
Audited Financial Statements

Of the Northwest School Division No. 203

School Division No. 2030500

For the Period Ending: August 31, 2021

CMcCloud

Chief Financial Officer

Grant Thornton LLP

Auditor

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

Saskatchewan 

Management's Responsibility for the Financial Statements

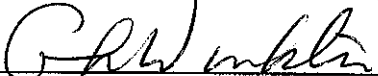
The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily 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 25th, 2021

Independent auditor's report

To the Directors of Northwest School Division # 203:

Grant Thornton LLP
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130 Robin Crescent
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Opinion

We have audited the financial statements of Northwest School Division #203 ("the School Division"), which comprise the statement of financial position as at August 31, 2021, 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 #203 present fairly, in all material respects, the financial position of the School Division as at August 31, 2021 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 Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

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.

Saskatoon, Canada
November 25, 2021

The logo for Grant Thornton LLP, featuring the company name in a cursive script.

Chartered Professional Accountants

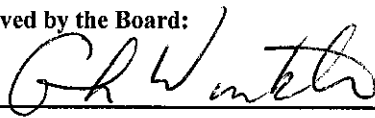
Northwest School Division No. 203
Statement of Financial Position
as at August 31, 2021

	2021	2020
	\$	\$
Financial Assets		
Cash and Cash Equivalents	6,854,895	6,952,535
Accounts Receivable (Note 7)	2,738,403	3,121,451
Portfolio Investments (Note 3)	183,729	182,361
Total Financial Assets	9,777,027	10,256,347
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	1,226,714	1,005,500
Long-Term Debt (Note 9)	2,789,983	2,481,005
Liability for Employee Future Benefits (Note 5)	982,800	950,900
Deferred Revenue (Note 10)	256,657	926,942
Total Liabilities	5,256,154	5,364,347
Net Financial Assets	4,520,873	4,892,000
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	56,931,130	57,148,155
Inventory of Supplies Held for Consumption	498,114	528,544
Prepaid Expenses	238,474	242,418
Total Non-Financial Assets	57,667,718	57,919,117
Accumulated Surplus (Note 13)	62,188,591	62,811,117

Contractual Obligations and Commitments (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, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
REVENUES	(Note 14)		
Property Taxes and Other Related	-	1,541	1,394
Grants	54,765,482	60,107,627	55,262,062
Tuition and Related Fees	3,020,481	3,833,844	3,265,416
School Generated Funds	2,172,000	808,900	1,356,151
Complementary Services (Note 11)	1,093,093	1,071,436	1,025,042
External Services (Note 12)	452,740	598,490	532,973
Other	115,000	161,792	453,348
Total Revenues (Schedule A)	61,618,796	66,583,630	61,896,386
EXPENSES			
Governance	317,016	174,545	240,387
Administration	3,018,088	3,018,872	2,867,231
Instruction	41,638,655	43,355,323	40,978,395
Plant	10,346,745	11,293,404	9,605,052
Transportation	5,660,363	5,640,610	5,500,160
Tuition and Related Fees	618,293	574,334	547,189
School Generated Funds	2,172,000	777,876	1,219,371
Complementary Services (Note 11)	1,747,590	1,627,733	1,594,715
External Services (Note 12)	452,740	608,544	511,892
Other	62,761	134,915	67,542
Total Expenses (Schedule B)	66,034,251	67,206,156	63,131,934
Operating Deficit for the Year	(4,415,455)	(622,526)	(1,235,548)
Accumulated Surplus from Operations, Beginning of Year	62,811,117	62,811,117	64,046,665
Accumulated Surplus from Operations, End of Year	58,395,662	62,188,591	62,811,117

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

Northwest School Division No. 203
Statement of Changes in Net Financial Assets
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
	(Note 14)		
Net Financial Assets, Beginning of Year	4,892,000	4,892,000	4,551,431
Changes During the Year			
Operating Deficit for the Year	(4,415,455)	(622,526)	(1,235,548)
Acquisition of Tangible Capital Assets (Schedule C)	2,014,500	(4,758,163)	(2,893,969)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	4,200	19,350
Net Loss (Gain) on Disposal of Capital Assets (Schedule C)	-	34,821	(19,350)
Amortization of Tangible Capital Assets (Schedule C)	4,897,462	4,936,167	4,455,828
Net Acquisition of Inventory of Supplies	-	30,430	(34,655)
Net Change in Other Non-Financial Assets	-	3,944	48,913
Change in Net Financial Assets	2,496,507	(371,127)	340,569
Net Financial Assets, End of Year	7,388,507	4,520,873	4,892,000

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, 2021**

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Operating Deficit for the Year	(622,526)	(1,235,548)
Add Non-Cash Items Included in Deficit (Schedule D)	4,970,988	4,436,478
Net Change in Non-Cash Operating Activities (Schedule E)	251	(1,411,477)
Cash Provided by Operating Activities	4,348,713	1,789,453
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(4,758,163)	(2,893,969)
Proceeds on Disposal of Tangible Capital Assets	4,200	19,350
Cash (Used) by Capital Activities	(4,753,963)	(2,874,619)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(1,368)	(2,772)
Cash (Used) by Investing Activities	(1,368)	(2,772)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	1,242,545	267,213
Repayment of Long-Term Debt	(933,567)	(563,257)
Cash (Used) by Financing Activities	308,978	(296,044)
DECREASE IN CASH AND CASH EQUIVALENTS	(97,640)	(1,383,982)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,952,535	8,336,517
CASH AND CASH EQUIVALENTS, END OF YEAR	6,854,895	6,952,535

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, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Property Taxes and Other Related Revenue			
Other Tax Revenues			
Treaty Land Entitlement - Rural	-	1,541	1,394
Total Other Tax Revenues	-	1,541	1,394
Total Property Taxes and Other Related Revenue	-	1,541	1,394
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	53,154,140	53,304,634	51,686,354
Other Ministry Grants	1,396,342	1,934,473	3,325,325
Total Ministry Grants	54,550,482	55,239,107	55,011,679
Other Provincial Grants	40,000	4,667,699	87,240
Grants from Others	175,000	200,821	163,143
Total Operating Grants	54,765,482	60,107,627	55,262,062
Total Grants	54,765,482	60,107,627	55,262,062

Northwest School Division No. 203
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
Federal Government and First Nations	2,945,481	3,047,922	3,178,810
Total Tuition Fees	2,945,481	3,047,922	3,178,810
Transportation Fees	75,000	123,284	86,606
Total Operating Tuition and Related Fees	3,020,481	3,171,206	3,265,416
Capital Fees			
Federal/First Nations Capital Fees	-	662,638	-
Total Capital Tuition and Fees	-	662,638	-
Total Tuition and Related Fees Revenue	3,020,481	3,833,844	3,265,416
School Generated Funds Revenue			
Curricular			
Student Fees	160,000	95,588	152,996
Total Curricular Fees	160,000	95,588	152,996
Non-Curricular Fees			
Fundraising	1,058,000	452,625	649,283
Grants and Partnerships	249,000	155,142	189,590
Students Fees	558,000	58,058	267,470
Other	147,000	47,487	96,812
Total Non-Curricular Fees	2,012,000	713,312	1,203,155
Total School Generated Funds Revenue	2,172,000	808,900	1,356,151
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	856,093	856,093	851,607
Other Ministry Grants	-	-	400
Other Provincial Grants	26,000	24,332	23,727
Federal Grants	211,000	190,611	149,308
Total Operating Grants	1,093,093	1,071,036	1,025,042
Fees and Other Revenue			
Other Revenue	-	400	-
Total Fees and Other Revenue	-	400	-
Total Complementary Services Revenue	1,093,093	1,071,436	1,025,042

Northwest School Division No. 203
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
External Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	452,740	452,736	424,440
Total Operating Grants	452,740	452,736	424,440
Fees and Other Revenue			
Other Revenue	-	145,754	108,533
Total Fees and Other Revenue	-	145,754	108,533
Total External Services Revenue	452,740	598,490	532,973
Other Revenue			
Miscellaneous Revenue	35,000	113,694	325,680
Sales & Rentals	5,000	2,720	10,326
Investments	75,000	45,378	97,992
Gain on Disposal of Capital Assets	-	-	19,350
Total Other Revenue	115,000	161,792	453,348
TOTAL REVENUE FOR THE YEAR	61,618,796	66,583,630	61,896,386

Northwest School Division No. 203
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	137,200	85,766	108,066
Professional Development - Board Members	27,500	2,560	13,313
Grants to School Community Councils	45,816	-	34,797
Elections	10,000	1,740	500
Other Governance Expenses	96,500	84,479	83,711
Total Governance Expense	317,016	174,545	240,387
Administration Expense			
Salaries	2,288,410	2,302,437	2,177,197
Benefits	256,840	259,091	243,264
Supplies & Services	139,800	181,396	138,832
Non-Capital Furniture & Equipment	9,000	34,358	9,231
Building Operating Expenses	35,100	60,144	57,830
Communications	25,000	27,939	30,501
Travel	60,000	21,655	52,317
Professional Development	50,000	10,743	35,535
Amortization of Tangible Capital Assets	153,938	121,109	122,524
Total Administration Expense	3,018,088	3,018,872	2,867,231
Instruction Expense			
Instructional (Teacher Contract) Salaries	28,739,350	29,308,497	28,576,182
Instructional (Teacher Contract) Benefits	1,430,345	1,569,330	1,481,024
Program Support (Non-Teacher Contract) Salaries	6,062,319	6,045,359	5,887,104
Program Support (Non-Teacher Contract) Benefits	1,131,420	1,138,359	1,121,801
Instructional Aids	952,000	1,353,401	809,148
Supplies & Services	678,000	992,583	963,469
Non-Capital Furniture & Equipment	240,000	808,346	230,695
Communications	78,000	68,632	75,499
Travel	190,000	160,166	144,571
Professional Development	361,000	99,692	185,697
Student Related Expense	211,000	12,018	139,300
Amortization of Tangible Capital Assets	1,565,221	1,798,940	1,363,905
Total Instruction Expense	41,638,655	43,355,323	40,978,395

Northwest School Division No. 203
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	2,196,982	2,349,493	2,159,263
Benefits	564,589	598,276	568,353
Supplies & Services	38,300	23,981	33,332
Non-Capital Furniture & Equipment	36,500	104,291	40,153
Building Operating Expenses	5,352,000	6,007,122	4,631,360
Communications	10,600	11,178	12,113
Travel	115,000	158,452	143,474
Professional Development	15,000	4,245	14,358
Amortization of Tangible Capital Assets	2,017,774	2,036,366	2,002,646
Total Plant Operation & Maintenance Expense	10,346,745	11,293,404	9,605,052
Student Transportation Expense			
Salaries	2,624,129	2,650,889	2,677,666
Benefits	505,159	498,611	512,322
Supplies & Services	814,000	925,626	699,209
Non-Capital Furniture & Equipment	422,000	518,673	561,068
Building Operating Expenses	35,600	37,342	32,144
Communications	32,000	34,327	33,822
Travel	42,000	17,286	25,408
Professional Development	20,000	-	2,648
Contracted Transportation	100,000	66,216	83,663
Amortization of Tangible Capital Assets	1,065,475	891,640	872,210
Total Student Transportation Expense	5,660,363	5,640,610	5,500,160
Tuition and Related Fees Expense			
Tuition Fees	618,293	574,334	547,189
Total Tuition and Related Fees Expense	618,293	574,334	547,189
School Generated Funds Expense			
Academic Supplies & Services	147,000	83,928	103,422
Cost of Sales	921,000	401,698	556,356
Non-Capital Furniture & Equipment	39,000	8,827	1,897
School Fund Expenses	1,065,000	283,423	557,696
Total School Generated Funds Expense	2,172,000	777,876	1,219,371

Northwest School Division No. 203
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	605,578	616,671	569,943
Program Support (Non-Teacher Contract) Salaries & Benefits	755,407	648,506	706,947
Transportation Salaries & Benefits	124,814	121,982	122,727
Instructional Aids	110,000	129,934	64,303
Supplies & Services	27,500	16,756	18,518
Non-Capital Furniture & Equipment	5,000	14,350	10,962
Building Operating Expenses	20,000	27,907	25,969
Communications	3,000	3,661	3,327
Travel	12,000	3,870	7,171
Professional Development (Non-Salary Costs)	8,000	12,960	3,298
Student Related Expenses	53,000	8,356	38,770
Amortization of Tangible Capital Assets	23,291	22,780	22,780
Total Complementary Services Expense	1,747,590	1,627,733	1,594,715
External Service Expense			
Administration Salaries & Benefits	-	-	33,332
Instructional (Teacher Contract) Salaries & Benefits	-	126,000	66,668
Transportation Salaries & Benefits	253,477	242,371	220,033
Instructional Aids	-	5,688	554
Supplies & Services	82,000	85,197	56,834
Non-Capital Furniture & Equipment	40,000	67,070	47,107
Building Operating Expenses	-	1,994	2,471
Communications	3,500	2,902	2,668
Travel	-	-	2,268
Professional Development (Non-Salary Costs)	2,000	524	6,341
Student Related Expenses	-	7,770	1,355
Contracted Transportation & Allowances	-	3,696	498
Amortization of Tangible Capital Assets	71,763	65,332	71,763
Total External Services Expense	452,740	608,544	511,892

Northwest School Division No. 203
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	1,000	38,393	1,448
Interest on Capital Loans	61,761	61,701	65,322
Total Interest and Bank Charges	62,761	100,094	66,770
Loss on Disposal of Tangible Capital Assets	-	34,821	-
Provision for Uncollectable Accounts	-	-	772
Total Other Expense	62,761	134,915	67,542
TOTAL EXPENSES FOR THE YEAR	66,034,251	67,206,156	63,131,934

Northwest School Division No. 203

**Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2021**

	Land		Buildings		School	Other	Furniture and	Computer Hardware and	Computer	Assets		
	Land	Improvements	Buildings	Short-Term	Buses	Vehicles	Equipment	Audio Visual Equipment	Software	Under Construction	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets - at Cost												
Opening Balance as of September 1	1,280,532	2,675,455	94,505,953	1,427,878	13,394,924	1,636,428	4,514,378	3,281,547	947,577	1,067,127	124,731,799	122,664,383
Additions/Purchases	-	-	-	88,780	945,771	215,278	198,750	3,049,109	159,873	100,602	4,758,163	2,893,969
Disposals	-	-	-	-	(300,009)	(30,220)	-	-	-	-	(330,229)	(826,553)
Write-Downs	-	-	-	-	-	-	-	(372,414)	-	-	(372,414)	-
Transfers to (from)	-	-	-	1,013,327	-	-	-	-	-	(1,013,327)	-	-
Closing Balance as of August 31	1,280,532	2,675,455	94,505,953	2,529,985	14,040,686	1,821,486	4,713,128	5,958,242	1,107,450	154,402	128,787,319	124,731,799
Tangible Capital Assets - Amortization												
Opening Balance as of September 1	-	1,624,653	51,492,731	595,096	8,066,786	1,307,387	2,291,189	1,694,724	511,078	-	67,583,644	63,954,369
Amortization of the Period	-	80,493	1,840,592	108,722	936,100	166,222	435,921	1,166,876	201,241	-	4,936,167	4,455,828
Disposals	-	-	-	-	(260,988)	(30,220)	-	-	-	-	(291,208)	(826,553)
Write-Downs	-	-	-	-	-	-	-	(372,414)	-	-	(372,414)	-
Closing Balance as of August 31	N/A	1,705,146	53,333,323	703,818	8,741,898	1,443,389	2,727,110	2,489,186	712,319	N/A	71,856,189	67,583,644
Net Book Value												
Opening Balance as of September 1	1,280,532	1,050,802	43,013,222	832,782	5,328,138	329,041	2,223,189	1,586,823	436,499	1,067,127	57,148,155	58,710,014
Closing Balance as of August 31	1,280,532	970,309	41,172,630	1,826,167	5,298,788	378,097	1,986,018	3,469,056	395,131	154,402	56,931,130	57,148,155
Change in Net Book Value	-	(80,493)	(1,840,592)	993,385	(29,350)	49,056	(237,171)	1,882,233	(41,368)	(912,725)	(217,025)	(1,561,859)
Disposals												
Historical Cost	-	-	-	-	300,009	30,220	-	-	-	-	330,229	826,553
Accumulated Amortization	-	-	-	-	260,988	30,220	-	-	-	-	291,208	826,553
Net Cost	-	-	-	-	39,021	-	-	-	-	-	39,021	-
Price of Sale	-	-	-	-	1,100	3,100	-	-	-	-	4,200	19,350
Gain (Loss) on Disposal	-	-	-	-	(37,921)	3,100	-	-	-	-	(34,821)	19,350

Closing costs of leased tangible capital assets of \$1,239,055 (2020 - \$0) in Computer Hardware and Audio Visual Equipment is included within the above amounts. Accumulated amortization of \$247,811 (2020 - \$0) has been recorded on these assets.

Northwest School Division No. 203
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2021

	2021	2020
	\$	\$
Non-Cash Items Included in Surplus / Deficit		
Amortization of Tangible Capital Assets (Schedule C)	4,936,167	4,455,828
Net Loss (Gain) on Disposal of Tangible Capital Assets (Schedule C)	34,821	(19,350)
Total Non-Cash Items Included in Deficit	4,970,988	4,436,478

Northwest School Division No. 203
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2021

	2021	2020
	\$	\$
Net Change in Non-Cash Operating Activities		
Decrease (Increase) in Accounts Receivable	383,048	(823,168)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	221,214	(598,099)
Increase in Liability for Employee Future Benefits	31,900	49,600
(Decrease) in Deferred Revenue	(670,285)	(54,068)
Decrease (Increase) in Inventory of Supplies Held for Consumption	30,430	(34,655)
Decrease in Prepaid Expenses	3,944	48,913
Total Net Change in Non-Cash Operating Activities	251	(1,411,477)

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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

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

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

a) Basis of Accounting

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

b) Measurement Uncertainty and the Use of Estimates

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

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

- the liability for employee future benefits of \$ 982,800 (2020 - \$ 950,900) because actual experience may differ significantly from actuarial estimations.
- useful lives of capital assets and related accumulated amortization of \$ 71,856,189 (2020 - \$ 67,583,644) because the actual useful lives of the capital assets may differ from their estimated economic lives.

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

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

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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 any financial instruments that give rise to material gains or losses.

d) Financial Assets

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

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

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

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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).

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

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.

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, 2021

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.

Long-Term Debt is comprised of capital loans and capital leases 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*.

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

g) Employee Pension Plans

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

Multi-Employer Defined Benefit Plans

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

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

h) Revenue Recognition

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

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

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.

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:

	2021	2020
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	98,479	97,111
Total portfolio investments reported at cost or amortized cost	183,729	182,361

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2021 Actual	2020 Actual
Governance	\$ 85,766	\$ 88,779	\$ -	\$ -	\$ 174,545	\$ 240,387
Administration	2,561,528	336,235	-	121,109	3,018,872	2,867,231
Instruction	38,061,545	3,494,838	-	1,798,940	43,355,323	40,978,395
Plant	2,947,769	6,309,269	-	2,036,366	11,293,404	9,605,052
Transportation	3,149,500	1,599,470	-	891,640	5,640,610	5,500,160
Tuition and Related Fees	-	574,334	-	-	574,334	547,189
School Generated Funds	-	777,876	-	-	777,876	1,219,371
Complementary Services	1,387,159	217,794	-	22,780	1,627,733	1,594,715
External Services	368,371	174,841	-	65,332	608,544	511,892
Other	-	34,821	100,094	-	134,915	67,542
TOTAL	\$ 48,561,638	\$ 13,608,257	\$ 100,094	\$ 4,936,167	\$ 67,206,156	\$ 63,131,934

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 extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2021.

Details of the employee future benefits are as follows:

	2021	2020
Long-term assumptions used:		
Discount rate at end of period (per annum)	1.97%	1.54%
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

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

Liability for Employee Future Benefits	2021	2020
Accrued Benefit Obligation - beginning of year	\$ 1,221,100	\$ 1,106,500
Current period service cost	101,300	92,900
Interest cost	19,800	22,600
Benefit payments	(123,300)	(93,400)
Actuarial (gains) losses	(250,100)	92,500
Accrued Benefit Obligation - end of year	968,800	1,221,100
Unamortized net actuarial gains (losses)	14,000	(270,200)
Liability for Employee Future Benefits	\$ 982,800	\$ 950,900

Employee Future Benefits Expense	2021	2020
Current period service cost	\$ 101,300	\$ 92,900
Amortization of net actuarial loss	34,100	27,500
Benefit cost	135,400	120,400
Interest cost	19,800	22,600
Total Employee Future Benefits Expense	\$ 155,200	\$ 143,000

6. PENSION PLANS

Multi-Employer Defined Benefit Plans

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

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

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

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

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

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

	2021			2020
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	403	4	407	417
Member contribution rate (percentage of salary)	9% / 11.7%	6.05% / 7.85%	6.05% / 11.70%	6.05% / 11.70%
Member contributions for the year	\$ 3,077,261	\$ 10,102	\$ 3,087,363	\$ 2,992,865

ii) Municipal Employees' Pension Plan (MEPP)

The MEPP provides retirement benefits based on length of service and pensionable earnings. The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

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

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

Details of the MEPP are as follows:

	2021	2020
Number of active School Division members	409	415
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	\$ 1,114,672	\$ 1,104,591
School Division contributions for the year	\$ 1,114,672	\$ 1,104,591
Actuarial extrapolation date	Dec-31-2020	Dec-31-2019
Plan Assets (in thousands)	\$ 3,221,426	\$ 2,819,222
Plan Liabilities (in thousands)	\$ 2,382,526	\$ 2,160,754
Plan Surplus (in thousands)	\$ 838,900	\$ 658,468

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:

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

	2021			2020		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Provincial Grants Receivable	\$ 550,000	\$ -	\$ 550,000	\$ 1,270,056	\$ -	\$ 1,270,056
First Nation Tuition Receivable	1,851,065	-	1,851,065	1,656,529	-	1,656,529
Other Receivables	337,338	-	337,338	194,866	-	194,866
Total Accounts Receivable	\$ 2,738,403	\$ -	\$ 2,738,403	\$ 3,121,451	\$ -	\$ 3,121,451

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2021	2020
Accrued Salaries and Benefits	\$ 182,301	\$ 126,124
Supplier Payments	1,019,132	860,019
Accrued Audit Fees	25,281	19,357
Total Accounts Payable and Accrued Liabilities	\$ 1,226,714	\$ 1,005,500

9. LONG-TERM DEBT

Details of long-term debt are as follows:

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
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		2021	2020
Capital Loans:	Innovation Credit Union		
	Date of Maturity: July 31, 2024	\$ 1,646,914	\$ 1,745,993
	Interest Rate: 3.63% Term: 120 Months Repayable in Monthly Blended Payments of \$13,398		
	Dell Financial Services Canada	-	467,799
	Date of Maturity: June 30, 2021		
	Term: 36 Months Repayable in Annual Payments of \$467,799		
	IBM Global Financing		
	Canada Corporation	-	267,213
	Date of Maturity: Feb 28, 2025		
	Interest Rate: 5.00% Term: 60 Months Repayable in Annual Payments of \$66,803		
		1,646,914	2,481,005
<u>Other Long-Term Debt:</u>			
Capital Leases:	Dell Financial Services		
	Canada Corporation	163,770	-
	Date of Maturity: Jun 1, 2024		
	Rate Factor: 0.26421% Term: 4 Installments/years Repayable in Annual Payments of \$54,590		
	Dell Financial Services		
	Canada Corporation	305,927	-
	Date of Maturity: Sep 1, 2024		
	Rate Factor: 0.26421% Term: 4 Installments/years Repayable in Annual Payments of \$101,975		
	CISCO Systems Capital Co.	673,372	-
	Date of Maturity: Sep 1, 2025		
	Rate Factor: 0.26421% Term: 4 Installments/years Repayable in Annual Payments of \$168,343.04		
		1,143,069	-
Total Long-Term Debt		\$ 2,789,983	\$ 2,481,005

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2021

Future principal repayments over the next 5 years are estimated as follows:					
	Capital Leases		Capital Loans		Total
2022	\$	324,908	\$	102,703	\$ 427,611
2023		324,908		106,500	431,408
2024		324,908		110,375	435,283
2025		168,345		114,491	282,836
2026		-		118,717	118,717
Thereafter		-		1,094,128	1,094,128
Total	\$	1,143,069	\$	1,646,914	\$ 2,789,983

Principal and interest payments on the long-term debt are as follows:						
	Capital Leases		Capital Loans		2021	2020
Principal	\$	99,476	\$	834,091	\$ 933,567	\$ 563,257
Interest		-		61,701	61,701	65,322
Total	\$	99,476	\$	895,792	\$ 995,268	\$ 628,579

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at August 31, 2020	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2021
Capital projects:				
Federal capital tuition	\$ 662,638	\$ -	\$ 662,638	\$ -
Hillmond Soil Remediation Capital Loan Revenue	4,609	-	-	4,609
Total capital projects deferred revenue	667,247	-	662,638	4,609
Non-Capital deferred revenue:				
Scholarships	208,480	20,416	28,763	200,133
Playground Fundraising	51,215	700	-	51,915
Total non-capital deferred revenue	259,695	21,116	28,763	252,048
Total Deferred Revenue	\$ 926,942	\$ 21,116	\$ 691,401	\$ 256,657

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
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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	2021	2020
Revenues:				
Operating Grants	\$ 856,093	\$ 214,943	\$ 1,071,036	\$ 1,025,042
Fees and Other Revenues	-	400	400	-
Total Revenues	856,093	215,343	1,071,436	1,025,042
Expenses:				
Salaries & Benefits	1,030,764	356,395	1,387,159	1,399,617
Instructional Aids	47,685	82,249	129,934	64,303
Supplies and Services	15,431	1,325	16,756	18,518
Non-Capital Equipment	9,761	4,589	14,350	10,962
Building Operating Expenses	-	27,907	27,907	25,969
Communications	2,771	890	3,661	3,327
Travel	39	3,831	3,870	7,171
Professional Development (Non-Salary Costs)	12,634	326	12,960	3,298
Student Related Expenses	3,040	5,316	8,356	38,770
Amortization of Tangible Capital Assets	-	22,780	22,780	22,780
Total Expenses	1,122,125	505,608	1,627,733	1,594,715
Deficiency of Revenues over Expenses	\$ (266,032)	\$ (290,265)	\$ (556,297)	\$ (569,673)

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:

NORTHWEST SCHOOL DIVISION NO. 203
NOTES TO THE FINANCIAL STATEMENTS
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Summary of External Services Revenues and Expenses, by Program	Following Their Voices	Other Programs	2021	2020
Revenues:				
Operating Grants	\$ -	\$ 452,736	\$ 452,736	\$ 424,440
Fees and Other Revenues	145,754	-	145,754	108,533
Total Revenues	145,754	452,736	598,490	532,973
Expenses:				
Salaries & Benefits	126,000	242,371	368,371	320,033
Instructional Aids	5,688	-	5,688	554
Supplies and Services	-	85,197	85,197	56,834
Non-Capital Equipment	-	67,070	67,070	47,107
Building Operating Expenses	-	1,994	1,994	2,471
Communications	-	2,902	2,902	2,668
Travel	-	-	-	2,268
Professional Development	398	126	524	6,341
Student Related Expenses	7,770	-	7,770	1,355
Contracted Transportation & Allowances	-	3,696	3,696	498
Amortization of Tangible Capital Assets	-	65,332	65,332	71,763
Total Expenses	139,856	468,688	608,544	511,892
Excess (Deficiency) of Revenues over Expenses	\$ 5,898	\$ (15,952)	\$ (10,054)	\$ 21,081

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.

NORTHWEST SCHOOL DIVISION NO. 203
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Details of accumulated surplus are as follows:

	August 31, 2020	Additions during the year	Reductions during the year	August 31, 2021
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 57,148,155	\$ 4,758,163	\$ 4,975,188	\$ 56,931,130
Less: Debt owing on Tangible Capital Assets	(2,481,005)	(1,242,545)	(933,567)	(2,789,983)
	54,667,150	3,515,618	4,041,621	54,141,147
PMR maintenance project allocations (1)	2,971,795	1,531,314	1,447,596	3,055,513
Federal capital tuition reserves (2)	-	662,638	-	662,638
Education Emergency Pandemic Support program allocation (3)	-	4,654,320	3,982,710	671,610
Designated Assets:				
Other:				
School generated funds	812,162	58,264	-	870,426
MLTC - Aboriginal Resources	4,670	-	-	4,670
	816,832	58,264	-	875,096
Unrestricted Surplus	4,355,340	-	1,572,753	2,782,587
Total Accumulated Surplus	\$ 62,811,117	\$ 10,422,154	\$ 11,044,680	\$ 62,188,591

- (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.
- (2) **Federal Capital Tuition Reserves** represent reserves that were created as a result of Ministry of Education direction to set aside a portion of the tuition collected from First Nations students. These reserves are to be used to fund future capital projects for schools with First Nations students.
- (3) **Education Emergency Pandemic Support Program Allocation** represent transfers received from the Ministry of Finance in 2020-21 to support costs related to the COVID-19 pandemic in the current and following school year. Unspent funds at the end of the 2021-22 school year must be repaid to the Government of Saskatchewan.

14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 11, 2020 and the Minister of Education on August 14, 2020.

NORTHWEST SCHOOL DIVISION NO. 203
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15. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Listed in the table below is an obligation for an agreement for a shop rental for Transition school that expires August 31, 2021, this agreement is renewed on an annual basis. Operating lease obligations of the school division are as follows:

	Capital Leases		Operating Leases		
	Computers	Total Capital	Gymnasium/ Parking Rental	Shop Rental	Total Operating
Future minimum lease payments:					
2022	\$ 324,908	\$ 324,908	\$ 30,029	\$ 26,761	\$ 56,790
2023	324,908	324,908	30,029	-	30,029
2024	324,908	324,908	30,029	-	30,029
2025	168,343	168,343	30,029	-	30,029
2026	-	-	30,029	-	30,029
Thereafter	-	-	30,029	-	30,029
Total future minimum lease payments	1,143,067	1,143,067	180,174	26,761	206,935
Less: Interest and executory costs	61,701	61,701	-	-	-
Total Lease Obligations	\$1,081,366	\$1,081,366	\$ 180,174	\$ 26,761	\$ 206,935

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

The aging of grants and other accounts receivable as at August 31, 2021, was:

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August 31, 2021					
	Total	0-30 days	30-60 days	60-90 days	Over 90 days
Provincial Grants Receivable	\$ 550,000	\$ 550,000	\$ -	\$ -	\$ -
First Nation Tuition Receivables	1,851,065	-	-	121,053	1,730,012
Other Receivables	117,354	107,306	-	3,600	6,448
Net Receivables	\$ 2,518,419	\$ 657,306	\$ -	\$ 124,653	\$ 1,736,460

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.

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

August 31, 2021					
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 1,226,714	\$ 1,226,714	\$ -	\$ -	\$ -
Long-term debt	2,789,983	80,388	209,280	1,406,185	1,094,130
Total	\$ 4,016,697	\$ 1,307,102	\$ 209,280	\$ 1,406,185	\$ 1,094,130

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 \$ 5,100,000 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, 2021.

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The school division minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency
- investing in GICs and term deposits for short terms at fixed interest rates
- managing cash flows to minimize utilization of its bank line of credit
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt

17. 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.