
Audited Financial Statements

Of the Saskatchewan Rivers School Division No. 119

School Division No. 2010500

For the Period Ending: August 31, 2020

Jerrold Pidborochynski
Chief Financial Officer

MNP LLP
Auditor

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

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, MNP LLP, 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 Saskatchewan Rivers School Division No. 119:



Board Chair



CEO/Director of Education



Chief Financial Officer

November 25, 2020

Independent Auditor's Report

To the Trustees of the Board of Education of Saskatchewan Rivers Public School Division No. 119:

Opinion

We have audited the financial statements of Saskatchewan Rivers Public School Division No. 119 (the "School Division"), which comprise the statement of financial position as at August 31, 2020, and the statement of operations and accumulated surplus from operations, changes in net financial assets, cash flows and the related schedules 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 School Division as at August 31, 2020, and the results of its operations and accumulated surplus, changes in net 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 opinion.

Other matter

The financial statements of the School Division for the year ended August 31, 2019 were reported on by another firm of Chartered Professional Accountants, who expressed an unqualified opinion in their Auditor's Report dated November 25, 2019.

Responsibilities of Management and the Trustees of the Board of Education 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 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.

The Trustees of the Board of Education 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.

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 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 the Trustees of the Board of Education 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.

Prince Albert, Saskatchewan

November 25, 2020

MNP LLP

Chartered Professional Accountants

Saskatchewan Rivers School Division No. 119

Statement of Financial Position
as at August 31, 2020

	2020	2019
	\$	\$
Financial Assets		
Cash and Cash Equivalents	21,905,101	22,641,128
Accounts Receivable (Note 7)	1,267,900	1,312,078
Portfolio Investments (Note 3)	5,000,000	-
Total Financial Assets	28,173,001	23,953,206
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	2,622,502	1,708,665
Liability for Employee Future Benefits (Note 5)	3,391,900	3,268,500
Deferred Revenue (Note 9)	414,640	951,551
Total Liabilities	6,429,042	5,928,716
Net Financial Assets	21,743,959	18,024,490
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	65,480,175	68,222,399
Inventory of Supplies for Consumption	137,403	130,280
Prepaid Expenses	639,245	556,627
Total Non-Financial Assets	66,256,823	68,909,306
Accumulated Surplus (Note 12)	88,000,782	86,933,796

Contractual Rights (Note 15)

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

Saskatchewan Rivers School Division No. 119
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
REVENUES	(Note 13)		
Property Taxes and Other Related	-	5,218	54,254
Grants	90,074,052	92,036,682	89,251,381
Tuition and Related Fees	2,469,621	3,145,774	2,498,297
School Generated Funds	2,280,000	1,854,661	2,221,030
Complementary Services (Note 10)	1,558,335	1,858,335	1,742,988
External Services (Note 11)	5,235,964	5,889,509	5,816,423
Other	995,358	2,313,017	1,148,894
Total Revenues (Schedule A)	102,613,330	107,103,196	102,733,267
EXPENSES			
Governance	470,410	427,931	352,996
Administration	3,303,338	3,271,026	3,230,629
Instruction	71,742,896	71,577,876	72,326,160
Plant	16,083,526	15,288,130	14,963,554
Transportation	7,457,819	6,704,799	7,194,494
Tuition and Related Fees	69,072	64,300	56,413
School Generated Funds	2,305,000	1,652,986	2,292,637
Complementary Services (Note 10)	1,688,169	1,754,487	1,658,690
External Services (Note 11)	4,939,200	5,290,826	6,291,532
Other	500	3,849	235,924
Total Expenses (Schedule B)	108,059,930	106,036,210	108,603,029
Operating Surplus (Deficit) for the Year	(5,446,600)	1,066,986	(5,869,762)
Accumulated Surplus from Operations, Beginning of Year	86,933,796	86,933,796	92,803,558
Accumulated Surplus from Operations, End of Year	81,487,196	88,000,782	86,933,796

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

Saskatchewan Rivers School Division No. 119
Statement of Changes in Net Financial Assets
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$ (Note 13)	\$	\$
Net Financial Assets, Beginning of Year	18,024,490	18,024,490	19,983,160
Changes During the Year			
Operating Surplus (Deficit) for the Year	(5,446,600)	1,066,986	(5,869,762)
Acquisition of Tangible Capital Assets (Schedule C)	(1,135,900)	(2,651,252)	(1,611,772)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	10,000	25,263	14,187
Net Gain on Disposal of Capital Assets (Schedule C)	-	(25,263)	(8,235)
Amortization of Tangible Capital Assets (Schedule C)	5,947,500	5,393,476	5,639,737
Net Acquisition of Inventory of Supplies	-	(7,123)	(4,293)
Net Change in Other Non-Financial Assets	-	(82,618)	(118,532)
Change in Net Financial Assets	(625,000)	3,719,469	(1,958,670)
Net Financial Assets, End of Year	17,399,490	21,743,959	18,024,490

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

Saskatchewan Rivers School Division No. 119

**Statement of Cash Flows
for the year ended August 31, 2020**

	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Operating Surplus (Deficit) for the Year	1,066,986	(5,869,762)
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	5,368,213	5,631,502
Net Change in Non-Cash Operating Activities (Schedule E)	(103,522)	2,768,621
Cash Provided by Operating Activities	6,331,677	2,530,361
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(2,092,967)	(1,536,572)
Proceeds on Disposal of Tangible Capital Assets	25,263	14,187
Cash (Used) by Capital Activities	(2,067,704)	(1,522,385)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(5,000,000)	-
Cash (Used) by Investing Activities	(5,000,000)	-
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(736,027)	1,007,976
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	22,641,128	21,633,152
CASH AND CASH EQUIVALENTS, END OF YEAR	21,905,101	22,641,128

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

Saskatchewan Rivers School Division No. 119
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Property Taxes and Other Related Revenue			
Other Tax Revenues			
Treaty Land Entitlement - Urban	-	5,218	-
Treaty Land Entitlement - Rural	-	-	54,254
Total Other Tax Revenues	-	5,218	54,254
Total Property Taxes and Other Related Revenue	-	5,218	54,254
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	86,969,710	86,987,063	85,931,460
Other Ministry Grants	2,788,862	3,116,082	188,090
Total Ministry Grants	89,758,572	90,103,145	86,119,550
Federal Grants	21,300	1,562,304	228,653
Grants from Others	294,180	371,233	272,677
Total Operating Grants	90,074,052	92,036,682	86,620,880
Capital Grants			
Ministry of Education Capital Grants	-	-	2,630,501
Total Capital Grants	-	-	2,630,501
Total Grants	90,074,052	92,036,682	89,251,381
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
Federal Government and First Nations	2,469,621	2,934,226	2,387,669
Individuals and Other	-	211,548	110,628
Total Operating Tuition and Related Fees	2,469,621	3,145,774	2,498,297
Total Tuition and Related Fees Revenue	2,469,621	3,145,774	2,498,297
School Generated Funds Revenue			
Curricular			
Student Fees	30,000	13,085	16,265
Total Curricular Fees	30,000	13,085	16,265
Non-Curricular Fees			
Commercial Sales - Non-GST	150,000	54,438	91,445
Fundraising	1,400,000	1,251,349	1,471,080
Grants and Partnerships	115,000	67,044	82,276
Students Fees	285,000	182,910	243,778
Other	300,000	285,835	316,186
Total Non-Curricular Fees	2,250,000	1,841,576	2,204,765
Total School Generated Funds Revenue	2,280,000	1,854,661	2,221,030

Saskatchewan Rivers School Division No. 119
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	1,558,335	1,558,335	1,542,988
Other Ministry Grants	-	300,000	200,000
Total Operating Grants	1,558,335	1,858,335	1,742,988
Total Complementary Services Revenue	1,558,335	1,858,335	1,742,988
External Services			
Operating Grants			
Ministry of Education Grants			
Other Ministry Grants	3,852,624	4,491,241	4,023,754
Other Provincial Grants	-	83,489	54,634
Other Grants	1,086,231	1,035,121	1,070,103
Total Operating Grants	4,938,855	5,609,851	5,148,491
Fees and Other Revenue			
Other Revenue	297,109	279,658	667,932
Total Fees and Other Revenue	297,109	279,658	667,932
Total External Services Revenue	5,235,964	5,889,509	5,816,423
Other Revenue			
Miscellaneous Revenue	611,101	1,942,426	767,782
Sales & Rentals	19,000	18,442	23,833
Investments	365,257	326,886	349,044
Gain on Disposal of Capital Assets	-	25,263	8,235
Total Other Revenue	995,358	2,313,017	1,148,894
TOTAL REVENUE FOR THE YEAR	102,613,330	107,103,196	102,733,267

Saskatchewan Rivers School Division No. 119

Schedule B: Supplementary Details of Expenses

for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	246,961	226,202	145,263
Professional Development - Board Members	24,090	7,865	22,480
Grants to School Community Councils	61,442	61,309	59,712
Elections	-	9,794	-
Other Governance Expenses	137,917	122,761	125,541
Total Governance Expense	470,410	427,931	352,996
Administration Expense			
Salaries	2,205,245	2,246,393	2,203,833
Benefits	274,082	262,341	258,899
Supplies & Services	256,038	259,308	230,466
Non-Capital Furniture & Equipment	42,000	13,549	31,969
Building Operating Expenses	93,349	94,577	82,323
Communications	63,024	66,788	58,593
Travel	15,400	6,301	12,455
Professional Development	54,200	33,454	54,601
Amortization of Tangible Capital Assets	300,000	288,315	297,490
Total Administration Expense	3,303,338	3,271,026	3,230,629
Instruction Expense			
Instructional (Teacher Contract) Salaries	49,524,841	49,118,491	49,877,525
Instructional (Teacher Contract) Benefits	2,482,671	2,590,227	2,514,406
Program Support (Non-Teacher Contract) Salaries	11,314,752	11,902,852	11,099,242
Program Support (Non-Teacher Contract) Benefits	2,233,645	2,466,873	2,213,525
Instructional Aids	1,967,575	1,783,779	1,952,762
Supplies & Services	782,427	896,830	1,047,935
Non-Capital Furniture & Equipment	906,954	783,284	1,230,754
Communications	135,112	236,072	147,833
Travel	115,000	76,170	108,389
Professional Development	682,569	508,579	647,205
Student Related Expense	57,350	58,851	51,054
Amortization of Tangible Capital Assets	1,540,000	1,155,868	1,435,530
Total Instruction Expense	71,742,896	71,577,876	72,326,160

Saskatchewan Rivers School Division No. 119
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	4,653,975	4,428,620	4,504,745
Benefits	898,247	915,460	888,198
Supplies & Services	6,550	300	303
Non-Capital Furniture & Equipment	61,000	20,627	36,732
Building Operating Expenses	7,112,254	6,768,455	6,331,717
Communications	16,500	14,119	15,020
Travel	119,000	85,614	126,686
Professional Development	16,000	7,497	13,495
Amortization of Tangible Capital Assets	3,200,000	3,047,438	3,046,658
Total Plant Operation & Maintenance Expense	16,083,526	15,288,130	14,963,554
Student Transportation Expense			
Salaries	2,862,942	2,752,642	2,810,820
Benefits	577,890	581,870	558,855
Supplies & Services	838,308	639,315	865,016
Non-Capital Furniture & Equipment	339,000	248,559	298,024
Building Operating Expenses	83,648	63,402	104,993
Communications	12,500	11,871	9,842
Travel	11,500	7,258	7,918
Professional Development	10,500	2,010	5,764
Contracted Transportation	1,846,531	1,524,981	1,705,487
Amortization of Tangible Capital Assets	875,000	872,891	827,775
Total Student Transportation Expense	7,457,819	6,704,799	7,194,494
Tuition and Related Fees Expense			
Tuition Fees	69,072	64,300	56,413
Total Tuition and Related Fees Expense	69,072	64,300	56,413
School Generated Funds Expense			
Academic Supplies & Services	200,000	51,186	93,777
Cost of Sales	700,000	655,054	670,538
Non-Capital Furniture & Equipment	70,000	32,249	58,524
School Fund Expenses	1,310,000	890,002	1,445,303
Amortization of Tangible Capital Assets	25,000	24,495	24,495
Total School Generated Funds Expense	2,305,000	1,652,986	2,292,637

Saskatchewan Rivers School Division No. 119
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	1,036,668	922,247	1,034,431
Program Support (Non-Teacher Contract) Salaries & Benefits	561,101	755,127	534,417
Instructional Aids	86,400	75,427	87,896
Professional Development (Non-Salary Costs)	-	-	415
Contracted Transportation & Allowances	4,000	1,686	1,531
Total Complementary Services Expense	1,688,169	1,754,487	1,658,690
External Service Expense			
Grant Transfers	2,771,000	2,487,941	2,735,616
Administration Salaries & Benefits	93,450	101,371	96,243
Instructional (Teacher Contract) Salaries & Benefits	145,034	160,090	462,302
Program Support (Non-Teacher Contract) Salaries & Benefits	548,933	620,893	1,104,084
Plant Operation & Maintenance Salaries & Benefits	151,953	153,626	150,680
Transportation Salaries & Benefits	18,408	12,339	17,472
Instructional Aids	43,000	105,702	77,195
Supplies & Services	645,505	1,346,936	1,247,457
Non-Capital Furniture & Equipment	12,200	38,203	5,947
Building Operating Expenses	421,998	229,728	298,985
Communications	6,500	7,718	7,143
Travel	8,419	119	9,115
Professional Development (Non-Salary Costs)	49,300	10,091	58,590
Contracted Transportation & Allowances	16,000	11,600	12,914
Amortization of Tangible Capital Assets	7,500	4,469	7,789
Total External Services Expense	4,939,200	5,290,826	6,291,532
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	500	-	1,331
Total Interest and Bank Charges	500	-	1,331
Provision for Uncollectable Accounts	-	3,849	234,593
Total Other Expense	500	3,849	235,924
TOTAL EXPENSES FOR THE YEAR	108,059,930	106,036,210	108,603,029

Saskatchewan Rivers School Division No. 119
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2020

	Land		Buildings	School	Other	Furniture and	Computer Hardware and	Computer	Assets			
	Land	Improvements	Buildings	Short-Term	Buses	Vehicles	Equipment	Audio Visual Equipment	Software	Under Construction	2020	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets - at Cost												
Opening Balance as of September 1	2,573,177	7,046,776	126,060,380	243,086	9,807,328	1,428,483	4,469,839	5,665,003	174,102	-	157,468,174	157,543,112
Additions/Purchases	-	-	-	-	1,027,513	152,981	348,401	152,538	24,236	945,583	2,651,252	1,611,772
Disposals	-	-	-	-	(303,739)	(82,377)	(642,178)	(92,418)	(32,243)	-	(1,152,955)	(1,686,710)
Closing Balance as of August 31	2,573,177	7,046,776	126,060,380	243,086	10,531,102	1,499,087	4,176,062	5,725,123	166,095	945,583	158,966,471	157,468,174
Tangible Capital Assets - Amortization												
Opening Balance as of September 1	-	5,247,958	69,910,116	225,235	5,577,403	1,171,316	2,829,327	4,131,981	152,439	-	89,245,775	85,286,796
Amortization of the Period	-	200,188	3,025,256	2,223	751,595	115,980	417,158	855,388	25,688	-	5,393,476	5,639,737
Disposals	-	-	-	-	(303,739)	(82,377)	(642,178)	(92,418)	(32,243)	-	(1,152,955)	(1,680,758)
Closing Balance as of August 31	N/A	5,448,146	72,935,372	227,458	6,025,259	1,204,919	2,604,307	4,894,951	145,884	N/A	93,486,296	89,245,775
Net Book Value												
Opening Balance as of September 1	2,573,177	1,798,818	56,150,264	17,851	4,229,925	257,167	1,640,512	1,533,022	21,663	-	68,222,399	72,256,316
Closing Balance as of August 31	2,573,177	1,598,630	53,125,008	15,628	4,505,843	294,168	1,571,755	830,172	20,211	945,583	65,480,175	68,222,399
Change in Net Book Value	-	(200,188)	(3,025,256)	(2,223)	275,918	37,001	(68,757)	(702,850)	(1,452)	945,583	(2,742,224)	(4,033,917)
Disposals												
Historical Cost	-	-	-	-	303,739	82,377	642,178	92,418	32,243	-	1,152,955	1,686,710
Accumulated Amortization	-	-	-	-	303,739	82,377	642,178	92,418	32,243	-	1,152,955	1,680,758
Net Cost	-	-	-	-	-	-	-	-	-	-	-	5,952
Price of Sale	-	-	-	-	3,103	22,160	-	-	-	-	25,263	14,187
Gain on Disposal	-	-	-	-	3,103	22,160	-	-	-	-	25,263	8,235

Saskatchewan Rivers School Division No. 119
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2020

	2020	2019
	\$	\$
Non-Cash Items Included in Surplus / Deficit		
Amortization of Tangible Capital Assets (Schedule C)	5,393,476	5,639,737
Net Gain on Disposal of Tangible Capital Assets (Schedule C)	(25,263)	(8,235)
Total Non-Cash Items Included in Surplus / Deficit	5,368,213	5,631,502

Saskatchewan Rivers School Division No. 119
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2020

	2020	2019
	\$	\$
Net Change in Non-Cash Operating Activities		
Decrease in Accounts Receivable	44,178	2,367,728
Increase in Accounts Payable and Accrued Liabilities*	355,552	375,804
Increase in Liability for Employee Future Benefits	123,400	65,900
Increase (Decrease) in Deferred Revenue	(536,911)	82,014
Increase in Inventory of Supplies for Consumption	(7,123)	(4,293)
Increase in Prepaid Expenses	(82,618)	(118,532)
Total Net Change in Non-Cash Operating Activities	(103,522)	2,768,621

* This amount does not include the \$558,285 increase in accounts payable and accrued liabilities related to the acquisition of tangible capital assets.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

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 Saskatchewan Rivers School Division No. 119” and operates as “the Saskatchewan Rivers School Division No. 119”. 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.

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 14 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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Measurement Uncertainty and the Use of Estimates (continued)

Measurement uncertainty that may be material to these financial statements exists for:

- the liability for employee future benefits of \$3,391,900 (2019 - \$3,268,500) because actual experience may differ significantly from actuarial estimations.
- uncollectible accounts receivable of \$nil (2019 - \$200,000) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related accumulated amortization of \$93,486,296 (2019 - \$89,245,775) 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 financial statements. Financial instruments of the School Division include cash and cash equivalents, accounts receivable, portfolio investments and accounts payable and accrued liabilities.

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 expense. 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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial Instruments (continued)

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

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

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 and bank deposits held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes other receivables.

Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful. Other receivables include First Nations tuition fees, insurance reimbursements, goods and services tax rebate and other miscellaneous items.

Portfolio Investments consist of term deposits. 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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Non-Financial Assets (continued)

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
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger	5 years
Other vehicles – heavy (graders, 1 ton truck, etc.)	10 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

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

Inventory of Supplies for Consumption consists of supplies held for consumption by the School Division in the course of normal operations and are recorded at the lower of cost and replacement cost.

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

g) Liabilities

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

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Liabilities (continued)

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. Amounts are payable within one year.

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:

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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 revenues 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) Fees and Services

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

iii) Interest Income

Interest is recognized as revenue when it is earned.

iv) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the School Division if the amount can be reasonably 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 recorded 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:

	2020	2019
Portfolio investments in the cost and amortized cost category:	Cost	Cost
Term deposit with Conexus, 2.10% interest rate, matures March 2021	\$ 5,000,000	\$ -
Total portfolio investments	\$ 5,000,000	\$ -

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Amortization of TCA	2020 Actual	2019 Actual
Governance	\$ 209,679	\$ 218,252	\$ -	\$ 427,931	\$ 352,996
Administration	2,508,734	473,977	288,315	3,271,026	3,230,629
Instruction	66,078,443	4,343,565	1,155,868	71,577,876	72,326,160
Plant	5,344,080	6,896,612	3,047,438	15,288,130	14,963,554
Transportation	3,334,512	2,497,396	872,891	6,704,799	7,194,494
Tuition and Related Fees	-	64,300	-	64,300	56,413
School Generated Funds	-	1,628,491	24,495	1,652,986	2,292,637
Complementary Services	1,677,374	77,113	-	1,754,487	1,658,690
External Services	1,048,319	4,238,038	4,469	5,290,826	6,291,532
Other	-	3,849	-	3,849	235,924
TOTAL	\$80,201,141	\$20,441,593	\$ 5,393,476	\$106,036,210	\$ 108,603,029

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, retirement gratuity and earned vacation pay. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. HUB International Limited, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2018 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2020. The benefits consulting practice, previously owned by Morneau Shepell Inc., was acquired by HUB International Limited in March 2020.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

5. EMPLOYEE FUTURE BENEFITS (continued)

Details of the employee future benefits are as follows:

	2020	2019
Long-term assumptions used:		
Discount rate at end of period (per annum)	1.54%	1.93%
Inflation and productivity rate for teachers (excluding merit and promotion) (per annum)	2.50%	2.50%
Inflation and productivity rate for non-teachers (excluding merit and promotion) (per annum)	3.00%	3.00%
Expected average remaining service life (years)	14	14

Liability for Employee Future Benefits	2020	2019
Accrued Benefit Obligation - beginning of year	\$ 3,177,000	\$ 2,740,700
Current period benefit cost	245,900	204,800
Interest cost	64,300	85,400
Benefit payments	(183,400)	(196,400)
Actuarial loss	145,500	342,500
Accrued Benefit Obligation - end of year	3,449,300	3,177,000
Unamortized net actuarial gain (loss)	(57,400)	91,500
Liability for Employee Future Benefits	\$ 3,391,900	\$ 3,268,500

Employee Future Benefits Expense	2020	2019
Current period service cost	\$ 245,900	\$ 204,800
Amortization of net actuarial gain	(3,400)	(27,900)
Benefit cost	242,500	176,900
Interest cost	64,300	85,400
Total Employee Future Benefits Expense	\$ 306,800	\$ 262,300

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

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:

	2020			2019
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	679	5	684	724
Member contribution rate (percentage of salary)	9.50%	6.05%	6.05% - 9.50%	6.05% - 9.50%
Member contributions for the year	\$ 5,125,338	\$ 6,621	\$ 5,131,959	\$ 5,190,046

ii) Municipal Employees' Pension Plan (MEPP)

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

The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

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

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

6. PENSION PLANS (continued)

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

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:

	2020	2019
Number of active School Division members	636	618
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	\$ 1,871,735	\$ 1,798,620
School Division contributions for the year	\$ 1,869,151	\$ 1,798,620
Actuarial extrapolation valuation date	<u>Dec-31-2019</u>	<u>Dec-31-2018</u>
Plan Assets (in thousands)	\$ 2,819,222	\$ 2,487,505
Plan Liabilities (in thousands)	\$ 2,160,754	\$ 2,024,269
Plan Surplus (in thousands)	\$ 658,468	\$ 463,236

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:

	2020			2019		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Other Receivables	\$ 1,267,900	\$ -	\$ 1,267,900	\$ 1,512,078	\$ 200,000	\$ 1,312,078
Total Accounts Receivable	\$ 1,267,900	\$ -	\$ 1,267,900	\$ 1,512,078	\$ 200,000	\$ 1,312,078

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2020	2019
Accrued Salaries and Benefits	\$ 162,935	\$ 261,965
Supplier Payments	2,432,266	1,373,042
Accrued Interest Payable	4,705	4,705
Other - Debenture Principal, GST payable	22,596	68,953
Total Accounts Payable and Accrued Liabilities	\$ 2,622,502	\$ 1,708,665

9. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2019	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2020
Capital projects:				
Federal Capital Tuition	\$ 448,590	\$ -	\$ 448,590	\$ -
Proceeds from Sale of School Buildings	342,711	-	38,835	303,876
Total capital projects deferred revenue	791,301	-	487,425	303,876
Non-Capital deferred revenue:				
Friday Night Lights	37,719	-	-	37,719
Other Grant - Global Partners	122,531	73,045	122,531	73,045
Total non-capital deferred revenue	160,250	73,045	122,531	110,764
Total Deferred Revenue	\$ 951,551	\$ 73,045	\$ 609,956	\$ 414,640

10. COMPLEMENTARY SERVICES

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

Following is a summary of the revenues and expenses of the Complementary Services programs operated by the School Division:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Program	2020	2019
Revenues:			
Operating Grants	\$ 1,858,335	\$ 1,858,335	\$ 1,742,988
Total Revenue	1,858,335	1,858,335	1,742,988
Expenses:			
Salaries & Benefits	1,677,374	1,677,374	1,568,848
Instructional Aids	75,427	75,427	87,896
Professional Development (Non-Salary Costs)	-	-	415
Contracted Transportation & Allowances	1,686	1,686	1,531
Total Expenses	1,754,487	1,754,487	1,658,690
Excess of Revenue over Expenses	\$ 103,848	\$ 103,848	\$ 84,298

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

11. 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	Kids First	Following Their Voices	Family Resource Centre	Other Programs	2020	2019
Revenues:						
Operating Grants	\$ 1,574,053	\$ 3,206,245	\$ 378,188	\$ 451,365	\$ 5,609,851	\$ 5,148,491
Fees and Other Revenue	-	-	-	279,658	279,658	667,932
Total Revenue	1,574,053	3,206,245	378,188	731,023	5,889,509	5,816,423
Expenses:						
Grant Transfers	-	2,487,941	-	-	2,487,941	2,735,616
Salaries & Benefits	381,593	112,568	-	554,158	1,048,319	1,830,781
Instructional Aids	24,757	-	-	80,945	105,702	77,195
Supplies & Services	757,628	-	484,512	104,796	1,346,936	1,247,457
Non-Capital Furniture & Equipment	3,536	-	28,533	6,134	38,203	5,947
Building Operating Expenses	6,695	-	21,644	201,389	229,728	298,985
Communications	7,718	-	-	-	7,718	7,143
Travel	119	-	-	-	119	9,115
Professional Development (Non-Salary Costs)	5,760	3,722	-	609	10,091	58,590
Contracted Transportation & Allowances	11,600	-	-	-	11,600	12,914
Amortization of Tangible Capital Assets	-	-	-	4,469	4,469	7,789
Total Expenses	1,199,406	2,604,231	534,689	952,500	5,290,826	6,291,532
Excess (Deficiency) of Revenue over Expenses	\$ 374,647	\$ 602,014	\$ (156,501)	\$ (221,477)	\$ 598,683	\$ (475,109)

The purpose and nature of each External Services program is as follows:

Kids First Project offers support to high-risk families with young children.

Following Their Voices represents transfers from the Ministry of Education as funding support to raise the educational achievement and participation of First Nations, Metis and Inuit students.

Family Resource Centre Program represents transfers received from the Ministry of Education as funding support which will provide flexible early learning and parenting opportunities to family with young children who many not otherwise have access to regulated programs or require additional supports that are not met through other early learning or parenting programs in the community of Prince Albert.

Other Programs include after school programs, cafeteria, community mobilization, invitational shared services initiative, summer literacy camp, summer language immersion program and swimming pool.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

12. 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 accumulated surplus presented in the statement of financial position. The School Division does not maintain separate bank accounts for designated assets.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

12. ACCUMULATED SURPLUS (continued)
Details of accumulated surplus are as follows:

	August 31, 2019	Additions during the year	Reductions during the year	August 31, 2020
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 68,222,399	\$ 2,651,252	\$ 5,393,476	\$ 65,480,175
PMR Maintenance Project Allocations (1)	1,804,644	2,642,316	1,908,002	2,538,958
Designated Assets:				
Capital projects:				
Arthur Pechey Daycare	-	200,000	200,000	-
Applied Arts and Machine Shop Equipment	-	100,000	-	100,000
Developmental Education Equipment	-	50,000	-	50,000
LED Lighting	-	1,500,000	-	1,500,000
Replacement of Track Equipment	100,000	-	-	100,000
Technology	254,739	-	-	254,739
Telephone and Paging Renewal	-	125,000	92,052	32,948
Track Resurfacing	1,421,880	-	-	1,421,880
Transportation	625,000	-	625,000	-
	2,401,619	1,975,000	917,052	3,459,567
Other reserves:				
Consultant Professional Development	1,330	-	1,330	-
Election Costs	-	100,000	9,794	90,206
Future Expenditures	241,153	-	241,153	-
Indigenous Language Program	-	125,000	27,979	97,021
School Budget Carryovers	47,033	198,290	-	245,323
School Generated Funds Carryovers	1,211,400	131,833	-	1,343,233
	1,500,916	555,123	280,256	1,775,783
Other projects:				
Following Their Voices	2,119,740	3,206,246	2,604,231	2,721,755
First Nation-Metis Achievement Project	50,738	-	50,738	-
Invitational Shared Services Initiative - Muskoday	6,857	150,000	135,144	21,713
Invitational Shared Services Initiative - Wahpeton	13,877	150,000	143,547	20,330
Kids First Project	431,309	1,574,053	1,199,407	805,955
Other Projects	429,715	529,472	707,816	251,371
	3,052,236	5,609,771	4,840,883	3,821,124
Unrestricted Surplus	9,951,982	973,193	-	10,925,175
Total Accumulated Surplus	\$ 86,933,796	\$ 14,406,655	\$ 13,339,669	\$ 88,000,782

(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.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

13. BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board of Education on May 13, 2019 and the Minister of Education on August 26, 2019.

14. TRUSTS

The School Division, as the trustee, administers trust funds for the Saskatchewan Rivers School Division No. 119 of Saskatchewan Charity and Scholarship Fund. Two bank accounts are held: (1) charities and (2) scholarships. The operating cycle for these funds is January 1 to December 31. The accounts are audited by Deloitte LLP. The trust assets and transactions are not included in the financial statements.

Information about these trusts is as follows:

	Charity	Scholarships	Total December 31, 2019	Total December 31, 2018
Cash	\$ 203,177	\$ 67,638	\$ 270,815	\$ 279,058
Total Assets	203,177	67,638	270,815	279,058
Revenues				
Contributions and donations	149,434	16,387	165,821	72,622
Interest on investments	4,374	1,568	5,942	5,108
	153,808	17,955	171,763	77,730
Expenses				
In-kind & school expenditures	159,726	-	159,726	129,854
Scholarships paid	-	20,280	20,280	22,925
	159,726	20,280	180,006	152,779
Deficiency of Revenue over Expenses	(5,918)	(2,325)	(8,243)	(75,049)
Trust Fund Balance, Beginning of Year	209,095	69,963	279,058	354,107
Trust Fund Balance, End of Year	\$ 203,177	\$ 67,638	\$ 270,815	\$ 279,058

15. CONTRACTUAL RIGHTS

Significant contractual rights of the school division are as follows:

- Climate Action Incentive Funding Ultimate Recipient Agreement with the Ministry of Education of \$270,085 to be received in 2021.

SASKATCHEWAN RIVERS SCHOOL DIVISION NO. 119
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

16. CONTINGENT LIABILITIES

The School Division has been named as a defendant in certain legal actions in which damages have been sought. The outcome of these actions is not determinable as at the date of reporting and accordingly, no provision has been made in these financial statements for any liability that may result. The School Division's share of settlement, if any, will be charged to expenses in the year in which the amount is determinable.

17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Significant contractual obligations and commitments of the School Division are as follows:

- student transportation services contract, variable monthly cost based on routes, with Parkland Bus Contractors Association for the period September 1, 2020 to June 30, 2022. Costs for the current year were \$1,431,997 (2019 - \$1,515,156).
- operating lease for multifunction printing devices, variable monthly cost based on usage expiring June 30, 2022. Costs for the current year were \$176,809 (2019 - \$229,824).
- LED light replacement project contract in the amount of \$1,284,292 over 2 years. The current amount spent on the contract is \$757,510 and the amount of future costs remaining on the contract is \$526,782.
- three school roof replacement project contracts as follows:
 - in the amount of \$294,706 over 2 years. The current amount spent on the contract is \$70,408 and the amount of the future costs remaining on the contract is \$224,298.
 - in the amount of \$337,179 over 2 years. The current amount spent on the contract is \$190,727 and the amount of the future costs remaining on the contract is \$146,452.
 - in the amount of \$233,158 over 2 years. The current amount spent on the contract is \$145,984 and the amount of the future costs remaining on the contract is \$87,174.
- two school boilers replacement project contracts as follows:
 - in the amount of \$193,919 over 2 years. The current amount spent on the contract is \$144,563 and the amount of the future costs remaining on the contract is \$49,356.
 - in the amount of \$182,708 over 2 years. The current amount spent on the contract is \$119,528 and the amount of the future costs remaining on the contract is \$63,180.

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18. RISK MANAGEMENT

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

i) Credit Risk

Credit risk is the risk to the School Division from potential non-payment of accounts receivable. The credit risk related to the School Division's receivables from municipal government, 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 at August 31, 2020 was:

	August 31, 2020				
	Total	0-30 days	30-60 days	60-90 days	over 90 days
Other Receivables	\$ 1,075,802	\$ 1,001,239	\$ -	\$ -	\$ 74,563
Net Receivables	\$ 1,075,802	\$ 1,001,239	\$ -	\$ -	\$ 74,563

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 maintaining adequate cash balances and budget practices and monitoring.

The following table sets out the contractual maturities of the School Division's financial liabilities:

	August 31, 2020				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 2,622,502	\$ 2,622,502	\$ -	\$ -	\$ -
Total	\$ 2,622,502	\$ 2,622,502	\$ -	\$ -	\$ -

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18. RISK MANAGEMENT (continued)

iii) Market Risk

The School Division is exposed to market risks with respect to interest rates and foreign currency exchange rates, as follows:

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The School Division's interest rate exposure relates to cash and cash equivalents and portfolio investments. The School Division also has an authorized bank line of credit of \$5,000,000 with interest payable monthly at a rate of prime minus 0.50% 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, 2020.

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

Foreign Currency Risk

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

19. COVID-19 PANDEMIC

The COVID-19 pandemic is complex and rapidly evolving. It has caused material disruption to businesses and has resulted in an economic slowdown. The School Division continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the School Division's financial position and operations.