
Audited Financial Statements

Of the Good Spirit School Division No. 204

School Division No. 2040500

For the Period Ending: August 31, 2019

Keith Gervais, CPA, CMA

Chief Financial Officer

Miller Moar Grodecki Krelewich & Chorney

Auditor

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

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Management's Responsibility for the Financial Statements

The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

The external auditors, Miller Moar Grodecki Kreklewich & Chorney, 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 14, 2019

INDEPENDENT AUDITOR'S 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, 2019, and the statements of 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, 2019, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the School Division in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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.



MILLER MOAR GRODECKI KREKLEWICH & CHORNEY
Chartered Professional Accountants

Melville, Saskatchewan
November 14, 2019


Good Spirit School Division No. 204
Statement of Financial Position
as at August 31, 2019


	2019	2018
	\$	\$
Financial Assets		
Cash and Cash Equivalents	14,017,015	16,950,746
Accounts Receivable (Note 7)	1,204,612	934,232
Portfolio Investments (Note 3)	57,008	56,691
Total Financial Assets	15,278,635	17,941,669
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	3,037,664	2,963,296
Long-Term Debt (Note 9)	1,097,408	2,539,135
Liability for Employee Future Benefits (Note 5)	852,600	812,200
Deferred Revenue (Note 10)	568,022	1,137,791
Total Liabilities	5,555,694	7,452,422
Net Financial Assets	9,722,941	10,489,247
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	64,304,247	64,151,353
Prepaid Expenses	1,474,119	905,110
Total Non-Financial Assets	65,778,366	65,056,463
Accumulated Surplus (Note 13)	75,501,307	75,545,710

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

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

Approved by the Board:





Chairperson

Chief Financial Officer

Good Spirit School Division No. 204
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
REVENUES	(Note 14)		
Property Taxes and Other Related Grants	-	2,810	7,227,419
Tuition and Related Fees	70,646,729	70,388,955	62,463,890
School Generated Funds	1,934,496	2,441,803	2,091,494
Complementary Services (Note 11)	2,500,000	2,834,520	2,692,557
External Services (Note 12)	857,564	849,127	843,196
Other	286,896	463,788	424,857
	438,000	1,276,192	761,658
Total Revenues (Schedule A)	76,663,685	78,257,195	76,505,071
EXPENSES			
Governance	352,183	335,836	319,182
Administration	2,689,319	2,582,126	2,552,814
Instruction	54,616,701	53,232,829	53,160,207
Plant	9,960,804	9,426,652	10,233,909
Transportation	7,366,967	6,897,393	7,299,620
Tuition and Related Fees	972,907	750,900	795,407
School Generated Funds	2,500,000	2,698,859	2,286,616
Complementary Services (Note 11)	839,913	839,672	844,491
External Services (Note 12)	290,597	467,969	415,959
Other	87,920	1,069,362	2,479,042
Total Expenses (Schedule B)	79,677,311	78,301,598	80,387,247
Operating (Deficit) for the Year	(3,013,626)	(44,403)	(3,882,176)
Accumulated Surplus from Operations, Beginning of Year	75,545,710	75,545,710	79,427,886
Accumulated Surplus from Operations, End of Year	72,532,084	75,501,307	75,545,710

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, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
	(Note 14)		
Net Financial Assets, Beginning of Year	10,489,247	10,489,247	13,164,026
Changes During the Year			
Operating (Deficit) for the Year	(3,013,626)	(44,403)	(3,882,176)
Acquisition of Tangible Capital Assets (Schedule C)	(1,393,000)	(6,103,388)	(3,805,775)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	655,826	107,242
Net Loss on Disposal of Capital Assets (Schedule C)	-	1,000,371	361,204
Amortization of Tangible Capital Assets (Schedule C)	4,452,125	4,294,297	4,531,469
Net Change in Other Non-Financial Assets	-	(569,009)	13,257
Change in Net Financial Assets	45,499	(766,306)	(2,674,779)
Net Financial Assets, End of Year	10,534,746	9,722,941	10,489,247

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, 2019

	2019	2018
	\$	\$
OPERATING ACTIVITIES		
Operating (Deficit) for the Year	(44,403)	(3,882,176)
Add Non-Cash Items Included in Deficit (Schedule D)	5,294,668	4,892,673
Net Change in Non-Cash Operating Activities (Schedule E)	(1,294,390)	8,268,952
Cash Provided by Operating Activities	3,955,875	9,279,449
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(6,103,388)	(3,805,775)
Proceeds on Disposal of Tangible Capital Assets	655,826	107,242
Cash (Used) by Capital Activities	(5,447,562)	(3,698,533)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(317)	(361)
Cash (Used) by Investing Activities	(317)	(361)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	83,685	-
Repayment of Long-Term Debt	(1,525,412)	(1,844,345)
Cash (Used) by Financing Activities	(1,441,727)	(1,844,345)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,933,731)	3,736,210
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	16,950,746	13,214,536
CASH AND CASH EQUIVALENTS, END OF YEAR	14,017,015	16,950,746

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, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Property Taxes and Other Related Revenue			
Tax Levy Revenue			
Property Tax Levy Revenue	-	-	7,065,342
Total Property Tax Revenue	-	-	7,065,342
Grants in Lieu of Taxes			
Federal Government	-	-	27,413
Provincial Government	-	-	59,000
Other	-	-	11,290
Total Grants in Lieu of Taxes	-	-	97,703
Other Tax Revenues			
Treaty Land Entitlement - Rural	-	2,810	8,303
House Trailer Fees	-	-	15,059
Total Other Tax Revenues	-	2,810	23,362
Additions to Levy			
Penalties	-	-	80,972
Total Additions to Levy	-	-	80,972
Deletions from Levy			
Cancellations	-	-	(27,673)
Other Deletions	-	-	(12,287)
Total Deletions from Levy	-	-	(39,960)
Total Property Taxes and Other Related Revenue	-	2,810	7,227,419
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	68,519,496	67,927,295	59,693,331
Other Ministry Grants	-	36,010	133,168
Total Ministry Grants	68,519,496	67,963,305	59,826,499
Other Provincial Grants	270,000	275,099	261,198
Grants from Others	-	20,000	168,960
Total Operating Grants	68,789,496	68,258,404	60,256,657
Capital Grants			
Ministry of Education Capital Grants	1,857,233	2,130,551	2,207,233
Total Capital Grants	1,857,233	2,130,551	2,207,233
Total Grants	70,646,729	70,388,955	62,463,890

Good Spirit School Division No. 204
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
School Boards	-	-	12,000
Federal Government and First Nations	1,916,496	2,406,048	2,062,057
Individuals and Other	18,000	34,530	16,997
Total Tuition Fees	1,934,496	2,440,578	2,091,054
Transportation Fees	-	1,225	440
Total Operating Tuition and Related Fees	1,934,496	2,441,803	2,091,494
Total Tuition and Related Fees Revenue	1,934,496	2,441,803	2,091,494
School Generated Funds Revenue			
Curricular			
Student Fees	50,000	78,071	47,033
Total Curricular Fees	50,000	78,071	47,033
Non-Curricular Fees			
Commercial Sales - Non-GST	250,000	282,099	296,930
Fundraising	420,000	442,544	369,491
Grants and Partnerships	30,000	34,220	26,335
Other	1,750,000	1,997,586	1,952,768
Total Non-Curricular Fees	2,450,000	2,756,449	2,645,524
Total School Generated Funds Revenue	2,500,000	2,834,520	2,692,557
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	714,564	714,646	701,460
Federal Grants	115,000	110,345	119,675
Total Operating Grants	829,564	824,991	821,135
Fees and Other Revenue			
Other Revenue	28,000	24,136	22,061
Total Fees and Other Revenue	28,000	24,136	22,061
Total Complementary Services Revenue	857,564	849,127	843,196

Good Spirit School Division No. 204
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
External Services			
Operating Grants			
Ministry of Education Grants			
Other Ministry Grants	-	150,000	150,000
Other Provincial Grants	76,896	102,492	76,896
Total Operating Grants	76,896	252,492	226,896
Fees and Other Revenue			
Other Revenue	210,000	211,296	197,961
Total Fees and Other Revenue	210,000	211,296	197,961
Total External Services Revenue	286,896	463,788	424,857
Other Revenue			
Miscellaneous Revenue	78,000	831,086	364,907
Sales & Rentals	180,000	216,878	165,440
Investments	180,000	228,228	231,311
Total Other Revenue	438,000	1,276,192	761,658
TOTAL REVENUE FOR THE YEAR	76,663,685	78,257,195	76,505,071

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	116,175	115,625	104,709
Professional Development - Board Members	22,000	20,025	18,133
Grants to School Community Councils	49,300	37,497	32,782
Professional Development - Advisory Committees	-	-	5,754
Other Governance Expenses	164,708	162,689	157,804
Total Governance Expense	352,183	335,836	319,182
Administration Expense			
Salaries	1,943,240	1,865,683	1,826,824
Benefits	248,688	232,286	216,777
Supplies & Services	274,164	275,753	332,367
Non-Capital Furniture & Equipment	6,000	4,533	4,521
Building Operating Expenses	51,400	35,927	39,984
Communications	44,000	32,446	50,848
Travel	52,760	33,579	37,514
Professional Development	51,100	34,420	22,370
Amortization of Tangible Capital Assets	17,967	67,499	21,609
Total Administration Expense	2,689,319	2,582,126	2,552,814
Instruction Expense			
Instructional (Teacher Contract) Salaries	36,762,355	35,657,241	36,351,967
Instructional (Teacher Contract) Benefits	1,690,123	1,625,596	1,773,608
Program Support (Non-Teacher Contract) Salaries	7,855,614	7,875,022	7,369,566
Program Support (Non-Teacher Contract) Benefits	1,488,715	1,455,960	1,313,934
Instructional Aids	1,247,065	1,262,226	1,332,976
Supplies & Services	1,121,396	1,016,402	858,612
Non-Capital Furniture & Equipment	504,574	488,748	129,103
Communications	184,280	175,761	164,186
Travel	203,800	184,090	179,806
Professional Development	420,538	359,623	350,599
Student Related Expense	162,652	166,440	198,224
Amortization of Tangible Capital Assets	2,975,589	2,965,720	3,137,626
Total Instruction Expense	54,616,701	53,232,829	53,160,207

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	3,054,438	2,885,168	2,919,495
Benefits	607,138	519,300	509,530
Supplies & Services	38,450	30,643	30,992
Non-Capital Furniture & Equipment	14,500	23,654	8,894
Building Operating Expenses	5,925,733	5,672,916	6,464,288
Communications	14,550	10,163	13,663
Travel	64,000	64,308	80,018
Professional Development	16,000	15,987	4,622
Amortization of Tangible Capital Assets	225,995	204,513	202,407
Total Plant Operation & Maintenance Expense	9,960,804	9,426,652	10,233,909
Student Transportation Expense			
Salaries	3,235,627	3,109,307	3,203,471
Benefits	604,538	533,904	523,848
Supplies & Services	1,222,716	1,290,730	1,253,355
Non-Capital Furniture & Equipment	662,200	510,595	714,809
Building Operating Expenses	58,300	77,958	76,477
Communications	10,100	11,471	9,970
Travel	20,000	23,975	29,588
Professional Development	26,500	10,862	38,349
Contracted Transportation	321,000	292,654	307,479
Amortization of Tangible Capital Assets	1,205,986	1,035,937	1,142,274
Total Student Transportation Expense	7,366,967	6,897,393	7,299,620
Tuition and Related Fees Expense			
Tuition Fees	965,707	744,100	788,607
Transportation Fees	7,200	6,800	6,800
Total Tuition and Related Fees Expense	972,907	750,900	795,407
School Generated Funds Expense			
Cost of Sales	240,000	241,078	256,451
School Fund Expenses	2,235,326	2,439,108	2,006,855
Amortization of Tangible Capital Assets	24,674	18,673	23,310
Total School Generated Funds Expense	2,500,000	2,698,859	2,286,616

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	490,888	465,235	487,712
Program Support (Non-Teacher Contract) Salaries & Benefits	268,431	289,973	278,148
Instructional Aids	78,680	68,176	57,952
Supplies & Services	-	1,058	822
Non-Capital Furniture & Equipment	-	567	-
Building Operating Expenses	-	3,378	8,401
Communications	-	1,537	1,624
Travel	-	7,641	4,682
Professional Development (Non-Salary Costs)	-	152	424
Contracted Transportation & Allowances	-	-	483
Amortization of Tangible Capital Assets	1,914	1,955	4,243
Total Complementary Services Expense	839,913	839,672	844,491
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	167,597	162,181	146,343
Supplies & Services	123,000	144,013	109,605
Communications	-	-	100
Travel	-	11,775	9,441
Professional Development (Non-Salary Costs)	-	-	470
Student Related Expenses	-	150,000	150,000
Total External Services Expense	290,597	467,969	415,959
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	7,000	1,231	5,711
Interest on Capital Loans	45,870	26,011	50,873
Interest on Other Long-Term Debt	35,050	41,749	53,097
Total Interest and Bank Charges	87,920	68,991	109,681
Transfer of Taxes Receivable	-	-	2,008,157
Loss on Disposal of Tangible Capital Assets	-	1,000,371	361,204
Total Other Expense	87,920	1,069,362	2,479,042
TOTAL EXPENSES FOR THE YEAR	79,677,311	78,301,598	80,387,247

Good Spirit School Division No. 204

**Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2019**

	Land		Buildings	School	Other	Furniture and	Computer	Computer	Assets	2019	2018
	Land	Improvements		Buses	Vehicles	Equipment	Hardware and Audio Visual Equipment		Software		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets - at Cost											
Opening Balance as of September 1	282,589	565,185	87,411,385	14,402,774	703,085	7,395,972	5,073,912	398,597	881,072	117,114,571	116,715,450
Additions/Purchases	-	-	-	-	19,419	173,451	83,685	28,327	5,798,506	6,103,388	3,805,775
Disposals	-	-	(2,919,321)	(2,981,717)	-	(719,636)	(113,943)	(236,119)	-	(6,970,736)	(3,406,654)
Transfers to (from)	716,000	-	4,732,769	772,868	-	-	-	-	(6,221,637)	-	-
Closing Balance as of August 31	998,589	565,185	89,224,833	12,193,925	722,504	6,849,787	5,043,654	190,805	457,941	116,247,223	117,114,571
Tangible Capital Assets - Amortization											
Opening Balance as of September 1	-	135,532	37,047,369	7,789,615	551,204	4,082,112	3,074,420	282,966	-	52,963,218	51,369,957
Amortization of the Period	-	28,259	1,557,775	938,061	61,428	684,978	985,635	38,161	-	4,294,297	4,531,469
Disposals	-	-	(1,704,878)	(2,539,963)	-	(719,636)	(113,943)	(236,119)	-	(5,314,539)	(2,938,208)
Closing Balance as of August 31	N/A	163,791	36,900,266	6,187,713	612,632	4,047,454	3,946,112	85,008	N/A	51,942,976	52,963,218
Net Book Value											
Opening Balance as of September 1	282,589	429,653	50,364,016	6,613,159	151,881	3,313,860	1,999,492	115,631	881,072	64,151,353	65,345,493
Closing Balance as of August 31	998,589	401,394	52,324,567	6,006,212	109,872	2,802,333	1,097,542	105,797	457,941	64,304,247	64,151,353
Change in Net Book Value	716,000	(28,259)	1,960,551	(606,947)	(42,009)	(511,527)	(901,950)	(9,834)	(423,131)	152,894	(1,194,140)
Disposals											
Historical Cost	-	-	2,919,321	2,981,717	-	719,636	113,943	236,119	-	6,970,736	3,406,654
Accumulated Amortization	-	-	1,704,878	2,539,963	-	719,636	113,943	236,119	-	5,314,539	2,938,208
Net Cost	-	-	1,214,443	441,754	-	-	-	-	-	1,656,197	468,446
Price of Sale	-	-	629,477	26,349	-	-	-	-	-	655,826	107,242
(Loss) on Disposal	-	-	(584,966)	(415,405)	-	-	-	-	-	(1,000,371)	(361,204)
Net Book Value (NBV) of Assets											
Pledged as Security for Debt	-	-	-	1,067,136	-	-	105,996	-	-	1,173,132	1,330,986

Closing net book value of tangible capital assets includes total leased tangible capital assets at cost of \$1,248,831 (2018 - \$2,691,450) representing \$1,084,381 (2018 - \$2,294,112) in School Buses, \$164,450 (2018 - \$397,338) in Computer Hardware and Audio Visual Equipment. Amortization of \$ 781,325 (2018 - \$1,360,464) has been recorded on these assets.

Good Spirit School Division No. 204
Schedule D: Non-Cash Items Included in Deficit
for the year ended August 31, 2019

	2019	2018
	\$	\$
Non-Cash Items Included in Deficit		
Amortization of Tangible Capital Assets (Schedule C)	4,294,297	4,531,469
Net Loss on Disposal of Tangible Capital Assets (Schedule C)	1,000,371	361,204
Total Non-Cash Items Included in Deficit	5,294,668	4,892,673

Good Spirit School Division No. 204
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2019

	2019	2018
	\$	\$
Net Change in Non-Cash Operating Activities		
Decrease (Increase) in Accounts Receivable	(270,380)	11,452,452
Increase in Accounts Payable and Accrued Liabilities	74,368	393,435
Increase in Liability for Employee Future Benefits	40,400	89,600
(Decrease) in Deferred Revenue	(569,769)	(3,679,792)
Decrease (Increase) in Prepaid Expenses	(569,009)	13,257
Total Net Change in Non-Cash Operating Activities	(1,294,390)	8,268,952

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
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1. AUTHORITY AND PURPOSE

The school division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of “The Board of Education of the 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

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

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

a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting.

b) Trust Funds

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

Trust funds are not included in the financial statements as they are not controlled by the school division. Trust fund activities administered by the school division are disclosed in Note 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.

GOOD SPIRIT SCHOOL DIVISION NO. 204
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Measurement uncertainty that may be material to these financial statements exists for:

- the liability for employee future benefits of \$ 852,600 (2018 - \$ 812,200) because actual experience may differ significantly from actuarial estimations.
- uncollectible account receivables of \$ 298,513 (2018 - \$ 298,513) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related amortization of \$ 4,294,297 (2018 – \$ 4,531,469) because the actual useful lives of the capital assets may differ from their estimated economic lives.

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.

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
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e) Financial Assets

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

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

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

GOOD SPIRIT SCHOOL DIVISION NO. 204
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Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years
Leased capital assets	Asset Life

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

Prepaid Expenses are prepaid amounts for goods or services which will provide economic benefits in one or more future periods. Prepaid expenses include insurance premiums, Saskatchewan School Boards Association membership fees, Workers' Compensation premiums, consumable school supplies, bus garage parts, printer toner cartridges and promotional items.

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.

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

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

Liability for Employee Future Benefits represents post-employment and compensated absence benefits that accrue to the school division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method pro-rated on service. Actuarial valuations are performed periodically using assumptions including discount rate, inflation, salary escalation, termination and retirement rates and mortality. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups.

h) Employee Pension Plans

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

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NOTES TO THE FINANCIAL STATEMENTS
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Multi-Employer Defined Benefit Plans

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

- i) Teachers participate in the Saskatchewan Teachers' Retirement Plan (STRP) or the Saskatchewan Teachers' Superannuation Plan (STSP). The school division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.
- ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

i) Revenue Recognition

Revenues are recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The school division's sources of revenue include the following:

i) Government Transfers (Grants)

Grants from governments are considered to be government transfers. Government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Transfers with stipulations 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) Property Taxation

On January 1, 2018, pursuant to the *Education Property Tax Act*, the Government of Saskatchewan became the taxing authority for education property tax. As of that date, the school division no longer earns taxation revenue.

Prior to January 1, 2018, the school division levied and collected property tax on a calendar year basis. Uniform education property tax mill rates were set by the Government of Saskatchewan. Tax revenues were recognized on the basis of time with 1/12th of estimated total tax revenue recorded in each month of the school division's fiscal year. Tax revenue for September to December 2017 was based on actual amounts reported by the municipalities for the calendar taxation year.

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
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iii) Fees and Services

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iv) Interest Income

Interest is recognized as revenue when it is earned.

v) Other (Non-Government Transfer) Contributions

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

3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2019	2018
Portfolio investments in the cost or amortized cost category:	<u>Cost</u>	<u>Cost</u>
Shares/Equity in Co-operatives/Credit Unions	\$ 57,008	\$ 56,691
Total portfolio investments	\$ 57,008	\$ 56,691

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NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2019

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2019 Actual	2018 Actual
Governance	\$ 135,650	\$ 200,186	\$ -	\$ -	\$ 335,836	\$ 319,182
Administration	2,097,969	416,658	-	67,499	2,582,126	2,552,814
Instruction	46,613,819	3,653,290	-	2,965,720	53,232,829	53,160,207
Plant	3,404,468	5,817,671	-	204,513	9,426,652	10,233,909
Transportation	3,643,211	2,218,245	-	1,035,937	6,897,393	7,299,620
Tuition and Related Fees	-	750,900	-	-	750,900	795,407
School Generated Funds	-	2,680,186	-	18,673	2,698,859	2,286,616
Complementary Services	755,208	82,509	-	1,955	839,672	844,491
External Services	162,181	305,788	-	-	467,969	415,959
Other	-	1,000,371	68,991	-	1,069,362	2,479,042
TOTAL	\$ 56,812,506	\$ 17,125,804	\$ 68,991	\$ 4,294,297	\$ 78,301,598	\$ 80,387,247

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. Morneau Shepell Ltd, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2018 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2019.

Details of the employee future benefits are as follows:

	2019	2018
Long-term assumptions used:		
Discount rate at end of period	1.93%	3.00%
Inflation and productivity rate (excluding merit and promotion) - Teachers	2.50%	2.50%
Inflation and productivity rate (excluding merit and promotion) - Non-Teachers	3.00%	3.00%
Expected average remaining service life (years)	14	14

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Liability for Employee Future Benefits	2019	2018
Accrued Benefit Obligation - beginning of year	\$ 734,400	\$ 901,700
Current period service cost	64,100	75,700
Interest cost	23,200	25,900
Benefit payments	(49,700)	(31,700)
Actuarial (gains) losses	114,100	(237,200)
Accrued Benefit Obligation - end of year	886,100	734,400
Unamortized Net Actuarial Gains (Losses)	(33,500)	77,800
Liability for Employee Future Benefits	\$ 852,600	\$ 812,200

Employee Future Benefits Expense	2019	2018
Current period service cost	\$ 64,100	\$ 75,700
Amortization of net actuarial loss	2,800	19,700
Benefit cost	66,900	95,400
Interest cost	23,200	25,900
Total Employee Future Benefits Expense	\$ 90,100	\$ 121,300

6. PENSION PLANS

Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the school division contributes is as follows:

i) Saskatchewan Teachers' Retirement Plan (STRP) and Saskatchewan Teachers' Superannuation Plan (STSP)

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

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

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

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	2019			2018
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	465	2	467	486
Member contribution rate (percentage of salary)	9.50% /11.70 %	6.05% /7.85 %	6.05% /11.70 %	6.05% /13.50 %
Member contributions for the year	\$ 3,603,448	\$ 1,582	\$ 3,605,030	\$ 4,319,781

i) 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:

	2019	2018
Number of active School Division members	470	483
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	\$ 1,283,217	\$ 1,141,088
School Division contributions for the year	\$ 1,283,217	\$ 1,141,088
Actuarial extrapolation date	Dec-31-2018	Dec-31-2017
Plan Assets (in thousands)	\$ 2,487,505	\$ 2,469,995
Plan Liabilities (in thousands)	\$ 2,024,269	\$ 2,015,818
Plan Surplus (in thousands)	\$ 463,236	\$ 454,177

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2019

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:

	2019			2018		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Provincial Grants Receivable	\$ -	\$ -	\$ -	\$ 175,000	\$ -	\$ 175,000
GST Receivables	407,470	-	407,470	184,205	-	184,205
Other Receivables	1,095,655	298,513	797,142	873,540	298,513	575,027
Total Accounts Receivable	\$ 1,503,125	\$ 298,513	\$ 1,204,612	\$ 1,232,745	\$ 298,513	\$ 934,232

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2019	2018
Accrued Salaries and Benefits	\$ 1,049,456	\$ 1,325,128
Supplier Payments	1,502,354	1,410,147
Other (Caution Fees, Schools, Scholarships)	485,854	228,021
Total Accounts Payable and Accrued Liabilities	\$ 3,037,664	\$ 2,963,296

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2019

9. LONG-TERM DEBT

Details of long-term debt are as follows:

		<u>2019</u>	<u>2018</u>
Capital Loans:	RBC Norquay School - 4.12% matured Aug 2019	\$ -	\$ 83,648
	monthly repayments of \$7,127		
	RBC Technology Loan - 1.82% matures Jul 2020	672,902	1,646,758
	monthly repayments of \$82,970		
	RBC Bus Loan - 1.89% matures Sep 2019	8,414	222,657
	monthly repayments of \$18,049		
		<u>681,316</u>	<u>1,953,063</u>
<u>Other Long-Term Debt:</u>			
Capital Leases:	RBC 23 Bus Lease 27694 matures Oct 2021	310,097	449,130
	monthly repayments of \$14,429		
	RBC 13 Bus Lease 17902 matured Sep 2018	-	64,268
	monthly repayments of \$16,968		
	Concentra copier lease 15089 matured Feb	-	20,220
	2019 quarterly repayments of \$10,132		
	Concentra copier lease 17106 matures Sep	36,258	52,454
	2021 quarterly repayments of \$4,038		
	Concentra copier lease 18742 matures Aug	69,737	-
	2023 quarterly repayments of \$4,184		
		<u>416,092</u>	<u>586,072</u>
Total Long-Term Debt		\$ 1,097,408	\$ 2,539,135

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
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Future principal repayments over the next 5 years are estimated as follows:					
	Capital Loans		Capital Leases		Total
2020	\$	681,316	\$	171,966	\$ 853,282
2021		-		171,966	171,966
2022		-		52,633	52,633
2023		-		16,737	16,737
2024		-		2,790	2,790
Total	\$	681,316	\$	416,092	\$ 1,097,408

Principal and interest payments on the long-term debt are as follows:						
	Capital Loans		Capital Leases		2019	2018
Principal	\$	1,271,747	\$	253,665	\$ 1,525,412	\$ 1,844,345
Interest		26,011		41,749	67,760	103,870
Total	\$	1,297,758	\$	295,414	\$ 1,593,172	\$ 1,948,215

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2018	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2019
Capital projects:				
Federal capital tuition	\$ 499,889	\$ -	\$ -	\$ 499,889
Proceeds from sale of school buildings	408,263	-	408,263	-
Total capital projects deferred revenue	908,152	-	408,263	499,889
Non-Capital deferred revenue:				
Third Party Grants	229,639	135,641	297,147	68,133
Total non-capital deferred revenue	229,639	135,641	297,147	68,133
Total Deferred Revenue	\$ 1,137,791	\$ 135,641	\$ 705,410	\$ 568,022

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:

GOOD SPIRIT SCHOOL DIVISION NO. 204
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Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Other Programs	2019	2018
Revenues:				
Operating Grants	\$ 714,646	\$ 110,345	\$ 824,991	\$ 821,135
Fees and Other Revenues	-	24,136	24,136	22,061
Total Revenues	714,646	134,481	849,127	843,196
Expenses:				
Salaries & Benefits	646,964	108,244	755,208	765,860
Instructional Aids	44,077	24,099	68,176	57,952
Supplies and Services	-	1,058	1,058	822
Non-Capital Equipment	-	567	567	-
Building Operating Expenses	3,378	-	3,378	8,401
Communications	1,537	-	1,537	1,624
Travel	2,295	5,346	7,641	4,682
Professional Development (Non-Salary Costs)	152	-	152	424
Contracted Transportation & Allowances	-	-	-	483
Amortization of Tangible Capital Assets	-	1,955	1,955	4,243
Total Expenses	698,403	141,269	839,672	844,491
Excess (Deficiency) of Revenues over Expenses	\$ 16,243	\$ (6,788)	\$ 9,455	\$ (1,295)

12. EXTERNAL SERVICES

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

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

Summary of External Services Revenues and Expenses, by Program	Invitational Shared Services Initiative	Kids First	Cafeteria	2019	2018
Revenues:					
Operating Grants	\$ 150,000	\$ 102,492	\$ -	\$ 252,492	\$ 226,896
Fees and Other Revenues	-	-	211,296	211,296	197,961
Total Revenues	150,000	102,492	211,296	463,788	424,857
Expenses:					
Salaries & Benefits	-	52,390	109,791	162,181	146,343
Supplies and Services	-	29,435	114,578	144,013	109,605
Communications	-	-	-	-	100
Travel	-	11,775	-	11,775	9,441
Professional Development	-	-	-	-	470
Student Related Expenses	150,000	-	-	150,000	150,000
Total Expenses	150,000	93,600	224,369	467,969	415,959
Excess (Deficiency) of Revenues over Expenses	\$ -	\$ 8,892	\$ (13,073)	\$ (4,181)	\$ 8,898

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NOTES TO THE FINANCIAL STATEMENTS
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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, or designated assets, are included in the accumulated surplus presented in the statement of financial position. The school division does not maintain separate bank accounts for designated assets.

Details of accumulated surplus are as follows:

	August 31 2018	Additions during the year	Reductions during the year	August 31 2019
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 64,151,353	\$ 4,447,191	\$ 4,294,297	\$ 64,304,247
Less: Debt owing on Tangible Capital Assets	(2,539,135)	(83,685)	(1,525,412)	(1,097,408)
	61,612,218	4,363,506	2,768,885	63,206,839
PMR maintenance project allocations (1)	2,218,795	2,130,551	1,596,285	2,753,061
Designated Assets:				
Capital Projects:				
Designated for tca expense - Hoffman School	45,000	-	-	45,000
Anne Portnuff Theatre Upgrades	69,225	-	64,525	4,700
Minor Renovations	289,434	-	-	289,434
Feasibility Study Non-School Facilities	164,440	-	164,440	-
Risk Management & Security	39,626	-	28,327	11,299
Purchase of Buses	27,132	-	-	27,132
Unified Student Information System - USIS	300,000	-	113,932	186,068
	934,857	-	371,224	563,633
Other:				
School generated funds	1,559,515	118,290	-	1,677,805
Future Expenditures YRHS Flood	100,000	-	-	100,000
School budget carryovers	316,864	252,349	316,864	252,349
Other (PPEP, Kidsfirst, LCS Fitness)	63,031	229,000	208,030	84,001
	2,039,410	599,639	524,894	2,114,155
Unrestricted Surplus	8,740,430	-	1,876,811	6,863,619
Total Accumulated Surplus	\$ 75,545,710	\$ 7,093,696	\$ 7,138,099	\$ 75,501,307

- (1) **PMR Maintenance Project Allocations** represent transfers received from the Ministry of Education as funding support for maintenance projects on the school division's approved 3-year capital maintenance plans. Unspent funds at the end of a fiscal year are designated for future approved capital plan maintenance project expenditures.

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14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 21, 2018 and the Minister of Education on August 22, 2018.

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	
	2019	2018	2019	2018	2019	2018
Cash and short-term investments	\$ 304,613	\$ 85,617	\$ 13,033	\$ 28,828	\$ 317,646	\$ 114,445
Accounts Receivable	22,246	-	-	-	22,246	-
Portfolio investments	-	-	234,223	243,226	234,223	243,226
Total Assets	326,859	85,617	247,256	272,054	574,115	357,671
Revenues						
Contributions and donations	319,991	96,776	14,563	11,200	334,554	107,976
Interest on investments	-	-	4,998	3,705	4,998	3,705
	319,991	96,776	19,561	14,905	339,552	111,681
Expenses						
Litigation	78,749	395,381	-	-	78,749	395,381
Contracted Services	-	80,403	-	-	-	80,403
Awards to Students	-	-	44,359	34,336	44,359	34,336
	78,749	475,784	44,359	34,336	123,108	510,120
Excess (Deficiency) of Revenues over Expenses	241,242	(379,008)	(24,798)	(19,431)	216,444	(398,439)
Trust Fund Balance, Beginning of Year	85,617	464,625	272,054	291,485	357,671	756,110
Trust Fund Balance, End of Year	\$ 326,859	\$ 85,617	\$ 247,256	\$ 272,054	\$ 574,115	\$ 357,671

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.

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17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Capital lease obligations of the school division are as follows:

	Capital Leases		
	Copiers	Buses	Total Capital
Future minimum lease payments:			
2020	\$ 32,933	\$ 171,189	\$ 204,122
2021	32,933	171,189	204,122
2022	20,603	34,710	55,313
2023	16,737	-	16,737
2024	2,789	-	2,789
Total future minimum lease payments	105,995	377,088	483,083
Interest and executory costs	-	(66,991)	(66,991)
Total Lease Obligations	\$ 105,995	\$ 310,097	\$ 416,092

18. COMPARATIVE INFORMATION

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

19. RISK MANAGEMENT

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

i) Credit Risk

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

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

The aging of other accounts receivable as at August 31, 2019 was:

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August 31, 2019					
	Total	0-30 days	30-60 days	60-90 days	Over 90 days
Gross Receivables	\$ 1,095,655	\$ 257,244	\$ 34,426	\$ 30,771	\$ 773,214
Allowance for Doubtful Accounts	(298,513)	-	-	-	(298,513)
Net Receivables	\$ 797,142	\$ 257,244	\$ 34,426	\$ 30,771	\$ 474,701

Receivable amounts related to GST 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:

August 31, 2019					
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$3,037,664	\$2,884,069	\$ 153,595	\$ -	\$ -
Long-term debt	1,097,408	587,982	265,300	244,126	-
Total	\$4,135,072	\$3,472,051	\$ 418,895	\$ 244,126	\$ -

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 less 1.75% per annum. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2019.

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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