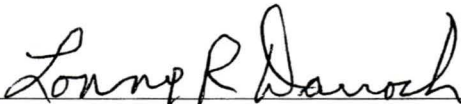

Audited Financial Statements

Of the Living Sky School Division No. 202

School Division No. 2020500

For the Period Ending: August 31, 2020



Chief Financial Officer



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.

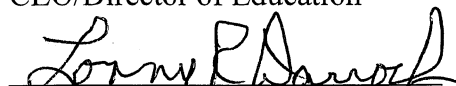
The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible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

The external auditors, Holm Raiche Oberg Chartered Professional Accountants P.C. Ltd., 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 Living Sky School Division No. 202:


Board Chair


CEO/Director of Education


Chief Financial Officer

November 24, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Living Sky School Division No. 202

Opinion

We have audited the financial statements of Living Sky School Division No. 202 (the organization), which comprise the statement of financial position as at August 31, 2020, and the statements of operations and accumulated surplus from operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at August 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

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 organization in accordance with 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.

Emphasis of Matter

We draw attention to Note 20 to the financial statements, which describes subsequent events related to the global COVID-19 pandemic declared by the World Health Organization. Our opinion is not modified in respect of this matter.

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 PSAS, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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:

- 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 organization'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 organization'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 organization 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.

North Battleford, Saskatchewan



Chartered Professional Accountants

Living Sky School Division No. 202

Statement of Financial Position
as at August 31, 2020

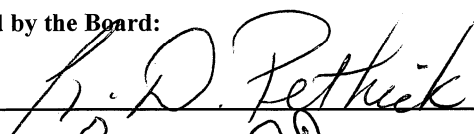
	2020	2019
	\$	\$
Financial Assets		
Cash and Cash Equivalents	24,531,158	21,760,211
Accounts Receivable (Note 7)	591,845	730,562
Portfolio Investments (Note 3)	182,220	162,818
Total Financial Assets	25,305,223	22,653,591
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	3,539,040	2,550,105
Long-Term Debt (Note 9)	300,501	97,022
Liability for Employee Future Benefits (Note 5)	1,620,700	1,519,700
Deferred Revenue (Note 10)	1,174,091	987,687
Total Liabilities	6,634,332	5,154,514
Net Financial Assets	18,670,891	17,499,077
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	30,330,698	32,438,402
Inventory of Supplies for Consumption	227,605	209,742
Prepaid Expenses	425,622	214,752
Total Non-Financial Assets	30,983,925	32,862,896
Accumulated Surplus (Note 13)	49,654,816	50,361,973

Contractual Rights (Note 15)

Contractual Obligations and Commitments (Note 16)

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

Approved by the Board:




Chairperson

Chief Financial Officer

Living Sky School Division No. 202
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
	(Note 14)		
REVENUES			
Property Taxes and Other Related	-	6,352	-
Grants	61,252,234	62,125,462	61,120,771
Tuition and Related Fees	4,015,760	5,363,235	5,860,776
School Generated Funds	2,000,000	1,450,253	2,007,447
Complementary Services (Note 11)	1,897,504	1,816,042	1,666,603
External Services (Note 12)	985,146	957,748	1,074,077
Other	825,000	890,843	1,523,253
Total Revenues (Schedule A)	70,975,644	72,609,935	73,252,927
EXPENSES			
Governance	382,302	343,925	361,232
Administration	2,859,565	2,833,836	2,785,813
Instruction	47,786,602	46,803,200	47,388,856
Plant	9,913,562	9,695,789	10,869,006
Transportation	7,855,747	6,907,934	7,463,090
Tuition and Related Fees	595,087	811,362	598,173
School Generated Funds	2,000,000	1,260,995	1,880,659
Complementary Services (Note 11)	3,002,969	3,324,221	2,989,706
External Services (Note 12)	982,183	1,326,311	1,282,900
Other	-	9,519	6,254
Total Expenses (Schedule B)	75,378,017	73,317,092	75,625,689
Operating (Deficit) for the Year	(4,402,373)	(707,157)	(2,372,762)
Accumulated Surplus from Operations, Beginning of Year	50,361,973	50,361,973	52,734,735
Accumulated Surplus from Operations, End of Year	45,959,600	49,654,816	50,361,973

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

Living Sky School Division No. 202
Statement of Changes in Net Financial Assets
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$ (Note 14)	\$	\$
Net Financial Assets, Beginning of Year	17,499,077	17,499,077	17,605,613
Changes During the Year			
Operating (Deficit) for the Year	(4,402,373)	(707,157)	(2,372,762)
Acquisition of Tangible Capital Assets (Schedule C)	(47,558)	(1,173,484)	(1,083,706)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	7,181	125,874
Net (Gain) on Disposal of Capital Assets (Schedule C)	-	(681)	(71,830)
Amortization of Tangible Capital Assets (Schedule C)	3,740,000	3,274,688	3,326,242
Net Acquisition of Inventory of Supplies	-	(17,863)	5,231
Net Change in Other Non-Financial Assets	-	(210,870)	(35,585)
Change in Net Financial Assets	(709,931)	1,171,814	(106,536)
Net Financial Assets, End of Year	16,789,146	18,670,891	17,499,077

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

Living Sky School Division No. 202
Statement of Cash Flows
for the year ended August 31, 2020

	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Operating (Deficit) for the Year	(707,157)	(2,372,762)
Add Non-Cash Items Included in Deficit (Schedule D)	3,274,007	3,254,412
Net Change in Non-Cash Operating Activities (Schedule E)	1,186,323	(2,705,005)
Cash Provided (Used) by Operating Activities	3,753,173	(1,823,355)
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(1,173,484)	(1,083,706)
Proceeds on Disposal of Tangible Capital Assets	7,181	125,874
Cash (Used) by Capital Activities	(1,166,303)	(957,832)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(19,402)	(5,223)
Cash (Used) by Investing Activities	(19,402)	(5,223)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	251,037	-
Repayment of Long-Term Debt	(47,558)	(45,732)
Cash Provided (Used) by Financing Activities	203,479	(45,732)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,770,947	(2,832,142)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	21,760,211	24,592,353
CASH AND CASH EQUIVALENTS, END OF YEAR	24,531,158	21,760,211

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

Living Sky School Division No. 202
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			
Treaty Land Entitlement - Rural	-	6,352	-
Total Other Tax Revenues	-	6,352	-
Total Property Taxes and Other Related Revenue	-	6,352	-
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	58,976,357	58,891,493	58,726,816
Other Ministry Grants	2,025,877	2,023,983	67,885
Total Ministry Grants	61,002,234	60,915,476	58,794,701
Other Provincial Grants	-	-	183,051
Federal Grants	-	998,609	217,142
Grants from Others	250,000	211,377	-
Total Operating Grants	61,252,234	62,125,462	59,194,894
Capital Grants			
Ministry of Education Capital Grants	-	-	1,925,877
Total Capital Grants	-	-	1,925,877
Total Grants	61,252,234	62,125,462	61,120,771
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
Federal Government and First Nations	4,005,760	5,110,115	4,605,383
Individuals and Other	-	7,799	-
Total Tuition Fees	4,005,760	5,117,914	4,605,383
Transportation Fees	10,000	-	5,225
Other Related Fees	-	245,321	189,939
Total Operating Tuition and Related Fees	4,015,760	5,363,235	4,800,547
Capital Fees			
Federal/First Nations Capital Fees	-	-	1,060,229
Total Capital Tuition and Fees	-	-	1,060,229
Total Tuition and Related Fees Revenue	4,015,760	5,363,235	5,860,776

Living Sky School Division No. 202
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
School Generated Funds Revenue			
Curricular			
Student Fees	135,000	111,793	149,000
Total Curricular Fees	135,000	111,793	149,000
Non-Curricular Fees			
Commercial Sales - Non-GST	150,000	103,255	128,553
Fundraising	840,000	643,364	856,782
Grants and Partnerships	50,000	24,130	62,774
Students Fees	525,000	376,076	512,645
Other	300,000	191,635	297,693
Total Non-Curricular Fees	1,865,000	1,338,460	1,858,447
Total School Generated Funds Revenue	2,000,000	1,450,253	2,007,447
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	1,561,960	1,561,960	1,552,383
Other Ministry Grants	93,544	93,727	43,544
Other Provincial Grants	150,000	136,630	-
Other Grants	20,000	-	-
Total Operating Grants	1,825,504	1,792,317	1,595,927
Fees and Other Revenue			
Tuition and Related Fees	20,000	(21,492)	23,757
Gain on Disposal of Capital Assets	-	-	46,919
Other Revenue	52,000	45,217	-
Total Fees and Other Revenue	72,000	23,725	70,676
Total Complementary Services Revenue	1,897,504	1,816,042	1,666,603
External Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	611,120	458,281	388,798
Other Ministry Grants	-	200,000	300,000
Other Provincial Grants	184,026	-	-
Total Operating Grants	795,146	658,281	688,798
Fees and Other Revenue			
Gain on Disposal of Capital Assets	-	-	71,246
Other Revenue	190,000	299,467	314,033
Total Fees and Other Revenue	190,000	299,467	385,279
Total External Services Revenue	985,146	957,748	1,074,077

Living Sky School Division No. 202
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Other Revenue			
Miscellaneous Revenue	270,000	368,238	900,181
Sales & Rentals	205,000	219,580	222,697
Investments	-	295,844	399,791
Gain on Disposal of Capital Assets	350,000	7,181	584
Total Other Revenue	825,000	890,843	1,523,253
TOTAL REVENUE FOR THE YEAR	70,975,644	72,609,935	73,252,927

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	181,716	160,220	165,559
Professional Development - Board Members	20,000	11,422	21,762
Grants to School Community Councils	45,586	16,011	33,300
Elections	-	500	140,611
Other Governance Expenses	135,000	155,772	-
Total Governance Expense	382,302	343,925	361,232
Administration Expense			
Salaries	2,205,744	2,200,741	2,117,691
Benefits	241,182	255,088	234,299
Supplies & Services	125,789	121,431	128,981
Non-Capital Furniture & Equipment	21,000	15,793	18,498
Building Operating Expenses	49,550	41,692	65,775
Communications	37,300	38,410	41,860
Travel	40,000	39,094	43,440
Professional Development	39,000	25,217	39,500
Amortization of Tangible Capital Assets	100,000	96,370	95,769
Total Administration Expense	2,859,565	2,833,836	2,785,813
Instruction Expense			
Instructional (Teacher Contract) Salaries	31,282,686	31,055,723	31,647,644
Instructional (Teacher Contract) Benefits	1,634,521	1,705,782	1,677,134
Program Support (Non-Teacher Contract) Salaries	7,625,585	7,584,214	7,528,081
Program Support (Non-Teacher Contract) Benefits	1,567,032	1,727,498	1,644,267
Instructional Aids	1,762,851	1,002,422	1,111,324
Supplies & Services	901,510	947,746	794,897
Non-Capital Furniture & Equipment	361,887	309,388	279,036
Communications	174,990	173,720	178,832
Travel	122,100	99,252	135,999
Professional Development	552,866	224,994	334,541
Student Related Expense	380,574	697,676	790,329
Amortization of Tangible Capital Assets	1,420,000	1,274,785	1,266,772
Total Instruction Expense	47,786,602	46,803,200	47,388,856

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	2,794,763	2,654,689	2,761,624
Benefits	758,096	819,348	732,184
Supplies & Services	2,000	26,481	1,883
Non-Capital Furniture & Equipment	75,000	226	1,441
Building Operating Expenses	4,830,203	4,947,400	6,116,489
Communications	7,500	6,538	6,613
Travel	31,000	25,823	35,525
Professional Development	5,000	3,212	2,575
Amortization of Tangible Capital Assets	1,410,000	1,212,072	1,210,672
Total Plant Operation & Maintenance Expense	9,913,562	9,695,789	10,869,006
Student Transportation Expense			
Salaries	2,029,208	1,973,068	1,951,768
Benefits	437,151	438,085	400,987
Supplies & Services	831,500	583,290	857,294
Non-Capital Furniture & Equipment	501,500	420,332	467,843
Building Operating Expenses	56,150	68,444	74,469
Communications	4,100	4,038	4,444
Travel	1,300	63	2,684
Professional Development	2,500	352	2,210
Contracted Transportation	3,182,338	2,728,801	2,951,137
Amortization of Tangible Capital Assets	810,000	691,461	750,254
Total Student Transportation Expense	7,855,747	6,907,934	7,463,090
Tuition and Related Fees Expense			
Tuition Fees	595,087	811,362	598,173
Total Tuition and Related Fees Expense	595,087	811,362	598,173
School Generated Funds Expense			
Academic Supplies & Services	50,000	26,990	59,067
Cost of Sales	320,000	228,056	296,459
Non-Capital Furniture & Equipment	-	497	7,964
School Fund Expenses	1,630,000	1,005,452	1,517,169
Total School Generated Funds Expense	2,000,000	1,260,995	1,880,659

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Complementary Services Expense			
Tuition Fees	-	1,275	728
Instructional (Teacher Contract) Salaries & Benefits	626,926	669,908	577,946
Program Support (Non-Teacher Contract) Salaries & Benefits	2,236,043	2,458,013	2,269,936
Instructional Aids	20,000	61,958	28,539
Supplies & Services	120,000	70,841	100,414
Non-Capital Furniture & Equipment	-	2,419	-
Communications	-	865	894
Travel	-	711	2,344
Professional Development (Non-Salary Costs)	-	29,139	2,315
Student Related Expenses	-	29,092	6,590
Total Complementary Services Expense	3,002,969	3,324,221	2,989,706
External Service Expense			
Grant Transfers	200,000	200,000	200,000
Tuition Fees	88,432	125,948	75,234
Administration Salaries & Benefits	2,500	1,614	65
Instructional (Teacher Contract) Salaries & Benefits	281,259	588,763	503,815
Program Support (Non-Teacher Contract) Salaries & Benefits	146,992	157,002	145,040
Instructional Aids	-	1,255	1,548
Supplies & Services	190,000	148,675	217,091
Building Operating Expenses	-	31,096	29,323
Communications	-	1,266	789
Travel	-	119	823
Professional Development (Non-Salary Costs)	-	126	196
Student Related Expenses	-	9,550	35,393
Contracted Transportation & Allowances	73,000	60,897	70,808
Amortization of Tangible Capital Assets	-	-	2,775
Total External Services Expense	982,183	1,326,311	1,282,900
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	-	26	2,028
Interest on Other Long-Term Debt	-	2,993	4,226
Total Interest and Bank Charges	-	3,019	6,254
Loss on Disposal of Tangible Capital Assets	-	6,500	-
Total Other Expense	-	9,519	6,254
TOTAL EXPENSES FOR THE YEAR	75,378,017	73,317,092	75,625,689

Living Sky School Division No. 202

**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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Tangible Capital Assets - at Cost</i>												
Opening Balance as of September 1	978,822	237,017	83,630,519	1,545,781	8,400,202	640,870	14,324,045	5,292,208	852,013	11,938	115,913,415	115,115,965
Additions/Purchases	-	146,332	-	-	-	-	485,841	541,311	-	-	1,173,484	1,083,706
Disposals	(6,500)	-	(1,128,270)	(18,900)	(181,856)	-	-	-	-	-	(1,335,526)	(286,256)
Transfers to (from)	-	11,938	-	-	-	-	-	-	-	(11,938)	-	-
Closing Balance as of August 31	972,322	395,287	82,502,249	1,526,881	8,218,346	640,870	14,809,886	5,833,519	852,013	-	115,751,373	115,913,415
<i>Tangible Capital Assets - Amortization</i>												
Opening Balance as of September 1	-	14,158	59,266,818	1,342,309	5,343,003	564,748	11,888,840	4,308,943	746,194	-	83,475,013	80,380,983
Amortization of the Period	-	10,448	1,234,783	55,032	599,191	29,728	769,627	543,274	32,605	-	3,274,688	3,326,242
Disposals	-	-	(1,128,270)	(18,900)	(181,856)	-	-	-	-	-	(1,329,026)	(232,212)
Closing Balance as of August 31	N/A	24,606	59,373,331	1,378,441	5,760,338	594,476	12,658,467	4,852,217	778,799	N/A	85,420,675	83,475,013
Net Book Value												
Opening Balance as of September 1	978,822	222,859	24,363,701	203,472	3,057,199	76,122	2,435,205	983,265	105,819	11,938	32,438,402	34,734,982
Closing Balance as of August 31	972,322	370,681	23,128,918	148,440	2,458,008	46,394	2,151,419	981,302	73,214	-	30,330,698	32,438,402
Change in Net Book Value	(6,500)	147,822	(1,234,783)	(55,032)	(599,191)	(29,728)	(283,786)	(1,963)	(32,605)	(11,938)	(2,107,704)	(2,296,580)
Disposals												
Historical Cost	6,500	-	1,128,270	18,900	181,856	-	-	-	-	-	1,335,526	286,256
Accumulated Amortization	-	-	1,128,270	18,900	181,856	-	-	-	-	-	1,329,026	232,212
Net Cost	6,500	-	-	-	-	-	-	-	-	-	6,500	54,044
Price of Sale	-	-	-	-	7,181	-	-	-	-	-	7,181	125,874
Gain (Loss) on Disposal	(6,500)	-	-	-	7,181	-	-	-	-	-	681	71,830

Closing costs of leased tangible capital assets of \$442,034 (2019 - \$190,997) representing \$442,034 (2019 - \$190,997) in Furniture and Equipment are included within the above amounts. Accumulated amortization of \$206,007 (2019 - \$95,499) has been recorded on these assets.

Living Sky School Division No. 202
Schedule D: Non-Cash Items Included in Deficit
for the year ended August 31, 2020

	2020	2019
	\$	\$
Non-Cash Items Included in Deficit		
Amortization of Tangible Capital Assets (Schedule C)	3,274,688	3,326,242
Net (Gain) on Disposal of Tangible Capital Assets (Schedule C)	(681)	(71,830)
Total Non-Cash Items Included in Deficit	3,274,007	3,254,412

Living Sky School Division No. 202
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 (Increase) in Accounts Receivable	138,717	(403,944)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	988,935	(1,263,680)
Increase in Liability for Employee Future Benefits	101,000	56,700
Increase (Decrease) in Deferred Revenue	186,404	(1,063,727)
(Increase) Decrease in Inventory of Supplies for Consumption	(17,863)	5,231
(Increase) in Prepaid Expenses	(210,870)	(35,585)
Total Net Change in Non-Cash Operating Activities	1,186,323	(2,705,005)

Living Sky School Division No. 202
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 Living Sky School Division No. 202” and operates as “Living Sky School Division No. 202”. 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) Measurement Uncertainty and the Use of Estimates

Canadian public sector accounting standards require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year.

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

- the liability for employee future benefits of \$1,620,700 (2019 - \$1,519,700) because actual experience may differ significantly from actuarial estimations.
- uncollectible accounts receivable of receivables of \$0 (2019 - \$26,468) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related accumulated amortization for \$85,420,675 (2019 - \$83,475,013) 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.

c) 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

Living Sky School Division No. 202
Notes to the Financial Statements
As at August 31, 2020

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.

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.

d) 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 other receivables. Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful.

Portfolio Investments consist of term deposits and equity in co-operatives. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (c).

Living Sky School Division No. 202
Notes to the Financial Statements
As at August 31, 2020

e) 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
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger and light duty trucks and vans	5 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years
Leased capital assets	Lease term

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 or services which will provide economic benefits in one or more future periods. Prepaid expenses include Saskatchewan School Board Association fees, software licenses, and insurance.

f) 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.

Living Sky School Division No. 202
Notes to the Financial Statements
As at August 31, 2020

Long-Term Debt is comprised of 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.

g) 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.

h) 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

Living Sky School Division No. 202
Notes to the Financial Statements
As at August 31, 2020

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 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:

	2020	2019
Portfolio investments in the cost or amortized cost category:	<u>Cost</u>	<u>Cost</u>
Term deposits	\$ 68,600	\$ 68,600
Credit Union Member Rewards	61,166	50,444
Member Equity in Co-op Organizations	52,454	43,774
Total portfolio investments reported at cost or amortized cost	\$ 182,220	\$ 162,818

Living Sky School Division No. 202
Notes to the Financial Statements
As at August 31, 2020

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2020 Actual	2019 Actual
Governance	\$ 160,220	\$ 183,705	\$ -	\$ -	\$ 343,925	\$ 361,232
Administration	2,455,829	281,637	-	96,370	2,833,836	2,785,813
Instruction	42,073,217	3,455,198	-	1,274,785	46,803,200	47,388,856
Plant	3,474,037	5,009,680	-	1,212,072	9,695,789	10,869,006
Transportation	2,411,153	3,805,320	-	691,461	6,907,934	7,463,090
Tuition and Related Fees	-	811,362	-	-	811,362	598,173
School Generated Funds	-	1,260,995	-	-	1,260,995	1,880,659
Complementary Services	3,127,921	196,300	-	-	3,324,221	2,989,706
External Services	747,379	578,932	-	-	1,326,311	1,282,900
Other	-	6,500	3,019	-	9,519	6,254
TOTAL	\$54,449,756	\$15,589,629	\$ 3,019	\$ 3,274,688	\$73,317,092	\$ 75,625,689

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, accumulating vacation banks, and accumulating paid time off (PTO) banks. 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.

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 - Teachers (excluding merit and promotion) (per annum)	2.50%	2.50%
Inflation and productivity rate - Non-Teachers (excluding merit and promotion) (per annum)	3.00%	3.00%
Expected average remaining service life (years)	14	14

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As at August 31, 2020

Liability for Employee Future Benefits	2020	2019
Accrued Benefit Obligation - beginning of year	\$ 1,448,700	\$ 1,220,900
Current period service cost	134,900	112,600
Interest cost	29,900	38,700
Benefit payments	(65,400)	(84,700)
Actuarial losses	69,200	161,200
Accrued Benefit Obligation - end of year	1,617,300	1,448,700
Unamortized net actuarial gains	3,400	71,000
Liability for Employee Future Benefits	\$ 1,620,700	\$ 1,519,700

Employee Future Benefits Expense	2020	2019
Current period service cost	\$ 134,900	\$ 112,600
Amortization of net actuarial (gain) loss	1,600	(9,900)
Benefit cost	136,500	102,700
Interest cost	29,900	38,700
Total Employee Future Benefits Expense	\$ 166,400	\$ 141,400

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.

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Notes to the Financial Statements
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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	454	6	460	477
Member contribution rate (percentage of salary)	9.50% / 11.70%	6.05% / 7.85%	6.05% / 11.70%	6.05% / 11.70%
Member contributions for the year	\$ 3,297,454	\$ 2,202	\$ 3,299,656	\$ 3,305,574

ii) Municipal Employees' Pension Plan (MEPP)

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

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

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

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

Details of the MEPP are as follows:

	2020	2019
Number of active School Division members	472	490
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	\$ 1,311,477	\$ 1,315,471
School Division contributions for the year	\$ 1,311,477	\$ 1,315,471
Actuarial extrapolation date	Dec/31/2019	Dec/31/2018
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

Living Sky School Division No. 202
Notes to the Financial Statements
As at August 31, 2020

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	\$ 591,845	\$ -	\$ 591,845	\$ 757,030	\$ 26,468	\$ 730,562
Total Accounts Receivable	\$ 591,845	\$ -	\$ 591,845	\$ 757,030	\$ 26,468	\$ 730,562

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2020	2019
Accrued Salaries and Benefits	\$ 1,819,600	\$ 601,536
Supplier Payments	1,717,151	1,945,378
Other - Accrued Interest	2,289	3,191
Total Accounts Payable and Accrued Liabilities	\$ 3,539,040	\$ 2,550,105

9. LONG-TERM DEBT

Details of long-term debt are as follows:

	2020	2019
Capital Leases: Concentra Bank - Copier Lease repayable in annual installments of \$51,453 including interest at 4.34%. The lease is due November 2020.	\$ 49,464	\$ 97,022
Concentra Bank - Copier Lease repayable in annual installments of \$63,804 including interest at 3.994%. The lease is due August 2024.	251,037	-
Total Long-Term Debt (Note 16)	\$ 300,501	\$ 97,022

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Future principal repayments over the next 4 years are estimated as follows:		
	Capital Leases	Total
2021	\$ 108,866	\$ 108,866
2022	61,581	61,581
2023	63,846	63,846
2024	66,208	66,208
Total	\$ 300,501	\$ 300,501

Principal and interest payments on the long-term debt are as follows:		
	2020	2019
Principal	\$ 47,558	\$ 45,732
Interest	2,993	4,226
Total	\$ 50,551	\$ 49,958

10. 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	\$ 987,687	\$ -	\$ -	\$ 987,687
Total capital projects deferred revenue	987,687	-	-	987,687
Non-Capital deferred revenue:				
Climate Action Incentive Fund (Note 15)	-	186,404	-	186,404
Total non-capital deferred revenue	-	186,404	-	186,404
Total Deferred Revenue	\$ 987,687	\$ 186,404	\$ -	\$ 1,174,091

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Notes to the Financial Statements
As at August 31, 2020

11. COMPLEMENTARY SERVICES

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

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

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Community & Inter-Agency Liasion	Other Programs	2020	2019
Revenues:					
Operating Grants	\$ 979,960	\$ 582,000	\$ 230,357	\$ 1,792,317	\$ 1,595,927
Fees and Other Revenues	-	-	23,725	23,725	70,676
Total Revenues	979,960	582,000	254,082	1,816,042	1,666,603
Expenses:					
Tuition & Other Related Fees	1,275	-	-	1,275	728
Salaries & Benefits	954,079	2,173,842	-	3,127,921	2,847,882
Instructional Aids	24,127	-	37,831	61,958	28,539
Supplies and Services	7,484	-	63,357	70,841	100,414
Non-Capital Equipment	-	-	2,419	2,419	-
Communications	-	-	865	865	894
Travel	393	-	318	711	2,344
Professional Development (Non-Salary Costs)	3,086	-	26,053	29,139	2,315
Student Related Expenses	6,805	-	22,287	29,092	6,590
Total Expenses	997,249	2,173,842	153,130	3,324,221	2,989,706
Excess (Deficiency) of Revenues over Expenses	\$ (17,289)	\$(1,591,842)	\$ 100,952	\$(1,508,179)	\$ (1,323,103)

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.

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Notes to the Financial Statements
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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	Following Their Voices	Cafeteria	Associate Schools*	Other Programs	2020	2019
Revenues:							
Operating Grants	\$ 200,000	\$ -	\$ -	\$ 458,281	\$ -	\$ 658,281	\$ 688,798
Fees and Other Revenues	-	184,026	111,441	4,000	-	299,467	385,279
Total Revenues	200,000	184,026	111,441	462,281	-	957,748	1,074,077
Expenses:							
Grant Transfers	200,000	-	-	-	-	200,000	200,000
Tuition & Other Related Fees	-	-	-	125,948	-	125,948	75,234
Salaries & Benefits	67,555	191,281	179,741	306,758	2,044	747,379	648,920
Instructional Aids	-	-	-	1,255	-	1,255	1,548
Supplies and Services	-	-	148,675	-	-	148,675	217,091
Building Operating Expenses	-	-	-	26,928	4,168	31,096	29,323
Communications	-	-	-	1,266	-	1,266	789
Travel	-	119	-	-	-	119	823
Professional Development	-	-	-	126	-	126	196
Student Related Expenses	9,058	492	-	-	-	9,550	35,393
Contracted Transportation & Allowances	-	-	-	-	60,897	60,897	70,808
Amortization of Tangible Capital Assets	-	-	-	-	-	-	2,775
Total Expenses	276,613	191,892	328,416	462,281	67,109	1,326,311	1,282,900
(Deficiency) of Revenues over Expenses	\$ (76,613)	\$ (7,866)	\$ (216,975)	\$ -	\$ (67,109)	\$ (368,563)	\$ (208,823)

**Associate Schools – see table below for details of revenues and expenses by school.*

Summary of Associate School Revenues and Expenses, Details by School	Heritage Christian School	Meadow Lake Christian School	2020	2019
Revenues:				
Operating Grants	\$ 218,433	\$ 239,848	\$ 458,281	\$ 388,798
Fees and Other Revenues	4,000	-	4,000	7,000
Total Revenues	222,433	239,848	462,281	395,798
Expenses:				
Tuition & Other Related Fees	34,585	91,363	125,948	75,234
Salaries & Benefits	158,903	147,855	306,758	285,316
Instructional Aids	625	630	1,255	1,175
Building Operating Expenses	26,928	-	26,928	26,088
Communications	1,266	-	1,266	789
Professional Development	126	-	126	196
Student Related Expenses	-	-	-	7,000
Total Expenses	222,433	239,848	462,281	395,798
Excess of Revenues over Expenses	\$ -	\$ -	\$ -	\$ -

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.

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Certain amounts of the accumulated surplus, as approved by the board of education, have been designated for specific future purposes, for example, school generated funds, scholarship funds, grants, etc. These internally restricted amounts are included in the accumulated surplus presented in the statement of financial position. The school division does not maintain separate bank accounts for the designated assets.

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	\$ 32,438,402	\$ 1,173,484	\$ 3,281,188	\$ 30,330,698
Less: Debt owing on Tangible Capital Assets	(97,022)	(251,037)	(47,558)	(300,501)
	32,341,380	922,447	3,233,630	30,030,197
PMR maintenance project allocations (1)	3,103,472	1,888,747	1,585,475	3,406,744
Designated Assets:				
Capital Projects:				
Designated for tangible capital asset expenditures	11,400	-	-	11,400
	11,400	-	-	11,400
Other:				
Early Learning Intensive Supports Grant	29,141	50,000	32,609	46,532
Facilities Renewal	5,472,859	-	-	5,472,859
Invitational Shared Services Initiative Grant	47,605	300,000	299,712	47,893
Jordan's Principle	109,917	999,059	613,068	495,908
LINC PD	113,617	-	-	113,617
Mental Health Capacity Building Grant	134,246	136,630	233,926	36,950
Mental Health Supports Grant	-	10,285	-	10,285
Pandemic Savings	-	1,063,232	-	1,063,232
Sask Arts Board Grant	-	11,000	2,392	8,608
Safe Talk Training Grant	4,233	-	-	4,233
Scholarship funds	154,781	14,003	23,630	145,154
School Based Budgets	2,028,723	-	-	2,028,723
School Generated Funds	1,271,666	84,471	-	1,356,137
Tax Loss Compensations	3,711,713	-	-	3,711,713
	13,078,501	2,668,680	1,205,337	14,541,844
Unrestricted Surplus (Deficit)	1,827,220	-	162,589	1,664,631
Total Accumulated Surplus	\$ 50,361,973	\$ 5,479,874	\$ 6,187,031	\$ 49,654,816

- (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.

14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on May 1, 2019, and the Minister of Education on August 26, 2019.

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Notes to the Financial Statements
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15. CONTRACTUAL RIGHTS

Significant contractual rights of the school division are as follows:

- \$186,404 for the Climate Action Incentive Fund agreement with the Government of Saskatchewan for multiple LED lighting projects. This project is expected to be completed prior to March 31, 2021.

16. 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 FirstCanada ULC for the period July 1, 2018, to June 30, 2025, with a school division option to extend the contract to June 30, 2028. Costs for the current year were \$2,803,929 (2019 - \$3,056,043).

Capital lease obligations, as follows:

	Capital Leases	
	Copiers	Total Capital
Future minimum lease payments:		
2021	\$ 115,259	\$ 115,259
2022	63,804	63,804
2023	63,804	63,804
2024	63,805	63,805
Total future minimum lease payments	306,672	306,672
Less: Interest and executory costs	6,171	6,171
Total Lease Obligations	\$ 300,501	\$ 300,501

17. COMPARATIVE INFORMATION

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

18. SUBSEQUENT EVENTS

Subsequent to the year end the school division entered into an agreement to purchase school buses at a total cost of \$1,364,856.

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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 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 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, 2020 was:

August 31, 2020						
	Total	0-30 days	30-60 days	60-90 days	Over 90 days	
Other Receivables	\$ 524,827	\$ 79,474	\$ -	\$ -	\$ 445,353	
Net Receivables	\$ 524,827	\$ 79,474	\$ -	\$ -	\$ 445,353	

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, budget practices, monitoring, and forecasts.

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	\$ 3,539,040	\$ 3,539,040	\$ -	\$ -	\$ -
Long-term debt	300,501	49,464	59,402	191,635	-
Total	\$ 3,839,541	\$ 3,588,504	\$ 59,402	\$ 191,635	\$ -

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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 \$5,800,000 with interest payable monthly at a rate of prime 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, and
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt.

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.

20. 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.