

Audited Financial Statements of

School District No. 72 (Campbell River)

And Independent Auditors' Report thereon

June 30, 2021

School District No. 72 (Campbell River)

June 30, 2021

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School District No. 72 (Campbell River)

MANAGEMENT REPORT

Version: 4654-3908-1926

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.


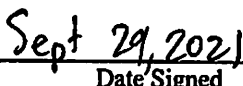
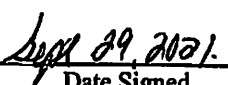
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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 monthly 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

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, 2021, and the statements of operations, 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, 2021, and the results of its operations, 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).

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report comprises of Unaudited Schedules 1-4 attached to the audited financial statements and Financial Statement Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 28, 2021

MNP LLP
Chartered Professional Accountants

MNP
LLP

School District No. 72 (Campbell River)

Statement 1

Statement of Financial Position

As at June 30, 2021

	2021 Actual	2020 Actual
Financial Assets	\$	\$
Cash and Cash Equivalents	17,784,796	17,570,062
Accounts Receivable		
Due from Province - Ministry of Education	367,352	408,776
Due from Province - Other	-	211,100
Due from First Nations	505,997	720,407
Other (Note 3)	227,844	111,350
Total Financial Assets	18,885,989	19,021,695
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	38,554	-
Other (Note 4)	8,514,202	7,707,767
Unearned Revenue (Note 5)	588,806	316,761
Deferred Revenue (Note 6)	1,251,595	1,213,413
Deferred Capital Revenue (Note 7)	65,099,620	66,034,332
Employee Future Benefits (Note 8)	1,457,201	1,349,951
Capital Lease Obligations (Note 10)	18,496	39,530
Total Liabilities	76,968,474	76,661,754
Net Debt	(58,082,485)	(57,640,059)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	84,172,704	85,530,200
Prepaid Expenses	309,863	64,063
Total Non-Financial Assets	84,482,567	85,594,263
Accumulated Surplus (Deficit) (Note 9)	26,400,082	27,954,204

Contingent Liabilities (Note 15)

Approved by the Board

Originally signed by the Board Chair	<i>Sept. 28, 2021</i>
Signature of the Chairperson of the Board of Education	Date Signed
Originally signed by the Superintendent	<i>Sept 29, 2021</i>
Signature of the Superintendent	Date Signed
Originally signed by the Secretary-Treasurer	<i>Sept 29, 2021</i>
Signature of the Secretary Treasurer	Date Signed

School District No. 72 (Campbell River)

Statement 2

Statement of Operations

Year Ended June 30, 2021

	2021 Budget (Note 16)	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	65,935,496	65,903,266	62,147,124
Other		53,977	29,576
Tuition	286,000	436,514	739,071
Other Revenue	3,873,125	3,863,213	4,375,915
Rentals and Leases	115,000	118,627	122,795
Investment Income	132,632	141,539	283,368
Amortization of Deferred Capital Revenue	3,071,798	3,118,990	3,062,020
Total Revenue	73,414,051	73,636,126	70,759,869
Expenses			
Instruction	58,406,138	56,933,342	53,516,823
District Administration	2,634,690	2,978,137	2,701,932
Operations and Maintenance	14,220,025	13,710,749	13,232,553
Transportation and Housing	1,463,248	1,566,220	2,055,608
Debt Services	1,800	1,800	3,022
Total Expense	76,725,901	75,190,248	71,509,938
Surplus (Deficit) for the year	(3,311,850)	(1,554,122)	(750,069)
Accumulated Surplus (Deficit) from Operations, beginning of year		27,954,204	28,704,273
Accumulated Surplus (Deficit) from Operations, end of year		26,400,082	27,954,204

School District No. 72 (Campbell River)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2021

	2021 Budget (Note 16)	2021 Actual	2020 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(3,311,850)</u>	<u>(1,554,122)</u>	<u>(750,069)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,696,015)	(2,858,440)	(3,624,720)
Amortization of Tangible Capital Assets	4,215,936	4,215,936	4,105,171
Total Effect of change in Tangible Capital Assets	<u>1,519,921</u>	<u>1,357,496</u>	<u>480,451</u>
Acquisition of Prepaid Expenses	-	(309,863)	(64,063)
Use of Prepaid Expenses	-	64,063	198,075
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(245,800)</u>	<u>134,012</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(1,791,929)</u>	<u>(442,426)</u>	<u>(135,606)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(442,426)</u>	<u>(135,606)</u>
Net Debt, beginning of year		<u>(57,640,059)</u>	<u>(57,504,453)</u>
Net Debt, end of year		<u><u>(58,082,485)</u></u>	<u><u>(57,640,059)</u></u>

School District No. 72 (Campbell River)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(1,554,122)	(750,069)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	350,441	(882,837)
Prepaid Expenses	(245,801)	134,012
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	844,989	594,599
Unearned Revenue	272,045	(287,111)
Deferred Revenue	38,182	(427,293)
Employee Future Benefits	107,250	106,280
Amortization of Tangible Capital Assets	4,215,936	4,105,171
Amortization of Deferred Capital Revenue	(3,118,990)	(3,062,020)
Deferred Capital Transferred to Operations and Maintenance	(1,058,199)	(709,048)
Total Operating Transactions	(148,269)	(1,178,316)
Capital Transactions		
Tangible Capital Assets Purchased	(2,730,432)	(3,460,420)
Tangible Capital Assets -WIP Purchased	(128,008)	(164,300)
Total Capital Transactions	(2,858,440)	(3,624,720)
Financing Transactions		
Capital Revenue Received	3,242,477	3,104,232
Capital Lease Principal Payments	(21,034)	(19,812)
Total Financing Transactions	3,221,443	3,084,420
Net Increase (Decrease) in Cash and Cash Equivalents	214,734	(1,718,616)
Cash and Cash Equivalents, beginning of year	17,570,062	19,288,678
Cash and Cash Equivalents, end of year	17,784,796	17,570,062
Cash and Cash Equivalents, end of year, is made up of:		
Cash	17,784,796	17,570,062
	17,784,796	17,570,062

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

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.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1, 2020 and full-time beginning September 1, 2020 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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(e) and 2(l).

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(e) and 2(l), 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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

a) Basis of Accounting *(continued)*

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

- Government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- Externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

The impact of this difference on the financial statements of the School District is as follows:

- Year-ended June 30, 2020 – increase in annual surplus by \$2,306,584.
- June 30, 2020 – increase in accumulated surplus (deficit) and decrease in deferred contributions by \$63,837,257.
- Year-ended June 30, 2021 – increase in annual surplus by \$2,082,537.
- June 30, 2021 – increase in accumulated surplus (deficit) and decrease in deferred contributions by \$62,800,804.

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 and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) 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, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

e) 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(l).

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.

f) 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, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

g) 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.

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

h) Tangible Capital Assets *(continued)*

- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset and commences the year following acquisition. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

i) 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.

j) 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.

k) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 13 – Interfund Transfers and Note 9 – Accumulated Surplus). *Funds and reserves are disclosed on Schedules 2, 3 and 4.*

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

1) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

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, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

m) 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.

n) 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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

n) Financial Instruments *(continued)*

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.

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

o) 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.

p) Future Changes in Accounting Policies

PS 3280 Asset Retirement Obligations issued August 2018 establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective July 1, 2022. A liability will be recognized when, as at the financial reporting date:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods,

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

p) Future Changes in Accounting Policies *(continued)*

the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

A modified retroactive application has been recommended by Government. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

Revenue from transactions with performance obligations should be recognized when (or as) the school district satisfies a performance obligation by providing the promised goods or services to a payor.

Revenue from transactions with no performance obligations should be recognized when a school district:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

This standard may be applied retroactively or prospectively. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

q) 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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	<u>2021</u>	<u>2020</u>
Due from Federal Government	\$73,983	\$ 58,979
Due from North Island College	11,317	7,890
Due from Royal Bank	5,223	5,012
Due from other	137,321	39,469
	<u>\$227,844</u>	<u>\$111,350</u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>2021</u>	<u>2020</u>
Trade Payables	\$ 924,033	\$ 668,003
Salaries and Benefits Payable	5,968,498	5,833,318
Accrued Vacation Pay	772,973	730,960
Capital Trade Payables	309,898	140,863
Other Payables	538,799	334,623
	<u>\$8,514,202</u>	<u>\$7,707,767</u>

NOTE 5 UNEARNED REVENUE

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

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$316,761	\$603,872
Changes for the year:		
Increase:		
Tuition fees	478,186	316,761
Decrease:		
Tuition fees	(206,141)	(603,872)
Net changes for the year	<u>272,045</u>	<u>287,111</u>
Balance, end of year	<u>\$588,806</u>	<u>\$316,761</u>

NOTE 6 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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 6 DEFERRED REVENUE (continued)

a) Deferred Revenue – Ministry of Education (continued)

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$233,143	\$529,912
Increases:		
Provincial grants – MEd	8,042,222	5,455,910
Investment income	2,233	3,653
	<u>8,044,455</u>	<u>5,459,563</u>
Decreases:		
Transfers to Revenue	(8,029,565)	(5,756,332)
Recovery	(28,357)	-
	<u>(8,057,922)</u>	<u>(5,756,332)</u>
Net Changes for the year	<u>(13,467)</u>	<u>(296,769)</u>
Balance, end of the year	<u>\$219,676</u>	<u>\$233,143</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>2021</u>	<u>2020</u>
Balance, beginning of year	\$980,270	\$1,110,794
Increases:		
School Generated Funds	1,400,801	1,772,324
Investment income	2,405	5,692
Other	80,150	85,878
	<u>1,483,356</u>	<u>1,863,894</u>
Decreases:		
Transfers to Revenue	<u>(1,431,707)</u>	<u>(1,994,418)</u>
Net Changes for the year	<u>51,649</u>	<u>(130,524)</u>
Balance, end of the year	<u>\$1,031,919</u>	<u>\$980,270</u>
Total Deferred Revenue	<u><u>\$1,251,595</u></u>	<u><u>\$1,213,413</u></u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 7 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	2021 Total	2020 Total
Balance, beginning of year	\$63,837,257	\$2,197,075	\$66,034,332	\$ 66,701,168
Increases:				
Transfers from DC - capital additions	1,954,529	-	1,954,529	2,190,291
Transfers from DC – work in progress	128,008	-	128,008	116,293
Provincial Grants – Med	-	3,216,325	3,216,325	2,940,816
Provincial Grants – Other	-	-	-	122,091
Other Revenue	-	26,152	26,152	41,325
	<u>2,082,537</u>	<u>3,242,477</u>	<u>5,325,014</u>	<u>5,410,816</u>
Decreases:				
Amortization	3,118,990	-	3,118,990	3,062,020
Transfers to revenue - capital additions	-	1,954,529	1,954,529	2,190,291
Transfers to revenue – capital additions	-	128,008	128,008	116,293
Transfers to capital expense	-	314,428	314,428	709,048
Transfers to capital - approved project expense	-	743,771	743,771	-
	<u>3,118,990</u>	<u>3,140,736</u>	<u>6,259,726</u>	<u>6,077,652</u>
Balance, end of the year	<u>\$62,800,804</u>	<u>\$2,298,816</u>	<u>\$65,099,620</u>	<u>\$66,034,332</u>

NOTE 8 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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 8 EMPLOYEE FUTURE BENEFITS – (continued)

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

	2021	2020
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$1,586,531	\$1,638,021
Service Cost	133,714	127,440
Interest Cost	36,556	41,096
Benefit Payments	(152,883)	(133,456)
Actuarial (Gain)/Loss	(61,093)	(86,570)
Accrued Benefit Obligation – March 31	<u>\$1,542,825</u>	<u>\$1,586,531</u>

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation – March 31	\$1,542,825	\$1,586,531
Funded Status - Surplus/(Deficit)	(1,542,825)	(1,586,531)
Employer Contributions After Measurement Date	7,608	31,634
Benefit Expense After Measurement Date	(43,377)	(42,568)
Unamortized Net Actuarial (Gain)/Loss	121,393	247,512
Accrued Benefit Asset/(Liability) – June 30	<u>\$(1,457,201)</u>	<u>\$(1,349,953)</u>

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability (Asset) – July 1	\$1,349,953	\$1,243,672
Net Expense for Fiscal Year	236,106	243,205
Employer Contributions	(128,857)	(136,925)
Accrued Benefit Liability (Asset) – June 30	<u>\$1,457,201</u>	<u>\$1,349,953</u>

Components of Net Benefit Expense

Service Cost	\$133,758	\$129,009
Interest Cost	37,321	39,961
Amortization of Net Actuarial Loss	65,026	74,236
Net Benefit Expense	<u>\$236,106</u>	<u>\$243,205</u>

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

	2021	2020
Discount Rate – April 1	2.25%	2.50%
Discount Rate – March 31	2.50%	2.25%
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	9.4

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 9 ACCUMULATED SURPLUS – END OF YEAR

FUND BALANCES, END OF YEAR

OPERATING FUND

	2021	2020
Internally Restricted (appropriated) by the Board for:		
Reserve Required to Balance Next Year Budget	\$680,000	\$838,255
School Based Supply Accounts	395,208	326,270
International Program	207,553	447,218
IT Evergreen Replacement Budget	200,000	100,000
COVID Unfunded Expenses	170,000	-
Indigenous Program	151,503	226,705
School Growth	100,000	150,000
Robron Conference Room Renovation	50,000	-
Cedar Fencing	36,000	-
Mower Replacement	30,000	30,000
Phoenix Totem Rebuild Contribution	10,000	-
VOIP Replacement	-	250,000
Custodial Equipment/White Fleet	-	79,000
Middle/Secondary School Capital	-	75,000
IT Projects/Security Cameras	-	25,000
Teacher Coordinator Office Renovation	-	25,000
Education Leadership and Succession	-	20,000
Health and Wellness Implementation	-	15,000
Total of Targeted Reserves	\$2,030,264	\$2,607,448
Operational Needs and Contingency Reserve	1,197,484	1,184,570
Internally Restricted Reserve	\$3,227,748	\$3,792,018
Unrestricted Operating Reserve	1,344,908	2,040,661
Total Operating Fund	4,572,656	\$5,832,679

CAPITAL FUND

Invested in Capital Assets	\$21,216,244	\$21,516,254
Local Capital	611,182	605,271
Total Capital Fund	21,827,426	\$22,121,525
Total	\$26,400,082	\$27,954,204

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 10 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:

Total minimum lease payments	19,028
Less: amounts representing interest	532
Present value of net minimum capital lease payments	<u>18,496</u>

Total interest on capital leases for the year was \$1,800 (2020: \$3,022).

NOTE 11 TANGIBLE CAPITAL ASSETS

June 30, 2021

Cost:	Opening Cost July 1, 2020	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2021
Sites	\$8,448,233	\$ -	\$ -	\$ -	\$8,448,233
Buildings	150,378,245	960,877	-	164,300	151,503,422
Buildings – work in progress	164,300	128,008	-	(164,300)	128,008
Furniture & Equipment	2,418,813	62,596	(50,288)	-	2,431,121
Vehicles	1,688,941	1,155,785	(109,794)	-	2,734,932
Computer Hardware	2,937,364	551,174	(498,470)	-	2,990,068
Total	\$166,035,896	\$2,858,440	\$(658,552)	\$ -	\$168,235,784

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2020	Additions	Disposals	Balance at June 30, 2021
Buildings	\$77,997,097	\$3,217,687	\$ -	\$81,214,784
Furniture & Equipment	626,044	241,881	(50,288)	817,637
Vehicles	735,845	168,895	(109,794)	794,946
Computer Hardware	1,146,710	587,473	(498,470)	1,235,713
Total	\$80,505,696	\$4,215,936	\$(658,522)	\$84,063,080

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 11 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2020

Cost:	Opening Cost July 1, 2019	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2020
Sites	\$ 8,448,233	\$ -	\$ -	\$ -	\$ 8,448,233
Buildings	147,986,558	2,161,009	-	230,678	150,378,245
Buildings – work in progress	230,678	164,300	-	(230,678)	164,300
Furniture & Equipment	1,981,463	491,539	(54,189)	-	2,418,813
Vehicles	2,188,921	69,245	(569,225)	-	1,688,941
Computer Hardware	2,561,500	738,627	(362,763)	-	2,937,364
Total	\$163,397,353	\$3,624,720	\$ (986,177)	\$ -	\$166,035,896

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2019	Additions	Disposals	Balance at June 30, 2020
Buildings	\$74,821,265	\$3,175,832	\$ -	\$77,997,097
Furniture & Equipment	482,087	198,146	(54,189)	626,044
Vehicles	1,086,177	218,893	(569,225)	735,845
Computer Hardware	997,173	512,300	(362,763)	1,146,710
Total	\$ 77,386,702	\$4,105,171	\$ (986,177)	\$ 80,505,696

Net Book Value:

	Net Book Value June 30, 2021	Net Book Value June 30, 2020	Net Book Value June 30 2019
Sites	\$8,448,233	\$8,448,233	\$ 8,448,233
Buildings	70,288,638	72,381,148	73,165,293
Buildings – work in progress	128,008	164,300	230,678
Furniture & Equipment	1,613,484	1,792,769	1,499,376
Vehicles	1,939,986	953,096	1,102,744
Computer Hardware	1,754,355	1,790,654	1,564,327
Total	\$84,172,704	\$85,530,200	\$86,010,651

Buildings – work in progress having a value of \$128,008 (2020: \$164,300) have not been amortized. Amortization of these assets will commence the year after the asset is put into service.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 12 EMPLOYEE PENSION PLANS

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trusted 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 of December 31, 2020, the Teachers' Pension Plan has about 49,000 active members and approximately 40,000 retired members. As of December 31, 2020, the Municipal Pension Plan has about 220,000 active members, including approximately 28,000 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.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2.866 billion funding surplus for basic pension benefits on a going concern basis.

The School District paid \$5,018,232 for employer contributions to these plans for the year ended June 30, 2021 and \$4,794,016 for the year ended June 30, 2020.

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, 2021, with results available in 2022.

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, 2021

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, 2021 transfers were as follows:

- A transfer in the amount of \$500,063 was made from the operating fund to the capital fund for the purchase of local capital assets.
- A transfer in the amount of \$276,154 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.

NOTE 15 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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 16 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 23, 2021. The Board adopted a preliminary annual budget on May 26, 2020. 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:

	2021 Amended	2021 Preliminary	Difference
Revenues			
Provincial Grants			
Ministry of Education	\$ 65,935,496	\$ 62,481,368	3,454,128
Tuition	286,000	390,000	(104,000)
Other Revenue	3,873,125	4,827,332	(954,207)
Rentals and Leases	115,000	124,000	(9,000)
Investment Income	132,632	215,900	(83,268)
Amortization of Deferred Capital Revenue	3,071,798	3,001,692	70,106
Total Revenue	\$ 73,414,051	\$ 71,040,292	\$2,373,759
Expenses			
Instruction	58,406,138	55,573,256	2,832,882
District Administration	2,634,690	2,544,022	90,668
Operations and Maintenance	10,004,089	8,554,471	1,449,618
Transportation and Housing	1,463,248	1,572,274	(109,026)
Debt Services	1,800	3,021	(1,221)
Amortization	4,215,936	4,152,341	63,595
Total Expenses	76,725,901	72,399,385	2,896,407
Deficit for the year	(3,311,850)	(1,359,093)	(1,952,757)
Effects of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,696,015)	(1,896,680)	(799,335)
Amortization of Tangible Capital Assets	4,215,936	4,152,341	63,595
Total Effect of change, Tangible Capital Assets	(1,519,921)	2,255,661	(3,775,582)
(Increase) Decrease in Net Financial Assets (Debt)	(1,791,929)	896,568	(2,688,497)

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 17 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 16 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 18 EXPENSE BY OBJECT

	Budget 2021	Actual 2021	Actual 2020
Salaries	\$50,098,060	\$49,470,492	\$46,251,263
Benefits	11,522,171	11,262,132	10,694,445
Service and supplies	10,887,934	10,239,888	10,456,037
Interest	1,800	1,800	3,022
Amortization	4,215,936	4,215,936	4,105,171
Write-off of Building	-	-	-
	<u>\$76,725,901</u>	<u>\$75,190,248</u>	<u>\$71,509,938</u>

NOTE 19 TRUST FUNDS

Funds in the amount of \$1,916,129 (2020 - \$1,824,596) 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, 2021 and are to be paid to teachers who participate in the plan through August 31, 2021. The amount payable is included in Salaries and Benefits Payable as stated in Note 4.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 20 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 21 RISK MANAGEMENT

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 \$227,844 (2020 - \$111,350).

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.

- **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, 2021, 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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2021

NOTE 21 RISK MANAGEMENT – (continued)

- **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, 2021. 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)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2021

	Operating Fund	Special Purpose Fund	Capital Fund	2021 Actual	2020 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	5,832,679		22,121,525	27,954,204	28,704,273
Changes for the year					
Surplus (Deficit) for the year	(460,973)		(1,093,149)	(1,554,122)	(750,069)
Interfund Transfers					
Tangible Capital Assets Purchased	(276,154)		276,154	-	
Local Capital	(500,063)		500,063	-	
Other	(22,833)		22,833	-	
Net Changes for the year	(1,260,023)	-	(294,099)	(1,554,122)	(750,069)
Accumulated Surplus (Deficit), end of year - Statement 2	4,572,656	-	21,827,426	26,400,082	27,954,204

School District No. 72 (Campbell River)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2021

	2021 Budget (Note 16)	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	56,454,568	56,815,502	55,684,350
Tuition	286,000	436,514	739,071
Other Revenue	2,505,171	2,488,561	2,415,403
Rentals and Leases	115,000	118,627	122,795
Investment Income	124,686	132,864	266,898
Total Revenue	59,485,425	59,992,068	59,228,517
Expenses			
Instruction	49,488,067	47,790,565	46,300,906
District Administration	2,634,690	2,978,137	2,701,932
Operations and Maintenance	8,239,227	8,283,280	8,335,814
Transportation and Housing	1,294,353	1,401,059	1,460,102
Total Expense	61,656,337	60,453,041	58,798,754
Operating Surplus (Deficit) for the year	(2,170,912)	(460,973)	429,763
Budgeted Appropriation (Retirement) of Surplus (Deficit)	3,237,745		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(310,000)	(276,154)	(324,722)
Local Capital	(734,000)	(500,063)	(673,000)
Other	(22,833)	(22,833)	(22,833)
Total Net Transfers	(1,066,833)	(799,050)	(1,020,555)
Total Operating Surplus (Deficit), for the year	-	(1,260,023)	(590,792)
Operating Surplus (Deficit), beginning of year		5,832,679	6,423,471
Operating Surplus (Deficit), end of year		4,572,656	5,832,679
Operating Surplus (Deficit), end of year			
Internally Restricted		3,227,748	3,585,213
Unrestricted		1,344,908	2,247,466
Total Operating Surplus (Deficit), end of year		4,572,656	5,832,679

School District No. 72 (Campbell River)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2021

	2021 Budget (Note 16)	2021 Actual	2020 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	56,493,225	56,812,468	55,843,141
ISC/LEA Recovery	(2,071,945)	(2,035,983)	(1,997,429)
Other Ministry of Education Grants			
Pay Equity	75,322	75,322	75,322
Funding for Graduated Adults	10,551	16,280	26,549
Student Transportation Fund	316,860	316,860	316,860
Carbon Tax Grant			73,823
Employer Health Tax Grant			445,960
Support Staff Benefits Grant	60,668	60,668	31,388
Support Staff Wage Increase Funding			263,551
Teachers' Labour Settlement Funding	1,440,451	1,440,451	594,749
Early Career Mentorship Funding	115,000	115,000	-
FSA Scorer Grant	8,187	8,187	8,187
Early Learning Framework	2,249	2,249	2,249
Equity Scan Implementation	4,000	4,000	-
Total Provincial Grants - Ministry of Education	56,454,568	56,815,502	55,684,350
Tuition			
International and Out of Province Students	286,000	436,514	739,071
Total Tuition	286,000	436,514	739,071
Other Revenues			
Other School District/Education Authorities	355,100	379,835	357,227
Funding from First Nations	2,071,945	2,019,109	1,975,747
Miscellaneous			
Contract Services - Learning Support Services	71,626	71,626	71,626
Miscellaneous Revenue/Transcripts	6,500	17,991	10,803
Total Other Revenue	2,505,171	2,488,561	2,415,403
Rentals and Leases	115,000	118,627	122,795
Investment Income	124,686	132,864	266,898
Total Operating Revenue	59,485,425	59,992,068	59,228,517

School District No. 72 (Campbell River)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2021

	2021 Budget (Note 16)	2021 Actual	2020 Actual
	\$	\$	\$
Salaries			
Teachers	25,528,555	25,485,046	24,529,581
Principals and Vice Principals	4,244,043	4,266,073	4,062,581
Educational Assistants	5,154,499	4,822,665	4,889,098
Support Staff	6,424,821	6,364,974	6,469,481
Other Professionals	1,809,980	1,969,896	1,384,904
Substitutes	1,120,178	805,872	808,483
Total Salaries	44,282,076	43,714,526	42,144,128
Employee Benefits	10,100,434	9,939,752	9,812,142
Total Salaries and Benefits	54,382,510	53,654,278	51,956,270
Services and Supplies			
Services	1,512,476	1,344,485	1,554,282
Student Transportation	57,050	15,464	29,846
Professional Development and Travel	710,339	662,964	660,775
Rentals and Leases	79,435	74,547	62,238
Dues and Fees	54,381	82,249	61,418
Insurance	173,581	136,814	128,852
Supplies	2,937,664	2,970,515	2,868,748
Utilities	1,748,901	1,511,725	1,476,325
Total Services and Supplies	7,273,827	6,798,763	6,842,484
Total Operating Expense	61,656,337	60,453,041	58,798,754

School District No. 72 (Campbell River)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

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	19,299,395	745,656	73,551	679,938	21,121	757,851	21,577,512
1.03 Career Programs							-
1.07 Library Services	849,752			146,388		3,342	999,482
1.08 Counselling	1,065,418			28,167		620	1,094,205
1.10 Special Education	3,080,775	294,489	4,158,055	46,274		27,936	7,607,529
1.30 English Language Learning	288,128					3,460	291,588
1.31 Indigenous Education	615,069	141,172	585,792	32,229		2,997	1,377,259
1.41 School Administration		2,933,722		489,507			3,423,229
1.60 Summer School	83,157	10,006	2,194	5,988			101,345
1.62 International and Out of Province Students	203,352	70,514		13,142	61,547		348,555
Total Function 1	25,485,046	4,195,559	4,819,592	1,441,633	82,668	796,206	36,820,704
4 District Administration							
4.11 Educational Administration		70,514		93,330	675,442	118	839,404
4.40 School District Governance					99,000		99,000
4.41 Business Administration				388,704	788,144	9,548	1,186,396
Total Function 4	-	70,514	-	482,034	1,562,586	9,666	2,124,800
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				110,081	85,427		195,508
5.50 Maintenance Operations				3,460,149	195,913		3,656,062
5.52 Maintenance of Grounds				222,450			222,450
5.56 Utilities							-
Total Function 5	-	-	-	3,792,680	281,340	-	4,074,020
7 Transportation and Housing							
7.70 Student Transportation			3,073	648,627	43,302		695,002
7.73 Housing							-
Total Function 7	-	-	3,073	648,627	43,302	-	695,002
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	25,485,046	4,266,073	4,822,665	6,364,974	1,969,896	805,872	43,714,526

School District No. 72 (Campbell River)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2021 Actual	2021 Budget (Note 16)	2020 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	21,577,512	4,903,817	26,481,329	1,686,616	28,167,945	28,627,147	27,608,996
1.03 Career Programs	-	-	-	88	88	34,690	18,190
1.07 Library Services	999,482	221,521	1,221,003	229,522	1,450,525	1,585,743	1,480,900
1.08 Counselling	1,094,205	246,975	1,341,180	314	1,341,494	1,388,599	1,022,967
1.10 Special Education	7,607,529	1,800,197	9,407,726	98,402	9,506,128	9,779,966	9,420,308
1.30 English Language Learning	291,588	66,020	357,608	1,438	359,046	378,235	301,745
1.31 Indigenous Education	1,377,259	316,383	1,693,642	231,060	1,924,702	2,076,206	1,676,634
1.41 School Administration	3,423,229	720,015	4,143,244	148,664	4,291,908	4,702,803	3,878,565
1.60 Summer School	101,345	20,021	121,366	738	122,104	181,460	186,073
1.62 International and Out of Province Students	348,555	74,180	422,735	203,890	626,625	733,218	706,528
Total Function 1	36,820,704	8,369,129	45,189,833	2,600,732	47,790,565	49,488,067	46,300,906
4 District Administration							
4.11 Educational Administration	839,404	172,058	1,011,462	146,880	1,158,342	850,500	969,761
4.40 School District Governance	99,000	5,729	104,729	63,579	168,308	214,360	160,329
4.41 Business Administration	1,186,396	232,310	1,418,706	232,781	1,651,487	1,569,830	1,571,842
Total Function 4	2,124,800	410,097	2,534,897	443,240	2,978,137	2,634,690	2,701,932
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	195,508	38,413	233,921	98,118	332,039	360,101	316,152
5.50 Maintenance Operations	3,656,062	887,458	4,543,520	1,381,711	5,925,231	5,769,576	5,914,744
5.52 Maintenance of Grounds	222,450	70,175	292,625	167,498	460,123	535,809	564,596
5.56 Utilities	-	654	654	1,565,233	1,565,887	1,573,741	1,540,322
Total Function 5	4,074,020	996,700	5,070,720	3,212,560	8,283,280	8,239,227	8,335,814
7 Transportation and Housing							
7.70 Student Transportation	695,002	163,826	858,828	492,181	1,351,009	1,234,353	1,390,679
7.73 Housing	-	-	-	50,050	50,050	60,000	69,423
Total Function 7	695,002	163,826	858,828	542,231	1,401,059	1,294,353	1,460,102
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	43,714,526	9,939,752	53,654,278	6,798,763	60,453,041	61,656,337	58,798,754

School District No. 72 (Campbell River)**Schedule 3 (Unaudited)****Schedule of Special Purpose Operations****Year Ended June 30, 2021**

	2021 Budget (Note 16)	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	8,103,928	8,029,565	5,753,726
Other	-	53,977	29,576
Other Revenue	1,367,954	1,374,652	1,960,512
Investment Income	2,946	3,078	6,938
Total Revenue	9,474,828	9,461,272	7,750,752
Expenses			
Instruction	8,918,071	9,142,777	7,215,917
Operations and Maintenance	556,757	263,128	508,554
Transportation and Housing	-	55,367	26,281
Total Expense	9,474,828	9,461,272	7,750,752
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, 2021

Schedule 3A (Unaudited)

	Annual Facility Grant \$	Learning Improvement Fund \$	Special Education Equipment \$	Scholarships and Bursaries \$	School Generated Funds \$	Strong Start \$	Ready, Set, Learn \$	OLEP \$	CommunityLINK \$
Deferred Revenue, beginning of year	-	7,909	31,977	169,974	635,071	-	1,442	53	34,873
Add: Restricted Grants									
Provincial Grants - Ministry of Education	263,128	206,242				128,000	29,400	157,983	539,881
Provincial Grants - Other				8,500	1,400,801				
Other			141	811			33	482	564
Investment Income	263,128	206,242	141	9,311	1,400,801	128,000	29,433	158,465	540,445
Less: Allocated to Revenue Recovered	263,128	214,151	14,045	20,955	1,312,408	128,000	26,699	151,072	502,986
Deferred Revenue, end of year	-	-	18,073	158,330	723,464	-	4,176	7,446	72,332
Revenues									
Provincial Grants - Ministry of Education	263,128	214,151	13,904			128,000	26,666	150,590	502,422
Provincial Grants - Other				20,144	1,312,408				
Other Revenue			141	811			33	482	564
Investment Income	263,128	214,151	14,045	20,955	1,312,408	128,000	26,699	151,072	502,986
Expenses									
Salaries									
Teachers								58,341	
Principals and Vice Principals								13,660	
Educational Assistants		168,954							286,653
Support Staff						95,360			
Other Professionals									
Substitutes								137	
	-	168,954	-	-	-	95,360	-	72,138	286,653
Employee Benefits		45,197				28,447		14,927	70,114
Services and Supplies	263,128		14,045	20,955	1,312,408	4,193	26,699	64,007	146,219
	263,128	214,151	14,045	20,955	1,312,408	128,000	26,699	151,072	502,986
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, 2021

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Safe Return to School Grant	Federal Safe Return to Class Fund	Oasis PRP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	349	28,008	-	-	14,974	-	-	29,314
Add: Restricted Grants									
Provincial Grants - Ministry of Education	291,660	3,258,045	253,325	84,048	52,000	11,250	462,607	2,033,406	138,075
Provincial Grants - Other									
Other									
Investment Income				225		206			273
	291,660	3,258,045	253,325	84,273	52,000	11,456	462,607	2,033,406	138,348
Less: Allocated to Revenue Recovered	291,660	3,258,045	253,325	55,367	52,000	-	462,607	2,033,406	166,389
		349	28,008						
Deferred Revenue, end of year	-	-	-	28,906	-	26,430	-	-	1,273
Revenues									
Provincial Grants - Ministry of Education	291,660	3,258,045	253,325	55,367	52,000		462,607	2,033,406	166,116
Provincial Grants - Other									
Other Revenue									
Investment Income									273
	291,660	3,258,045	253,325	55,367	52,000	-	462,607	2,033,406	166,389
Expenses									
Salaries									
Teachers		2,615,036						1,184,177	128,610
Principals and Vice Principals									6,464
Educational Assistants								74,028	
Support Staff	31,000			32,863			199,459	746	3,690
Other Professionals	83,288			10,378					
Substitutes	134,609		219,672		39,520			249,999	
	248,897	2,615,036	219,672	43,241	39,520	-	199,459	1,508,950	138,764
Employee Benefits	27,763	643,009	33,653		12,480		29,976	358,050	23,625
Services and Supplies	15,000			12,126			233,172	166,406	4,000
	291,660	3,258,045	253,325	55,367	52,000	-	462,607	2,033,406	166,389
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, 2021

Schedule 3A (Unaudited)

	Headsart PRP	Provincial Iteracy	District Trust Funds	Van Foundation KELP Grant	Skills for Jobs Blueprint	BCNN Classroom Assmts	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	26,272	51,912	89,655	69,579	16,490	5,561	1,213,413
Add: Restricted Grants							
Provincial Grants - Ministry of Education	133,172						8,042,222
Provincial Grants - Other			29,550				29,550
Other			42,100				1,451,401
Investment Income	265	408	509	547	130	44	4,638
	133,437	408	72,159	547	130	44	9,527,811
Less: Allocated to Revenue	158,443	-	96,586	-	-	-	9,461,272
Recovered							28,357
Deferred Revenue, end of year	1,266	52,320	65,228	70,126	16,620	5,605	1,251,595
Revenues							
Provincial Grants - Ministry of Education	158,178						8,029,565
Provincial Grants - Other			53,977				53,977
Other Revenue			42,100				1,374,652
Investment Income	265		509				3,078
	158,443	-	96,586	-	-	-	9,461,272
Expenses							
Salaries							
Teachers	121,711						4,107,875
Principals and Vice Principals	6,464						26,588
Educational Assistants							529,635
Support Staff	3,278						366,396
Other Professionals							93,666
Substitutes							643,937
	131,453	-	-	-	-	-	5,768,097
Employee Benefits	22,990						1,310,231
Services and Supplies	4,000		96,586				2,382,944
	158,443	-	96,586	-	-	-	9,461,272
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, 2021

	2021 Budget (Note 16)	2021 Actual			2020 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	1,377,000	1,058,199		1,058,199	709,048
Investment Income	5,000		5,597	5,597	9,532
Amortization of Deferred Capital Revenue	3,071,798	3,118,990		3,118,990	3,062,020
Total Revenue	4,453,798	4,177,189	5,597	4,182,786	3,780,600
Expenses					
Operations and Maintenance	1,377,000	1,058,199	-	1,058,199	852,239
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,047,041	4,106,142		4,106,142	3,535,946
Transportation and Housing	168,895	109,794		109,794	569,225
Debt Services					
Capital Lease Interest	1,800		1,800	1,800	3,022
Total Expense	5,594,736	5,274,135	1,800	5,275,935	4,960,432
Capital Surplus (Deficit) for the year	(1,140,938)	(1,096,946)	3,797	(1,093,149)	(1,179,832)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	310,000	276,154		276,154	324,722
Local Capital	734,000		500,063	500,063	673,000
Capital Lease Payment	22,833		22,833	22,833	22,833
Total Net Transfers	1,066,833	276,154	522,896	799,050	1,020,555
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		499,749	(499,749)	-	
Principal Payment					
Capital Lease		21,033	(21,033)	-	
Total Other Adjustments to Fund Balances		520,782	(520,782)	-	
Total Capital Surplus (Deficit) for the year	(74,105)	(300,010)	5,911	(294,099)	(159,277)
Capital Surplus (Deficit), beginning of year		21,516,254	605,271	22,121,525	22,280,802
Capital Surplus (Deficit), end of year		21,216,244	611,182	21,827,426	22,121,525

School District No. 72 (Campbell River)

Tangible Capital Assets

Year Ended June 30, 2021

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	8,448,233	150,378,245	2,418,813	1,688,941		2,937,364	165,871,596
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		804,274		1,068,567		55,536	1,928,377
Deferred Capital Revenue - Other		26,152					26,152
Operating Fund			19,633			256,521	276,154
Local Capital		130,451	42,963	87,218		239,117	499,749
Transferred from Work in Progress		164,300					164,300
	-	1,125,177	62,596	1,155,785	-	551,174	2,894,732
Decrease:							
Deemed Disposals			50,288	109,794		498,470	658,552
	-	-	50,288	109,794	-	498,470	658,552
Cost, end of year	8,448,233	151,503,422	2,431,121	2,734,932	-	2,990,068	168,107,776
Work in Progress, end of year		128,008					128,008
Cost and Work in Progress, end of year	8,448,233	151,631,430	2,431,121	2,734,932	-	2,990,068	168,235,784
Accumulated Amortization, beginning of year		77,997,097	626,044	735,845		1,146,710	80,505,696
Changes for the Year							
Increase: Amortization for the Year		3,217,687	241,881	168,895		587,473	4,215,936
Decrease:							
Deemed Disposals			50,288	109,794		498,470	658,552
		-	50,288	109,794	-	498,470	658,552
Accumulated Amortization, end of year		81,214,784	817,637	794,946	-	1,235,713	84,063,080
Tangible Capital Assets - Net	8,448,233	70,416,646	1,613,484	1,939,986	-	1,754,355	84,172,704

School District No. 72 (Campbell River)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2021

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	164,300				164,300
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	128,008				128,008
	128,008	-	-	-	128,008
Decrease:					
Transferred to Tangible Capital Assets	164,300				164,300
	164,300	-	-	-	164,300
Net Changes for the Year	(36,292)	-	-	-	(36,292)
Work in Progress, end of year	128,008	-	-	-	128,008

School District No. 72 (Campbell River)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	56,596,690	6,369,644	754,630	63,720,964
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,928,377		26,152	1,954,529
Transferred from Work in Progress	116,293			116,293
	2,044,670	-	26,152	2,070,822
Decrease:				
Amortization of Deferred Capital Revenue	2,865,300	221,695	31,995	3,118,990
	2,865,300	221,695	31,995	3,118,990
Net Changes for the Year	(820,630)	(221,695)	(5,843)	(1,048,168)
Deferred Capital Revenue, end of year	55,776,060	6,147,949	748,787	62,672,796
Work in Progress, beginning of year	116,293			116,293
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	128,008			128,008
	128,008	-	-	128,008
Decrease				
Transferred to Deferred Capital Revenue	116,293			116,293
	116,293	-	-	116,293
Net Changes for the Year	11,715	-	-	11,715
Work in Progress, end of year	128,008	-	-	128,008
Total Deferred Capital Revenue, end of year	55,904,068	6,147,949	748,787	62,800,804

School District No. 72 (Campbell River)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	411,341	1,771,749	13,985	-	-	2,197,075
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	3,216,325					3,216,325
Fortis Grants					26,152	26,152
	3,216,325	-	-	-	26,152	3,242,477
Decrease:						
Transferred to DCR - Capital Additions	1,928,377				26,152	1,954,529
Transferred to DCR - Work in Progress	128,008					128,008
AFG Spent on Non-Capital	314,428					314,428
Capital Approved Project Expense	743,771					743,771
	3,114,584	-	-	-	26,152	3,140,736
Net Changes for the Year	101,741	-	-	-	-	101,741
Balance, end of year	513,082	1,771,749	13,985	-	-	2,298,816