	90,728	-	1,144,684	1,792,634
Net Cost	-	-	-	-	-	-	-	-	-	-	-	54,900
Price of Sale	-	-	-	-	-	-	-	-	-	-	-	28,260
Gain (Loss) on Disposal	-	-	-	-	-	-	-	-	-	-	-	(26,640)

Net Book Value (NBV) of Assets Pledged as Security for Debt

	-	-	-	-	-	-	-	-	-	-	-	158,639
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An Asset retirement obligation for the removal and disposal of asbestos (Note 8) is related to buildings with a net book value of \$5,455,618 (2022 - \$5,709,397). Closing costs of leased tangible capital assets of \$316,844 (2022 - \$397,608) representing \$316,844 (2022 - \$397,608) in Computer Hardware and Audio Visual Equipment. Accumulated amortization of \$221,574 (2022 - \$238,969) 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, 2023

	2023	2022
	\$	\$
Non-Cash Items Included in Surplus		
Amortization of Tangible Capital Assets (Schedule C)	4,220,658	3,946,132
Net Loss on Disposal of Tangible Capital Assets (Schedule C)	-	26,640
Total Non-Cash Items Included in Surplus	4,220,658	3,972,772

Good Spirit School Division No. 204
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2023

	2023	2022
	\$	\$
Net Change in Non-Cash Operating Activities		
Increase in Accounts Receivable	(683,393)	(1,076,341)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(1,713,924)	1,353,386
Increase in Liability for Employee Future Benefits	22,600	15,400
Increase in Deferred Revenue	4,053	18,889
Decrease in Prepaid Expenses	42,537	214,989
Total Net Change in Non-Cash Operating Activities	(2,552,226)	526,323

Good Spirit School Division No. 204

**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
	\$	\$	\$	\$
External Sources				(Note 13)
Jointly Administered Funds				
School generated funds	1,759,522	99,716	34,346	1,824,892
Fitness Centre, Kidsfirst, PPEP	137,392	134,996	203,085	69,303
Total Jointly Administered Funds	1,896,914	234,712	237,431	1,894,195
Ministry of Education				
Designated for tangible capital asset expenditures	45,000	-	-	45,000
PMR maintenance project allocations	4,315,524	2,098,928	3,140,450	3,274,002
Invitational Shared Services Initiative	-	160,000		160,000
Unified Student Information System - USIS	13,501	-	13,501	-
Total Ministry of Education	4,374,025	2,258,928	3,153,951	3,479,002
Total	6,270,939	2,493,640	3,391,382	5,373,197
Internal Sources				
Board governance				
Elections	50,000	100,000	-	150,000
Total Board governance	50,000	100,000	-	150,000
Curriculum and student learning				
Instructional Resources	150,000	250,000	-	400,000
School Budget Carryovers	431,919	322,799	431,919	322,799
Total curriculum and student learning	581,919	572,799	431,919	722,799
Facilities				
YRHS Flood	100,000	-	-	100,000
Anne Portnuff Theatre	1,499	-	-	1,499
Risk Management & Security	11,299	500,000	-	511,299
Total facilities	112,798	500,000	-	612,798
Information technology				
Technology Resources	3,056,497	250,000	-	3,306,497
Total information technology	3,056,497	250,000	-	3,306,497

Good Spirit School Division No. 204
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)
Transportation				
Bus Purchases	5,127,132	300,000	-	5,427,132
Total transportation	5,127,132	300,000	-	5,427,132
Total	8,928,346	1,722,799	431,919	10,219,226
Total Designated Assets	15,199,285	4,216,439	3,823,301	15,592,423

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

1. AUTHORITY AND PURPOSE

The school division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of “The Board of Education of the 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 \$1,060,300 (2022 - \$ 1,037,700) because actual experience may differ significantly from actuarial estimations.
- uncollectible accounts receivable of \$385,581 (2022 - \$298,513) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related accumulated amortization of \$62,055,317 (2022 - \$58,979,343) because the actual useful lives of the capital assets may differ from their estimated economic lives.

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

- estimated undiscounted asset retirement obligation of \$5,024,729 (2022 - \$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, 2023

Accounts Receivable includes provincial grants receivable and other receivables. Provincial grants receivable represent 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	Lease term

*Buildings and short-term 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, 2023

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 inventories, which include filters, hoses, bearing, seals wipers and fluids.

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 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 amortized on the same basis as the underlying asset. The school division does not utilize discounting in the measurement of its ARO. The uncertainty regarding the timing and ultimate amount to settle the ARO makes it unlikely that discounting would significantly improve the measurement of the ARO.

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.

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

h) Employee Pension Plans

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

Multi-Employer Defined Benefit Plans

The school division's employees participate in one of the following multi-employer defined benefit plans:

i) Teachers participate in the Saskatchewan Teachers' Retirement Plan (STRP). The school division's obligation for this 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.

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 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.

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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 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 Standards Not Yet in Effect

A number of new standards and amendments to standards have not been applied in preparing these financial statements. The following will become effective as follows:

- i) PS3400 Revenue (Effective September 1, 2023), a new standard establishing guidance on how to account for and report on revenue. Specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2023	2022
Portfolio investments in the cost or amortized cost category:	<u>Cost</u>	<u>Cost</u>
Shares/Equity in Co-operatives/Credit Unions	\$ 45,473	\$ 53,839
Total portfolio investments	\$ 45,473	\$ 53,839

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2023 Actual	2022 Actual
Governance	\$ 159,625	\$ 148,678	\$ -	\$ -	\$ 308,303	\$ 258,126
Administration	2,467,043	358,987	-	146,634	2,972,664	2,858,475
Instruction	50,623,871	3,446,290	-	2,471,305	56,541,466	55,415,091
Plant Operation & Maintenance	3,832,355	7,843,819	-	270,223	11,946,397	11,191,552
Student Transportation	3,736,140	2,940,270	-	1,288,753	7,965,163	7,243,855
Tuition and Related Fees	-	321,642	-	-	321,642	495,756
School Generated Funds	-	2,310,440	-	42,039	2,352,479	1,540,842
Complementary Services	884,168	115,500	-	1,704	1,001,372	867,142
External Services	170,933	527,183	-	-	698,116	704,825
Other	-	87,068	6,274	-	93,342	40,880
TOTAL	\$ 61,874,135	\$ 18,099,877	\$ 6,274	\$ 4,220,658	\$ 84,200,944	\$ 80,616,544

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, 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)	14	14

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

Liability for Employee Future Benefits	2023	2022
Accrued Benefit Obligation - beginning of year	\$ 659,200	\$ 729,800
Current period service cost	54,300	65,100
Interest cost	27,800	15,100
Benefit payments	(41,800)	(54,400)
Actuarial gains	(22,800)	(96,400)
Accrued Benefit Obligation - end of year	676,700	659,200
Unamortized net actuarial gains	383,600	378,500
Liability for Employee Future Benefits	\$ 1,060,300	\$ 1,037,700

Employee Future Benefits Expense	2023	2022
Current period service cost	\$ 54,300	\$ 65,100
Amortization of net actuarial gain	(17,700)	(10,400)
Benefit cost	36,600	54,700
Interest cost	27,800	15,100
Total Employee Future Benefits Expense	\$ 64,400	\$ 69,800

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, 2023

	2023		2022
	STRP	TOTAL	TOTAL
Number of active School Division members	470	470	455
Member contribution rate (percentage of salary)	11.70%/11.70%	11.70%/11.70%	11.70%/11.70%
Member contributions for the year	\$ 3,810,165	\$ 3,810,165	\$ 3,823,059

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:

	2023	2022
Number of active School Division members	452	454
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	\$ 1,341,482	\$ 1,353,706
School Division contributions for the year	\$ 1,341,482	\$ 1,353,706
Actuarial extrapolation date	<u>Dec/31/2022</u>	<u>Dec/31/2021</u>
Plan Assets (in thousands)	\$ 3,275,495	\$ 3,568,400
Plan Liabilities (in thousands)	\$ 2,254,194	\$ 2,424,014
Plan Surplus (in thousands)	\$ 1,021,301	\$ 1,144,386

7. ACCOUNTS RECEIVABLE

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

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

	2023			2022		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Provincial Grants Receivable	\$ 1,369,105	\$ -	\$ 1,369,105	\$ 1,290,539	\$ -	\$ 1,290,539
GST/PST Receivables	637,075	-	637,075	562,485	-	562,485
Other Receivables	1,524,452	385,581	1,138,871	907,147	298,513	608,634
Total Accounts Receivable	\$ 3,530,632	\$ 385,581	\$ 3,145,051	\$ 2,760,171	\$ 298,513	\$ 2,461,658

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2023	2022
Accrued Salaries and Benefits	\$ 1,176,801	\$ 1,329,954
Supplier Payments	1,092,751	2,674,115
Liability for Asset Retirement Obligation	5,024,729	5,024,729
Other (Caution Fees, Schools, Scholarships)	232,073	211,480
Total Accounts Payable and Accrued Liabilities	\$ 7,526,354	\$ 9,240,278

The school division recognized an estimated liability for asset retirement obligation of \$ 5,024,729 (2022 - \$5,024,729) for the removal and disposal of asbestos. The nature of the liability is to cover future asbestos removal when buildings are demolished as per the new Public Sector Accounting standard for ARO (PS 3280). 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, 2023

9. LONG-TERM DEBT

Details of long-term debt are as follows:

		2023	2022
Capital Loan:	BMO Bus Loan - 2.85% matures Oct 2023 monthly repayments of \$24,275	\$ 48,217	\$ 333,720
		48,217	333,720
Other Long-Term Debt:			
Capital Leases:	Concentra Copier Lease 18742 matured Aug 2023 quarterly repayments of \$4,184	-	19,526
	Concentra Copier Lease 50901 matures Sep 2024 quarterly repayments of \$7,198	35,991	64,783
	Concentra Copier Lease 56039 matures Nov 2026 quarterly repayments of \$4,460	53,517	74,330
		89,508	158,639
Total Long-Term Debt		\$ 137,725	\$ 492,359

Future principal and interest payments over the next 5 years are estimated as follows:				
	Capital Loan	Capital Leases	Total	
2024	\$ 48,217	\$ 46,632	\$ 94,849	
2025	-	25,037	25,037	
2026	-	17,839	17,839	
2027	-	-	-	
2028	-	-	-	
Thereafter	-	-	-	
Total	-	48,217	89,508	137,725
Less: Interest and executory cost	-	-	-	
Total future principal repayments	\$ -	\$ 48,217	\$ 89,508	\$ 137,725

	Capital Loans	Capital Leases	2023	2022
Principal	\$ 285,503	\$ 69,131	\$ 354,634	\$ 341,805
Interest	5,796	-	5,796	13,755
Total	\$ 291,299	\$ 69,131	\$ 360,430	\$ 355,560

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at August 31, 2022	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2023
Non-Capital deferred revenue:				
Parent and Preschool Education	\$ 83,172	\$ 29,862	\$ 25,810	\$ 87,225
Total Deferred Revenue	\$ 83,172	\$ 29,862	\$ 25,810	\$ 87,225

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	2023	2022
Revenues:				
Operating Grants	\$ 759,312	\$ 217,996	\$ 977,308	\$ 893,719
Fees and Other Revenues	-	16,435	16,435	26,907
Total Revenues	759,312	234,431	993,743	920,626
Expenses:				
Salaries & Benefits	744,752	139,416	884,168	787,236
Instructional Aids	29,463	19,995	49,458	64,451
Supplies and Services	-	261	261	1,448
Non-Capital Equipment	-	441	441	594
Building Operating Expenses	4,447	-	4,447	4,303
Communications	1,595	1,375	2,970	3,059
Travel	629	1,391	2,020	988
Professional Development (Non-Salary Costs)	-	363	363	3,823
Student Related Expenses	-	55,540	55,540	16
Amortization of Tangible Capital Assets	1,704	-	1,704	1,224
Total Expenses	782,590	218,782	1,001,372	867,142
(Deficiency) Excess of Revenues over Expenses	\$ (23,278)	\$ 15,649	\$ (7,629)	\$ 53,484

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

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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	Driver Training	Other Programs	2023	2022
Revenues:						
Operating Grants	\$ 260,000	\$ 40,000	\$ 254,794	\$ -	\$ 554,794	\$ 535,909
Fees and Other Revenues	-	-	-	222,644	222,644	164,350
Total Revenues	260,000	40,000	254,794	222,644	777,438	700,259
Expenses:						
Salaries & Benefits	-	55,509	-	115,424	170,933	130,119
Supplies and Services	-	16,999	255,926	147,495	420,420	450,749
Communications	-	612	-	-	612	610
Travel	-	7,161	-	-	7,161	5,295
Student Related Expenses	98,990	-	-	-	98,990	118,052
Total Expenses	98,990	80,281	255,926	262,919	698,116	704,825
Excess (Deficiency) of Revenues over Expenses	\$ 161,010	\$ (40,281)	\$ (1,132)	\$ (40,275)	\$ 79,322	\$ (4,566)

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. These internally restricted amounts and are included in the accumulated surplus presented in the statement of financial position. The school division does not maintain separate bank accounts for designated assets.

Details of accumulated surplus are as follows:

	August 31, 2022	Additions during the year	Reductions during the year	August 31, 2023
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 69,845,143	\$ 10,980,193	\$ 4,220,658	\$ 76,604,678
Less: Liability for Asset Retirement Obligation	(5,024,729)	-	-	(5,024,729)
Less: Debt owing on Tangible Capital Assets	(492,359)	-	(354,634)	(137,725)
	64,328,055	10,980,193	3,866,024	71,442,224
Designated Assets (Schedule F)	15,199,285	4,216,439	3,823,301	15,592,423
Unrestricted Surplus	1,457,940	119,160	-	1,577,100
Total Accumulated Surplus	\$ 80,985,280	\$ 15,315,792	\$ 7,689,325	\$ 88,611,747

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14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on August 18, 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.

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
	2023	2022	2023	2022	2023	2022
Cash and short-term investments	\$ -	\$ 83,502	\$ 49,420	\$ 32,722	\$ 49,420	\$ 116,224
Portfolio investments	100,000	100,000	306,634	233,569	406,634	333,569
Total Assets	100,000	183,502	356,054	266,291	456,054	449,793
Revenues						
Contributions and donations	111,794	109,112	107,075	47,030	218,869	156,142
Interest on investments	-	-	4,629	1,496	4,629	1,496
	111,794	109,112	111,704	48,526	223,498	157,638
Expenses						
Operations	195,296	112,329	-	-	195,296	112,329
Awards to Students	-	-	21,941	16,700	21,941	16,700
	195,296	112,329	21,941	16,700	217,237	129,029
(Deficiency) Excess of Revenues over Expenses	(83,502)	(3,217)	89,763	31,826	6,261	28,609
Trust Fund Balance, Beginning of Year	183,502	186,719	266,291	234,465	449,793	421,184
Trust Fund Balance, End of Year	\$ 100,000	\$ 183,502	\$ 356,054	\$ 266,291	\$ 456,054	\$ 449,793

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. COMPARATIVE INFORMATION

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

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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 those of 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	\$ 1,369,105	\$ 1,369,105	\$ -	\$ -	\$ -
Other Receivables	1,524,452	375,730	155,655	3,033	990,034
Gross Receivables	2,893,557	1,744,835	155,655	3,033	990,034
Allowance for Doubtful Accounts	(385,581)	-	-	-	(385,581)
Net Receivables	\$ 2,507,976	\$ 1,744,835	\$ 155,655	\$ 3,033	\$ 604,453

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 monitoring budgets and maintaining adequate cash balances.

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
Long-term debt	\$ 137,725	\$ 71,533	\$ 23,316	\$ 42,876	\$ -
Accounts payable and accrued liabilities	7,526,354	2,376,208	125,417	-	5,024,729
Total	\$ 7,664,079	\$ 2,447,741	\$ 148,733	\$ 42,876	\$ 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. Or: 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
- Managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt