
Audited Financial Statements

Of the Good Spirit School Division No. 204

School Division No. 2040500

For the Period Ending: August 31, 2020

Keith Gervais, CPA, CMA

Chief Financial Officer

Miller Moar Grodecki Kreklewich & Chorney

Auditor

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

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Management's Responsibility for the Financial Statements

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

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

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

The external auditors, Miller Moar Grodecki Kreklewich & Chorney, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the school division's financial statements. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

On behalf of the Good Spirit School Division No. 204:

Robert A. ...

Board Chair

CEO/Director of Education

Chief Financial Officer

November 19, 2020

Miller Moar Grodecki Krekewich & Chorney
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To: The Chairman and Board of Trustees of the
Good Sipirt School Division No. 204
Yorkton, Saskatchewan

Opinion

We have audited the financial statements of Good Sipirt School Division No. 204 (the School Division) 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 Good Sipirt School Division No. 204 as at August 31, 2020, and the results of its operations and accumulated surplus from operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the School Division's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the School Division or to cease operations, or has no realistic alternative but to do so.

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

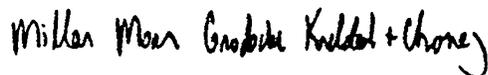
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Continued on the next page...

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Division's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School Division's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



MILLER MOAR GRODECKI KREKLEWICH & CHORNEY
Chartered Professional Accountants

Melville, Saskatchewan
November 19, 2020

Good Spirit School Division No. 204
Statement of Financial Position
as at August 31, 2020

	2020	2019
	\$	\$
Financial Assets		
Cash and Cash Equivalents	18,219,507	14,017,015
Accounts Receivable (Note 7)	2,288,025	1,204,612
Portfolio Investments (Note 3)	57,174	57,008
Total Financial Assets	20,564,706	15,278,635
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	3,565,247	3,037,664
Long-Term Debt (Note 9)	1,247,519	1,097,408
Liability for Employee Future Benefits (Note 5)	933,500	852,600
Deferred Revenue (Note 10)	781,340	568,022
Total Liabilities	6,527,606	5,555,694
Net Financial Assets	14,037,100	9,722,941
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	62,874,621	64,304,247
Prepaid Expenses	1,075,044	1,474,119
Total Non-Financial Assets	63,949,665	65,778,366
Accumulated Surplus (Note 13)	77,986,765	75,501,307

Contractual Rights (Note 16)
 Contingent Liabilities (Note 17)
 Contractual Obligations and Commitments (Note 18)

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

Approved by the Board:





Chairperson

Chief Financial Officer

Good Spirit School Division No. 204
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
REVENUES	(Note 14)		
Property Taxes and Other Related	-	-	2,810
Grants	69,951,251	71,553,326	70,388,955
Tuition and Related Fees	1,958,103	2,325,647	2,441,803
School Generated Funds	2,500,000	1,971,564	2,834,520
Complementary Services (Note 11)	889,681	891,268	849,127
External Services (Note 12)	436,896	392,715	463,788
Other	483,000	623,177	1,276,192
Total Revenues (Schedule A)	76,218,931	77,757,697	78,257,195
EXPENSES			
Governance	348,694	254,928	298,339
Administration	2,918,207	2,835,774	2,582,126
Instruction	54,194,485	52,257,183	53,232,829
Plant	10,006,193	9,243,453	9,426,652
Transportation	7,498,658	6,387,727	6,897,393
Tuition and Related Fees	792,995	692,862	750,900
School Generated Funds	2,500,000	2,030,329	2,736,356
Complementary Services (Note 11)	850,564	889,080	839,672
External Services (Note 12)	444,833	403,403	467,969
Other	86,820	277,500	1,069,362
Total Expenses (Schedule B)	79,641,449	75,272,239	78,301,598
Operating Surplus (Deficit) for the Year	(3,422,518)	2,485,458	(44,403)
Accumulated Surplus from Operations, Beginning of Year	75,501,307	75,501,307	75,545,710
Accumulated Surplus from Operations, End of Year	72,078,789	77,986,765	75,501,307

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

Good Spirit School Division No. 204
Statement of Changes in Net Financial Assets
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
	(Note 14)		
Net Financial Assets, Beginning of Year	9,722,941	9,722,941	10,489,247
Changes During the Year			
Operating Surplus (Deficit) for the Year	(3,422,518)	2,485,458	(44,403)
Acquisition of Tangible Capital Assets (Schedule C)	(1,801,000)	(3,379,443)	(6,103,388)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	19,198	655,826
Net Loss on Disposal of Capital Assets (Schedule C)	-	202,681	1,000,371
Amortization of Tangible Capital Assets (Schedule C)	4,667,536	4,587,190	4,294,297
Net Change in Other Non-Financial Assets	-	399,075	(569,009)
Change in Net Financial Assets	(555,982)	4,314,159	(766,306)
Net Financial Assets, End of Year	9,166,959	14,037,100	9,722,941

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

Good Spirit School Division No. 204
Statement of Cash Flows
for the year ended August 31, 2020

	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Operating Surplus (Deficit) for the Year	2,485,458	(44,403)
Add Non-Cash Items Included in Surplus/Deficit (Schedule D)	4,789,871	5,294,668
Net Change in Non-Cash Operating Activities (Schedule E)	137,463	(1,294,390)
Cash Provided by Operating Activities	7,412,792	3,955,875
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(3,379,443)	(6,103,388)
Proceeds on Disposal of Tangible Capital Assets	19,198	655,826
Cash (Used) by Capital Activities	(3,360,245)	(5,447,562)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(166)	(317)
Cash (Used) by Investing Activities	(166)	(317)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	1,243,963	83,685
Repayment of Long-Term Debt	(1,093,852)	(1,525,412)
Cash Provided (Used) by Financing Activities	150,111	(1,441,727)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,202,492	(2,933,731)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	14,017,015	16,950,746
CASH AND CASH EQUIVALENTS, END OF YEAR	18,219,507	14,017,015

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

Good Spirit School Division No. 204
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Property Taxes and Other Related Revenue			
Other Tax Revenues			
Treaty Land Entitlement - Rural	-	-	2,810
Total Other Tax Revenues	<u>-</u>	<u>-</u>	<u>2,810</u>
Total Property Taxes and Other Related Revenue	<u>-</u>	<u>-</u>	<u>2,810</u>
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	67,487,700	67,544,628	67,927,295
Other Ministry Grants	2,130,551	2,133,476	2,166,561
Total Ministry Grants	<u>69,618,251</u>	<u>69,678,104</u>	<u>70,093,856</u>
Other Provincial Grants	333,000	275,222	275,099
Grants from Others	-	-	20,000
Total Operating Grants	<u>69,951,251</u>	<u>69,953,326</u>	<u>70,388,955</u>
Capital Grants			
Ministry of Education Capital Grants	-	1,600,000	-
Total Capital Grants	<u>-</u>	<u>1,600,000</u>	<u>-</u>
Total Grants	<u>69,951,251</u>	<u>71,553,326</u>	<u>70,388,955</u>
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
Federal Government and First Nations	1,946,103	2,260,280	2,406,048
Individuals and Other	12,000	64,867	34,530
Total Tuition Fees	<u>1,958,103</u>	<u>2,325,147</u>	<u>2,440,578</u>
Transportation Fees	-	500	1,225
Total Operating Tuition and Related Fees	<u>1,958,103</u>	<u>2,325,647</u>	<u>2,441,803</u>
Total Tuition and Related Fees Revenue	<u>1,958,103</u>	<u>2,325,647</u>	<u>2,441,803</u>
School Generated Funds Revenue			
Curricular			
Student Fees	50,000	79,457	78,071
Total Curricular Fees	<u>50,000</u>	<u>79,457</u>	<u>78,071</u>
Non-Curricular Fees			
Commercial Sales - Non-GST	250,000	203,525	282,099
Fundraising	420,000	312,299	442,544
Grants and Partnerships	30,000	25,948	34,220
Other	1,750,000	1,350,335	1,997,586
Total Non-Curricular Fees	<u>2,450,000</u>	<u>1,892,107</u>	<u>2,756,449</u>
Total School Generated Funds Revenue	<u>2,500,000</u>	<u>1,971,564</u>	<u>2,834,520</u>

Good Spirit School Division No. 204
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	721,681	721,681	714,646
Other Ministry Grants	25,000	25,000	-
Federal Grants	115,000	120,208	110,345
Total Operating Grants	861,681	866,889	824,991
Fees and Other Revenue			
Other Revenue	28,000	24,379	24,136
Total Fees and Other Revenue	28,000	24,379	24,136
Total Complementary Services Revenue	889,681	891,268	849,127
External Services			
Operating Grants			
Ministry of Education Grants			
Other Ministry Grants	150,000	264,468	150,000
Other Provincial Grants	76,896	1,218	102,492
Total Operating Grants	226,896	265,686	252,492
Fees and Other Revenue			
Other Revenue	210,000	127,029	211,296
Total Fees and Other Revenue	210,000	127,029	211,296
Total External Services Revenue	436,896	392,715	463,788
Other Revenue			
Miscellaneous Revenue	78,000	271,026	831,086
Sales & Rentals	225,000	167,703	216,878
Investments	180,000	176,253	228,228
Gain on Disposal of Capital Assets	-	8,195	-
Total Other Revenue	483,000	623,177	1,276,192
TOTAL REVENUE FOR THE YEAR	76,218,931	77,757,697	78,257,195

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	138,792	104,229	115,625
Professional Development - Board Members	8,800	9,276	20,025
Grants to School Community Councils	47,568	-	-
Elections	-	1,327	-
Other Governance Expenses	153,534	140,096	162,689
Total Governance Expense	348,694	254,928	298,339
Administration Expense			
Salaries	1,994,063	1,987,606	1,865,683
Benefits	235,988	238,548	232,286
Supplies & Services	348,325	354,669	275,753
Non-Capital Furniture & Equipment	6,000	2,112	4,533
Building Operating Expenses	51,400	29,182	35,927
Communications	42,200	33,885	32,446
Travel	50,760	29,151	33,579
Professional Development	52,400	21,809	34,420
Amortization of Tangible Capital Assets	137,071	138,812	67,499
Total Administration Expense	2,918,207	2,835,774	2,582,126
Instruction Expense			
Instructional (Teacher Contract) Salaries	36,415,209	35,056,163	35,657,241
Instructional (Teacher Contract) Benefits	1,726,592	1,729,220	1,625,596
Program Support (Non-Teacher Contract) Salaries	7,920,790	8,023,233	7,875,022
Program Support (Non-Teacher Contract) Benefits	1,473,035	1,577,490	1,455,960
Instructional Aids	1,210,712	971,398	1,262,226
Supplies & Services	1,041,457	887,278	1,016,402
Non-Capital Furniture & Equipment	417,372	327,833	488,748
Communications	212,764	187,693	175,761
Travel	203,800	122,556	184,090
Professional Development	375,284	217,025	359,623
Student Related Expense	167,550	53,746	166,440
Amortization of Tangible Capital Assets	3,029,920	3,103,548	2,965,720
Total Instruction Expense	54,194,485	52,257,183	53,232,829

Good Spirit School Division No. 204
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	2,943,784	2,874,199	2,885,168
Benefits	573,695	551,571	519,300
Supplies & Services	38,450	19,125	30,643
Non-Capital Furniture & Equipment	16,500	26,346	23,654
Building Operating Expenses	6,132,051	5,468,567	5,672,916
Communications	12,050	6,623	10,163
Travel	72,500	58,664	64,308
Professional Development	16,000	5,442	15,987
Amortization of Tangible Capital Assets	201,163	232,916	204,513
Total Plant Operation & Maintenance Expense	10,006,193	9,243,453	9,426,652
Student Transportation Expense			
Salaries	3,252,419	3,115,066	3,109,307
Benefits	609,810	554,088	533,904
Supplies & Services	1,343,120	890,286	1,290,730
Non-Capital Furniture & Equipment	561,200	446,475	510,595
Building Operating Expenses	57,500	51,987	77,958
Communications	10,440	6,050	11,471
Travel	28,000	26,619	23,975
Professional Development	40,000	17,797	10,862
Contracted Transportation	318,497	197,164	292,654
Amortization of Tangible Capital Assets	1,277,672	1,082,195	1,035,937
Total Student Transportation Expense	7,498,658	6,387,727	6,897,393
Tuition and Related Fees Expense			
Tuition Fees	785,795	686,112	744,100
Transportation Fees	7,200	6,750	6,800
Total Tuition and Related Fees Expense	792,995	692,862	750,900
School Generated Funds Expense			
Cost of Sales	250,000	211,076	241,078
School Fund Expenses	2,229,411	1,790,654	2,476,605
Amortization of Tangible Capital Assets	20,589	28,599	18,673
Total School Generated Funds Expense	2,500,000	2,030,329	2,736,356

Good Spirit School Division No. 204
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	500,219	506,640	465,235
Program Support (Non-Teacher Contract) Salaries & Benefits	268,224	308,283	289,973
Instructional Aids	38,500	60,600	68,176
Supplies & Services	1,000	2,125	1,058
Non-Capital Furniture & Equipment	500	570	567
Building Operating Expenses	3,500	3,211	3,378
Communications	1,500	2,246	1,537
Travel	7,000	3,647	7,641
Professional Development (Non-Salary Costs)	-	508	152
Student Related Expenses	27,000	-	-
Contracted Transportation & Allowances	2,000	130	-
Amortization of Tangible Capital Assets	1,121	1,120	1,955
Total Complementary Services Expense	850,564	889,080	839,672
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	169,475	144,931	162,181
Supplies & Services	115,358	98,573	144,013
Travel	10,000	9,899	11,775
Student Related Expenses	150,000	150,000	150,000
Total External Services Expense	444,833	403,403	467,969
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	2,000	5,077	1,231
Interest on Capital Loans	52,665	29,640	26,011
Interest on Other Long-Term Debt	32,155	31,907	41,749
Total Interest and Bank Charges	86,820	66,624	68,991
Loss on Disposal of Tangible Capital Assets	-	210,876	1,000,371
Total Other Expense	86,820	277,500	1,069,362
TOTAL EXPENSES FOR THE YEAR	79,641,449	75,272,239	78,301,598

Good Spirit School Division No. 204

**Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2020**

	Land		School	Other	Furniture and	Computer Hardware and	Computer	Assets			
	Land	Improvements	Buildings	Buses	Vehicles	Equipment	Audio Visual Equipment	Software	Under Construction	2020	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets - at Cost											
Opening Balance as of September 1	998,589	565,185	89,224,833	12,193,925	722,504	6,849,787	5,043,654	190,805	457,941	116,247,223	117,114,571
Additions/Purchases	-	-	290,656	1,398,102	104,401	318,463	1,040,351	43,105	184,365	3,379,443	6,103,388
Disposals	-	-	(118,557)	(967,994)	(64,142)	(728,483)	(4,738,733)	-	-	(6,617,909)	(6,970,736)
Transfers to (from)	-	213,586	-	-	-	-	-	373,186	(586,772)	-	-
Closing Balance as of August 31	998,589	778,771	89,396,932	12,624,033	762,763	6,439,767	1,345,272	607,096	55,534	113,008,757	116,247,223
Tangible Capital Assets - Amortization											
Opening Balance as of September 1	-	163,791	36,900,266	6,187,713	612,632	4,047,454	3,946,112	85,008	-	51,942,976	52,963,218
Amortization of the Period	-	38,939	1,560,783	980,660	72,294	643,976	1,169,119	121,419	-	4,587,190	4,294,297
Disposals	-	-	(118,557)	(746,115)	(64,142)	(728,483)	(4,738,733)	-	-	(6,396,030)	(5,314,539)
Closing Balance as of August 31	N/A	202,730	38,342,492	6,422,258	620,784	3,962,947	376,498	206,427	N/A	50,134,136	51,942,976
Net Book Value											
Opening Balance as of September 1	998,589	401,394	52,324,567	6,006,212	109,872	2,802,333	1,097,542	105,797	457,941	64,304,247	64,151,353
Closing Balance as of August 31	998,589	576,041	51,054,440	6,201,775	141,979	2,476,820	968,774	400,669	55,534	62,874,621	64,304,247
Change in Net Book Value	-	174,647	(1,270,127)	195,563	32,107	(325,513)	(128,768)	294,872	(402,407)	(1,429,626)	152,894
Disposals											
Historical Cost	-	-	118,557	967,994	64,142	728,483	4,738,733	-	-	6,617,909	6,970,736
Accumulated Amortization	-	-	118,557	746,115	64,142	728,483	4,738,733	-	-	6,396,030	5,314,539
Net Cost	-	-	-	221,879	-	-	-	-	-	221,879	1,656,197
Price of Sale	-	-	5,000	11,003	3,195	-	-	-	-	19,198	655,826
Gain (Loss) on Disposal	-	-	5,000	(210,876)	3,195	-	-	-	-	(202,681)	(1,000,371)
Net Book Value (NBV) of Assets											
Pledged as Security for Debt	-	-	-	271,095	-	-	195,431	-	-	466,526	1,173,132

Closing costs of leased tangible capital assets of \$1,392,793 (2019 - \$1,248,831) representing, \$1,084,381 (2019 - \$1,084,381) in School Buses, \$308,412 (2019 - \$164,450) in Computer Hardware and Audio Visual Equipment. Accumulated amortization of \$926,267 (2019 - \$781,325) has been recorded on these assets.

Good Spirit School Division No. 204
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)	4,587,190	4,294,297
Net Loss on Disposal of Tangible Capital Assets (Schedule C)	202,681	1,000,371
Total Non-Cash Items Included in Surplus/Deficit	4,789,871	5,294,668

Good Spirit School Division No. 204
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		
(Increase) in Accounts Receivable	(1,083,413)	(270,380)
Increase in Accounts Payable and Accrued Liabilities	527,583	74,368
Increase in Liability for Employee Future Benefits	80,900	40,400
Increase (Decrease) in Deferred Revenue	213,318	(569,769)
Decrease (Increase) in Prepaid Expenses	399,075	(569,009)
Total Net Change in Non-Cash Operating Activities	137,463	(1,294,390)

GOOD SPIRIT SCHOOL DIVISION NO. 204
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1. AUTHORITY AND PURPOSE

The school division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of “The Board of Education of the Good Spirit School Division No. 204” and operates as “the Good Spirit School Division No. 204”. The school division provides education services to residents within its geographic region and is governed by an elected board of trustees. The school division is exempt from income tax and is a registered charity under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

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

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

a) Basis of Accounting

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

b) Trust Funds

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

Trust funds are not included in the financial statements as they are not controlled by the school division. Trust fund activities administered by the school division are disclosed in Note 15 of the financial statements.

c) Measurement Uncertainty and the Use of Estimates

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

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

- the liability for employee future benefits of \$ 933,500 (2019 - \$ 852,600) because actual experience may differ significantly from actuarial estimations.
- uncollectible accounts receivable of \$298,513 (2019 - \$298,513) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related accumulated amortization of \$ 50,134,136 (2019 - \$ 51,942,976) because the actual useful lives of the capital assets may differ

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
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from their estimated economic lives.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

While best estimates are used for reporting items subject to measurement uncertainty, it is reasonably possible that changes in future conditions, occurring within one fiscal year, could require material changes in the amounts recognized or disclosed.

d) Financial Instruments

Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The school division recognizes a financial instrument when it becomes a party to the contractual provisions of a financial instrument. The financial assets and financial liabilities portray these rights and obligations in the financial statements. Financial instruments of the school division include cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities and long-term debt.

All financial instruments are measured at cost or amortized cost. Transaction costs are a component of the cost of financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenues or expenses. Impairment losses such as write-downs or write-offs are reported in the statement of operations and accumulated surplus from operations.

Gains and losses on financial instruments, measured at cost or amortized cost, are recognized in the statement of operations and accumulated surplus from operations in the period the gain or loss occurs.

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

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.

GOOD SPIRIT SCHOOL DIVISION NO. 204
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Cash and Cash Equivalents consist of cash, bank deposits and highly liquid investments with initial maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes provincial grants receivable and other receivables. Provincial grants receivable represent capital grants earned but not received at the end of the fiscal year, provided reasonable estimates of the amounts can be made. Grants are earned when the events giving rise to the grant have occurred, the grant is authorized and any eligibility criteria have been met.

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

Portfolio Investments consist of shares and equity in Credit Unions and Co-operatives. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (d).

f) Non-Financial Assets

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the school division unless they are sold.

Tangible Capital Assets have useful lives extending beyond the accounting period, are used by the school division to provide services to the public and are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, design, construction, development, installation and betterment of the tangible capital asset. The school division does not capitalize interest incurred while a tangible capital asset is under construction.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings	50 years
School buses	12 years
Other vehicles – passenger	5 years
Other vehicles – heavy (graders, 1 ton truck, etc.)	10 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years
Leased capital assets	Asset Life

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

GOOD SPIRIT SCHOOL DIVISION NO. 204
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Prepaid Expenses are prepaid amounts for goods or services which will provide economic benefits in one or more future periods. Prepaid expenses include insurance premiums, Saskatchewan School Boards Association membership fees, Workers' Compensation premiums, consumable school supplies, bus garage parts, computer parts and promotional items.

g) Liabilities

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

Accounts Payable and Accrued Liabilities include accounts payable and accrued liabilities owing to third parties and employees for work performed, goods supplied and services rendered, but not yet paid, at the end of the fiscal period.

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

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

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

h) Employee Pension Plans

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

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.

GOOD SPIRIT SCHOOL DIVISION NO. 204
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- ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

i) Revenue Recognition

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

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

i) Government Transfers (Grants)

Grants from governments are considered to be government transfers. Government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Transfers with stipulations are recorded as deferred revenue and recognized as revenue in the statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

ii) 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.

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3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2020	2019
Portfolio investments in the cost or amortized cost category:	Cost	Cost
Shares/Equity in Co-operatives/Credit Unions	\$ 57,174	\$ 57,008
Total portfolio investments	\$ 57,174	\$ 57,008

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2020 Actual	2019 Actual
Governance	\$ 113,505	\$ 141,423	\$ -	\$ -	\$ 254,928	\$ 298,339
Administration	2,226,154	470,808	-	138,812	2,835,774	2,582,126
Instruction	46,386,106	2,767,529	-	3,103,548	52,257,183	53,232,829
Plant	3,425,770	5,584,767	-	232,916	9,243,453	9,426,652
Transportation	3,669,154	1,636,378	-	1,082,195	6,387,727	6,897,393
Tuition and Related Fees	-	692,862	-	-	692,862	750,900
School Generated Funds	-	2,001,730	-	28,599	2,030,329	2,736,356
Complementary Services	814,923	73,037	-	1,120	889,080	839,672
External Services	144,931	258,472	-	-	403,403	467,969
Other	-	210,876	66,624	-	277,500	1,069,362
TOTAL	\$ 56,780,543	\$ 13,837,882	\$ 66,624	\$ 4,587,190	\$ 75,272,239	\$ 78,301,598

5. EMPLOYEE FUTURE BENEFITS

The school division provides certain post-employment, compensated absence and termination benefits to its employees. These benefits include accumulating non-vested sick leave. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. HUB International Limited, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 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.

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

Liability for Employee Future Benefits	2020	2019
Accrued Benefit Obligation - beginning of year	\$ 886,100	\$ 734,400
Current period service cost	78,800	64,100
Interest cost	18,400	23,200
Benefit payments	(27,300)	(49,700)
Actuarial losses	50,000	114,100
Accrued Benefit Obligation - end of year	1,006,000	886,100
Unamortized net actuarial (losses)	(72,500)	(33,500)
Liability for Employee Future Benefits	\$ 933,500	\$ 852,600

Employee Future Benefits Expense	2020	2019
Current period service cost	\$ 78,800	\$ 64,100
Amortization of net actuarial loss	11,000	2,800
Benefit cost	89,800	66,900
Interest cost	18,400	23,200
Total Employee Future Benefits Expense	\$ 108,200	\$ 90,100

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.

GOOD SPIRIT SCHOOL DIVISION NO. 204
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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	460	1	461	467
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	\$ 3,635,121	\$ 411	\$ 3,635,532	\$ 3,605,030

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.

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
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Details of the MEPP are as follows:

	2020	2019
Number of active School Division members	473	470
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	\$ 1,289,601	\$ 1,283,217
School Division contributions for the year	\$ 1,289,601	\$ 1,283,217
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

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
Provincial Grants Receivable	\$ 1,600,000	\$ -	\$ 1,600,000	\$ -	\$ -	\$ -
GST Receivables	129,374	-	129,374	407,470	-	407,470
Other Receivables	857,164	298,513	558,651	1,095,655	298,513	797,142
Total Accounts Receivable	\$ 2,586,538	\$ 298,513	\$ 2,288,025	\$ 1,503,125	\$ 298,513	\$ 1,204,612

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2020	2019
Accrued Salaries and Benefits	\$ 1,290,628	\$ 1,049,456
Supplier Payments	2,066,523	1,502,354
Other (Caution Fees, Schools, Scholarships)	208,096	485,854
Total Accounts Payable and Accrued Liabilities	\$ 3,565,247	\$ 3,037,664

GOOD SPIRIT SCHOOL DIVISION NO. 204
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

9. LONG-TERM DEBT

Details of long-term debt are as follows:

		2020	2019
Capital Loans:	RBC Technology Loan - 1.82% matured Jul 2020 monthly repayments of \$82,970	\$ -	\$ 672,902
	RBC Bus Loan - 1.89% matured Sep 2019 monthly repayments of \$18,049	-	8,414
	BMO Bus Loan - 2.85% matures Oct 2023 monthly repayments of \$24,275	881,025	-
		881,025	681,316
<u>Other Long-Term Debt:</u>			
Capital Leases:	RBC 23 Bus Lease 27694 matures Oct 2021 monthly repayments of \$14,429	171,063	310,097
	Concentra copier lease 17106 matures Sep 2021 quarterly repayments of \$4,038	20,062	36,258
	Concentra copier lease 18742 matures Aug 2023 quarterly repayments of \$4,184	53,001	69,737
	Concentra copier lease 50901 matures Sep 2024 monthly repayments of \$7,198	122,368	-
		366,494	416,092
Total Long-Term Debt		\$ 1,247,519	\$ 1,097,408

Future principal repayments over the next 5 years are estimated as follows:

	Capital Loans	Capital Leases	Total
2021	\$ 269,694	\$ 200,759	\$ 470,453
2022	277,481	81,426	358,907
2023	285,493	45,530	331,023
2024	48,357	31,582	79,939
2025	-	7,197	7,197
Total	\$ 881,025	\$ 366,494	\$ 1,247,519

Principal and interest payments on the long-term debt are as follows:

	Capital Loans	Capital Leases	2020	2019
Principal	\$ 900,291	\$ 193,561	\$ 1,093,852	\$ 1,525,412
Interest	29,640	31,907	61,547	67,760
Total	\$ 929,931	\$ 225,468	\$ 1,155,399	\$ 1,593,172

GOOD SPIRIT SCHOOL DIVISION NO. 204
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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	\$ 499,889	\$ -	\$ -	\$ 499,889
Total capital projects deferred revenue	499,889	-	-	499,889
Non-Capital deferred revenue:				
Foreign Tuition	11,669	11,771	11,669	11,771
Climate Action Incentive Fund	-	205,010	-	205,010
Parent and Preschool Education	51,464	36,946	23,740	64,670
Calder school	5,000	-	5,000	-
Total non-capital deferred revenue	68,133	253,727	40,409	281,451
Total Deferred Revenue	\$ 568,022	\$ 253,727	\$ 40,409	\$ 781,340

11. COMPLEMENTARY SERVICES

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

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

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Other Programs	2020	2019
Revenues:				
Operating Grants	\$ 746,681	\$ 120,208	\$ 866,889	\$ 824,991
Fees and Other Revenues	-	24,379	24,379	24,136
Total Revenues	746,681	144,587	891,268	849,127
Expenses:				
Salaries & Benefits	696,525	118,398	814,923	755,208
Instructional Aids	45,696	14,904	60,600	68,176
Supplies and Services	-	2,125	2,125	1,058
Non-Capital Equipment	-	570	570	567
Building Operating Expenses	3,211	-	3,211	3,378
Communications	1,581	665	2,246	1,537
Travel	3,319	328	3,647	7,641
Professional Development (Non-Salary Costs)	-	508	508	152
Contracted Transportation & Allowances	-	130	130	-
Amortization of Tangible Capital Assets	-	1,120	1,120	1,955
Total Expenses	750,332	138,748	889,080	839,672
Excess (Deficiency) of Revenues over Expenses	\$ (3,651)	\$ 5,839	\$ 2,188	\$ 9,455

GOOD SPIRIT SCHOOL DIVISION NO. 204
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12. EXTERNAL SERVICES

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

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

Summary of External Services Revenues and Expenses, by Program	Invitational Shared Services Initiative	KidsFirst	Cafeteria	2020	2019
Revenues:					
Operating Grants	\$ 150,000	\$ 115,686	\$ -	\$ 265,686	\$ 252,492
Fees and Other Revenues	-	-	127,029	127,029	211,296
Total Revenues	150,000	115,686	127,029	392,715	463,788
Expenses:					
Salaries & Benefits	-	30,624	114,307	144,931	162,181
Supplies and Services	-	24,335	74,238	98,573	144,013
Travel	-	9,899	-	9,899	11,775
Student Related Expenses	150,000	-	-	150,000	150,000
Total Expenses	150,000	64,858	188,545	403,403	467,969
Excess (Deficiency) of Revenues over Expenses	\$ -	\$ 50,828	\$ (61,516)	\$ (10,688)	\$ (4,181)

13. ACCUMULATED SURPLUS

Accumulated surplus represents the financial assets and non-financial assets of the school division less liabilities. This represents the accumulated balance of net surplus arising from the operations of the school division including school generated funds.

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

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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	\$ 64,304,247	\$ 3,379,443	\$ 4,809,069	\$ 62,874,621
Less: Debt owing on Tangible Capital Assets	(1,097,408)	(1,243,963)	(1,093,852)	(1,247,519)
	63,206,839	2,135,480	3,715,217	61,627,102
PMR maintenance project allocations (1)	2,753,061	2,118,077	1,640,213	3,230,925
Designated Assets:				
Capital Projects:				
Designated for tangible capital asset expenditures	45,000	-	-	45,000
Anne Portnuff Theatre Upgrades	4,700	-	3,201	1,499
Minor Renovations	289,434	1,250,000	-	1,539,434
Risk Management & Security	11,299	-	-	11,299
Purchase of Buses	27,132	1,600,000	-	1,627,132
Unified Student Information System - USIS	186,068	-	57,397	128,671
Board Elections	-	50,000	-	50,000
Instructional Resources	-	50,000	-	50,000
Technology Renewal	-	1,600,000	-	1,600,000
	563,633	4,550,000	60,598	5,053,035
Other:				
School generated funds	1,677,805	-	110,537	1,567,268
Future Expenditures YRHS Flood	100,000	-	-	100,000
School budget carryovers	252,349	667,961	252,349	667,961
Other (Fitness Centre, Kidsfirst, PPEP)	84,001	235,894	188,530	131,365
	2,114,155	903,855	551,416	2,466,594
Unrestricted Surplus	6,863,619	-	1,254,510	5,609,109
Total Accumulated Surplus	\$ 75,501,307	\$ 9,707,412	\$ 7,221,954	\$ 77,986,765

(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 June 20, 2019 and the Minister of Education on August 26, 2019.

GOOD SPIRIT SCHOOL DIVISION NO. 204
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15. TRUSTS

The school division, as the trustee, administers trust funds for the Public Section of the Saskatchewan School Boards Association and scholarships. The trust assets and transactions are not included in the financial statements.

Information about these trusts is as follows:

	Public Section		Scholarships		Total	Total
	2020	2019	2020	2019	2020	2019
Cash and short-term investments	\$ 186,503	\$ 304,613	\$ 18,183	\$ 13,033	\$ 204,686	\$ 317,646
Accounts Receivable	-	22,246	-	-	-	22,246
Portfolio investments	-	-	225,601	234,223	225,601	234,223
Total Assets	186,503	326,859	243,784	247,256	430,287	574,115
Revenues						
Contributions and donations	209,586	319,991	8,170	14,563	217,756	334,554
Interest on investments	-	-	5,858	4,998	5,858	4,998
	209,586	319,991	14,028	19,561	223,614	339,552
Expenses						
Litigation	349,942	78,749	-	-	349,942	78,749
Awards to Students	-	-	17,500	44,359	17,500	44,359
	349,942	78,749	17,500	44,359	367,442	123,108
Excess (Deficiency) of Revenues over Expenses	(140,356)	241,242	(3,472)	(24,798)	(143,828)	216,444
Trust Fund Balance, Beginning of Year	326,859	85,617	247,256	272,054	574,115	357,671
Trust Fund Balance, End of Year	\$ 186,503	\$ 326,859	\$ 243,784	\$ 247,256	\$ 430,287	\$ 574,115

16. CONTRACTUAL RIGHTS

Significant contractual rights of the school division are as follows:

- \$205,010 for the Climate Action Incentive Fund agreement with the Government of Saskatchewan for Esterhazy High School Practical and Applied Arts Renovation project. This project is expected to be completed by March 31, 2021.

17. CONTINGENT LIABILITIES

The school division contracted Pinchin to do a phase I environmental assessment of the Yorkton Bus Garage facility. Their report dated December 21, 2018 recommended that a further phase II assessment be completed. At this time, the school division has no basis to determine if it has a contaminated site liability and no determination of cost, if any is known. Management plans that if the property was sold its sale price would be sufficient to cover any potential remediation cost or the property be sold as is for a nominal amount with the liability transferred to the buyer with their knowledge.

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18. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Capital lease obligations of the school division are as follows:

	Capital Leases		
	Copiers	Buses	Total Capital
Future minimum lease payments:			
2021	\$ 61,726	\$ 171,189	\$ 232,915
2022	49,396	34,709	84,105
2023	45,530	-	45,530
2024	31,582	-	31,582
2025	7,197	-	7,197
Total future minimum lease payments	195,431	205,898	401,329
Less: Interest and executory costs	-	34,835	34,835
Total Lease Obligations	\$ 195,431	\$ 171,063	\$ 366,494

19. COMPARATIVE INFORMATION

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

20. RISK MANAGEMENT

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

i) Credit Risk

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

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

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The aging of grants and 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
Grants Receivable	\$ 1,600,000	\$ -	\$ -	\$ -	\$ 1,600,000
Other Receivables	857,164	188,530	7,780	2,236	658,618
Gross Receivables	2,457,164	188,530	7,780	2,236	2,258,618
Allowance for Doubtful Accounts	(298,513)	-	-	-	(298,513)
Net Receivables	\$ 2,158,651	\$ 188,530	\$ 7,780	\$ 2,236	\$ 1,960,105

Receivable amounts related to GST are not applicable to credit risk, as these do not meet the definition of a financial instrument.

ii) Liquidity Risk

Liquidity risk is the risk that the school division will not be able to meet its financial obligations as they come due. The school division manages liquidity risk by monitoring budgets and maintaining adequate cash balances.

The following table sets out the contractual maturities of the school division's financial liabilities:

	August 31, 2020				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 3,565,247	\$ 3,445,586	\$ 119,661	\$ -	\$ -
Long-term debt	1,247,519	234,267	236,186	777,066	-
Total	\$ 4,812,766	\$ 3,679,853	\$ 355,847	\$ 777,066	\$ -

iii) Market Risk

The school division is exposed to market risks with respect to interest rates, as follows:

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The school division's interest rate exposure relates to cash and cash equivalents and portfolio investments.

The school division also has an authorized bank line of credit of \$6,200,000 with interest payable monthly at a rate of prime minus 1.75% per annum. Changes in the bank's prime

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rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility at 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
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt

21. 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.