

**SASKATCHEWAN TEACHERS'
FEDERATION MEMBER AND
FAMILY ASSISTANCE PLAN**

FINANCIAL STATEMENTS

June 30, 2021

Independent Auditor's Report

To the Saskatchewan Teachers' Federation Executive

Opinion

We have audited the financial statements of Saskatchewan Teachers' Federation Members and Family Assistance Plan (the "Plan"), which comprise the statement of financial position as at June 30, 2021, and the statements of changes in net assets available for benefits for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at June 30, 2021, and the changes in its net assets available for benefits for the year then ended in accordance with Canadian accounting standards for pension plans ("ASPP").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Plan 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 the financial statements in accordance with ASPP, 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 Plan'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 Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan'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 GAAS 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 GAAS, 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 Plan'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 Plan'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 Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Original signed by Deloitte LLP

Chartered Professional Accountants
September 23, 2021
Saskatoon, Saskatchewan

**SASKATCHEWAN TEACHERS' FEDERATION
MEMBER AND FAMILY ASSISTANCE PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
year ended June 30, 2021 and for the nine months ended June 30, 2020**

	2021	2020
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	\$ <u>71,789</u>	\$ <u>-</u>
INCREASES		
Contributions - Government of Saskatchewan	276,000	306,000
Interest income	<u>8</u>	<u>-</u>
	276,008	306,000
DECREASES		
Service fees	(254,907)	(192,048)
Administration (Schedule 1)	<u>(10,225)</u>	<u>(42,163)</u>
	(265,132)	(234,211)
INCREASE IN NET ASSETS	<u>10,876</u>	<u>71,789</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR (Note 3)	<u>\$ 82,665</u>	<u>\$ 71,789</u>

The accompanying notes are an integral part of these financial statements.

**SASKATCHEWAN TEACHERS' FEDERATION
MEMBER AND FAMILY ASSISTANCE PLAN
STATEMENT OF FINANCIAL POSITION
as at June 30, 2021**

	2021	2020
ASSETS		
Cash	\$ 112,494	\$ 78,321
	<u>112,494</u>	<u>78,321</u>
LIABILITIES		
Accounts payable and accruals	6,829	6,532
Due to Saskatchewan Teachers' Federation – Other Plans (Note 5)	<u>23,000</u>	-
	<u>29,829</u>	<u>6,532</u>
NET ASSETS AVAILABLE FOR BENEFITS (Note 3)	<u>\$ 82,665</u>	<u>\$ 71,789</u>

The accompanying notes are an integral part of these financial statements.

**APPROVED ON BEHALF OF THE STF EXECUTIVE
AND BOARD OF DIRECTORS**

Patrick Maze STF Executive President

Shayne Meggs Chairperson of Board

**SASKATCHEWAN TEACHERS' FEDERATION MEMBER AND FAMILY
ASSISTANCE PLAN
NOTES TO THE FINANCIAL STATEMENTS
year ended June 30, 2021**

1. DESCRIPTION OF PLAN

The Saskatchewan Teachers' Federation Member and Family Assistance Plan (the "Plan") was established on October 1, 2019 by the Saskatchewan Teachers' Federation. The Plan provides the payment of the costs incurred for eligible counselling services for participants.

Administration

Pursuant to Section 7(5) of *The Teachers' Federation Act, 2006*, the Saskatchewan Teachers' Federation ("STF") is the trustee for the assets of the Plan. The STF Executive appoints an administrative board to assist the STF Executive in fulfilling its fiduciary and oversight responsibilities.

The STF has an agreement with ComPsych Canada Limited ("ComPsych") to provide eligible counselling services in respect of mental or physical health of participants. The Plan's risk is limited to the payment of any required fees.

Funding

Funding for the Plan is from the Government of Saskatchewan. The Saskatchewan Teachers' Federation – Members Health Plan receives funds from the Government of Saskatchewan as a fixed percentage of teachers' payroll for health and other medical benefits. The allocation to the Fund for the costs of other medical benefits is based on the fee amount in the contract with ComPsych. Pursuant to the Provincial Collective Bargaining Agreement, the STF is responsible for the design and administration of the Plan.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for pension plans in Part IV of the CPA Handbook. The Plan follows Accounting Standards for Private Enterprises ("ASPE") for accounts that do not relate to its investment portfolio or benefit obligations to the extent that these standards do not conflict with the requirements of the Canadian accounting standards for pension plans.

**SASKATCHEWAN TEACHERS' FEDERATION MEMBER AND FAMILY
ASSISTANCE PLAN
NOTES TO THE FINANCIAL STATEMENTS
year ended June 30, 2021**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Plan as a separate financial reporting entity independent from the STF and Plan members. The financial statements are prepared to assist Plan members and others in reviewing the activities of the Plan but they do not portray the funding requirements of the Plan or the benefit security of individual Plan members.

Revenue Recognition

Contributions are recognized as revenue in the period to which they relate.

Any contributions relating to the current year and not yet received at the end of the year are accrued as revenue for the current year.

3. NET ASSETS AVAILABLE FOR BENEFITS

As at June 30, 2021, the Plan's net assets available for benefits is \$82,665 (2020 – \$71,789).

4. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Risk Management

The Plan is exposed to various risks through its financial instruments. The following analysis provides a measure of the Plan's risk exposure and concentrations at June 30, 2021.

Types of Risk

The Plan is exposed to the following risks as a result of holding financial instruments: credit risk and liquidity risk. The following is a description of these risks and how the Plan manages its exposure to these risks.

Credit Risk

The business of the Plan necessitates the management of credit risk. Credit risk is the potential financial loss resulting from the failure of a counterparty to settle its financial and contractual obligations of the Plan, as and when they fall due.

**SASKATCHEWAN TEACHERS' FEDERATION MEMBER AND FAMILY
ASSISTANCE PLAN
NOTES TO THE FINANCIAL STATEMENTS
year ended June 30, 2021**

4. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

Types of Risk (continued)

Credit Risk (continued)

The Plan is directly exposed to credit risk in respect of its cash.

As at June 30, 2021, the Plan's maximum exposure to credit risk was \$112,494 (2020 – \$78,321) being the total of the carrying value of this asset.

Liquidity Risk

The business of the Plan necessitates the management of liquidity risk. Liquidity risk is the risk of being unable to meet financial commitments, under all circumstances, without having to raise funds at unreasonable prices.

As at June 30, 2021, the Plan has current financial liabilities of \$29,829 (2020 – \$6,532) relating to accounts payable and accruals and due to Saskatchewan Teachers' Federation – other plans within the next 12 months.

At June 30, 2021, the Plan held cash which is readily available to settle such obligations.

On March 11, 2020 the World Health Organization characterized the outbreak of a strain of the novel coronavirus (COVID-19) as a pandemic which resulted in a series of public health and emergency measures be put in place to combat the spread of the virus. The public health and emergency measures continues to result in an economic slowdown, restrictions on public gatherings and activities. Current impacts have been limited.

**SASKATCHEWAN TEACHERS' FEDERATION MEMBER AND FAMILY
ASSISTANCE PLAN
NOTES TO THE FINANCIAL STATEMENTS
year ended June 30, 2021**

5. RELATED PARTY TRANSACTIONS

Administration

The STF is responsible for all matters relating to the administration of the Plan.

During the year, the Plan incurred the following administration fees:

	<u>2021</u>	<u>2020</u>
Administration fees		
Saskatchewan Teachers' Federation	\$ <u>3,396</u>	\$ <u>-</u>

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year, the Plan received \$276,000 (2020 – \$306,000) from the Saskatchewan Teachers' Federation – Members' Health Plan, which represents a portion of the funds from the Government of Saskatchewan as per the funding agreement. The received funds are shown as revenue for the Plan.

At the end of the year the amount due to the Saskatchewan Teachers' Federation – Members' Health Plan is \$23,000 (2020 – \$nil).

**SASKATCHEWAN TEACHERS' FEDERATION
MEMBER AND FAMILY ASSISTANCE PLAN
SCHEDULE OF ADMINISTRATION EXPENSES
year ended June 30, 2021 and for the nine months ended June 30, 2020**

	2021	2020
Administration expense – Saskatchewan Teachers’ Federation (Note 5)	\$ 3,396	\$ -
Audit	6,829	6,532
Legal and consulting	-	24,356
Office supplies and miscellaneous	-	11,275
	<u>\$ 10,225</u>	<u>\$ 42,163</u>