
Audited Financial Statements

Of the Northwest School Division No. 203

School Division No. 2030500

For the Period Ending: August 31, 2023



Chief Financial Officer



Auditor

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

Saskatchewan 

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

On behalf of the Northwest School Division No. 203:



Board Chair



CEO/Director of Education



Chief Financial Officer

November 28th, 2023

Independent auditor's report

To the Directors of Northwest School Division No. 203:

Grant Thornton LLP

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Opinion

We have audited the financial statements of Northwest School Division No. 203 ("the School Division"), which comprise the statement of financial position as at August 31, 2023, and the statement of operations and accumulated surplus from operations, statement of changes in net financial assets and statement of cash flows for the year then ended, with related schedules and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of Northwest School Division No. 203 present fairly, in all material respects, the financial position of the School Division as at August 31, 2023 and the results of its operations and accumulated surplus from operations, changes in its net financial assets and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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:

- 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 statement 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.

Weyburn, Canada
December 21, 2023

The logo for Grant Thornton LLP, featuring the company name in a stylized, handwritten-style script.

Chartered Professional Accountants

Northwest School Division No. 203

Statement of Financial Position
as at August 31, 2023

	2023	2022
	\$	\$
Financial Assets		
Cash and Cash Equivalents	(478,716)	3,872,031
Accounts Receivable (Note 7)	2,084,924	1,932,658
Portfolio Investments (Note 3)	194,170	192,296
Total Financial Assets	1,800,378	5,996,985
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	3,136,228	3,713,432
Long-Term Debt (Note 9)	1,930,944	2,362,346
Liability for Employee Future Benefits (Note 5)	1,086,100	1,010,202
Deferred Revenue (Note 10)	325,371	275,139
Total Liabilities	6,478,643	7,361,119
Net Debt	(4,678,265)	(1,364,134)
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	49,325,246	53,396,471
Inventory of Supplies Held for Consumption	531,323	491,693
Prepaid Expenses	404,859	405,150
Total Non-Financial Assets	50,261,428	54,293,314
Accumulated Surplus (Note 13)	45,583,163	52,929,180

Contractual Obligations (Note 15)

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

Approved by the Board:



Chairperson



Chief Financial Officer

Northwest School Division No. 203
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
REVENUES	(Note 14)		
Grants	57,077,792	56,272,328	55,798,904
Tuition and Related Fees	3,102,366	3,373,482	3,284,643
School Generated Funds	1,714,540	2,210,510	1,537,440
Complementary Services (Note 11)	1,332,274	1,307,516	1,292,466
External Services (Note 12)	918,992	1,329,514	918,497
Other	115,000	474,877	340,117
Total Revenues (Schedule A)	64,260,964	64,968,227	63,172,067
EXPENSES			
Governance	309,261	288,675	237,589
Administration	3,199,462	3,308,967	3,084,546
Instruction	44,017,735	44,859,486	44,407,727
Plant Operation & Maintenance	11,580,982	11,698,814	12,514,122
Student Transportation	6,122,438	6,422,164	6,287,379
Tuition and Related Fees	854,616	706,514	729,855
School Generated Funds	1,714,540	2,018,581	1,424,452
Complementary Services (Note 11)	1,776,361	1,683,419	1,643,682
External Services (Note 12)	645,618	1,085,876	998,474
Other	55,316	241,748	270,207
Total Expenses (Schedule B)	70,276,329	72,314,244	71,598,033
Operating Deficit for the Year	(6,015,365)	(7,346,017)	(8,425,966)
Accumulated Surplus from Operations, Beginning of Year	52,929,180	52,929,180	61,355,146
Accumulated Surplus from Operations, End of Year	46,913,815	45,583,163	52,929,180

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

Northwest School Division No. 203
Statement of Changes in Net Debt
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
	(Note 14)		
(Net Debt), Beginning of Year	(1,364,134)	(1,364,134)	3,170,191
Changes During the Year			
Operating Deficit, for the Year	(6,015,365)	(7,346,017)	(8,425,966)
Acquisition of Tangible Capital Assets (Schedule C)	(1,340,000)	(680,929)	(1,012,066)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	72,978	39,795
Net (Gain) Loss on Disposal of Capital Assets (Schedule C)	-	(69,945)	126,908
Amortization of Tangible Capital Assets (Schedule C)	(5,328,267)	4,749,121	4,897,259
Net Acquisition of Inventory of Supplies Held for Consumption	-	(39,630)	6,421
Net Change in Other Non-Financial Assets	-	291	(166,676)
	(12,683,632)	(3,314,131)	(4,534,325)
Change in Net Debt	(12,683,632)	(3,314,131)	(4,534,325)
(Net Debt), End of Year	(14,047,766)	(4,678,265)	(1,364,134)

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

Northwest School Division No. 203
Statement of Cash Flows
for the year ended August 31, 2023

	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Operating Deficit for the Year	(7,346,017)	(8,425,966)
Add Non-Cash Items Included in Deficit (Schedule D)	4,679,176	5,024,167
Net Change in Non-Cash Operating Activities (Schedule E)	(642,679)	1,827,410
Cash Used in Operating Activities	(3,309,520)	(1,574,389)
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(680,929)	(1,012,066)
Proceeds on Disposal of Tangible Capital Assets	72,978	39,795
Cash Used in Capital Activities	(607,951)	(972,271)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(1,874)	(8,567)
Cash Used in Investing Activities	(1,874)	(8,567)
FINANCING ACTIVITIES		
Repayment of Long-Term Debt	(431,402)	(427,637)
Cash Used in Financing Activities	(431,402)	(427,637)
DECREASE IN CASH AND CASH EQUIVALENTS	(4,350,747)	(2,982,864)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,872,031	6,854,895
CASH AND CASH EQUIVALENTS, END OF YEAR	(478,716)	3,872,031

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

Northwest School Division No. 203
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Grants	(Note 14)		
Operating Grants			
Ministry of Education Grants			
Operating Grant	54,594,039	54,081,825	53,393,049
Operating Grant PMR	1,670,067	1,519,283	1,670,067
Other Ministry Grants	773,686	636,563	887,847
Total Ministry Grants	57,037,792	56,237,671	55,950,963
Other Provincial Grants	40,000	30,001	21,114
Grants from Others	-	4,656	-
Total Operating Grants	57,077,792	56,272,328	55,972,077
Capital Grants			
Ministry of Education Capital Grants	-	-	(173,173)
Total Capital Grants	-	-	(173,173)
Total Grants	57,077,792	56,272,328	55,798,904

Northwest School Division No. 203
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Tuition and Related Fees Revenue	(Note 14)		
Operating Fees			
Tuition Fees			
Federal Government and First Nations	3,027,366	3,197,178	3,126,114
Total Tuition Fees	3,027,366	3,197,178	3,126,114
Transportation Fees	75,000	176,304	158,529
Total Operating Tuition and Related Fees	3,102,366	3,373,482	3,284,643
Total Tuition and Related Fees Revenue	3,102,366	3,373,482	3,284,643
School Generated Funds Revenue			
Curricular			
Student Fees	145,550	185,783	140,396
Total Curricular Fees	145,550	185,783	140,396
Non-Curricular Fees			
Fundraising	975,500	1,103,131	817,887
Grants and Partnerships	225,350	290,167	223,774
Students Fees	275,275	372,801	308,172
Other	92,865	258,628	47,211
Total Non-Curricular Fees	1,568,990	2,024,727	1,397,044
Total School Generated Funds Revenue	1,714,540	2,210,510	1,537,440
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	896,064	896,064	886,321
Other Ministry Grants	-	25,210	24,715
Other Provincial Grants	25,210	185,842	-
Federal Grants	211,000	-	181,030
Other Grants	200,000	200,000	200,000
Total Operating Grants	1,332,274	1,307,116	1,292,066
Fees and Other Revenue			
Other Revenue	-	400	400
Total Fees and Other Revenue	-	400	400
Total Complementary Services Revenue	1,332,274	1,307,516	1,292,466

Northwest School Division No. 203
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
External Services	(Note 14)		
Operating Grants			
Ministry of Education Grants			
Operating Grant	475,618	743,988	470,856
Other Ministry Grants	-	80,000	-
Other Grants	443,374	505,526	173,321
Total Operating Grants	918,992	1,329,514	644,177
Fees and Other Revenue			
Other Revenue	-	-	274,320
Total Fees and Other Revenue	-	-	274,320
Total External Services Revenue	918,992	1,329,514	918,497
Other Revenue			
Miscellaneous Revenue	35,000	363,362	104,898
Sales & Rentals	5,000	9,461	2,675
Investments	75,000	31,576	43,526
Gain on Disposal of Capital Assets	-	70,478	39,795
Treaty Land Entitlement / Rural	-	-	149,223
Total Other Revenue	115,000	474,877	340,117
TOTAL REVENUE FOR THE YEAR	64,260,964	64,968,227	63,172,067

Northwest School Division No. 203
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Governance Expense	(Note 14)		
Board Members Expense	140,100	123,421	105,692
Professional Development - Board Members	27,500	25,171	19,153
Grants to School Community Councils	46,161	46,456	29,915
Elections	1,000	-	-
Other Governance Expenses	94,500	93,627	82,829
Total Governance Expense	309,261	288,675	237,589
Administration Expense			
Salaries	2,430,320	2,199,759	2,249,686
Benefits	280,233	261,858	264,337
Supplies & Services	135,300	336,173	260,057
Non-Capital Furniture & Equipment	9,000	12,676	34,357
Building Operating Expenses	35,100	49,441	69,940
Communications	40,000	56,195	30,263
Travel	60,000	84,677	47,337
Professional Development	50,000	50,075	19,389
Amortization of Tangible Capital Assets	159,509	258,113	109,180
Total Administration Expense	3,199,462	3,308,967	3,084,546
Instruction Expense			
Instructional (Teacher Contract) Salaries	29,539,391	29,906,212	29,993,065
Instructional (Teacher Contract) Benefits	1,605,608	1,732,209	1,667,966
Program Support (Non-Teacher Contract) Salaries	6,971,652	6,978,044	6,491,242
Program Support (Non-Teacher Contract) Benefits	1,298,444	1,371,709	1,221,448
Instructional Aids	952,000	1,325,621	1,406,210
Supplies & Services	508,000	798,280	872,378
Non-Capital Furniture & Equipment	240,000	259,639	340,966
Communications	138,000	105,148	77,941
Travel	190,000	247,527	240,123
Professional Development	361,000	286,338	151,590
Student Related Expense	211,000	252,298	173,010
Amortization of Tangible Capital Assets	2,002,640	1,596,461	1,771,788
Total Instruction Expense	44,017,735	44,859,486	44,407,727

Northwest School Division No. 203
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense	(Note 14)		
Salaries	2,291,207	2,270,754	2,398,834
Benefits	577,109	659,145	682,830
Supplies & Services	38,300	51,029	198,971
Non-Capital Furniture & Equipment	111,500	35,669	43,843
Building Operating Expenses	6,387,000	6,470,468	6,974,506
Communications	9,500	18,935	29,547
Travel	115,000	164,480	142,119
Professional Development	15,000	13,948	2,163
Amortization of Tangible Capital Assets	2,036,366	1,995,748	2,022,671
Amortization of Tangible Capital Assets ARO	-	18,638	18,638
Total Plant Operation & Maintenance Expense	11,580,982	11,698,814	12,514,122
Student Transportation Expense			
Salaries	2,781,885	2,917,253	2,784,910
Benefits	536,913	561,240	532,422
Supplies & Services	1,010,400	1,309,406	1,200,542
Non-Capital Furniture & Equipment	522,000	569,009	708,931
Building Operating Expenses	35,600	139,593	41,131
Communications	32,000	34,463	35,057
Travel	42,000	32,343	30,582
Professional Development	20,000	8,140	15,711
Contracted Transportation	100,000	48,380	50,715
Amortization of Tangible Capital Assets	1,041,640	802,337	887,378
Total Student Transportation Expense	6,122,438	6,422,164	6,287,379
Tuition and Related Fees Expense			
Tuition Fees	854,616	706,514	729,855
Total Tuition and Related Fees Expense	854,616	706,514	729,855
School Generated Funds Expense			
Academic Supplies & Services	101,121	135,665	137,742
Cost of Sales	755,280	937,731	725,059
Non-Capital Furniture & Equipment	58,577	25,251	10,537
School Fund Expenses	799,562	919,934	551,114
Total School Generated Funds Expense	1,714,540	2,018,581	1,424,452

Northwest School Division No. 203
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Complementary Services Expense	(Note 14)		
Instructional (Teacher Contract) Salaries & Benefits	642,932	569,478	595,571
Program Support (Non-Teacher Contract) Salaries & Benefits	756,301	643,849	612,804
Transportation Salaries & Benefits	114,848	106,825	124,017
Instructional Aids	110,000	142,597	207,884
Supplies & Services	28,500	25,640	12,698
Non-Capital Furniture & Equipment	5,000	35,075	4,919
Building Operating Expenses	20,000	44,368	30,341
Communications	3,000	2,332	3,478
Travel	12,000	4,702	3,756
Professional Development (Non-Salary Costs)	8,000	13,193	1,599
Student Related Expenses	53,000	74,894	24,343
Contracted Transportation & Allowances	-	1,382	-
Amortization of Tangible Capital Assets	22,780	19,084	22,272
Total Complementary Services Expense	1,776,361	1,683,419	1,643,682
External Service Expense			
Instructional (Teacher Contract) Salaries & Benefits	-	182,000	237,000
Program Support (Non-Teacher Contract) Salaries & Benefits	-	80,214	40,968
Transportation Salaries & Benefits	280,786	302,098	248,420
Instructional Aids	-	132	22
Supplies & Services	254,000	355,686	308,048
Non-Capital Furniture & Equipment	40,000	73,301	61,161
Building Operating Expenses	-	3,190	2,473
Communications	3,500	3,109	2,903
Travel	-	2,786	308
Professional Development (Non-Salary Costs)	2,000	13,514	13,873
Student Related Expenses	-	2,871	3,698
Contracted Transportation & Allowances	-	8,233	14,268
Amortization of Tangible Capital Assets	65,332	58,742	65,332
Total External Services Expense	645,618	1,085,876	998,474

Northwest School Division No. 203
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Other Expense	(Note 14)		
Interest and Bank Charges			
Current Interest and Bank Charges	1,000	186,930	45,452
Interest on Debentures	-	-	-
Interest on Capital Loans	54,316	54,286	58,052
Total Interest and Bank Charges	55,316	241,216	103,504
Loss on Disposal of Tangible Capital Assets	-	532	166,703
Total Other Expense	55,316	241,748	270,207
TOTAL EXPENSES FOR THE YEAR	70,276,329	72,314,244	71,598,033

Northwest School Division No. 203
**Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2023**

	Land		Buildings		Buildings	School	Other	Furniture and	Computer Hardware and	Computer		
	Land	Improvements	Buildings	Short-Term	ARO	Buses	Vehicles	Equipment	Audio Visual Equipment	Software	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets - at Cost												
Opening Balance as of September 1	1,280,532	2,675,455	93,896,852	2,529,985	1,350,681	14,283,306	1,882,733	4,826,579	5,958,242	1,307,572	129,991,937	130,138,000
Additions/Purchases	-	34,178	-	-	-	-	46,283	347,653	-	252,815	680,929	1,012,066
Disposals	(3,032)	-	-	-	-	(701,679)	-	-	(247,715)	-	(952,426)	(1,158,129)
Closing Balance as of August 31	1,277,500	2,709,633	93,896,852	2,529,985	1,350,681	13,581,627	1,929,016	5,174,232	5,710,527	1,560,387	129,720,440	129,991,937
Tangible Capital Assets - Amortization												
Opening Balance as of September 1	-	1,784,203	54,686,634	811,996	852,082	9,198,835	1,549,274	3,157,933	3,607,594	946,915	76,595,466	72,689,633
Amortization of the Period	-	78,837	1,812,016	107,623	18,638	839,623	156,672	442,315	1,067,956	225,441	4,749,121	4,897,259
Disposals	-	-	-	-	-	(701,679)	-	-	(247,714)	-	(949,393)	(991,426)
Closing Balance as of August 31	N/A	1,863,040	56,498,650	919,619	870,720	9,336,779	1,705,946	3,600,248	4,427,836	1,172,356	80,395,194	76,595,466
Net Book Value												
Opening Balance as of September 1	1,280,532	891,252	39,210,218	1,717,989	498,599	5,084,471	333,459	1,668,646	2,350,648	360,657	53,396,471	57,448,367
Closing Balance as of August 31	1,277,500	846,593	37,398,202	1,610,366	479,961	4,244,848	223,070	1,573,984	1,282,691	388,031	49,325,246	53,396,471
Change in Net Book Value	(3,032)	(44,659)	(1,812,016)	(107,623)	(18,638)	(839,623)	(110,389)	(94,662)	(1,067,957)	27,374	(4,071,225)	(4,051,896)
Disposals												
Historical Cost	3,032	-	-	-	-	701,679	-	-	247,715	-	952,426	1,158,129
Accumulated Amortization	-	-	-	-	-	701,679	-	-	247,714	-	949,393	991,426
Net Cost	3,032	-	-	-	-	-	-	-	1	-	3,033	166,703
Price of Sale	2,500	-	-	-	-	20,478	-	-	50,000	-	72,978	39,795
Gain (Loss) on Disposal	(532)	-	-	-	-	20,478	-	-	49,999	-	69,945	(126,908)

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Closing costs of leased tangible capital assets of \$1,239,055 (2022 - \$1,239,055) representing Computer Hardware and Audio Visual Equipment are included within the above amounts. Accumulated amortization of \$743,433 (2022 - \$495,622) has been recorded on these assets.

Buildings with a net book value of \$3,875,343 (2022 - \$3,875,343) include an asset retirement obligation for the removal and disposal of asbestos. (Note 8)

Northwest School Division No. 203
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2023

	2023	2022
	\$	\$
Non-Cash Items Included in Deficit		
Amortization of Tangible Capital Assets (Schedule C)	4,749,121	4,897,259
Net (Gain) Loss on Disposal of Tangible Capital Assets (Schedule C)	(69,945)	126,908
Total Non-Cash Items Included in Deficit	4,679,176	5,024,167

Northwest School Division No. 203
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2023

	2023	2022
	\$	\$
Net Change in Non-Cash Operating Activities		
(Increase) Decrease in Accounts Receivable	(152,266)	805,745
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(577,204)	1,136,036
Increase in Liability for Employee Future Benefits	75,898	27,402
Increase in Deferred Revenue	50,232	18,482
(Increase) Decrease in Inventory of Supplies Held for Consumption	(39,630)	6,421
Decrease (Increase) in Prepaid Expenses	291	(166,676)
Total Net Change in Non-Cash Operating Activities	(642,679)	1,827,410

Northwest School Division No. 203

Schedule F: Detail of Designated Assets
for the year ended August 31, 2023

	August 31 2022	Additions during the year	Reductions during the year	August 31 2023
	\$	\$	\$	\$ (Note 13)
External Sources				
Contractual Agreements				
Michif - Language	94,540	200,000	123,864	170,676
MLTC - Aboriginal Resources	4,670	-	-	4,670
Total Contractual Agreements	99,210	200,000	123,864	175,346
Jointly Administered Funds				
School generated funds	962,315	127,191	-	1,089,506
Total Jointly Administered Funds	962,315	127,191	-	1,089,506
Ministry of Education				
PMR maintenance project allocations	2,648,488	1,519,283	1,963,892	2,203,879
Mental Health First Aid Training	-	21,000	13,044	7,956
Total Ministry of Education	2,648,488	1,540,283	1,976,936	2,211,835
Total Designated Assets	3,710,013	1,867,474	2,100,800	3,476,687

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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 Northwest School Division No. 203” and operates as “the Northwest School Division No. 203”. 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

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

a) Basis of Accounting

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).

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 \$ 1,086,100 (2022 - \$ 1,010,202) because actual experience may differ significantly from actuarial estimations.
- useful lives of capital assets and related accumulated amortization of \$ 80,395,194 (2022 - \$ 76,595,466) because the actual useful lives of the capital assets may differ from their estimated economic lives.
- Estimated undiscounted asset retirement obligation of \$1,350,681 (2022 - \$1,350,681) because actual expenses may differ significantly from valuation estimates.

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.

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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 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.

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 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 Guaranteed Investment Certificates and Co-op equity accounts. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (c).

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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	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

*Buildings that include asbestos and are fully and/or nearly fully amortized have had their useful life reassessed and increased by 15-35 years.

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

Inventory of Supplies Held 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. Supplies held for consumption are facility supplies, transportation supplies as well as IT supplies.

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 and software licenses.

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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.

Asset Retirement Obligation (ARO) consists of buildings that contain asbestos. The school division recognizes the fair value of an ARO in the period in which it incurs a legal obligation associated with the retirement of a tangible capital asset. The estimated fair value of an ARO is capitalized as part of the related tangible capital asset and depreciated on the same basis as the underlying asset.

Long-Term Debt is comprised of capital loans 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.

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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 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 that meet the definition of a liability 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.

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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:

	2023	2022
Portfolio investments in the cost or amortized cost category:	Cost	Cost
GICs - A Craig - RBC 5 in 1 GIC - composed of 5 GICs with interest rates varying from 1.50 - 2.20%, maturities varying from February 2021 - 2025	\$ 85,250	\$ 85,250
Co-op Equity	108,920	107,046
Total portfolio investments reported at cost or amortized cost	194,170	192,296

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2023 Actual	2022 Actual
Governance	\$ 88,079	\$ 200,596	\$ -	\$ -	\$ 288,675	\$ 237,589
Administration	2,461,617	589,237	-	258,113	3,308,967	3,084,546
Instruction	39,988,174	3,274,851	-	1,596,461	44,859,486	44,407,727
Plant Operation & Maintenance	2,929,899	6,754,529	-	2,014,386	11,698,814	12,514,123
Student Transportation	3,478,493	2,141,334	-	802,337	6,422,164	6,287,379
Tuition and Related Fees	-	706,514	-	-	706,514	729,855
School Generated Funds	-	2,018,581	-	-	2,018,581	1,424,452
Complementary Services	1,320,152	344,183	-	19,084	1,683,419	1,643,682
External Services	564,312	462,822	-	58,742	1,085,876	998,474
Other	-	532	241,216	-	241,748	270,207
TOTAL	\$50,830,726	\$16,493,179	\$ 241,216	\$ 4,749,123	\$ 72,314,244	\$ 71,598,034

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 and retirement gratuity. 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, 2021 and

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2023.

Details of the employee future benefits are as follows:

	2023	2022
Long-term assumptions used:		
Discount rate at end of period (per annum)	4.40%	4.01%
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)	13	14

Liability for Employee Future Benefits	2023	2022
Accrued Benefit Obligation - beginning of year	\$ 931,000	\$ 968,800
Current period service cost	66,000	80,700
Interest cost	38,500	19,900
Benefit payments	(41,300)	(89,400)
Actuarial (gains)	(62,900)	(49,000)
Plan amendments	600	-
Accrued Benefit Obligation - end of year	931,900	931,000
Unamortized net actuarial gains	154,200	79,200
Liability for Employee Future Benefits	\$ 1,086,100	\$ 1,010,200

Employee Future Benefits Expense	2023	2022
Current period service cost	\$ 66,000	\$ 80,700
Amortization of net actuarial loss	12,700	16,200
Benefit cost	78,700	96,900
Interest cost	38,500	19,900
Total Employee Future Benefits Expense	\$ 117,200	\$ 116,800

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)**

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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

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

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

	2023			2022
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	422	3	425	426
Member contribution rate (percentage of salary)	9.5% / 11.7%	6.05% / 7.85%	6.05% / 11.70%	6.05% / 11.70%
Member contributions for the year	\$ 3,047,491	\$ 7,639	\$ 3,055,130	\$ 3,110,630

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.

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

Details of the MEPP are as follows:

	2023	2022
Number of active School Division members	460	421
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	\$ 1,203,680	\$ 1,157,710
School Division contributions for the year	\$ 1,203,680	\$ 1,157,710
Actuarial extrapolation date	Dec-31-2022	Dec-31-2021
Plan Assets (in thousands)	\$ 3,275,495	\$ 3,568,400
Plan Liabilities (in thousands)	\$ 2,254,194	\$ 2,424,014
Plan Surplus (in thousands)	\$ 1,021,301	\$ 1,144,386

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:

	2023			2022		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
First Nation Tuition Receivable	\$1,790,605	\$ -	\$ 1,790,605	\$ 1,624,314	\$ -	\$ 1,624,314
Other Receivables	294,319	-	294,319	308,344	-	308,344
Total Accounts Receivable	\$2,084,924	\$ -	\$ 2,084,924	\$ 1,932,658	\$ -	\$ 1,932,658

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2023	2022
Accrued Salaries and Benefits	\$ 82,522	\$ 84,376
Supplier Payments	1,675,796	2,246,746
Liability for Asset Retirement Obligation	1,350,681	1,350,681
Accrued Audit Fees	27,229	31,629
Total Accounts Payable and Accrued Liabilities	\$ 3,136,228	\$ 3,713,432

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

9. LONG-TERM DEBT

Details of long-term debt are as follows:

		2023	2022
Capital Loan:	Innovation Credit Union		
	Date of Maturity: July 31, 2024	\$ 1,437,692	\$ 1,544,186
	Interest Rate: 3.63%		
	Term: 120 Months		
	Repayable in Monthly Blended Payments of \$13,398		
		1,437,692	1,544,186
<u>Other Long-Term Debt:</u>			
Capital Leases:	Dell Financial Services		
	Canada Corporation	54,590	109,180
	Date of Maturity: Jun 1, 2024		
	Rate Factor: 26.421%		
	Term: 4 Installments/years		
	Repayable in Annual Payments of \$54,590		
	Dell Financial Services		
	Canada Corporation	101,975	203,951
	Date of Maturity: Sep 1, 2024		
	Rate Factor: 26.421%		
	Term: 4 Installments/years		
	Repayable in Annual Payments of \$101,975		
	CISCO Systems Capital Co.	336,687	505,029
	Date of Maturity: Sep 1, 2025		
	Rate Factor: 26.421%		
	Term: 4 Installments/years		
	Repayable in Annual Payments of \$168,343.04		
		493,252	818,160
Total Long-Term Debt		\$ 1,930,944	\$ 2,362,346

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

Future principal and interest repayments over the next 5 years are estimated as follows:				
	Capital Leases	Capital Loan	Total	
2024	\$ 361,214	160,780	\$	521,994
2025	168,344	160,780		329,124
2026	-	160,780		160,780
2027	-	160,780		160,780
2028	-	160,780		160,780
Thereafter	-	937,240		937,240
Total	\$ 529,558	\$ 1,741,140	\$	2,270,698
Less: Interest and executory cost	36,306	303,448		339,754
Total future principal repayments	\$ 493,252	\$ 1,437,692	\$	1,930,944

Principal and interest payments on the long-term debt are as follows:					
	Capital Leases	Capital Loan	2023	2022	
Principal	\$ 324,908	\$ 106,494	\$ 431,402	\$	427,637
Interest	36,306	54,286	90,592		94,358
Total	\$ 361,214	\$ 160,780	\$ 521,994	\$	521,995

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at August 31, 2022	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2023
Capital projects:				
Hillmond Soil Remediation Capital Loan Revenue	\$ 4,609	\$ -	\$ -	\$ 4,609
Total capital projects deferred revenue	4,609	-	-	4,609
Non-Capital deferred revenue:				
Scholarships	197,100	15,427	24,710	187,817
Jordan's Principle	-	58,800	-	58,800
Playground Fundraising	73,430	930	215	74,145
Total non-capital deferred revenue	270,530	75,157	24,925	320,762
Total Deferred Revenue	\$ 275,139	\$ 75,157	\$ 24,925	\$ 325,371

Hillmond Soil Remediation Capital Loan – Ministry prepayment
Jordan's Principle – Mental Health Therapy Sep/23-Mar/24

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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	2023	2022
Revenues:				
Operating Grants	\$ 896,064	\$ 411,052	\$ 1,307,116	\$ 1,292,066
Fees and Other Revenues	-	400	400	400
Total Revenues	896,064	411,452	1,307,516	1,292,466
Expenses:				
Salaries & Benefits	631,461	688,691	1,320,152	1,332,392
Instructional Aids	32,953	109,644	142,597	207,884
Supplies and Services	25,490	150	25,640	12,698
Non-Capital Equipment	33,277	1,798	35,075	4,919
Building Operating Expenses	-	44,368	44,368	30,341
Communications	1,532	800	2,332	3,478
Travel	393	4,309	4,702	3,756
Professional Development (Non-Salary Costs)	2,405	10,788	13,193	1,599
Student Related Expenses	5,833	69,061	74,894	24,343
Contracted Transportation & Allowances	1,297	85	1,382	-
Amortization of Tangible Capital Assets	-	19,084	19,084	22,272
Total Expenses	734,641	948,778	1,683,419	1,643,682
Excess (Deficiency) of Revenues over Expenses	\$ 161,423	\$ (537,326)	\$ (375,903)	\$ (351,216)

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.

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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	Following Their Voices	Other Programs	2023	2022
Revenues:				
Operating Grants	\$ 299,300	\$ 1,030,214	\$ 1,329,514	\$ 644,177
Fees and Other Revenues	-	-	-	274,320
Total Revenues	299,300	1,030,214	1,329,514	918,497
Expenses:				
Salaries & Benefits	196,913	367,399	564,312	526,388
Instructional Aids	132	-	132	22
Supplies and Services	-	355,686	355,686	308,048
Non-Capital Equipment	-	73,301	73,301	61,161
Building Operating Expenses	-	3,190	3,190	2,473
Communications	-	3,109	3,109	2,903
Travel	2,788	(2)	2,786	308
Professional Development	13,514	-	13,514	13,873
Student Related Expenses	2,871	-	2,871	3,698
Contracted Transportation & Allowances	-	8,233	8,233	14,268
Amortization of Tangible Capital Assets	-	58,742	58,742	65,332
Total Expenses	216,218	869,658	1,085,876	998,474
Excess (Deficiency) of Revenues over Expenses	\$ 83,082	\$ 160,556	\$ 243,638	\$ (79,977)

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 and 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.

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

Details of accumulated surplus are as follows:

	August 31, 2022	Additions during the year	Reductions during the year	August 31, 2023
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 53,396,471	\$ 680,929	\$ 4,752,154	\$ 49,325,246
Less: Liability for Asset Retirement Obligation	(1,350,681)	-	-	(1,350,681)
Less: Debt owing on Tangible Capital Assets	(2,362,346)	-	(431,402)	(1,930,944)
	<u>49,683,444</u>	<u>680,929</u>	<u>4,320,752</u>	<u>46,043,621</u>
 Designated Assets (Schedule F)	 3,710,013	 1,867,474	 2,100,800	 3,476,687
Unrestricted (Deficit) Surplus	(464,277)	-	3,472,868	(3,937,145)
Total Accumulated Surplus	\$ 52,929,180	\$ 2,548,403	\$ 9,894,420	\$ 45,583,163

14. BUDGET FIGURES

The budget was approved by the board of education on September 8, 2022, and the Minister of Education on October 27, 2022. Subsequently, certain line items in the budget were reclassified, although the total revenue and total expenses are unchanged. Per the Ministry of Education's directive, grants and expenses for the Drivers Education Program were reclassified from Instruction to External Services and revenue related to Treaty Land Entitlement was reclassified from Property Tax Revenue to Other Revenue.

15. CONTRACTUAL OBLIGATIONS

Operating lease obligations of the school division are as follows:

	Operating Leases		
	Gymnasium/ Parking Rental	Shop Rental	Total Operating
Future minimum lease payments:			
2024	\$ 30,029	\$ 26,761	\$ 56,790
2025	30,029	-	30,029
2026	30,029	-	30,029
2027	30,029	-	30,029
2028	30,029	-	30,029
Thereafter	30,029	-	30,029
Total Lease Obligations	\$ 180,174	\$ 26,761	\$ 206,935

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

Included in the table above is an obligation for an agreement for a shop rental for Transition school that expires August 31, 2023, this agreement is renewed on an annual basis.

16. COMPARATIVE INFORMATION

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

17. 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 the analysis of the financial position of its customers and the regular review of their credit limits in order to reduce its credit risk, as well as close monitoring of overdue accounts.

The school division does have a significant exposure to any individual customer to the collection of outstanding tuition fees. 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, 2023, was:

	August 31, 2023				
	Total	0-30 days	30-60 days	60-90 days	Over 90 days
First Nation Tuition Receivables	\$ 1,790,605	\$ -	\$ (4,287)	\$ -	\$ 1,794,892
Other Receivables	104,896	86,488	-	-	18,408
Net Receivables	\$ 1,895,501	\$ 86,488	\$ (4,287)	\$ -	\$ 1,813,300

Receivable amounts related to GST and PST 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 forecasting.

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2023

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

	August 31, 2023				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 3,136,228	\$ 1,785,547	\$ -	\$ -	\$ 1,350,681
Long-term debt	1,930,944	217,642	217,642	652,291	843,369
Total	\$ 5,067,172	\$ 2,003,189	\$ 217,642	\$ 652,291	\$ 2,194,050

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 \$ 6,500,000 with interest payable monthly at a rate of prime less 0.75% per annum. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2023.

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