

**TURTLE RIVER SCHOOL DIVISION
P.O. BOX 309
MC CREARY, MANITOBA R0J 1B0**

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

June 30, 2023

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Independent Auditor's Report



To the Board of Trustees of Turtle River School Division:

Opinion

We have audited the accompanying consolidated financial statements of Turtle River School Division (the "Division"), which comprise the consolidated statement of financial position as at June 30, 2023, and the consolidated statements of revenue, expenses and accumulated surplus, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Turtle River School Division as at June 30, 2023 and the consolidated results of its revenue, expenses and accumulated surplus, consolidated changes in net debt and its consolidated cash flow for the year then ended in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

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 Consolidated Financial Statements section of our report. We are independent of the Division in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in the other statements and reports is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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 Division or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

Independent Auditor's Report - Continued

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 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 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 consolidated 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 Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Division to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.


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.

Brandon, Manitoba
October 10, 2023

MNP LLP

Chartered Professional Accountants

I hereby certify that the preceding report and the statements and reports referenced herein have been presented to the members of the Board of Turtle River School Division.


Chairperson of the Board

October 10, 2023
Date

AUDITOR'S REPORT ON ENROLMENT**TO THE BOARD OF TRUSTEES
Turtle River School Division**

We have audited the attached EIS Enrolment File Verification Report - EIS Cert. - part 2 of 2 (prepared in accordance with Part I, Sections 1.1 and 1.2 of the Public Schools Enrolment and Categorical Grants Reporting for the 2022/23 School Year) of the Turtle River School Division as at September 30, 2022. This enrolment information is the responsibility of the Division's management. Our responsibility is to express an opinion on this enrolment information based on our audit.

We conducted our audit in accordance with the standards for assurance engagements set out in the CPA Handbook-Assurance. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the enrolment information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the enrolment information.

In our opinion, this report presents fairly, in all material respects, the enrolment of the Turtle River School Division as at September 30, 2022 in accordance with the Public Schools Enrolment and Categorical Grants Reporting for the 2022/23 School Year referred to above.

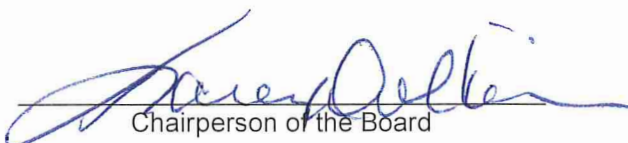


Auditor

October 10, 2023

Date

I hereby certify that the preceding report has been presented to the members of the Board of Turtle River School Division.


Chairperson of the Board

October 10, 2023

Date

October 10, 2023

Shannon Desjardins
Turtle River School Division
Box 309
McCreary, MB R0J 1B0

Dear Shannon Desjardins:

Management letter for the year ended June 30, 2023

We have recently completed our audit of Turtle River School Division in accordance with Canadian generally accepted auditing standards ("GAAS"). The objective of our audit was to express an opinion on the consolidated financial statements, which have been prepared in accordance with Canadian public sector accounting standards. Included in our audit was the consideration of the system of internal control. This consideration of the system of internal control was for the purpose of designing audit procedures that were appropriate in the circumstances. It was not for the purpose of expressing an opinion on the effectiveness of the system of internal control or for identifying all significant control deficiencies that might exist.

An audit is not specifically designed to identify all matters that may be of interest to management in discharging its responsibilities, however, during the course of our audit, we did, identify some areas for improvement that we are bringing to your attention with this letter. It is our responsibility to communicate any significant deficiencies identified to those charged with governance. A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

Documentation and Record Retention

Observation:

There were issues during the audit with school funds and our being unable to obtain all supporting documentation for deposits.

Impact:

Originating documentation is required by external auditors and tax auditors alike. Inability to obtain such documentation makes it impossible to verify the authenticity of various transactions and to support the financial records of the entity, which causes difficulties in identifying and resolving errors.

Recommendation:

A policy for document creation and retention should be drafted and communicated to staff. The policy should detail what records are required to be created for various standard transactions, how records are to be stored, and how long they need to be retained.

We have discussed the matters in this letter with Shannon Desjardins and received her comments thereon.

We would like to express our appreciation for the co-operation and assistance we have received during the course of our audit from Shannon and staff.

We would be pleased to discuss with you further any matters mentioned in this letter at your convenience. This communication is prepared solely for the information of management and is not intended for any other purpose. We accept no responsibility to any third party who uses this communication.

Sincerely,

MNP LLP

Chartered Professional Accountants

MANAGEMENT RESPONSIBILITY REPORT

The accompanying consolidated financial statements of Turtle River School Division are the responsibility of the Division management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies is described in Note 3 to the consolidated financial statements.

The preparation of consolidated 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. Division management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Board of Trustees of the Division met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by MNP LLP independent external auditors appointed by the Board. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Division's consolidated financial statements.

Chairperson

Secretary-Treasurer

October 10, 2023

EXPENSE DEFINITIONS

Operating Fund - consists of the nine functions defined below:

Function 100 - Regular Instruction - Consists of costs related directly to the K - 12 classroom, e.g. teachers, educational assistants, textbooks (incl. e-books), related supplies, services, and equipment such as desks, chairs, tables, audio visual equipment and computers. Includes costs related to Gifted students, International Baccalaureate, Advanced Placement, university offered and correspondence courses, and enrichment activities that are generalized in nature. Also includes school based administration costs including principals, vice-principals, and support staff.

Function 200 - Student Support Services - Consists of costs specifically related to students who have exceptional learning needs, as well as counselling and guidance and resource costs for all students. Students with exceptional learning needs are students who have physical, cognitive, sensory, or emotional/behavioural disabilities. These costs would include special education and resource teachers, special needs educational assistants, counsellors, clinicians, and related and appropriate services (e.g. occupational therapists), supplies, textbooks, materials, equipment and software. Special education co-ordinators or student services administrators and clerical staff are also included.

Function 300 - Adult Learning Centres - Consists of costs related to Adult Learning Centres (ALC) owned and operated by school divisions, including "hybrid" facilities that serve both adults and regular K-12 students. ALC's offer adult centred programs in which adult education principles and practices are applied to curriculum and program delivery. Does not include costs associated with adults in the regular classroom. Also, does not include costs associated with ALC's that are governed by their own board of directors.

Function 400 - Community Education and Services - Consists of costs related to providing services (such as community use of facilities and gym rentals) and non-credit courses to community groups and individuals. Includes pre-kindergarten education.

Function 500 - Divisional Administration - Consists of costs related to the administration of the school division including the board of trustees and the superintendent's and secretary-treasurer's departments.

Function 600 - Instructional and Other Support Services - Consists of costs related to support services for students, teaching staff and the educational process, such as libraries/media centers, professional development, and curriculum consulting and development.

Function 700 - Transportation of Pupils - Consists of all costs, including supervisory and clerical personnel, related to the transportation of pupils. Does not include the purchase of school buses over \$20,000 per unit as they are recorded in the capital fund.

Function 800 - Operations and Maintenance - Consists of all costs, including supervisory and clerical personnel, related to the upkeep, maintenance and minor repair of all school division buildings and grounds. Includes utilities, taxes, insurance and supplies. Does not include capital costs.

Function 900 - Fiscal - Consists of short-term loan interest, bank charges, bad debts expense and the Health and Education Levy.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes		2023	2022
			<i>Restated</i>
	Financial Assets		
	Cash and Bank	609,715	1,035,157
	Due from - Provincial Government	331,793	640,983
	- Federal Government	76,335	68,906
	- Municipal Government	1,766,689	1,670,192
	- Other School Divisions	23,874	1,118
	- First Nations	5,203	-
	Accounts Receivable	73,832	22,460
	Accrued Investment Income	-	-
	Portfolio Investments	-	-
		<u>2,887,441</u>	<u>3,438,816</u>
	Liabilities		
4	Overdraft	-	-
	Accounts Payable	223,862	622,878
	Accrued Liabilities	1,143,948	850,731
3	Employee Future Benefits	60,708	66,049
	Accrued Interest Payable	74,830	81,131
	Due to - Provincial Government	-	-
	- Federal Government	-	-
	- Municipal Government	-	-
	- Other School Divisions	1,538	-
	- First Nations	-	-
5	Deferred Revenue	-	-
7	Borrowings from the Provincial Government	5,823,237	6,195,050
	Other Borrowings	-	-
8	Asset Retirement Obligations	570,521	547,262
	School Generated Funds Liability	-	-
		<u>7,898,644</u>	<u>8,363,101</u>
	Net Assets (Debt)	<u>(5,011,203)</u>	<u>(4,924,285)</u>
	Non-Financial Assets		
3	Net Tangible Capital Assets (TCA Schedule)	8,135,896	8,090,591
	Inventories	186,663	155,301
	Prepaid Expenses	53,559	53,511
		<u>8,376,118</u>	<u>8,299,403</u>
9	Accumulated Surplus	<u>3,364,915</u>	<u>3,375,118</u>

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

Notes		2023	2022
			<i>Restated</i>
	Revenue		
	Provincial Government	9,509,947	9,249,341
	Federal Government	29,965	33,355
10	Municipal Government - Property Tax	3,261,885	3,165,158
	- Other	-	-
	Other School Divisions	33,282	38,818
	First Nations	12,140	33,992
	Private Organizations and Individuals	98,506	68,199
	Other Sources	73,603	19,702
	School Generated Funds	233,265	216,623
	Other Special Purpose Funds	-	-
		<u>13,252,593</u>	<u>12,825,188</u>
	Expenses		
	Regular Instruction	7,345,787	7,437,468
	Student Support Services	1,466,811	1,364,224
	Adult Learning Centres	-	-
	Community Education and Services	28,131	27,179
	Divisional Administration	481,178	389,759
	Instructional and Other Support Services	231,765	204,450
	Transportation of Pupils	1,241,672	1,208,195
	Operations and Maintenance	1,202,200	1,316,163
11	Fiscal - Interest	212,903	214,081
	- Other	181,737	184,481
	Amortization	624,006	605,450
	Other Capital Items	23,259	23,259
	School Generated Funds	228,688	221,406
	Other Special Purpose Funds	-	-
		<u>13,268,137</u>	<u>13,196,115</u>
	Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>(15,544)</u>	<u>(370,927)</u>
	Less: Non-vested Sick Leave Expense (Recovery)	<u>(5,341)</u>	<u>821</u>
	Net Current Year Surplus (Deficit)	<u>(10,203)</u>	<u>(371,748)</u>
	Opening Accumulated Surplus	3,375,118	3,746,866
	Adjustments: Tangible Cap. Assets and Accum. Amort.	-	-
	Other than Tangible Cap. Assets (incl ARO)	-	-
	Non-vested sick leave - prior years	-	-
	Opening Accumulated Surplus, as adjusted	<u>3,375,118</u>	<u>3,746,866</u>
	Closing Accumulated Surplus	<u>3,364,915</u>	<u>3,375,118</u>

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2023

	2023	2022
		<i>Restated</i>
Net Current Year Surplus (Deficit)	<u>(10,203)</u>	<u>(371,748)</u>
Amortization of Tangible Capital Assets	624,006	605,450
Acquisition of Tangible Capital Assets	(669,311)	(1,297,410)
(Gain) / Loss on Disposal of Tangible Capital Assets	(4,000)	-
Proceeds on Disposal of Tangible Capital Assets	<u>4,000</u>	<u>-</u>
	<u>(45,305)</u>	<u>(691,960)</u>
Inventories (Increase)/Decrease	(31,362)	(16,244)
Prepaid Expenses (Increase)/Decrease	<u>(48)</u>	<u>(6,110)</u>
	<u>(31,410)</u>	<u>(22,354)</u>
(Increase)/Decrease in Net Debt	<u>(86,918)</u>	<u>(1,086,062)</u>
Net Debt at Beginning of Year	(4,924,285)	(3,838,223)
Adjustments Other than Tangible Cap. Assets	<u>-</u>	<u>-</u>
	<u>(4,924,285)</u>	<u>(3,838,223)</u>
Net Assets (Debt) at End of Year	<u><u>(5,011,203)</u></u>	<u><u>(4,924,285)</u></u>

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2023

	2023	2022
		<i>Restated</i>
Operating Transactions		
Net Current Year Surplus (Deficit)	(10,203)	(371,748)
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	624,006	605,450
(Gain)/Loss on Disposal of Tangible Capital Assets	(4,000)	-
Employee Future Benefits Increase/(Decrease)	(5,341)	821
Due from Other Organizations (Increase)/Decrease	177,305	(311,387)
Accounts Receivable & Accrued Income (Increase)/Decrease	(51,372)	(1,190)
Inventories and Prepaid Expenses - (Increase)/Decrease	(31,410)	(22,354)
Due to Other Organizations Increase/(Decrease)	1,538	-
Accounts Payable & Accrued Liabilities Increase/(Decrease)	(112,100)	(50,902)
Deferred Revenue Increase/(Decrease)	-	-
School Generated Funds Liability Increase/(Decrease)	-	-
Asset Retirement Obligations Increase/(Decrease)	23,259	23,259
	<u>611,682</u>	<u>(128,051)</u>
Cash Provided by (Applied to) Operating Transactions		
	<u>611,682</u>	<u>(128,051)</u>
Capital Transactions		
Acquisition of Tangible Capital Assets	(669,311)	(1,297,410)
Proceeds on Disposal of Tangible Capital Assets	4,000	-
	<u>(665,311)</u>	<u>(1,297,410)</u>
Cash Provided by (Applied to) Capital Transactions		
	<u>(665,311)</u>	<u>(1,297,410)</u>
Investing Transactions		
Portfolio Investments (Increase)/Decrease	-	-
	<u>-</u>	<u>-</u>
Cash Provided by (Applied to) Investing Transactions		
	<u>-</u>	<u>-</u>
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	(371,813)	(40,741)
Other Borrowings Increase/(Decrease)	-	-
	<u>(371,813)</u>	<u>(40,741)</u>
Cash Provided by (Applied to) Financing Transactions		
	<u>(371,813)</u>	<u>(40,741)</u>
Cash and Bank / Overdraft (Increase)/Decrease	(425,442)	(1,466,202)
Cash and Bank (Overdraft) at Beginning of Year	1,035,157	2,501,359
Cash and Bank (Overdraft) at End of Year	<u>609,715</u>	<u>1,035,157</u>

OPERATING FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2023	2022
Financial Assets		
Cash and Bank	468,324	898,343
Due from		
- Provincial Government	256,963	559,852
- Federal Government	76,335	68,906
- Municipal Government	1,766,689	1,670,192
- Other School Divisions	23,874	1,118
- First Nations	5,203	-
- Other Funds	(74,073)	(282,985)
Accounts Receivable	73,832	22,460
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>2,597,147</u>	<u>2,937,886</u>
Liabilities		
Overdraft	-	-
Accounts Payable	223,862	622,878
Accrued Liabilities	1,143,948	850,731
Employee Future Benefits	60,708	66,049
Accrued Interest Payable	-	-
Due to		
- Provincial Government	-	-
- Federal Government	-	-
- Municipal Government	-	-
- Other School Divisions	1,538	-
- First Nations	-	-
- Capital Fund	847,305	968,800
Deferred Revenue	-	-
Other Borrowings	-	-
	<u>2,277,361</u>	<u>2,508,458</u>
Net Financial Assets (Net Debt)	<u>319,786</u>	<u>429,428</u>
Non-Financial Assets		
Inventories	186,663	155,301
Prepaid Expenses	53,559	53,511
	<u>240,222</u>	<u>208,812</u>
Accumulated Surplus (Deficit)	<u>560,008</u>	<u>638,240</u>

**OPERATING FUND
SCHEDULE OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

	2023 Actual	2023 Budget	2022 Actual
Revenue			
Provincial Government - Core	8,927,332	8,666,913	8,622,166
Federal Government	29,965	-	33,355
Municipal Government - Property Tax	3,261,885	3,117,951	3,165,158
- Other	-	-	-
Other School Divisions	33,282	40,300	38,818
First Nations	12,140	-	33,992
Private Organizations and Individuals	98,506	-	68,199
Other Sources	69,603	24,550	19,702
	<u>12,432,713</u>	<u>11,849,714</u>	<u>11,981,390</u>
Expenses			
Regular Instruction	7,345,787	6,862,951	7,437,468
Student Support Services	1,466,811	2,008,881	1,364,224
Adult Learning Centres	-	-	-
Community Education and Services	28,131	29,468	27,179
Divisional Administration	481,178	408,071	389,759
Instructional and Other Support Services	231,765	251,670	204,450
Transportation of Pupils	1,241,672	1,243,034	1,208,195
Operations and Maintenance	1,202,200	1,204,986	1,316,163
Fiscal	183,836	202,121	186,629
	<u>12,181,380</u>	<u>12,211,182</u>	<u>12,134,067</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>251,333</u>	<u>(361,468)</u>	<u>(152,677)</u>
Less: Non-vested Sick Leave Expense (Recovery)	<u>(5,341)</u>		<u>821</u>
Current Year Surplus (Deficit) after Non-vested Sick Leave	<u>256,674</u>	<u>(361,468)</u>	<u>(153,498)</u>
Net Transfers from (to) Capital Fund	<u>(334,906)</u>	<u>-</u>	<u>(78,479)</u>
Transfers from Special Purpose Funds	<u>-</u>		<u>-</u>
Net Current Year Surplus (Deficit)	<u>(78,232)</u>	<u>(361,468)</u>	<u>(231,977)</u>
Opening Accumulated Surplus (Deficit)	638,240		870,217
Adjustments: Liability for Contaminated Sites	-		-
	-		-
Non-vested sick leave - prior years	-		-
Opening Accumulated Surplus (Deficit), as adjusted	<u>638,240</u>		<u>870,217</u>
Closing Accumulated Surplus (Deficit)	<u>560,008</u>		<u>638,240</u>

OPERATING FUND - REVENUE DETAIL PROVINCE OF MANITOBA

For the Year Ended June 30, 2023

Funding of Schools Program

Base Support		
Instructional Support	1,301,689	
Additional Instructional Support for Small Schools	30,242	
Sparsity	290,863	
Curricular Materials	40,530	
Information Technology	41,881	
Library Services	62,146	
Student Services	277,953	
Counselling and Guidance	56,067	
Professional Development	31,073	
Physical Education	12,375	
Occupancy	593,370	2,738,189
Categorical Support		
Transportation	725,002	
Board and Room	-	
Special Needs: Coordinator/Clinician	73,630	
Special Needs: Level 2	262,200	
Special Needs: Level 3	84,520	
Senior Years Technology Education	18,178	
English as an Additional Language	12,950	
Indigenous Academic Achievement (including BSSIP)	99,000	
Indigenous and International Languages	-	
French Language Education	7,490	
Small Schools	91,593	
Enrolment Change Support	58,738	
Northern Allowance	-	
Early Childhood Development Initiative	16,736	
Literacy and Numeracy	54,040	
Education for Sustainable Development	4,900	1,508,977
Equalization		2,220,368
Additional Equalization		434,059
Adjustment for Days Closed		-
Formula Guarantee		-
Other Program Support		
School Buildings Support: "D" Projects	50,340	
Technology Education Equipment Replacement	17,200	
Skills Strategy Equipment Enhancement	-	
Other Minor Capital Support	-	
Prior Year Support		
Finalization of Previous Year Support	-	
Curricular Materials	-	
School Buildings Support: "D" Projects	-	
Technology Education Equipment		67,540
		<u>6,969,133</u>

OPERATING FUND - REVENUE DETAIL PROVINCE OF MANITOBA (CONT'D)

For the Year Ended June 30, 2023

Other Department of Education and Early Childhood Learning

Non-Resident	-	
Shared Services	-	
Special Needs	-	
Institutional Programs	-	
Nursing Supports (URIS)	-	
Substitute Fees	235	
General Support Grant	148,348	
Education Property Tax Credit	380,610	
Tax Incentive Grant	263,293	
Property Tax Offset Grant	213,862	
Early Years Enhancement Grant	90,000	
Community Schools	80,000	
Healthy Schools Initiative	6,386	
Learning to Age 18 Coordinator	20,000	
Other: Special Needs Additional Funding	49,812	
Wage Assistance	320,077	
Strengthening Student Support and Learning	115,837	
Teachers' Idea Fund	-	
Ventilation Upgrade Grant	77,571	
	-	
	-	
French Revitalization	22,300	
Menstrual Products Initiative	1,961	
Elder and Knowledge Keeper	25,000	
EDI - Survey Completed - Continuous Improvement Branch	561	
A1 Adjustment	131,000	
21/22 Safe School	11,346	
	-	1,958,199

Other Provincial Government Departments (Not including GBE's)

Employment Programs	-	
Adult Learning Centres	-	
Other:	-	
		0

Funding of Schools Program (previous page)	6,969,133	
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TOTAL PROVINCIAL GOVERNMENT REVENUE	8,927,332	
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OPERATING FUND - REVENUE DETAIL **NON-PROVINCIAL GOVERNMENT SOURCES**

For the Year Ended June 30, 2023

Federal Government

Tuition Fees		-	
Transportation of Pupils		-	
French Language Monitor		29,965	
English as an Additional Language (Adults)		-	
Other:		-	
			29,965

Municipal Government

Special Requirement	4,119,650		
Less: Education Property Tax Credit	(380,610)		
Less: Tax Incentive Grant	(263,293)		
Less: Property Tax Offset Grant	(213,862)	3,261,885	
Other:		-	
			3,261,885

Other School Divisions

Tuition Fees		32,500	
Transfer Fees		-	
Residual Fees		-	
Transportation of Pupils		-	
Other:	Career Consortium - Pine Creek	782	
			33,282

First Nations

Tuition Fees		12,140	
Transportation of Pupils		-	
Other:		-	
			12,140

Private Organizations and Individuals (Includes GBE's)

Regular Tuition		-	
International Tuition		-	
Continuing Education		-	
Other Tuition:		-	
Food Service		-	
Government Business Enterprises (GBE's)		-	
Other:	Jordan Principle	98,506	
			98,506

Other Sources

Interest		49,003	
Donations		-	
Other:	Sale of Laptops	6,250	
	Sub Fees - MTS/TRTA	2,600	
	Photocopy Charges	25	
	Transportation Charges	11,725	
			69,603

TOTAL NON-PROVINCIAL GOVERNMENT REVENUE

3,505,381

OPERATING FUND - EXPENSE BY FUNCTION AND BY OBJECT

For the Year Ended June 30

<div><div></div><div>FUNCTION</div><div></div><div>OBJECT</div></div>	100	200	300	400	500	600	700	800	900		
	Regular Instruction	Student Support Services	Adult Learning Centres	Education and Services	Divisional Administration	Instructional and Other Support Services	Transportation of Pupils	Operations and Maintenance	Fiscal	2023	2022
										TOTALS	TOTALS
Salaries	6,131,989	1,206,249	-	22,590	270,733	154,392	619,129	448,842		8,853,924	8,644,751
Employees Benefits and Allowances	402,148	134,632	-	3,147	30,543	25,562	89,345	73,173		758,550	752,359
Services	222,159	117,745	-	627	171,124	35,617	81,929	614,031		1,243,232	1,127,183
Supplies, Materials and Minor Equipment	456,211	8,185	-	1,767	8,778	16,194	451,269	66,154		1,008,558	1,281,072
Interest and Bank Charges									2,099	2,099	2,148
Bad Debt Expense									-	0	0
Transfers	133,280	-	-	-	-	-	-	-	(PAYROLL TAX) 181,737	315,017	326,554
TOTALS	7,345,787	1,466,811	0	28,131	481,178	231,765	1,241,672	1,202,200	183,836	12,181,380	12,134,067

OPERATING FUND - EXPENSE DETAIL: FUNCTION 100

For the Year Ended June 30, 2023

REGULAR INSTRUCTION	10 ADMINISTRATION	SINGLE TRACK SCHOOLS *			80 DUAL TRACK SCHOOLS **	90 SENIOR YEARS TECHNOLOGY EDUCATION	TOTALS
		20 ENGLISH LANGUAGE	50 FRANÇAIS	70 FRENCH IMMERSION			
CODE OBJECT \ PROGRAM							
3XX SALARIES							
320 Executive, Managerial and Supervisory	303,852						303,852
330 Instructional - Teaching	3,668	4,862,034		323,403			5,189,105
350 Instructional - Other		321,807		29,374			351,181
360 Technical, Specialized and Service							0
370 Secretarial, Clerical and Other	153,177						153,177
390 Information Technology	134,674						134,674
Total Salaries	595,371	5,183,841	0	352,777	0	0	6,131,989
4XX EMPLOYEES BENEFITS AND ALLOWANCES	59,461	322,956		19,731			402,148
5-6XX SERVICES							
510 Professional, Technical and Specialized		3,927					3,927
520 Communications	22,737						22,737
540 Travel and Meetings	1,873	28,292					30,165
560 Tuition		43,596					43,596
570 Printing and Binding							0
580 Insurance and Bond Premiums		433					433
590 Maintenance and Repair Services		30,013		2,462			32,475
610 Rentals							0
630 Advertising		4,359		1,318			5,677
640 Dues and Fees							0
650 Professional and Staff Development	1,440						1,440
680 Information Technology Services	9,410	72,299					81,709
Total Services	35,460	182,919	0	3,780	0	0	222,159
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710 Supplies	20	190,691		8,034			198,745
740 Curricular and Media Materials		66,857		2,324			69,181
760 Minor Equipment		26,903					26,903
780 Information Technology Equipment		161,300		82			161,382
Total Supplies, Materials and Minor Equipment	20	445,751	0	10,440	0	0	456,211
96X-99 TRANSFERS							
960 School Divisions		65,344		67,936			133,280
980 Organizations and Individuals							0
Total Transfers	0	65,344	0	67,936	0	0	133,280
TOTALS	690,312	6,200,811	0	454,664	0	0	7,345,787

* 90% or more of enrolment is in one of the following instructional programs: English Language, Français, French Immersion.

** includes multi-track schools.

OPERATING FUND - EXPENSE DETAIL: FUNCTION 200

For the Year Ended June 30, 2023

STUDENT SUPPORT SERVICES		10	30	40	50	60	70	
CODE	OBJECT \ PROGRAM	ADMINISTRATION /CO-ORDINATION	CLINICAL AND RELATED SERVICES	SPECIAL PLACEMENT	REGULAR PLACEMENT	RESOURCE SERVICES	COUNSELLING AND GUIDANCE	TOTALS
3XX	SALARIES							
320	Executive, Managerial and Supervisory	73,015						73,015
330	Instructional - Teaching					352,752	59,720	412,472
350	Instructional - Other				623,801			623,801
360	Technical, Specialized and Service							0
370	Secretarial, Clerical and Other	15,594						15,594
380	Clinician		81,367					81,367
390	Information Technology							0
	Total Salaries	88,609	81,367	0	623,801	352,752	59,720	1,206,249
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	5,961	4,997		106,894	14,385	2,395	134,632
5-6XX	SERVICES							
510	Professional, Technical and Specialized		101,564		980			102,544
520	Communications		7,283					7,283
540	Travel and Meetings	7,262				456		7,718
560	Tuition							0
570	Printing and Binding							0
580	Insurance and Bond Premiums							0
590	Maintenance and Repair Services							0
610	Rentals							0
630	Advertising							0
640	Dues and Fees	200						200
650	Professional and Staff Development							0
680	Information Technology Services							0
	Total Services	7,462	108,847	0	980	456	0	117,745
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies		2,489			5,696		8,185
740	Curricular and Media Materials							0
760	Minor Equipment							0
780	Information Technology Equipment							0
	Total Supplies, Materials and Minor Equipment	0	2,489	0	0	5,696	0	8,185
96X-99	TRANSFERS							
960	School Divisions							0
980	Organizations and Individuals							0
	Total Transfers	0	0	0	0			0
	TOTALS	102,032	197,700	0	731,675	373,289	62,115	1,466,811

OPERATING FUND - EXPENSE DETAIL: FUNCTION 300

For the Year Ended June 30, 2023

ADULT LEARNING CENTRES		10	20	
CODE	OBJECT \ PROGRAM	ADMINISTRATION AND OTHER	INSTRUCTION	TOTALS
3XX	SALARIES			
320	Executive, Managerial and Supervisory			0
330	Instructional - Teaching			0
350	Instructional - Other			0
360	Technical, Specialized and Service			0
370	Secretarial, Clerical and Other			0
390	Information Technology			0
	Total Salaries	0	0	0
4XX	EMPLOYEES BENEFITS AND ALLOWANCES			0
5-6XX	SERVICES			
510	Professional, Technical and Specialized			0
520	Communications			0
530	Utility Services			0
540	Travel and Meetings			0
560	Tuition			0
570	Printing and Binding			0
580	Insurance and Bond Premiums			0
590	Maintenance and Repair Services			0
610	Rentals			0
620	Property Taxes			0
630	Advertising			0
640	Dues and Fees			0
650	Professional and Staff Development			0
680	Information Technology Services			0
	Total Services	0	0	0
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT			
710	Supplies			0
740	Curricular and Media Materials			0
760	Minor Equipment			0
780	Information Technology Equipment			0
	Total Supplies, Materials and Minor Equipment	0	0	0
96X-99	TRANSFERS			
960	School Divisions			0
980	Organizations and Individuals			0
999	Recharge			0
	Total Transfers	0	0	0
	TOTALS	0	0	0

OPERATING FUND - EXPENSE DETAIL: FUNCTION 400

For the Year Ended June 30, 2023

COMMUNITY EDUCATION AND SERVICES		10	20	30	40	
		CONTINUING	ENGLISH AS AN	COMMUNITY	PRE-KINDERGARTEN	TOTALS
CODE	OBJECT \ PROGRAM	EDUCATION	ADDITIONAL LANGUAGE	SERVICES AND	EDUCATION	
			FOR ADULTS	RECREATION		
3XX	SALARIES					
320	Executive, Managerial and Supervisory					0
330	Instructional - Teaching					0
350	Instructional - Other				22,590	22,590
360	Technical, Specialized and Service					0
370	Secretarial, Clerical and Other					0
380	Clinician					0
390	Information Technology					0
	Total Salaries	0	0	0	22,590	22,590
4XX	EMPLOYEES BENEFITS AND ALLOWANCES				3,147	3,147
5-6XX	SERVICES					
510	Professional, Technical and Specialized					0
520	Communications					0
540	Travel and Meetings					0
570	Printing and Binding					0
580	Insurance and Bond Premiums					0
590	Maintenance and Repair Services					0
610	Rentals					0
630	Advertising				627	627
640	Dues and Fees					0
650	Professional and Staff Development					0
680	Information Technology Services					0
	Total Services	0	0	0	627	627
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT					
710	Supplies				1,767	1,767
740	Curricular and Media Materials					0
760	Minor Equipment					0
780	Information Technology Equipment					0
	Total Supplies, Materials and Minor Equipment	0	0	0	1,767	1,767
96X-99	TRANSFERS					
980	Organizations and Individuals					0
999	Recharge					0
	Total Transfers	0	0	0	0	0
	TOTALS	0	0	0	28,131	28,131

OPERATING FUND - EXPENSE DETAIL: FUNCTION 500

For the Year Ended June 30, 2023

DIVISIONAL ADMINISTRATION		10	20	30	50	
CODE	OBJECT \ PROGRAM	BOARD OF TRUSTEES	INSTRUCTIONAL MANAGEMENT & ADMINISTRATION	BUSINESS AND ADMINISTRATIVE SERVICES	MANAGEMENT INFORMATION SERVICES	TOTALS
3XX	SALARIES					
310	Trustees Remuneration	47,026				47,026
320	Executive, Managerial and Supervisory		48,577	95,517		144,094
360	Technical, Specialized and Service					0
370	Secretarial, Clerical and Other			79,613		79,613
390	Information Technology					0
	Total Salaries	47,026	48,577	175,130	0	270,733
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	1,490	2,221	26,832		30,543
5-6XX	SERVICES					
510	Professional, Technical and Specialized	24,360		33,014	8,355	65,729
520	Communications		353	10,610		10,963
540	Travel and Meetings	9,542	1,447	1,012		12,001
570	Printing and Binding					0
580	Insurance and Bond Premiums			32,709		32,709
590	Maintenance and Repair Services			3,994		3,994
610	Rentals					0
630	Advertising	2,489				2,489
640	Dues and Fees	38,173		111		38,284
650	Professional and Staff Development	3,378	457	1,120		4,955
680	Information Technology Services					0
	Total Services	77,942	2,257	82,570	8,355	171,124
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT					
710	Supplies	604		5,888		6,492
740	Curricular and Media Materials		2,286			2,286
760	Minor Equipment					0
780	Information Technology Equipment					0
	Total Supplies, Materials and Minor Equipment	604	2,286	5,888	0	8,778
96X-99	TRANSFERS					
960	School Divisions					0
980	Organizations and Individuals					0
999	Recharge					0
	Total Transfers	0	0	0		0
	TOTALS	127,062	55,341	290,420	8,355	481,178

OPERATING FUND - EXPENSE DETAIL: FUNCTION 600

For the Year Ended June 30, 2023

INSTRUCTIONAL AND OTHER SUPPORT SERVICES		05 CURRICULUM CONSULTING & DEVELOPMENT ADMINISTRATION	10 CURRICULUM CONSULTING & DEVELOPMENT	20 LIBRARY / MEDIA CENTRE	30 PROFESSIONAL AND STAFF DEVELOPMENT	80 OTHER	TOTALS
CODE	OBJECT \ PROGRAM						
3XX	SALARIES						
320	Executive, Managerial and Supervisory						0
330	Instructional - Teaching						0
350	Instructional - Other			84,719			84,719
360	Technical, Specialized and Service					69,673	69,673
370	Secretarial, Clerical and Other						0
390	Information Technology						0
	Total Salaries	0	0	84,719	0	69,673	154,392
4XX	EMPLOYEES BENEFITS AND ALLOWANCES			14,556		11,006	25,562
5-6XX	SERVICES						
510	Professional, Technical and Specialized						0
520	Communications						0
540	Travel and Meetings			237			237
560	Tuition						0
570	Printing and Binding						0
580	Insurance and Bond Premiums						0
590	Maintenance and Repair Services						0
610	Rentals						0
630	Advertising						0
640	Dues and Fees						0
650	Professional and Staff Development			439	34,927	14	35,380
680	Information Technology Services						0
	Total Services	0	0	676	34,927	14	35,617
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies			428	626	7,712	8,766
740	Curricular and Media Materials			7,428			7,428
760	Minor Equipment						0
780	Information Technology Equipment						0
	Total Supplies, Materials and Minor Equipment	0	0	7,856	626	7,712	16,194
96X-99	TRANSFERS						
960	School Divisions						0
980	Organizations and Individuals						0
	Total Transfers					0	0
	TOTALS	0	0	107,807	35,553	88,405	231,765

OPERATING FUND - EXPENSE DETAIL: FUNCTION 700

For the Year Ended June 30, 2023

TRANSPORTATION OF PUPILS		10	20	70	80	90	
CODE	OBJECT \ PROGRAM	ADMINISTRATION	REGULAR	ALLOWANCES IN LIEU OF TRANSPORTATION	BOARDING OF STUDENTS/ DORMITORIES	FIELD TRIPS AND OTHER	TOTALS
3XX	SALARIES						
320	Executive, Managerial and Supervisory	24,847					24,847
350	Instructional - Other						0
360	Technical, Specialized and Service	417	584,551				584,968
370	Secretarial, Clerical and Other	9,314					9,314
390	Information Technology						0
	Total Salaries	34,578	584,551		0	0	619,129
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	6,000	83,345				89,345
5-6XX	SERVICES						
510	Professional, Technical and Specialized		215				215
520	Communications	337	6,185				6,522
540	Travel and Meetings	311	17,787				18,098
550	Transportation of Pupils			161			161
570	Printing and Binding						0
580	Insurance and Bond Premiums		36,921				36,921
590	Maintenance and Repair Services		2,680				2,680
610	Rentals						0
630	Advertising		2,536				2,536
640	Dues and Fees		769				769
650	Professional and Staff Development	533	2,990				3,523
680	Information Technology Services		10,504				10,504
	Total Services	1,181	80,587	161	0	0	81,929
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	220	450,608				450,828
740	Curricular and Media Materials						0
760	Minor Equipment	141	300				441
780	Information Technology Equipment						0
	Total Supplies, Materials and Minor Equipment	361	450,908		0	0	451,269
96X-99	TRANSFERS						
960	School Divisions						0
980	Organizations and Individuals						0
999	Recharge		(28,501)			28,501	0
	Total Transfers	0	(28,501)	0	0	28,501	0
	TOTALS	42,120	1,170,890	161	0	28,501	1,241,672

OPERATING FUND - EXPENSE DETAIL: FUNCTION 800

For the Year Ended June 30, 2023

OPERATIONS AND MAINTENANCE		10	20	50	70	80	
CODE	OBJECT \ PROGRAM	ADMINISTRATION	SCHOOL BUILDINGS MAINTENANCE	SCHOOL BUILDINGS REPAIRS AND REPLACEMENTS	OTHER BUILDINGS	GROUND	TOTALS
3XX	SALARIES						
320	Executive, Managerial and Supervisory	20,578					20,578
360	Technical, Specialized and Service	417	408,069		10,464		418,950
370	Secretarial, Clerical and Other	9,314					9,314
390	Information Technology						0
	Total Salaries	30,309	408,069	0	10,464	0	448,842
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	4,927	67,378		868		73,173
5-6XX	SERVICES						
510	Professional, Technical and Specialized						0
520	Communications		570				570
530	Utility Services		349,558		25,501		375,059
540	Travel and Meetings		8,475				8,475
570	Printing and Binding						0
580	Insurance and Bond Premiums		98,438				98,438
590	Maintenance and Repair Services		23,155	51,753	2,272	33,528	110,708
610	Rentals		4,800				4,800
620	Property Taxes		5,541				5,541
630	Advertising		3,160				3,160
640	Dues and Fees		24				24
650	Professional and Staff Development	561	1,040				1,601
680	Information Technology Services		4,726		929		5,655
	Total Services	561	499,487	51,753	28,702	33,528	614,031
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	248	52,383		2,095	105	54,831
740	Curricular and Media Materials						0
760	Minor Equipment		11,323				11,323
780	Information Technology Equipment						0
	Total Supplies, Materials and Minor Equipment	248	63,706	0	2,095	105	66,154
96X-99	TRANSFERS						
999	Recharge						0
	TOTALS	36,045	1,038,640	51,753	42,129	33,633	1,202,200

For the Year Ended June 30, 2023

Category "D" School Buildings	-
Bus Reserve	325,000
Bus Purchases	-
Other Vehicles	-
Furniture/Fixtures & Equipment	-
Computer Hardware & Software	-
Assets Under Construction	3,421
Other: MXM7570 Sharp Photocopier - Ste Rose School	10,485

[illegible]

338,906

Sale of 2008 Blue Bird Bus	4,000
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4,000

334,906

CAPITAL FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2023	2022
		<i>Restated</i>
Financial Assets		
Cash and Bank	-	-
Due from		
- Provincial Government	74,830	81,131
- Federal Government	-	-
- Municipal Government	-	-
- First Nations	-	-
- Other Funds	847,305	968,800
Accounts Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	922,135	1,049,931
Liabilities		
Overdraft	-	-
Accounts Payable	-	-
Accrued Liabilities	-	-
Accrued Interest Payable	74,830	81,131
Due to		
- Provincial Government	-	-
- Federal Government	-	-
- Municipal Government	-	-
- First Nations	-	-
- Operating Fund	(74,073)	(282,985)
Deferred Revenue	-	-
Borrowings from the Provincial Government	5,823,237	6,195,050
Other Borrowings	-	-
Asset Retirement Obligations	570,521	547,262
	6,394,515	6,540,458
Net Assets (Debt)	(5,472,380)	(5,490,527)
Non-Financial Assets		
Net Tangible Capital Assets	8,135,896	8,090,591
Accumulated Surplus / Equity *	2,663,516	2,600,064
* Comprised of:		
Reserve Accounts	847,304	968,798
Equity in Tangible Capital Assets	1,816,212	1,631,266
	2,663,516	2,600,064

CAPITAL FUND SCHEDULE OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

	2023	2022
		<i>Restated</i>
Revenue		
Provincial Government		
Grants	-	-
Debt Servicing - Principal	371,811	415,242
- Interest	210,804	211,933
Federal Government	-	-
Municipal Government	-	-
Other Sources:		
Investment Income	-	-
Donations	-	-
MB Hydro grant	-	-
Gain / (Loss) on Disposal of Capital Assets	4,000	-
Gain on receipt of Modular classroom	-	-
	-	-
	-	-
	586,615	627,175
Expenses		
Amortization	624,006	605,450
Interest on Borrowings from the Provincial Government	210,804	211,933
Other Interest	-	-
Other Capital Items	-	-
Accretion	23,259	23,259
	858,069	840,642
Current Year Surplus / (Deficit)	(271,454)	(213,467)
Net Transfers from (to) Operating Fund	334,906	78,479
Transfers from Special Purpose Fund	-	-
Net Current Year Surplus (Deficit)	63,452	(134,988)
Opening Accumulated Surplus / Equity	2,600,064	2,735,052
Adjustments:	-	-
	-	-
	-	-
Opening Accumulated Surplus / Equity as adjusted	2,600,064	2,735,052
Closing Accumulated Surplus / Equity	2,663,516	2,600,064

SCHEDULE OF TANGIBLE CAPITAL ASSETS
at June 30, 2023

	Buildings and Leasehold Improvements		School Buses	Other Vehicles	Furniture / Fixtures & Equipment	Computer Hardware & Software *	Land	Land Improvements	Assets Under Construction	2023 TOTALS	2022 TOTALS Restated
	School	Non-School									
Tangible Capital Asset Cost											
Opening Cost, as previously reported	13,704,270	460,274	3,901,822	211,679	518,908	221,541	36,325	-	1,926,428	20,981,247	19,683,837
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	13,704,270	460,274	3,901,822	211,679	518,908	221,541	36,325	-	1,926,428	20,981,247	19,683,837
Add:											
Additions during the year	1,856,299	-	446,494	-	10,485	-	-	-	(1,643,967)	669,311	1,297,410
Less:											
Disposals and write downs	-	-	82,519	-	-	-	-	-		82,519	-
Closing Cost	15,560,569	460,274	4,265,797	211,679	529,393	221,541	36,325	-	282,461	21,568,039	20,981,247
Accumulated Amortization											
Opening, as previously reported	9,131,652	441,623	2,526,810	190,853	378,177	221,541		-		12,890,656	12,285,206
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	9,131,652	441,623	2,526,810	190,853	378,177	221,541		-		12,890,656	12,285,206
Add:											
Current period Amortization	274,918	1,963	279,293	13,884	53,948	-		-		624,006	605,450
Less:											
Accumulated Amortization on Disposals and Writedowns	-	-	82,519	-	-	-		-		82,519	-
Closing Accumulated Amortization	9,406,570	443,586	2,723,584	204,737	432,125	221,541		-		13,432,143	12,890,656
Net Tangible Capital Asset	6,153,999	16,688	1,542,213	6,942	97,268	-	36,325	-	282,461	8,135,896	8,090,591
Proceeds from Disposal of Capital Assets	-	-	4,000	-	-	-				4,000	-

* Includes network infrastructure.

SCHEDULE OF CAPITAL RESERVE ACCOUNTS
For the Year Ended June 30, 2023

Fund Name >	Buses	Wide Area Network Wireless	HVAC Systems	School Canteen Project		Totals
Opening Balance, July 1, 2022	477,543	72,750	340,000	78,505	-	968,798
Additions: (Provide a description of each transaction)						
Appropriation to Bus Reserve	325,000					325,000
						-
						-
						-
						-
						-
						-
						-
Total Additions	325,000	-	-	-	-	325,000
Withdrawals: (Provide a description of each transaction)						
Purchase 2023 Blue Bird Bus Unit 32:02	143,177					143,177
Purchase 2023 Blue Bird Bus Unit 32:024	143,177					143,177
Purchase 2023 Blue Bird Bus Unit 32:08	160,140					160,140
						-
						-
						-
						-
						-
Total Withdrawals	446,494	-	-	-	-	446,494
Closing Balance, June 30, 2023	356,049	72,750	340,000	78,505	-	847,304

SPECIAL PURPOSE FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2023	2022
Financial Assets		
Cash and Bank	141,391	136,814
GST Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	141,391	136,814
Liabilities		
School Generated Funds Liability	-	-
Accounts Payable	-	-
Accrued Liabilities	-	-
Due to Other Funds	-	-
Deferred Revenue	-	-
	0	0
Accumulated Surplus *	141,391	136,814
* Comprised of:		
School Generated Funds Accumulated Surplus	141,391	136,814
Other Funds Accumulated Surplus	-	-
Accumulated Surplus *	141,391	136,814

**SPECIAL PURPOSE FUND
SCHEDULE OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

	2023	2022
Revenue		
School Generated Funds	233,265	216,623
Other Funds	-	-
	-	-
	233,265	216,623
Expenses		
School Generated Funds	228,688	221,406
Other Funds	-	-
	-	-
	228,688	221,406
Current Year Surplus (Deficit)	4,577	(4,783)
Transfers (to) Operating Fund	-	-
Transfers (to) Capital Fund	-	-
Net Current Year Surplus (Deficit)	4,577	(4,783)
Opening Accumulated Surplus	136,814	141,597
Adjustments: School Generated Funds	-	-
Other Funds	-	-
Opening Accumulated Surplus as adjusted	136,814	141,597
Closing Accumulated Surplus	141,391	136,814

STUDENT ENROLMENTS (FRAME) AND TRANSPORTATION STATISTICS (UNAUDITED)

ENROLMENTS BY PROGRAM		F.T.E. Enrolment September 30, 2022
REGULAR INSTRUCTION		
English Language - Single Track		567.0
Francais - Single Track		
French Immersion - Single Track		28.0
Dual Track		
- English Language	-	
- Francais	-	
- French Immersion	-	
- Other Bilingual	-	0.0
Senior Years Technology Education		-
TOTAL NUMBER OF FULL TIME EQUIVALENT K - 12 STUDENTS		595.0

TRANSPORTATION OF PUPILS	
TRANSPORTED STUDENTS (September 30)	-
TOTAL KILOMETERS - LOG BOOK (For the period ended June 30)	-
TOTAL KILOMETERS - BUS ROUTES (For the period ended June 30)	673,806
LOADED KILOMETERS (For the period ended June 30)	467,016

FULL TIME EQUIVALENT PERSONNEL (UNAUDITED)

For the 2022/23 Fiscal Year

CODE OBJECT \ FUNCTION	FUNCTION 100	FUNCTION 200	FUNCTION 300	FUNCTION 400	FUNCTION 500	FUNCTION 600	FUNCTION 700	FUNCTION 800	TOTALS
320 Executive, Managerial, & Supervisory	2.66	0.60			1.40		0.50	0.25	5.41
330 Instructional - Teaching	55.74	4.15							59.89
350 Instructional - Other	12.16	24.51		0.60		3.33			40.60
360 Technical, Specialized And Service						1.45	23.50	9.55	34.50
370 Secretarial, Clerical And Other	4.59	0.34			1.72		0.22	0.22	7.09
380 Clinician		1.00							1.00
390 Information Technology	2.00								2.00
TOTALS (excluding Trustees)	77.15	30.60	0.00	0.60	3.12	4.78	24.22	10.02	150.49
510 Contracted Clinicians (include private clinicians where possible)		0.60							
310 TRUSTEES									5.00

CALCULATION OF ADMINISTRATION COSTS AS A PERCENTAGE OF TOTAL EXPENSES

Administration Costs

Divisional Administration, Function 500	481,178
Less: Liability Insurance	32,709
Administration portion of self-funded expenses (see below)	0 *
Trustee election costs	0
	<u>448,469 (A)</u>

Expense Base

Total Operating Expenses	12,181,380
Plus: Transfers to Capital	338,906
Less: Adult Learning Centres, Function 300	0
	<u>12,520,286 (B)</u>

Percentage (A) / (B)
3.58%
% increase in 2022/23 Special Requirement
1.90% Limit Met

Maximum Allowable Percentage
3.53%

Special Requirement Limit	Met	Exceeded
If FTE Enrolment is 5,000 or over	2.70%	2.40%
If FTE Enrolment is 1,000 or less	3.53%	3.42%
If FTE enrolment is between 1,000 and 5,000	3.53%	3.42%
Northern Division	4.25%	4.25%
If FTE enrolment is between 1,000 and 5,000:		
2% Special Requirement limit met - To a maximum of 3.53%	$2.94\% + (5,000 - \text{enrolment}) \times 0.0001475\%$	
2% Special Requirement limit exceeded - To a maximum of 3.42%	$2.85\% + (5,000 - \text{enrolment}) \times 0.0001425\%$	

Self-Funded Expenses (fully offset by incremental revenues):
International Student Programs
Expenses (1)

Instructional	-
Administration (deducted above)	- *
Other:	-
	<u>0</u>

Associated Revenue ⁽²⁾
-
Self-Administered Pension Plans
Expenses (1)

Administration (deducted above)	- *
Other:	-
	<u>0</u>

Associated Revenue ⁽²⁾
-

(1) Incremental costs of the program.

(2) Tuition fees from international students or the pension plan administration fee.

CALCULATION OF ALLOWABLE AND UNSUPPORTED EXPENSES

CALCULATION OF ALLOWABLE EXPENSES				REDUCTIONS TO EXPENSES				
FUNCTION / PROGRAM	TOTAL EXPENSES	ADJUSTMENTS TO EXPENSES	CATEGORICAL SUPPORT	OTHER PROGRAM SUPPORT	OTHER PROVINCIAL GOVERNMENT REVENUE	NON-PROVINCIAL SOURCES		ALLOWABLE EXPENSES
						TUITION, TRANSFER AND RESIDUAL FEES	OTHER	
		<<<< (from Appendix A) >>>>				<<<< (from Appendix B) >>>>		
210 - 260 Student Support Services	1,404,696	0	474,390	0	49,812	0	98,506	781,988
270 Counselling and Guidance	62,115	0	0	0	0	0	0	62,115
300 Adult Learning Centres	0				0	0	0	
400 Community Education and Services	28,131		0	0	90,000	0	0	
620 Library / Media Centre	107,807	0	0	0	0	0	0	107,807
630 Professional and Staff Development	35,553	0	0	0	0	0	0	35,553
800 Operations and Maintenance	1,202,200	(4,000)	0	50,340	77,571	0	0	1,070,289
ALLOCATED ADJUSTMENTS/REDUCTIONS		(4,000)	474,390	50,340	217,383	0	98,506	
UNALLOCATED ADJUSTMENTS/REDUCTIONS		4,000	1,034,587	17,200	883,051	44,640	51,347	(1)
TOTALS	2,840,502	0	1,508,977	67,540	1,100,434	44,640	149,853	2,057,752

OTHER FUNCTION/PROGRAMS EXPENSES	9,340,878	<input type="checkbox"/> OPEN OR CLOSE DETAIL
TOTAL EXPENSES	12,181,380	

CALCULATION OF UNSUPPORTED EXPENSES		
OTHER FUNCTION/PROGRAMS EXPENSES	9,340,878	<input type="checkbox"/> OPEN OR CLOSE DETAIL
TOTAL ALLOWABLE EXPENSES	2,057,752	
TOTAL UNALLOCATED ADJUSTMENTS/REDUCTIONS (1)	(2,026,825)	
Base Support (from page 8)	(2,738,189)	
Formula Guarantee (from page 8)	0	
SCHOOL BUS AMORTIZATION (from TCA Sched page 23)	279,293	
TOTAL UNSUPPORTED EXPENSES	6,912,909	

CALCULATION OF ALLOWABLE EXPENSES (refer to "Allow Guide")

APPENDIX A

ADJUSTMENTS TO EXPENSES: (enter deductions as negative amounts)	<u>Function/ Program</u>	<u>Amount</u>
Capitalized Energy Mgmt. Systems Costs (add) (1), (2)	800	
Capitalized Section "D" School Bldgs. Costs (add) (1)	800	0
Transfers from Capital Fund (deduct)	800	(4,000)
Leased Non-School Space (deduct)	800	0
Transfers from Special Purpose Fund (deduct)		0
Other Capitalized Items (specify Item and Function/Program) (2)		
Total Adjustments to Expenses		0

(1) Net of all related revenues.

(2) For capitalized energy management systems costs and other capitalized items, lease and loan payments for eligible equipment may be included.

OTHER PROGRAM SUPPORT:

School Buildings Support: "D" Projects	50,340
Technology Education Equipment & Skills Strategy Equipment Enhancement	17,200
Other Minor Capital Support	0
Curricular Materials Prior Year Support	0
Finalization of Previous Year's support	0
Amount carried forward to Allowable Expenses	67,540

CATEGORICAL SUPPORT TO BE ALLOCATED

Special Needs: Coordinator/Clinician		
(A) Maximum Support	73,630	
(B) Eligible Expenses	197,700	
(C) Less related revenues		
(D) Allowable Expenses (B) - (C)	197,700	
Eligible Support (lesser of A or D)		73,630
Special Needs: Level 2 and 3		346,720
Indigenous Academic Achievement		99,000
Literacy and Numeracy		54,040
Small Schools		
(A) Maximum Support	91,593	
(B) Program Expenses	161,300	
Eligible Support (lesser of A or B)		91,593
Board and Room		
(A) Maximum Support		
(B) Program Expenses		
Eligible Support (lesser of A or B)		0
Early Childhood Development		16,736
Total allocable Categorical Support (carried to Allow Input)		681,719
Non-allocable Categorical Support		827,258
Total Categorical Support (carried to page 30)		1,508,977

CALCULATION OF ALLOWABLE SCHOOL BUILDING SUPPORT "D" EXPENSES:

Program 850 School Building Repairs & Replacements	51,753
PLUS: Capitalized Section "D" Expenses (net)	0
Grounds	-
LESS: Related revenue other than "D" Support	-
Allowable Section "D" Expenses	(C) 51,753
< OR >	
Expenses to be used for calculating "D" Grant. Enter an amount to overwrite if different from above.	(D) 51,753
(cannot be more than amount on line "C")	
Refer to page 2 of the Allowable Expenses Guide when completing this section.	

CALCULATION OF ALLOWABLE EXPENSES

APPENDIX B

OTHER PROVINCIAL GOVERNMENT REVENUE:	Allocated	Unallocated	Total
Other Dept. of Education			
General Support Grant		148,348	148,348
Education Property Tax Credit		380,610	380,610
Tax Incentive Grant		263,293	263,293
Property Tax Offset Grant		213,862	213,862
All other	952,086		952,086
Other Provincial Government Departments	0		0
Total Revenue	952,086	1,006,113	1,958,199

ALL REVENUES REPORTED ON THIS PAGE, EXCEPT THOSE SHADED, MUST BE DEDUCTED FROM TOTAL EXPENSES ON PAGE 30 UNLESS THERE ARE SPECIAL CIRCUMSTANCES WHICH WOULD MAKE AN ALLOCATION IMPRACTICAL OR INAPPROPRIATE. IN THOSE LIMITED CASES, REASONS FOR NOT ALLOCATING MUST BE PROVIDED BELOW.

NON-PROVINCIAL SOURCES:	Allocated	Unallocated	Total
Federal Government			
Tuition Fees	0		0
All other	29,965		29,965
Municipal Government			
Net Special Requirement		3,261,885	3,261,885
Other	0		0
Other School Divisions			
Tuition Fees	32,500		32,500
Transfer Fees	0		0
Residual Fees	0		0
All other	782		782
First Nations			
Tuition Fees	12,140		12,140
All other	0		0
Private Organizations and Individuals			
Tuition Fees	0		0
Ancillary Services	98,506		98,506
Other Sources			
Interest		49,003	49,003
Donations	0		0
Other	20,600		20,600
Total Revenue	194,493	3,310,888	3,505,381

OTHER PROVINCIAL GOVERNMENT REVENUE:	
Total Revenue	1,958,199
Education Property Tax Credit	(380,610)
Tax Incentive Grant	(263,293)
Property Tax Offset Grant	(213,862)
PROVINCIAL REVENUE FOR EQUALIZATION	1,100,434
(to agree with Other Provincial Gov't Revenue on page 30)	
NON-PROVINCIAL SOURCES:	
TOTAL ALLOCABLE FEES	44,640
(Tuition, Transfer and Residual Fees)	
TOTAL ALLOCABLE OTHER REVENUE	149,853
(to agree with total other revenue on page 30)	
TOTAL ALLOCABLE NON-PROV. SOURCES	194,493

TURTLE RIVER SCHOOL DIVISION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023

1. Nature of Organization and Economic Dependence

The Turtle River School Division is a public body that provides education services to residents within its geographic location. The division is funded mainly by grants from the Province of Manitoba, and a special levy on the property assessment included in the Division's boundaries. The Division is exempt from income tax and is a registered charity under the Income Tax Act.

The Division is economically dependent on the Province for the majority of its revenue and capital financing requirements. Without this funding, the Division would not be able to continue its operations.

2. Change in Accounting Policy

a) Adoption of PS 3280 *Asset Retirement Obligations*

Effective July 1, 2022, the Division adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under PS 3280 Asset Retirement Obligations. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation and provides the related consolidated financial statement presentation and disclosure requirements.

Pursuant to the recommendations, the change was applied using a modified retroactive approach and prior periods have been restated. On adoption, the Division removed any liability for an asset retirement obligation and associated asset retirement cost from the consolidated statement of financial position and recognized:

A liability for any existing asset retirement obligations, adjusted for accumulated accretion to date;

An asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets;

Accumulated amortization on the capitalized asset retirement cost; and

An adjustment to opening accumulated surplus/deficit.

Under the new standard, the Division is accounting and reporting the legal obligations associated with the retirement of tangible capital assets, as described in Note 3 – Significant accounting policies.

2. Change in Accounting Policy (continued)

a) Adoption of PS 3280 *Asset Retirement Obligations* (continued)

<u>Consolidated Statement of Financial Position</u>	<u>Balance as previously reported June 30, 2022</u>	<u>Change on transition</u>	<u>Balance as restated June 30, 2022</u>
Net Tangible Capital Assets	\$ 7,929,782	\$ 160,809	\$ 8,090,591
Asset Retirement Obligations	-	547,262	547,262
Accumulated Surplus	3,761,571	(386,453)	3,375,118

<u>Consolidated Statement of Revenue, Expenses and Accumulated Surplus</u>	<u>Balance as previously reported June 30, 2022</u>	<u>Change on transition</u>	<u>Balance as restated June 30, 2022</u>
Expenses - Amortization	\$ 597,685	\$ 7,765	\$ 605,450
Expenses - Other Capital Items	-	23,259	23,259
Net Current Year Surplus (Deficit)	\$ 597,685	\$ 31,024	\$ 628,709

<u>Consolidated Statement of Revenue, Expenses and Accumulated Surplus</u>	<u>Balance as previously reported June 30, 2022</u>	<u>Change on transition</u>	<u>Balance as restated June 30, 2022</u>
Opening Accumulated Surplus	\$ 4,102,295	\$ (355,429)	\$ 3,746,866
Net Current Year Surplus (Deficit)	(340,724)	(31,024)	(371,748)
Closing Accumulated Surplus	\$ 3,761,571	\$ (386,453)	\$ 3,375,118

b) Adoption of PS 3450 *Financial Instruments*

Effective July 1, 2022, the Division adopted the Public Sector Accounting Board's (PSAB) new recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives under Section PS 3450 Financial Instruments. The new Section is applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

3. Significant Accounting Policies

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles established by PSAB of the Chartered Professional Accountants of Canada (CPA).

a) Reporting Entity and Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the operating fund, capital fund, and special purpose fund of the Division. The Division reporting entity includes school generated funds.

All inter-fund accounts and transactions are eliminated upon consolidation.

3. Significant Accounting Policies (continued)

b) Basis of Accounting

Revenues and expenses are reported on the accrual basis of accounting except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

c) Fund Accounting

The fund method of accounting is employed by the Division to record financial transactions in separate funds as defined by Financial Reporting and Accounting in Manitoba Education (FRAME) in accordance with the purpose for which the funds have been created.

The Operating Fund is maintained to record all the day to day operating revenues and expenses. The Capital Fund is used to account for the acquisition, amortization, disposal and financing of capital assets. The Special Purpose Fund is used to account for school generated funds held by the Division.

d) School Generated Funds

School generated funds are moneys raised by the school, or under the auspices of the school, through extra-curricular activities for the sole use of the school that the principal of each school, subject to the rules of the school board, may raise, hold, administer and expend for the purposes of the school.

Only revenue and expenses of school generated funds controlled by the Division are included in the Consolidated Statement of Revenue, Expenses and Accumulated Surplus. To be deemed as controlled, a school must have the unilateral authority to make the decisions as to when, how and on what the funds are to be spent.

Period end cash balances of all school generated funds are included in the Consolidated Statement of Financial Position. The uncontrolled portion of this amount is reflected in the School Generated Funds Liability account. Examples of uncontrolled school generated funds are parent council funds, other parent group funds, student council funds and travel club funds. Revenues and expenses of uncontrolled school generated funds are not included in the consolidated financial statements.

3. Significant Accounting Policies (continued)

e) Tangible Capital Assets

Tangible capital assets are non-financial assets that are used by the Division to provide services to the public and have an economic life beyond one fiscal year. Tangible capital assets include land, buildings, buses, other vehicles, furniture and equipment, computers, capital leases, leasehold improvements, and assets under construction.

To be classified as tangible capital assets, each asset other than land must individually meet the capitalization threshold for its class as prescribed by FRAME.

Asset Description	Capitalization Threshold (\$)	Estimated Useful Life (years)
Land	N/A	N/A
Land Improvements (1)	50,000	10
Buildings - bricks, mortar and steel	50,000	40
Buildings - wood frame	50,000	25
School buses	50,000	10
Vehicles (2)	10,000	5
Equipment (3)	10,000	5
Network Infrastructure (4)	25,000	10
Computer Hardware, Servers & Peripherals (5)	10,000	4
Computer Software (6)	10,000	4
Furniture & Fixtures	10,000	10
Leasehold Improvements	25,000	Over term of lease

NB: All amortization is on a straight line basis with no residual value. The Estimated Useful Life above is based on the acquisition of new assets. If used assets are acquired, a reasonable estimate of the remaining useful life must be determined.

Grouping of assets is not permitted except for computer work stations.

With the exception of land, donated capital assets and capital leases, all tangible capital assets, are recorded at historical cost, which includes purchase price, installation costs and other costs incurred to put the asset into service.

Buildings are recorded at historical cost when known. For buildings acquired prior to June 30, 2005 where the actual cost was not known, the replacement value for insurance purposes as at June 30, 2005 was regressed to the date of acquisition using a regression index based on Southam and CanaData construction cost indices.

All land acquired prior to June 30, 2006 has been valued by the Crown Lands and Property Agency.

3. Significant Accounting Policies (continued)

e) Tangible Capital Assets (continued)

All tangible capital assets, except for land, capital leases, and assets under construction, are amortized on a straight-line basis over their estimated useful lives as prescribed by FRAME. Land is not amortized. One-half of the annual amortization is charged in the year of acquisition and in the year of disposal if not fully amortized.

Assets under construction are not amortized until the date of substantial completion. Interest on funds used to finance school buildings under construction is capitalized for the periods preceding the date of substantial completion.

f) Employee Future Benefits

The Province of Manitoba pays the employer portion of the Teachers' Retirement Allowances Fund (TRAF), the pension plan for all certified teachers of the Division. The Division does not contribute to TRAF, and no costs relating to this plan are included in the Division's financial statements.

However, the Division provides a defined contribution pension plan to all eligible non teachers in the Division. There is no future liability or benefit to be recorded for this type of pension plan. The Division participates in the MSBA (Manitoba School Boards Association, formerly the Manitoba Association of School Trustees) Pension Plan. The terms and conditions of this pension plan are administered by a provincial committee consisting of school trustees, employee and division management representative. The Division participates in the plan by virtue of a trust agreement. Participating employees in the plan contribute 8% of earnings to the plan. The Division matches this contribution and remits both contributions monthly.

Expected future payment of non-vested accumulated sick leave benefits for employees based on estimated sick days that will be used over earned per year has been set up as a future benefit. Employee future benefits are benefits earned by employees in the current period, but will not be paid out until a future period.

g) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) as at the consolidated financial statement date when there is a legal obligation for the Division to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at June 30, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

3. Significant Accounting Policies (continued)

g) Asset Retirement Obligations

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the Division reviews the carrying amount of the liability. The Division recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The Division continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

h) Capital Reserve

Certain amounts, as approved by the Board of Trustees and the Public Schools Finance Board (PSFB), have been set aside in reserve accounts for future capital purposes. These Capital Reserve accounts are internally restricted funds that form part of the Accumulated Surplus presented in the Consolidated Statement of Financial Position. The Division has a reserve for school bus purchases in the amount of \$356,049, a reserve for a project to upgrade the wide area network wireless computer communication system in the amount of \$72,750, a reserve for a project to upgrade school canteens in the amount of \$78,505 and a reserve for a HVAC system in the amount of \$340,000.

i) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

j) Financial instruments

The Division recognizes its financial instruments when the Division becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Division may irrevocably elect to subsequently measure any financial instruments at fair value. The Division has made such an election during the year.

3. Significant Accounting Policies (continued)

j) Financial instruments (continued)

The Division subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest income is recognized in the consolidated statement of revenue, expenses and accumulated surplus. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating accumulated surplus. Conversely, transaction costs are added to the carrying amount from those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years, and recent collection experience for the loan, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of revenue, expenses and accumulated surplus. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

4. Overdraft

The Division has an operating \$2,500,000 line of credit with the Royal Bank of Canada by way of overdraft. (By-Law #176).

In addition small capital projects are funded out of the operating fund.

5. Deferred Revenue

The deferral method of accounting is used for revenues received that, pursuant to legislation, regulation or agreement, may only be used for specific purposes. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed. The following is a breakdown of the account balance:

	Balance as at June 30, 2022	Additions in the period	Revenue recognized in the period	Balance as at June 30, 2023
Education Property Tax Credit	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -

6. School Generated Funds Liability & Revenue/Expense Presentation

School generated funds revenue and expenses reported in the Consolidated Statement of Revenue, Expenses and Accumulated Surplus as at June 30, 2023 covers a period of twelve months from July 1, 2022 to June 30, 2023

7. Borrowings from the Provincial Government

The debenture and promissory note debt of the Division is in the form of twelve debentures and one promissory note payable, principal and interest, in twenty equal yearly installments and maturing at various dates from 2023 to 2042. Payment of principal and interest is funded entirely by grants from the Province of Manitoba. The debentures and promissory note carry interest rates that range from 2.750% to 5.875%. Debenture and promissory note interest expense payable as at June 30, 2023, is accrued and recorded in Accrued Interest Payable, and a grant in an amount equal to the interest accrued on provincially funded borrowing is recorded in Due from the Provincial Government. The debenture and promissory note principal and interest repayments in the next five years are:

	Principal	Interest	Total
2024	386,380	202,539	588,919
2025	401,558	187,361	588,919
2026	412,033	171,544	583,577
2027	373,014	155,373	528,387
2028	386,977	141,410	528,387
	<u>1,959,962</u>	<u>858,227</u>	<u>2,818,189</u>

8. Asset Retirement Obligations

The Division is legally required to perform closure, post-closure and remediation activities on sites containing asbestos, fuel storage sites and other asset related obligations meeting the criteria of PS 3280. The expected future cash outflow has been determined using an inflation rate of 2.00% and estimated to be \$1,365,549 in the year that the retirement cost is expected to occur. The year of expected future cash flow has been determined using the asset's useful life or planned remediation date with estimated dates ranging from 2031 to 2046.

8. Asset Retirement Obligations (continued)

The Division recognized a liability for the asset retirement obligation and a corresponding amount has been capitalized as an asset retirement cost and added to the carrying value of the tangible capital asset. The asset retirement cost is amortized on a straight-line basis over the useful life of the related tangible capital asset.

The Division estimated the amount of the liability using a present value technique with the discount rate set at 4.25% which represents the Province of Manitoba's average cost of borrowing.

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 547,262	\$ 524,003
Accretion	<u>23,259</u>	<u>23,259</u>
Balance, end of year	<u>\$ 570,521</u>	<u>\$ 547,262</u>

9. Accumulated Surplus

The consolidated accumulated surplus is comprised of the following:

	<u>2023</u>
Operating Fund	
Designated Surplus	121,578
Undesignated Surplus	<u>438,430</u>
	<u>560,008</u>
Capital Fund	
Reserve Accounts	847,304
Equity in Tangible Capital Assets	<u>1,816,212</u>
	<u>2,663,516</u>
Special Purpose Fund	
School Generated Funds	141,391
Other Special Purpose Funds	<u>-</u>
	<u>141,391</u>
Total Accumulated Surplus	<u>\$ 3,364,915</u>

Reserve Accounts under the Capital Fund represent internally restricted reserves for specific purposes approved by the Board of Trustees and PSFB. A Schedule of Capital Reserve Accounts is provided on page 24 of the audited financial statements.

	<u>2023</u>
Bus reserve	356,049
Other reserves	<u>491,255</u>
Capital Reserve	<u>\$ 847,304</u>

10. Municipal Government – Property Tax and related Due from Municipal Government

Education property tax or Special Levy is raised as the Division's contribution to the cost of providing public education for the students' resident in the division. The Municipal Government-Property Tax shown on the consolidated statement of revenue and expense is raised over the two calendar (tax) years; 50% from 2022 tax year and 50% from 2023 tax year. Below are the related revenue and receivable amounts:

	<u>2023</u>	<u>2022</u>
Revenue-Municipal Government-Property Tax	\$ 3,261,885	\$ 3,165,158
Receivable-Due from Municipal-Property Tax	<u>\$ 1,766,689</u>	<u>\$ 1,670,192</u>

11. Interest Received and Paid

The Division received interest during the year of \$49,003.

Interest expense is included in Fiscal and is comprised of the following:

	<u>2023</u>
Operating Fund	
Fiscal-short term loan, interest and bank charges	\$ 2,099
Capital Fund	
Debenture and promissory note debt interest	210,804
Other interest	-
	<u>\$ 212,903</u>

The accrual portion of debenture and promissory note debt interest expense of \$74,830. included under the Capital Fund- Interest on borrowings from the Provincial Government is offset by an accrual of the debt servicing grant from the Province of Manitoba.

12. Expenses by object

Expenses in the consolidated statement of revenue, expenses and accumulated surplus are reported by function as defined by FRAME. Below is the detail of expenses by object:

	Actual <u>2023</u>	Budget <u>2022</u>	Actual <u>2022</u>
Salaries	\$ 8,853,924	\$ 9,018,166	\$ 8,644,751
Employees benefits & allowances	758,550	81,286	752,359
Services	1,243,232	1,102,768	1,127,183
Supplies, materials & minor equipment	1,008,558	925,988	1,281,072
Interest	212,903	3,000	214,081
Transfers	133,280	149,853	142,073
Payroll tax	181,737	199,121	184,481
Amortization	624,006	-	605,450
Other capital items	23,259	-	23,259
School generated funds	228,688	-	221,406
Other special purpose funds	-	-	-
	<u>\$ 13,268,137</u>	<u>\$ 11,480,182</u>	<u>\$ 13,196,115</u>

13. Financial Instruments

The Division as part of its operations carries a number of financial instruments. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The Division is exposed to some credit risk from the potential non-payment of accounts receivable, however as the majority of the receivables are from local, provincial and federal governments, credit risk is minimal.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Division is not exposed to significant interest rate risk on its debt.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

14. Contingent liabilities

The Division is currently in the process of negotiating a number of employment and union based contracts that have expired. Accrued liabilities include the Division's estimate for costs related to potential wage settlements with the Division's employees represented by unions for the fiscal years ended June 30, 2022 and June 30, 2023. This liability is contingent on future events including the outcome of collective agreement negotiations between the Division and the unions representing the majority of its employees.