

Audited Financial Statements of

School District No. 72 (Campbell River)

June 30, 2019

School District No. 72 (Campbell River)

June 30, 2019

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School District No. 72 (Campbell River)

MANAGEMENT REPORT

Version: 3729-2984-1001

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 72 (Campbell River) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 72 (Campbell River) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 72 (Campbell River) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 72 (Campbell River)

Originally signed
by the Board Chair

Signature of the Chairperson of the Board of Education

Date Signed

Originally signed by
the Superintendent

Signature of the Superintendent

Date Signed

Originally signed by
the Secretary-Treasurer

Signature of the Secretary Treasurer

Date Signed

Independent Auditor's Report

To the Board of Education of School District No. 72 (Campbell River) and the Minister of Education:

Opinion

We have audited the financial statements of School District No. 72 (Campbell River) (the "School District"), which comprise the statement of financial position as at June 30, 2019, and the statements of operations, remeasurement gains and losses, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present the financial position of the School District as at June 30, 2019, and the results of its operations, remeasurement gains and losses, changes in net debt and its cash flows for the year then ended in compliance with, in all material respects, the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011.

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 District 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.

Emphasis of Matter - Financial Reporting Framework

We draw attention to Note 2 which describes the financial reporting framework being followed by School District No. 72 (Campbell River).

Supplementary Information

We draw attention to the Supplementary Financial Information included in Schedules 1 to 4D which has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

Management is responsible for the preparation and presentation of the financial statements in accordance with the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011, 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 District'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 District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School District'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 District'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 District'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 District 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.

Campbell River, British Columbia

September 24, 2019

MNP LLP

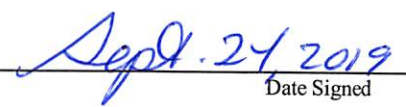
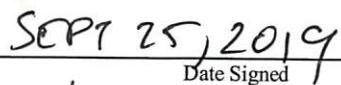
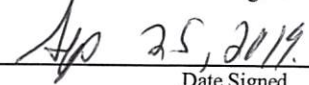
Chartered Professional Accountants

School District No. 72 (Campbell River)

Statement 1

Statement of Financial Position

As at June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	19,288,678	19,452,871
Accounts Receivable		
Due from Province - Other	418,776	45,948
Other (Note 3)	150,020	192,934
Total Financial Assets	19,857,474	19,691,753
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	-	23,637
Due to Province - Other	-	30,302
Other (Note 4)	7,113,168	6,881,898
Unearned Revenue (Note 7)	603,872	427,424
Deferred Revenue (Note 8)	1,640,706	1,542,979
Deferred Capital Revenue (Note 9)	66,701,168	68,164,725
Employee Future Benefits (Note 10)	1,243,671	1,193,350
Capital Lease Obligations (Note 6)	59,342	78,002
Total Liabilities	77,361,927	78,342,317
Net Financial Assets (Debt)	(57,504,453)	(58,650,564)
Non-Financial Assets		
Tangible Capital Assets (Note 5)	86,010,651	87,501,919
Prepaid Expenses	198,075	158,437
Total Non-Financial Assets	86,208,726	87,660,356
Accumulated Surplus (Deficit) (Note 12)	28,704,273	29,009,792
Contingent Liabilities (Note 16)		
Approved by the Board		
Originally signed		
by the Board Chair		
Signature of the Chairperson of the Board of Education		Date Signed
Originally signed by		
the Superintendent		
Signature of the Superintendent		Date Signed
Originally signed by		
the Secretary-Treasurer		
Signature of the Secretary-Treasurer		Date Signed

School District No. 72 (Campbell River)

Statement 2

Statement of Operations

Year Ended June 30, 2019.

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	58,902,493	58,769,711	56,492,632
Other		44,476	34,645
Tuition	586,500	582,733	605,933
Other Revenue	4,665,091	4,806,777	4,808,346
Rentals and Leases	124,000	127,427	123,143
Investment Income	307,500	340,668	272,698
Amortization of Deferred Capital Revenue (Note 9)	3,044,083	3,044,083	3,002,602
Total Revenue	67,629,667	67,715,875	65,339,999
Expenses			
Instruction	53,086,449	51,152,920	49,381,654
District Administration	2,735,388	2,558,090	2,293,110
Operations and Maintenance	12,364,168	12,594,012	12,473,448
Transportation and Housing	1,518,025	1,712,199	1,581,463
Debt Services	4,173	4,173	5,256
Write-off/down of Buildings and Sites			31,065
Total Expense	69,708,203	68,021,394	65,765,996
Surplus (Deficit) for the year	(2,078,536)	(305,519)	(425,997)
Accumulated Surplus (Deficit) from Operations, beginning of year		29,009,792	29,435,789
Accumulated Surplus (Deficit) from Operations, end of year		28,704,273	29,009,792

School District No. 72 (Campbell River)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(2,078,536)</u>	<u>(305,519)</u>	<u>(425,997)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,482,308)	(2,562,703)	(4,522,576)
Amortization of Tangible Capital Assets	4,053,971	4,053,971	3,876,028
Write-down carrying value of Tangible Capital Assets			31,065
Total Effect of change in Tangible Capital Assets	<u>1,571,663</u>	<u>1,491,268</u>	<u>(615,483)</u>
Acquisition of Prepaid Expenses		(198,075)	(158,437)
Use of Prepaid Expenses		158,437	136,476
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(39,638)</u>	<u>(21,961)</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(506,873)</u>	1,146,111	(1,063,441)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		1,146,111	(1,063,441)
Net Financial Assets (Debt), beginning of year		(58,650,564)	(57,587,123)
Net Financial Assets (Debt), end of year		<u>(57,504,453)</u>	<u>(58,650,564)</u>

School District No. 72 (Campbell River)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2019

	2019 Actual	2018 Actual
Operating Transactions	\$	\$
Surplus (Deficit) for the year	(305,519)	(425,997)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(329,914)	223,431
Prepaid Expenses	(39,639)	(21,963)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	177,332	986,325
Unearned Revenue	176,448	(37,194)
Deferred Revenue	97,727	(454,103)
Employee Future Benefits	50,322	23,216
Amortization of Tangible Capital Assets	4,053,971	3,876,028
Amortization of Deferred Capital Revenue	(3,044,083)	(3,002,602)
Write-Off/down of Buildings and Sites	-	31,065
Deferred Capital transferred to Operations and Maintenance	(849,122)	(819,453)
Total Operating Transactions	(12,477)	378,753
Capital Transactions		
Tangible Capital Assets Purchased	(2,332,025)	(4,514,060)
Tangible Capital Assets -WIP Purchased	(230,678)	(8,516)
Total Capital Transactions	(2,562,703)	(4,522,576)
Financing Transactions		
Capital Revenue Received	2,429,647	3,941,148
District Entered	(18,660)	(17,577)
Total Financing Transactions	2,410,987	3,923,571
Net Increase (Decrease) in Cash and Cash Equivalents	(164,193)	(220,252)
Cash and Cash Equivalents, beginning of year	19,452,871	19,673,123
Cash and Cash Equivalents, end of year	19,288,678	19,452,871
Cash and Cash Equivalents, end of year, is made up of:		
Cash	19,288,678	19,452,871
	19,288,678	19,452,871

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 72 (Campbell River)", and operates as "School District No. 72 (Campbell River)". A board of education (Board) elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education. The School District is exempt from income tax.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(h) and 2(m).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in Notes 2 (h) and 2(m), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of tangible capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue. The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2018 - increase in annual surplus by \$3,720,122

June 30, 2018 – increase in accumulated surplus and decrease in deferred contributions to \$65,937,870.

Year-ended June 30, 2019 – increase in annual surplus by \$1,698,906

June 30, 2019 – increase in accumulated surplus and decrease in deferred contributions to \$64,592,693.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities with original terms to maturity of three months or less when purchased.

c) Accounts Receivable

Accounts Receivable are measured at amortized cost and shown net of allowance for doubtful accounts.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES *(Continued)***

d) Prepaid Expenses

Software licensing and support, memberships, dues and tuition are included as a prepaid expense, stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

e) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost. Donated tangible capital assets are recorded at their fair market value on the date of donation.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Sites and buildings that no longer contribute to the ability of the district to provide services are written-down to residual value.
- Buildings that are demolished or destroyed are written-off.
- Work-in-progress is not amortized until after the asset has been completed or put into use.
- Amortization is recorded on a straight-line basis over the estimated useful life of the asset and commences the year following acquisition. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Hardware	5 years

f) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

g) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the courses, services, or products are provided.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES *(Continued)***

h) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board.

When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2(m).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transfer or and eligibility criteria have been met; unless the transfer contains a stipulation that creates a liability, in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2 (a) for the impact of this policy on these financial statements.

i) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and capital lease obligations.

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES *(Continued)***

i) Financial Instruments *(continued)*

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

j) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2(a) requires management to make estimates and assumptions that impact reported amounts for assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the impairment of assets, rates for amortization, allowance for doubtful accounts, employee incentive bonuses and estimated employee future benefits. Actual results could differ from those estimates.

k) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits.

The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2019 and projected to March 31, 2022. The next valuation will be performed at March 31, 2022 for use at June 30, 2022. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School district and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES *(Continued)***

1) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School district:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES *(Continued)***

m) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Contributions received or where eligibility criteria have been met are recognized as revenue, except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District must meet in order to receive the contributions including authorization by the transferring government.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards, which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met; unless the transfer contains a stipulation that meets the criteria for liability recognition, in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned, or service performed.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES *(Continued)***

n) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year is expensed.

Categories of Salaries

- Principals, Vice Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and Other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to regular programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program.
- School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual identification of program.

o) Going Concern disclosure

The School District has implemented CPA Handbook Section 1400, General Standards of Financial Statement Presentation. This standard includes requirements for management to assess and disclose an entity's ability to continue as a going concern. Management has made its assessment and concluded there is no issue regarding the School District's ability to continue as a going concern based on the assumption that the current funding levels are maintained, and any committed additional future funding is received. If there are significant declines in funding, expenses will be adjusted to match committed funding.

p) Statement of Re-measurement Gains and Losses

A statement of re-measurement gains and losses has not been presented as the District does not hold any financial assets or liabilities that would give rise to re-measurement gains or losses.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (Continued)**

q) New accounting standards

- i. Effective July 1, 2022 the District will be required to adopt PS3400 Revenue. Under the standard, transactions that include performance obligations are identified as “exchange contracts” while those that do not have performance obligations are identified as “non-exchange contracts”. Revenues from exchange contracts are to be recognized when the underlying performance obligations have been satisfied while revenues from non-exchange contracts are to be recognized when received or receivable. This standard may be applied retroactively or prospectively and early adoption is permitted. The impact of adopting this standard on the District’s financial results cannot be determined at this time.
- ii. Effective July 1, 2021 the District will be required to adopt PS3280 Asset Retirement Obligations. This standard establishes when to recognize and how to measure an asset retirement obligation. This standard may be applied retroactively or prospectively and early adoption is permitted. The impact of adopting this standard on the District’s financial results cannot be determined at this time.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2019	2018
Due from Federal Government	\$ 74,488	\$ 83,383
Due from North Island College	21,624	58,979
Due from Royal Bank	19,492	16,169
Due from other	34,416	34,403
	<u>\$150,020</u>	<u>\$192,934</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2019	2018
Trade Payables	\$877,143	\$ 1,277,047
Salaries and Benefits Payable	4,500,290	4,377,135
Accrued Vacation Pay	691,800	549,164
Capital Trade Payables	512,231	207,689
Other Payables	531,704	470,863
	<u>\$ 7,113,168</u>	<u>\$ 6,881,898</u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 5 TANGIBLE CAPITAL ASSETS

June 30, 2019

Cost:	Opening Cost July 1, 2018	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2019
Sites	\$ 8,448,233	\$ -	\$ -	\$ -	\$ 8,448,233
Buildings	146,663,819	1,314,223	-	8,516	147,986,558
Buildings – work in progress	8,516	230,678	-	(8,516)	230,678
Furniture & Equipment	1,287,593	747,243	(53,373)	-	1,981,463
Vehicles	2,180,495	41,094	(32,668)	-	2,188,921
Computer Hardware	2,732,308	229,465	(400,273)	-	2,561,500
Total	\$161,320,964	\$2,562,703	\$ (486,314)	\$ -	\$163,397,353

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2018	Additions	Disposals	Balance at June 30, 2019
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	71,660,565	3,160,700	-	74,821,265
Furniture & Equipment	406,701	128,759	(53,373)	482,087
Vehicles	900,795	218,050	(32,668)	1,086,177
Computer Hardware	850,984	546,462	(400,273)	997,173
Total	\$73,819,045	\$4,053,971	\$ (486,314)	\$ 77,386,702

June 30, 2018

Cost:	Opening Cost July 1, 2017	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2018
Sites	\$ 8,123,703	\$ 324,530	\$ -	\$ -	\$ 8,448,233
Buildings	143,725,320	2,586,705	(279,525)	631,319	146,663,819
Buildings – work in progress	631,319	8,516	-	(631,319)	8,516
Furniture & Equipment	1,052,877	378,412	(143,696)	-	1,287,593
Vehicles	2,650,228	322,205	(791,938)	-	2,180,495
Computer Hardware	2,030,141	902,208	(200,041)	-	2,732,308
Total	\$158,213,588	\$4,522,576	\$ (1,415,200)	\$ -	\$161,320,964

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	68,809,337	3,099,688	(248,460)	71,660,565
Furniture & Equipment	445,109	105,288	(143,696)	406,701
Vehicles	1,427,710	265,023	(791,938)	900,795
Computer Hardware	644,996	406,029	(200,041)	850,984
Total	\$71,327,152	\$3,876,028	\$ (1,384,135)	\$73,819,045

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 5 TANGIBLE CAPITAL ASSETS (Continued)

Net Book Value:

	Net Book Value June 30, 2019	Net Book Value June 30 2018
Sites	\$ 8,448,233	\$ 8,448,233
Buildings	73,165,293	75,003,254
Buildings – work in progress	230,678	8,516
Furniture & Equipment	1,499,376	880,892
Vehicles	1,102,744	1,279,700
Computer Hardware	1,564,327	1,881,324
Total	\$86,010,651	\$87,501,919

Buildings – work in progress having a value of \$230,678 (2018: \$8,516) have not been amortized. Amortization of these assets will commence the year after the asset is put into service.

NOTE 6 CAPITAL LEASE OBLIGATIONS

The School District has entered into two capital leases for the purchase of equipment. The leases are financed through Stride Capital which charges interest at 6%. The leases expire on February 10, 2022 and June 10, 2022.

Repayments are due as follows:

2020	22,833
2021	22,833
2022	19,028
Total minimum lease payments	64,694
Less amounts representing interest	5,352
Present value of net minimum capital lease payments	<u>\$ 59,342</u>

Total interest on capital leases for the year was \$4,172 (2018: \$5,256)

NOTE 7 UNEARNED REVENUE

Unearned revenue consists of contributions received for services to be delivered in a future period. Changes in unearned revenue are as follows:

	2019	2018
Balance, beginning of year	<u>\$427,424</u>	<u>\$464,618</u>
Changes for the year:		
Increase:		
Tuition fees	603,872	427,424
Decrease:		
Tuition fees	<u>427,424</u>	<u>464,618</u>
Net changes for the year	<u>176,448</u>	<u>(37,194)</u>
Balance, end of year	<u>\$603,872</u>	<u>\$427,424</u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 8 DEFERRED REVENUE

a) Deferred Revenue – Ministry of Education

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e. the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

The special purpose fund represents government grants for aboriginal improvement and early learning, repairs and minor capital improvements to facilities, special education equipment and social equity programs; recorded on the capital funds represents government grants for seismic, building envelope and asset disposal proceeds in use by the Ministry of Education.

	<u>2019 Total</u>	<u>2018 Total</u>
Balance, beginning of year	<u>\$ 305,587</u>	<u>\$ 707,216</u>
Increases:		
Provincial grants – MEd	4,825,929	4,335,253
Investment income	<u>10,568</u>	<u>3,205</u>
	<u>4,836,497</u>	<u>4,338,458</u>
Decreases:		
Transfers to Revenue	<u>4,549,606</u>	<u>4,740,087</u>
Net Changes for the year	<u>286,891</u>	<u>(401,629)</u>
Balance, end of the year	<u><u>\$645,183</u></u>	<u><u>\$305,587</u></u>

b) Deferred Revenue – Other

Deferred Revenue – Other recorded in the operating fund represents an aboriginal early learning grant; recorded in the special purpose fund represents school generated funds, community supported social programs and scholarship trust funds; recorded in the capital fund represents community grants to support capital projects.

	<u>2019 Total</u>	<u>2018 Total</u>
Balance, beginning of year	<u>\$1,237,392</u>	<u>\$1,289,866</u>
Increases:		
School Generated Funds	2,225,624	2,181,495
Investment income	6,799	6,315
Other	<u>132,145</u>	<u>187,749</u>
	<u>2,364,568</u>	<u>2,375,559</u>
Decreases:		
Transfers to Revenue	<u>2,553,732</u>	<u>2,428,033</u>
Net Changes for the year	<u>(189,164)</u>	<u>(52,474)</u>
Balance, end of the year	<u><u>\$995,523</u></u>	<u><u>\$1,237,392</u></u>
Total Deferred Revenue	<u><u>\$1,640,706</u></u>	<u><u>\$1,542,979</u></u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 9 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Changes to deferred capital revenue are as follows:

	Deferred Cap Revenue	Unspent Def. Cap Revenue	2019 Total	2018 Total
Balance, beginning of year	\$ 65,937,870	\$ 2,226,855	\$ 68,164,725	\$68,045,632
Increases:				
Transfers from DC - capital additions	1,468,228	-	1,476,744	3,720,122
Transfers from DC – work in progress	230,678	-	222,162	-
Provincial Grants – MEd	-	2,342,689	2,342,689	3,842,716
Provincial Grants – Other	-	50,040	50,040	62,522
Other Revenue	-	36,918	36,918	35,910
MEd Restricted portion of proceeds	-	-	-	-
	<u>1,698,906</u>	<u>2,429,647</u>	<u>4,128,553</u>	<u>7,661,270</u>
Decreases:				
Amortization	3,044,083	-	3,044,083	3,002,602
Transfers to revenue - capital additions	-	1,468,228	1,468,228	3,711,606
Transfers to revenue – capital additions	-	230,678	230,678	8,516
Transfers to capital expense	-	849,121	849,121	819,453
Transfers to capital expense	-	-	-	-
	<u>3,044,083</u>	<u>2,548,027</u>	<u>5,592,110</u>	<u>7,542,177</u>
Balance, end of the year	<u>\$64,592,693</u>	<u>\$2,108,475</u>	<u>\$66,701,168</u>	<u>\$68,164,725</u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 10 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

The period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

	2019	2018
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$1,073,689	\$ 1,079,737
Service Cost	90,547	87,532
Interest Cost	30,382	30,384
Benefit Payments	(126,891)	(65,337)
Actuarial (Gain)/Loss	570,294	(58,627)
Accrued Benefit Obligation – March 31	<u>\$1,638,021</u>	<u>\$ 1,073,689</u>

Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$1,638,021	\$ 1,073,689
Funded Status - Surplus/(Deficit)	(1,638,021)	(1,073,689)
Employer Contributions After Measurement Date	28,166	58,981
Benefit Expense After Measurement Date	(42,134)	(30,232)
Unamortized Net Actuarial (Gain)/Loss	408,318	(148,410)
Accrued Benefit Asset/(Liability) – June 30	<u>\$(1,243,671)</u>	<u>\$ (1,193,350)</u>

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) – July 1	\$1,193,352	\$ 1,170,137
Net Expense for Fiscal Year	146,396	138,407
Employer Contributions	(90,077)	(115,194)
Accrued Benefit Liability (Asset) – June 30	<u>\$1,243,671</u>	<u>\$ 1,193,350</u>

Components of Net Benefit Expense		
Service Cost	\$99,770	\$ 88,286
Interest Cost	33,061	30,383
Amortization of Net Actuarial (Gain)/Loss	13,566	19,738
Net Benefit Expense (Income)	<u>\$146,397</u>	<u>\$ 138,407</u>

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

	2019	2018
Discount Rate – April 1	2.75%	2.75%
Discount Rate – March 31	2.50%	2.75%
Long Term Salary Growth – April 1	2.50% + Seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + Seniority	2.50% + seniority
EARSL – March 31	9.4	9.5

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 11 EMPLOYEE PENSION PLANS

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2017, the Teachers' Pension Plan has about 46,000 active members and approximately 38,000 retired members. As of December 31, 2017, the Municipal Pension Plan has about 197,000 active members, including approximately 24,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1.656 billion surplus for basic pension benefits on a going concern basis. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2.224 billion funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1.927 billion was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

The School District paid \$4,796,754 for employer contributions to these plans for the year ended June 30, 2019 and \$5,031,154 for the year ended June 30, 2018.

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in 2021. The next valuation for the Municipal Pension Plan will be as at December 31, 2018, with results available in 2019.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 12 ACCUMULATED SURPLUS (DEFICIT) – END OF YEAR

FUND BALANCES, END OF YEAR

OPERATING FUND	2019	2018
Internally Restricted (appropriated) by the Board for:		
Reserve Required to Balance Next Year Budget	533,394	735,264
Distance Learning	20,023	81,164
Education Implementation Training (School Growth)	150,000	150,000
Education Leadership and Succession	50,000	20,000
Emergency Preparedness	50,000	65,000
Health and Wellness Implementation	15,000	15,000
International Program	444,674	422,461
Indigenous Program	137,240	218,714
Learning Resources	175,000	175,000
School Based Supply Accounts	290,578	262,896
Strategic Plan Development	30,000	50,000
Custodial Equipment/White Fleet	103,000	60,000
IT Projects/Security Cameras	75,000	-
Local Capital Transfer - Portables	200,000	-
Middle/Secondary School Capital	120,000	-
Surge Island Solar Feasibility Study	10,000	-
Update Facility Plan	50,000	-
CUPE/Switchback Training	-	40,000
Critical Incident/Emergency Response Contingency	-	20,000
Furniture and Equipment	-	155,000
Strategic Plan Implementation	-	300,000
	<hr/>	<hr/>
Total of Targeted Reserves	\$2,453,909	\$2,770,499
Operational Needs and Contingency Reserve	<hr/> 1,131,304	<hr/> 1,082,737
	<hr/>	<hr/>
Internally Restricted Reserve	\$3,585,213	\$3,853,236
Unrestricted Operating Reserve	<hr/> 2,838,258	<hr/> 3,098,624
Total Operating Fund	<hr/> \$6,423,471	<hr/> \$6,951,860
CAPITAL FUND		
Invested in Capital Assets	\$21,221,457	\$21,348,887
Local Capital	<hr/> 1,059,345	<hr/> 709,045
Total Capital Fund	<hr/> \$22,280,802	<hr/> \$22,057,932
Total	<hr/> \$28,704,273	<hr/> \$29,009,792

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Schedule 1 (Statement of Changes in Accumulated Surplus (Deficit) by Fund). For the year ended June 30, 2019 transfers were as follows:

- A transfer in the amount of \$876,189 was made from the operating fund to the capital fund for the purchase of local capital assets.
- A transfer in the amount of \$369,863 was made from the operating fund to the capital fund for the purchase of capital assets.
- A transfer in the amount of \$22,833 was made from the operating fund to the capital fund for capital lease commitments made during the year.

NOTE 14 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are generally considered to be in the normal course of operations and are recorded at the exchange amount.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 15 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 26, 2019. The Board adopted a preliminary annual budget on May 29, 2018. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

	2019 Amended	2019 Preliminary	Difference
Revenues			
Provincial Grants			
Ministry of Education	58,902,493	56,523,285	2,379,208
Tuition	586,500	552,550	33,950
Other Revenue	4,665,091	4,163,966	501,125
Rentals and Leases	124,000	124,000	-
Investment Income	307,500	288,000	19,500
Amortization of Deferred Capital Revenue	3,044,083	3,016,226	27,857
Total Revenue	67,629,667	64,668,027	2,961,640
Expenses			
Instruction	53,086,449	50,819,395	2,267,054
District Administration	2,735,388	2,379,077	256,311
Operations and Maintenance	8,528,247	8,463,794	64,453
Transportation and Housing	1,299,975	1,309,085	(9,110)
Debt Services	4,173	4,173	-
Amortization	4,053,971	4,061,986	(8,015)
Total Expenses	69,708,203	67,037,510	2,670,693
Deficit for the year	(2,078,536)	(2,369,483)	290,947
Effects of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,482,308)	(597,285)	(1,885,023)
Amortization of Tangible Capital Assets	4,053,971	4,061,986	(8,015)
Total Effect of change in Tangible			
Capital Assets	(1,571,663)	3,464,701	(1,893,038)
(Increase) Decrease in Net Financial Assets			
(Debt)	(506,873)	1,095,218	(1,602,091)

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 16 CONTINGENT LIABILITIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provision has been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

NOTE 17 ECONOMIC DEPENDENCE

Operations of the School District are dependent on continued funding from the Ministry of Education and various governmental agencies to carry out its programs. These financial statements have been prepared under the assumption that the School District operates as a “going concern.”

NOTE 18 FINANCIAL INSTRUMENTS

All significant financial assets, financial liabilities and equity instruments of the School District are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

- **Credit Risk**

Financial instruments that potentially subject the School District to concentrations of credit risk consist primarily of other receivables. The maximum credit risk exposure is \$150,020 (2018 - \$192,934).

However, the School District believes that there is minimal risk associated with the collection of these amounts as they consist primarily of receivables from the Federal and Provincial Government organizations. The School District manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

- **Liquidity Risk**

Liquidity risk is the risk that the School District will encounter difficulty in meeting obligations associated with financial liabilities.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, to always have sufficient liquidity to meet its liabilities when due; under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District’s reputation.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 18 FINANCIAL INSTRUMENTS (continued)

- **Foreign Currency Risk**

The School District maintains a U.S. bank account and enters into transactions with vendors for supplies denominated in U.S. currency for which the related expenses and accounts payable balances are subject to exchange rate fluctuations. As at June 30, 2019, there was an insignificant balance maintained in the U.S. dollar bank account.

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. In seeking to manage the risks from foreign exchange rate fluctuations, the School District does not hold significant funds in U.S. dollars in order to reduce their risk against adverse movements in the foreign exchange rates.

- **Financial Asset Impairment**

At each year-end date, the School District is required to evaluate and record any other-than-temporary impairment of its financial assets, other than those classified as held for trading. Accordingly, the School District has compared the carrying value of each of these financial assets to its fair value as at June 30, 2019. No provision for impairment was recorded in the current year, as the fair value of all financial assets tested exceeded their carrying value.

- **Fair Values of Financial Instruments**

The carrying amount of cash, accounts receivable and accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

- **Risk Management Policy**

The School District, as part of its operations, has established objectives (i.e. hedging of risk exposures and avoidance of undue concentrations of risk) to mitigate credit risk as risk management objectives. In seeking to meet these objectives, the School District follows a risk management policy approved by its Board of Trustees.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2019

NOTE 19 ASSET RETIREMENT OBLIGATION

The District is subject to environmental laws and regulations enacted by the Province and local authorities.

The District currently provides educational programs in 18 schools. It also operates a number of administrative support buildings. Many of these schools and buildings were constructed prior to the implementation of current asbestos removal regulations and asbestos containing materials were utilized in their construction. The nature and extent of asbestos construction material varies from building to building.

Upon retirement of these District buildings, either through demolition or sale, the District may incur removal costs or realize reduced sale proceeds because of the presence of asbestos. The District has made no provision for the financial impact of removal costs or reduced sale proceeds as they cannot be reasonably estimated due to the indeterminate nature and date of potential future retirements.

The District presently is unable to estimate future obligations related to the removal and disposal of asbestos which is believed to be prevalent throughout District owned buildings built prior to the mid 1980s. At present such estimates can only be provided for buildings that are in the process of being decommissioned. Over the period to the required implementation in 2022 of a new PSAS standard PS3280 Asset Retirement Obligations the District will be working towards establishing reliable estimates in respect of asbestos removal and disposal throughout all relevant District buildings.

NOTE 20 EXPENSE BY OBJECT

	Budget 2019	Actual 2019	Actual 2018
Salaries	\$43,406,017	\$43,068,706	\$41,490,913
Benefits	9,823,516	10,008,324	9,753,756
Service and supplies	12,420,526	10,886,220	10,608,978
Interest	4,173	4,173	5,256
Amortization	4,053,971	4,053,971	3,876,028
Write-off of Building	-	-	31,065
	<u>\$69,708,203</u>	<u>\$68,021,394</u>	<u>\$65,765,996</u>

NOTE 21 TRUST FUNDS

Funds in the amount of \$1,643,424 (2018 - \$1,519,507) are held in trust for teachers who participate in the payroll savings plan. These funds are included in Cash and Cash Equivalents in Statement 1 for the year ended June 30, 2019 and are to be paid to teachers who participate in the plan through August 31, 2019. The amount payable is included in Salaries and Benefits Payable as stated in Note 4.

School District No. 72 (Campbell River)Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2019

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2019 Actual	2018 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	6,951,860		22,057,932	29,009,792	29,435,789
Changes for the year					
Surplus (Deficit) for the year	740,496		(1,046,015)	(305,519)	(425,997)
Interfund Transfers					
Tangible Capital Assets Purchased	(369,863)		369,863	-	
Local Capital	(876,189)		876,189	-	
Other	(22,833)		22,833	-	
Net Changes for the year	(528,389)	-	222,870	(305,519)	(425,997)
Accumulated Surplus (Deficit), end of year - Statement 2	6,423,471	-	22,280,802	28,704,273	29,009,792

School District No. 72 (Campbell River)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	53,397,113	53,370,983	50,933,092
Tuition	586,500	582,733	605,933
Other Revenue	2,150,091	2,297,521	2,414,958
Rentals and Leases	124,000	127,427	123,143
Investment Income	307,500	327,223	257,094
Total Revenue	56,565,204	56,705,887	54,334,220
Expenses			
Instruction	45,631,658	44,049,582	42,213,534
District Administration	2,735,388	2,558,090	2,293,110
Operations and Maintenance	7,962,658	7,863,570	8,016,182
Transportation and Housing	1,299,975	1,494,149	1,316,440
Total Expense	57,629,679	55,965,391	53,839,266
Operating Surplus (Deficit) for the year	(1,064,475)	740,496	494,954
Budgeted Appropriation (Retirement) of Surplus (Deficit)	2,225,723		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(565,000)	(369,863)	(1,014,401)
Local Capital	(573,415)	(876,189)	(265,000)
Other	(22,833)	(22,833)	(22,833)
Total Net Transfers	(1,161,248)	(1,268,885)	(1,302,234)
Total Operating Surplus (Deficit), for the year	-	(528,389)	(807,280)
Operating Surplus (Deficit), beginning of year		6,951,860	7,759,140
Operating Surplus (Deficit), end of year		6,423,471	6,951,860
Operating Surplus (Deficit), end of year			
Internally Restricted		3,585,213	3,853,236
Unrestricted		2,838,258	3,098,624
Total Operating Surplus (Deficit), end of year		6,423,471	6,951,860

School District No. 72 (Campbell River)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	54,656,217	54,473,765	51,844,690
ISC/LEA Recovery	(1,793,969)	(1,850,460)	(1,793,968)
Other Ministry of Education Grants			
Pay Equity	75,322	75,322	75,322
Funding for Graduated Adults	18,183	21,720	18,183
Transportation Supplement	316,860	316,860	316,860
Economic Stability Dividend	-	62,622	33,092
Return of Administrative Savings			255,596
Carbon Tax Grant	64,687	73,823	79,181
Employer Health Tax Grant	-	135,518	-
Strategic Priorities - Mental Health Grant	33,000	33,000	-
Support Staff Benefits Grant	18,626	18,626	17,820
Foundation Skills Assessment	8,187	8,187	8,187
Access Grant		-	5,000
Shoulder Tappers		-	17,079
SRG3 Assessments		-	56,050
MyEdBC Grant		2,000	-
Total Provincial Grants - Ministry of Education	53,397,113	53,370,983	50,933,092
Tuition			
International and Out of Province Students	586,500	582,733	605,933
Total Tuition	586,500	582,733	605,933
Other Revenues			
Other School District/Education Authorities	277,996	365,509	541,824
LEA Funding from First Nations	1,793,969	1,850,460	1,787,516
Miscellaneous			
Contract Services - Learning Support Services	71,626	71,626	71,625
Miscellaneous Revenue/Transcripts	6,500	9,926	13,993
Total Other Revenue	2,150,091	2,297,521	2,414,958
Rentals and Leases	124,000	127,427	123,143
Investment Income	307,500	327,223	257,094
Total Operating Revenue	56,565,204	56,705,887	54,334,220

School District No. 72 (Campbell River)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
Salaries			
Teachers	23,256,723	22,887,688	21,573,044
Principals and Vice Principals	3,635,192	3,571,896	3,385,165
Educational Assistants	4,604,909	4,610,352	4,380,463
Support Staff	6,157,108	5,890,674	6,099,755
Other Professionals	1,460,260	1,376,290	1,396,800
Substitutes	1,139,199	1,222,089	1,231,284
Total Salaries	40,253,391	39,558,989	38,066,511
Employee Benefits	9,029,482	9,235,059	8,954,699
Total Salaries and Benefits	49,282,873	48,794,048	47,021,210
Services and Supplies			
Services	2,353,023	1,822,717	1,298,664
Student Transportation	57,050	40,698	42,974
Professional Development and Travel	687,575	570,025	518,864
Rentals and Leases	119,435	64,147	61,014
Dues and Fees	54,381	58,540	58,596
Insurance	173,581	131,976	131,322
Supplies	3,288,020	2,966,791	3,189,710
Utilities	1,613,741	1,516,449	1,516,912
Total Services and Supplies	8,346,806	7,171,343	6,818,056
Total Operating Expense	57,629,679	55,965,391	53,839,266

School District No. 72 (Campbell River)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	17,773,277	595,185	102,135	602,109	23,594	1,144,888	20,241,188
1.03 Career Programs						764	764
1.07 Library Services	838,674	102,649		153,871			1,095,194
1.08 Counselling	777,560			18,590		2,017	798,167
1.10 Special Education	2,476,291	347,124	3,963,193	42,423		32,686	6,861,717
1.30 English Language Learning	243,157					6,013	249,170
1.31 Aboriginal Education	454,224	63,934	545,024	31,282		5,873	1,100,337
1.41 School Administration		2,389,184		457,087		289	2,846,560
1.60 Summer School	104,148	8,000		4,375		189	116,712
1.62 International and Out of Province Students	220,357	29,253		33,638	16,185	19,034	318,467
Total Function 1	22,887,688	3,535,329	4,610,352	1,343,375	39,779	1,211,753	33,628,276
4 District Administration							
4.11 Educational Administration		36,567		45,409	407,447	3,160	492,583
4.40 School District Governance					87,630		87,630
4.41 Business Administration				413,841	554,993	7,176	976,010
Total Function 4	-	36,567	-	459,250	1,050,070	10,336	1,556,223
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				87,993	76,491		164,484
5.50 Maintenance Operations				3,032,017	170,409		3,202,426
5.52 Maintenance of Grounds				289,614			289,614
5.56 Utilities							-
Total Function 5	-	-	-	3,409,624	246,900	-	3,656,524
7 Transportation and Housing							
7.70 Student Transportation				678,425	39,541		717,966
7.73 Housing							-
Total Function 7	-	-	-	678,425	39,541	-	717,966
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	22,887,688	3,571,896	4,610,352	5,890,674	1,376,290	1,222,089	39,558,989

School District No. 72 (Campbell River)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Actual	2019 Budget (Note 15)	2018 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	20,241,188	4,755,915	24,997,103	1,620,036	26,617,139	26,712,241	25,517,419
1.03 Career Programs	764	147	911	11,463	12,374	34,690	10,120
1.07 Library Services	1,095,194	253,261	1,348,455	297,922	1,646,377	1,637,663	1,492,326
1.08 Counselling	798,167	175,782	973,949	-	973,949	983,351	980,426
1.10 Special Education	6,861,717	1,665,397	8,527,114	129,356	8,656,470	9,012,971	8,269,800
1.30 English Language Learning	249,170	54,645	303,815	837	304,652	293,857	289,015
1.31 Aboriginal Education	1,100,337	250,211	1,350,548	190,713	1,541,261	1,687,334	1,459,858
1.41 School Administration	2,846,560	602,234	3,448,794	172,480	3,621,274	4,117,212	3,540,130
1.60 Summer School	116,712	22,423	139,135	6,431	145,566	143,379	139,280
1.62 International and Out of Province Students	318,467	76,355	394,822	135,698	530,520	1,008,960	515,160
Total Function 1	33,628,276	7,856,370	41,484,646	2,564,936	44,049,582	45,631,658	42,213,534
4 District Administration							
4.11 Educational Administration	492,583	108,841	601,424	194,896	796,320	822,067	708,449
4.40 School District Governance	87,630	3,251	90,881	152,644	243,525	270,185	176,848
4.41 Business Administration	976,010	215,019	1,191,029	327,216	1,518,245	1,643,136	1,407,813
Total Function 4	1,556,223	327,111	1,883,334	674,756	2,558,090	2,735,388	2,293,110
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	164,484	34,065	198,549	97,165	295,714	343,780	301,295
5.50 Maintenance Operations	3,202,426	773,090	3,975,516	1,406,327	5,381,843	5,484,380	5,644,232
5.52 Maintenance of Grounds	289,614	76,197	365,811	239,191	605,002	520,757	498,772
5.56 Utilities	-	330	330	1,580,681	1,581,011	1,613,741	1,571,883
Total Function 5	3,656,524	883,682	4,540,206	3,323,364	7,863,570	7,962,658	8,016,182
7 Transportation and Housing							
7.70 Student Transportation	717,966	167,896	885,862	551,937	1,437,799	1,232,175	1,294,232
7.73 Housing	-	-	-	56,350	56,350	67,800	22,208
Total Function 7	717,966	167,896	885,862	608,287	1,494,149	1,299,975	1,316,440
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	39,558,989	9,235,059	48,794,048	7,171,343	55,965,391	57,629,679	53,839,266

School District No. 72 (Campbell River)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	4,939,791	4,549,606	4,740,087
Other	-	44,476	34,645
Other Revenue	2,515,000	2,509,256	2,393,388
Total Revenue	7,454,791	7,103,338	7,168,120
Expenses			
Instruction	7,454,791	7,103,338	7,168,120
Total Expense	7,454,791	7,103,338	7,168,120
Special Purpose Surplus (Deficit) for the year	-	-	-
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 72 (Campbell River)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

Schedule 3A (Unaudited)

	Annual Facility Grant \$	Learning Improvement Fund \$	Aboriginal Education Technology \$	Special Education Equipment \$	Scholarships and Bursaries \$	School Generated Funds \$	Strong Start \$	Ready, Set, Learn \$	OLEP \$
Deferred Revenue, beginning of year	-	11,052	-	37,745	184,456	660,827	-	40,837	53
Add: Restricted Grants									
Provincial Grants - Ministry of Education	263,128	207,606					128,000	29,400	171,268
Provincial Grants - Other									
Other									
Investment Income	4,696	206		672	19,550	2,225,624		466	
	267,824	207,812	-	672	22,847	2,225,624	128,000	29,866	171,268
Less: Allocated to Revenue	22,398	208,048	-	3,802	22,950	2,244,010	128,000	51,801	171,268
Deferred Revenue, end of year	245,426	10,816	-	34,615	184,353	642,441	-	18,902	53
Revenues									
Provincial Grants - Ministry of Education	22,398	208,048		3,802			128,000	51,801	171,268
Provincial Grants - Other									
Other Revenue									
	22,398	208,048	-	3,802	22,950	2,244,010	128,000	51,801	171,268
Expenses									
Salaries									
Teachers									
Principals and Vice Principals								1,236	7,476
Educational Assistants		172,486							73,347
Support Staff							93,797	336	
Other Professionals								438	
Substitutes		781							5,765
	-	173,267	-	-	-	-	93,797	2,010	86,588
Employee Benefits		34,781					25,037	16,628	18,434
Services and Supplies	22,398			3,802	22,950	2,244,010	9,166	33,163	66,246
	22,398	208,048	-	3,802	22,950	2,244,010	128,000	51,801	171,268
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 72 (Campbell River)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

Schedule 3A (Unaudited)

	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Oasis PRP	Headstart PRP	Provincial Literacy	District Trust Funds	Van Foundation KELP Grant
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	66,619				5,058	6,919	50,122	375,835	67,161
Add: Restricted Grants									
Provincial Grants - Ministry of Education	529,694	328,284	2,898,905	26,370	129,779	113,495			
Provincial Grants - Other									
Other								39,700	
Investment Income	1,916							72,895	
	531,610	328,284	2,898,905	26,370	129,779	113,495	977	3,305	1,320
Less: Allocated to Revenue	498,037	328,284	2,856,325	16,254	134,837	120,414	977	115,900	1,320
Deferred Revenue, end of year	100,192	-	42,580	10,116	-	-	51,099	286,529	-
								205,206	68,481
Revenues									
Provincial Grants - Ministry of Education	498,037	328,284	2,856,325	16,254	134,837	120,414			
Provincial Grants - Other									
Other Revenue								44,476	
	498,037	328,284	2,856,325	16,254	134,837	120,414	-	242,053	-
Expenses								286,529	-
Salaries									
Teachers									
Principals and Vice Principals			2,317,318		95,750	84,954		38,771	
Educational Assistants					9,064	7,760		53,778	
Support Staff	290,345								
Other Professionals					4,241	4,241			
Substitutes		30,000							
		188,511		13,562				7,291	
	290,345	218,511	2,317,318	13,562	109,055	96,955	-	99,840	-
Employee Benefits	66,958	-	539,007	2,692	23,475	22,198		22,386	
Services and Supplies	140,734	109,773			2,307	1,261		164,303	
	498,037	328,284	2,856,325	16,254	134,837	120,414	-	286,529	-
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 72 (Campbell River)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

Schedule 3A (Unaudited)

	Skills for Jobs Blueprint	Aboriginal Ed Indigenous Lang	BCNN Classrm Assmts	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	16,157	10,138	10,000	1,542,979
Add: Restricted Grants				
Provincial Grants - Ministry of Education				4,825,929
Provincial Grants - Other				39,700
Other				2,318,069
Investment Income	314		198	17,367
	314	-	198	7,201,065
Less: Allocated to Revenue	243	10,138	-	7,103,338
Deferred Revenue, end of year	16,228	-	10,198	1,640,706
Revenues				
Provincial Grants - Ministry of Education		10,138		4,549,606
Provincial Grants - Other				44,476
Other Revenue	243			2,509,256
	243	10,138	-	7,103,338
Expenses				
Salaries				
Teachers				2,545,505
Principals and Vice Principals				143,949
Educational Assistants				556,964
Support Staff				8,920
Other Professionals				30,000
Substitutes		8,469		224,379
	-	8,469	-	3,509,717
Employee Benefits		1,669		773,265
Services and Supplies	243			2,820,356
	243	10,138	-	7,103,338
Net Revenue (Expense) before Interfund Transfers	-	-	-	-
Interfund Transfers				
	-	-	-	-
Net Revenue (Expense)	-	-	-	-

School District No. 72 (Campbell River)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual			2018 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	565,589	849,122		849,122	819,453
Investment Income			13,445	13,445	15,604
Amortization of Deferred Capital Revenue	3,044,083	3,044,083		3,044,083	3,002,602
Total Revenue	3,609,672	3,893,205	13,445	3,906,650	3,837,659
Expenses					
Operations and Maintenance	565,589	849,122	45,399	894,521	846,261
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,835,921	3,835,921		3,835,921	3,611,005
Transportation and Housing	218,050	218,050		218,050	265,023
Write-off/down of Buildings and Sites				-	31,065
Debt Services					
Capital Lease Interest	4,173		4,173	4,173	5,256
Total Expense	4,623,733	4,903,093	49,572	4,952,665	4,758,610
Capital Surplus (Deficit) for the year	(1,014,061)	(1,009,888)	(36,127)	(1,046,015)	(920,951)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	565,000	369,863		369,863	1,014,401
Local Capital	573,415		876,189	876,189	265,000
Capital Lease Payment	22,833		22,833	22,833	22,833
Total Net Transfers	1,161,248	369,863	899,022	1,268,885	1,302,234
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		493,934	(493,934)	-	
Principal Payment					
Capital Lease		18,661	(18,661)	-	
Total Other Adjustments to Fund Balances		512,595	(512,595)	-	
Total Capital Surplus (Deficit) for the year	147,187	(127,430)	350,300	222,870	381,283
Capital Surplus (Deficit), beginning of year		21,348,887	709,045	22,057,932	21,676,649
Capital Surplus (Deficit), end of year		21,221,457	1,059,345	22,280,802	22,057,932

School District No. 72 (Campbell River)

Tangible Capital Assets
Year Ended June 30, 2019

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	8,448,233	146,663,819	1,287,593	2,180,495	-	2,732,308	161,312,448
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,124,886	233,926			22,458	1,381,270
Deferred Capital Revenue - Other		25,136	61,822				86,958
Operating Fund			215,043			154,820	369,863
Local Capital		164,201	236,452	41,094		52,187	493,934
Transferred from Work in Progress		8,516					8,516
	-	1,322,739	747,243	41,094	-	229,465	2,340,541
Decrease:							
Deemed Disposals			53,373	32,668		400,273	486,314
	-	-	53,373	32,668	-	400,273	486,314
Cost, end of year	8,448,233	147,986,558	1,981,463	2,188,921	-	2,561,500	163,166,675
Work in Progress, end of year		230,678					230,678
Cost and Work in Progress, end of year	8,448,233	148,217,236	1,981,463	2,188,921	-	2,561,500	163,397,353
Accumulated Amortization, beginning of year		71,660,565	406,701	900,795		850,984	73,819,045
Changes for the Year							
Increase: Amortization for the Year		3,160,700	128,759	218,050		546,462	4,053,971
Decrease:							
Deemed Disposals			53,373	32,668		400,273	486,314
			53,373	32,668	-	400,273	486,314
Accumulated Amortization, end of year		74,821,265	482,087	1,086,177	-	997,173	77,386,702
Tangible Capital Assets - Net	8,448,233	73,395,971	1,499,376	1,102,744	-	1,564,327	86,010,651

School District No. 72 (Campbell River)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2019

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	8,516				8,516
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	230,678				230,678
	230,678	-	-	-	230,678
Decrease:					
Transferred to Tangible Capital Assets	8,516				8,516
	8,516	-	-	-	8,516
Net Changes for the Year	222,162	-	-	-	222,162
Work in Progress, end of year	230,678	-	-	-	230,678

School District No. 72 (Campbell River)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	58,581,368	6,757,990	589,996	65,929,354
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,381,270	50,040	36,918	1,468,228
Transferred from Work in Progress	8,516			8,516
	1,389,786	50,040	36,918	1,476,744
Decrease:				
Amortization of Deferred Capital Revenue	2,810,445	216,691	16,947	3,044,083
	2,810,445	216,691	16,947	3,044,083
Net Changes for the Year	(1,420,659)	(166,651)	19,971	(1,567,339)
Deferred Capital Revenue, end of year	57,160,709	6,591,339	609,967	64,362,015
Work in Progress, beginning of year	8,516			8,516
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	230,678			230,678
	230,678	-	-	230,678
Decrease				
Transferred to Deferred Capital Revenue	8,516			8,516
	8,516	-	-	8,516
Net Changes for the Year	222,162	-	-	222,162
Work in Progress, end of year	230,678	-	-	230,678
Total Deferred Capital Revenue, end of year	57,391,387	6,591,339	609,967	64,592,693

School District No. 72 (Campbell River)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2019

Schedule 4D (Unaudited)

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 1,180,008	\$ 1,032,862	\$ 13,985	\$	\$	\$ 2,226,855
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,342,689					2,342,689
Provincial Grants - Other			50,040			50,040
Other					36,918	36,918
Transfer project surplus to MEd Restricted (from) Bylaw	(738,887)	738,887				-
	1,603,802	738,887	50,040	-	36,918	2,429,647
Decrease:						
Transferred to DCR - Capital Additions	1,381,270		50,040		36,918	1,468,228
Transferred to DCR - Work in Progress	230,678					230,678
Transferred to Capital Revenue	849,121					849,121
	2,461,069	-	50,040	-	36,918	2,548,027
Net Changes for the Year	(857,267)	738,887	-	-	-	(118,380)
Balance, end of year	322,741	1,771,749	13,985	-	-	2,108,475