

Audited Financial Statements of

School District No. 91 (Nechako Lakes)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 91 (Nechako Lakes)

June 30, 2022

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School District No. 91 (Nechako Lakes)

MANAGEMENT REPORT

Version: 1875-1129-8147

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 91 (Nechako Lakes) 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. 91 (Nechako Lakes) (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. 91 (Nechako Lakes) 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. 91 (Nechako Lakes)

Original Signed	9-26-22
Signature of the Chairperson of the Board of Education	Date Signed
Original Signed	9-26-22
Signature of the Superintendent	Date Signed
Original Signed	9-26-22
Signature of the Secretary Treasurer	Date Signed

Independent Auditor's Report

To the Board of Education of School District No. 91 (Nechako Lakes), and
To the Minister of Education, Province of British Columbia:

Opinion

We have audited the financial statements of School District No. 91 (Nechako Lakes) (the "School District"), which comprise the statement of financial position as at June 30, 2022, 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 fairly, in all material respects, the financial position of the School District as at June 30, 2022, and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with the financial reporting provisions 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 (the "special purpose framework").

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 - Basis of Accounting

We draw attention to Note 2(a) to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the School District in complying with the special purpose framework. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report comprises Unaudited Schedules 1-4D 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 fair presentation of the financial statements in accordance with the special purpose framework 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.

Prince George, British Columbia

September 26, 2022

MNP LLP

Chartered Professional Accountants

MNP

School District No. 91 (Nechako Lakes)

Statement 1

Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	16,087,180	14,263,298
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	376,039	216,464
Due from First Nations	26,581	1,458,857
Other (Note 3)	242,385	570,389
Portfolio Investments (Note 4)	64,871	66,425
Total Financial Assets	16,797,056	16,575,433
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education and Child Care	-	1,051,639
Other (Note 5)	5,035,400	4,782,254
Unearned Revenue (Note 6)	3,450	-
Deferred Revenue (Note 7)	3,707,199	2,610,141
Deferred Capital Revenue (Note 8)	41,052,865	40,098,289
Employee Future Benefits (Note 9)	3,574,773	3,402,711
Capital Lease Obligations (Note 10)	32,005	56,008
Total Liabilities	53,405,692	52,001,042
Net Debt	(36,608,636)	(35,425,609)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	64,189,329	63,892,924
Restricted Assets (Endowments) (Note 13)	195,243	195,211
Prepaid Expenses	437,671	440,619
Total Non-Financial Assets	64,822,243	64,528,754
Accumulated Surplus (Deficit)	28,213,607	29,103,145

Contractual Obligations (Note 21)

Approved by the Board

Original Signed

9-26-22

Signature of the Chairperson of the Board of Education

Date Signed

Original Signed

9-26-22

Signature of the Superintendent

Date Signed

Original Signed

9-26-22

Signature of the Secretary Treasurer

Date Signed

School District No. 91 (Nechako Lakes)

Statement 2

Statement of Operations

Year Ended June 30, 2022

	2022 Budget (Note 15) \$	2022 Actual \$	2021 Actual (Restated - Note 20) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	55,650,210	56,077,317	56,575,065
Other	32,643	19,675	19,600
Tuition	260,000	266,918	213,850
Other Revenue	8,547,048	8,487,273	6,872,580
Rentals and Leases	106,645	109,442	65,445
Investment Income	100,797	147,432	153,730
Gain (Loss) on Disposal of Tangible Capital Assets	100,033	100,033	(93,650)
Amortization of Deferred Capital Revenue	2,204,203	2,204,941	2,211,102
Total Revenue	<u>67,001,579</u>	<u>67,413,031</u>	<u>66,017,722</u>
Expenses			
Instruction	53,887,298	53,167,039	50,776,774
District Administration	2,928,889	2,958,094	2,796,513
Operations and Maintenance	9,303,363	8,847,111	8,464,945
Transportation and Housing	3,596,937	3,330,357	3,374,060
Total Expense	<u>69,716,487</u>	<u>68,302,601</u>	<u>65,412,292</u>
Surplus (Deficit) for the year, before endowment contributions	<u>(2,714,908)</u>	<u>(889,570)</u>	<u>605,430</u>
Endowment Contributions		32	1,660
Surplus (Deficit) for the year	<u>(2,714,908)</u>	<u>(889,538)</u>	<u>607,090</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		29,103,145	28,496,055
Accumulated Surplus (Deficit) from Operations, end of year		<u>28,213,607</u>	<u>29,103,145</u>

School District No. 91 (Nechako Lakes)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget (Note 15) \$	2022 Actual \$	2021 Actual (Restated - Note 20) \$
Surplus (Deficit) for the year	<u>(2,714,908)</u>	<u>(889,538)</u>	<u>607,090</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(3,484,542)	(3,379,167)	(2,390,822)
Amortization of Tangible Capital Assets	3,050,859	3,044,795	3,070,207
Net carrying value of Tangible Capital Assets disposed of	37,967	37,967	118,150
Total Effect of change in Tangible Capital Assets	<u>(395,716)</u>	<u>(296,405)</u>	<u>797,535</u>
Acquisition of Prepaid Expenses		(437,670)	(440,618)
Use of Prepaid Expenses		440,618	300,599
Endowment Contributions		(32)	(1,660)
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>2,916</u>	<u>(141,679)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(3,110,624)</u>	<u>(1,183,027)</u>	<u>1,262,946</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(1,183,027)</u>	<u>1,262,946</u>
Net Debt, beginning of year		<u>(35,425,609)</u>	<u>(36,688,555)</u>
Net Debt, end of year		<u><u>(36,608,636)</u></u>	<u><u>(35,425,609)</u></u>

School District No. 91 (Nechako Lakes)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2022

	2022 Actual	2021 Actual
	(Restated - Note 20)	
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(889,538)	607,090
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	1,600,705	(896,337)
Prepaid Expenses	2,947	(140,019)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(798,493)	1,100,623
Unearned Revenue	3,450	(42,250)
Deferred Revenue	1,097,058	221,637
Employee Future Benefits	172,062	153,424
Loss (Gain) on Disposal of Tangible Capital Assets	(100,033)	93,650
Amortization of Tangible Capital Assets	3,044,795	3,070,207
Amortization of Deferred Capital Revenue	(2,204,941)	(2,211,102)
Recognition of Deferred Capital Revenue Spent on Sites	(15,937)	(27,839)
Capital Grants spent on non-capital purchases		(513,448)
Total Operating Transactions	1,912,075	1,415,636
Capital Transactions		
Tangible Capital Assets Purchased	(1,614,510)	(407,345)
Tangible Capital Assets -WIP Purchased	(1,764,657)	(1,913,643)
District Portion of Proceeds on Disposal	138,000	24,500
Capital Asset Purchases via Lease		(69,834)
Total Capital Transactions	(3,241,167)	(2,366,322)
Financing Transactions		
Loan Proceeds		72,010
Capital Revenue Received	3,175,454	2,581,799
Endowment Contributions	(32)	(1,660)
Capital Lease Principal Payments	(24,003)	(16,002)
Total Financing Transactions	3,151,419	2,636,147
Investing Transactions		
Investments in Portfolio Investments	1,555	3,231
Total Investing Transactions	1,555	3,231
Net Increase (Decrease) in Cash and Cash Equivalents	1,823,882	1,688,692
Cash and Cash Equivalents, beginning of year	14,263,298	12,574,606
Cash and Cash Equivalents, end of year	16,087,180	14,263,298
Cash and Cash Equivalents, end of year, is made up of:		
Cash	16,087,180	14,263,298
	16,087,180	14,263,298

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on December 2, 1996, 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. 91 (Nechako Lakes)", and operates as "School District No. 91 (Nechako Lakes)." 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. School District No. 91 (Nechako Lakes) is exempt from federal and provincial corporate income taxes.

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 Sept 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 (the "Act"). 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(f) 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(f) and 2(m), Section 23.1 of the Act and its related regulations requires the School District to recognize government transfers for the acquisition of 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. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Basis of Accounting (continued)

As a result, revenue recognized in the statement of operations and certain capital revenue would be recorded differently under Canadian Public Sector Accounting Standards. The impact of this difference on the financial statements of the School District is as follows:

	June 30, 2022	June 30, 2021
	June 30, 2022	(restated)
Increase in Annual Surplus	\$ 954,576	\$ (248,562)
Increase in Accumulated Surplus	\$ 41,052,865	\$ 40,098,289
Decrease in Deferred Contributions	\$ 41,052,865	\$ 40,098,289

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition 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) Portfolio Investments

The School District has investments in GIC's and term deposits that have a maturity of greater than 3 months at the time of acquisition. GIC's, term deposits, and other investments not quoted in an active market are reported at cost.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. The loss is not reversed if there is a subsequent increase in value.

Detailed information regarding portfolio investments is disclosed in Note 4.

e) 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. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) 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 the Province of British Columbia 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 transferor 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.

g) 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 (EARS�) of active employees covered under the plan.

The most recent valuation of the obligation was performed March 31, 2022 and projected to June 30, 2025. The next valuation will be performed March 31, 2025, for use at June 30, 2025. 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. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) 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 the following criteria are met:

- Contamination exceeds the environmental standard;
- The School District:
 - is directly responsible; or
 - 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.

i) 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. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) 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. 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

j) 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.

k) Prepaid Expenses

Goods and services paid for, but not yet received at year-end are included as a prepaid expense, stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

l) Funds and Reserves

The School District uses fund accounting procedures, which result in self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in these financial statements. All inter-fund balances have been eliminated.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Funds and Reserves (continued)

The School District maintains the following funds:

- The Operations Fund, which reports the general activities of the School District.
- The Capital Operations Fund which report activities related to the tangible capital assets and related funding of the School District.
- Various Special Purpose Funds as follows: Annual Facility Grant, Learning Improvement Fund, Scholarships and Bursaries/Endowment Income Fund, School Generated Funds, Strong Start, Ready, Set, Learn, OLEP, CommunityLINK, Classroom Enhancement Fund – Overhead, Classroom Enhancement Fund - Staffing, Classroom Enhancement Fund – Remedies, Seamless Day Kindergarten, First Nation Student Transportation, Mental Health in Schools, Changing Results for Young Children, Safe Return to School Grant, Federal Safe Return to Class Fund, Literacy Now Stewardship, Fort St. James Woodlot, and BCSSA North Zone.

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 14 – Interfund Transfers and Note 19 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 2, 3 and 4.

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 has to 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.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Revenue Recognition (continued)

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.

n) Expenses

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, Secretary-Treasurers, Directors, 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 related 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 program identification.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

p) 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, portfolio investments, and accounts payable and accrued liabilities.

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 financial instruments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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.

q) 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 of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

r) 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:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- 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, 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:

- has the authority to claim or retain an inflow of economic resources; and
- 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.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Due from Federal Government	\$ 94,667	\$ 77,110
Other	147,718	493,279
Total	\$ 242,385	\$ 570,389

NOTE 4 PORTFOLIO INVESTMENTS

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Investments-Cost & Amortized Cost		
GIC's	\$ 40,823	\$ 48,070
Term Deposits	24,048	18,355
Total	\$ 64,871	\$ 66,425

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Trades Payable	\$ 1,068,429	\$ 798,273
Salaries and Benefits Payable	3,062,690	3,064,367
Accrued Vacation Pay	904,281	919,614
Total	\$ 5,035,400	\$ 4,782,254

NOTE 6 UNEARNED REVENUE

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Balance, Beginning of Year	\$ -	\$ 42,250
Increases:		
Rents	3,450	-
Decreases:		
Grants	-	(42,250)
Net Changes for the Year	3,450	(42,250)
Balance, End of Year	\$ 3,450	\$ -

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 7 DEFERRED REVENUE

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.

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Deferred Revenue, Beginning of Year	\$ 2,610,141	\$ 2,388,504
Add: Restricted Grants		
Provincial Grants	4,848,565	6,096,633
Other	3,544,401	1,026,238
Investment Income	31,784	19,765
	<u>11,034,891</u>	<u>9,531,140</u>
Less:		
Allocated to Revenue	7,327,692	6,920,999
Recovered		
Deferred Revenue, End of Year	<u>\$ 3,707,199</u>	<u>\$ 2,610,141</u>

NOTE 8 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. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

	<u>June 30, 2022</u>	<u>June 30, 2021</u> (restated-Note 20)
Deferred Capital Revenue, Beginning of Year	\$ 39,505,712	\$ 39,565,429
Transfers from Deferred Revenue - Capital Additions	1,371,841	48,897
Transfers from Work in Progress	1,735,426	2,102,488
Amortization of Deferred Capital Revenue	(2,204,941)	(2,211,102)
	<u>\$ 40,408,038</u>	<u>\$ 39,505,712</u>
Work in Progress, Beginning of Year	\$ 193,885	\$ 382,730
Transferred from Deferred Revenue - Work in Progress	1,764,657	1,913,643
Work in Progress, End of Year	(1,735,426)	(2,102,488)
Net Changes for the Year	<u>223,116</u>	<u>193,885</u>
Total Deferred Capital Revenue, End of Year	<u>\$ 40,631,154</u>	<u>\$ 39,699,597</u>

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 DEFERRED CAPITAL REVENUE (continued)

	June 30, 2022	June 30, 2021 (restated-Note 20)
Changes in Unspent Deferred Capital Revenue		
Balance, Beginning of Year	\$ 398,692	\$ 320,720
Provincial Grants - Ministry of Education	3,163,470	2,457,438
Other	11,984	50,861
Med Restricted Portion of Proceeds on Disposal	-	73,500
Transfers to DCR - Capital Additions	(1,371,841)	(48,897)
Transfers to DCR - Work in Progress	(1,764,657)	(1,913,643)
Transfers to revenue - Site Purchases	(15,937)	(27,839)
Grants Spent on Non-Capital Items	-	(513,448)
Balance, End of Year	421,711	398,692
	\$ 41,052,865	\$ 40,098,289

NOTE 9 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime 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.

	June 30, 2022	June 30, 2021
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 3,407,834	\$ 3,529,438
Service Cost	236,433	238,995
Interest Cost	86,423	80,798
Benefit Payments	(209,808)	(245,312)
Actuarial (Gain) Loss	(137,232)	(196,085)
Accrued Benefit Obligation – March 31	<u>\$ 3,383,650</u>	<u>\$ 3,407,834</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 3,383,650	\$ 3,407,834
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(3,383,650)	(3,407,834)
Employer Contributions After Measurement Date	8,476	29,603
Benefits Expense After Measurement Date	(79,310)	(80,714)
Unamortized Net Actuarial (Gain) Loss	(120,289)	56,234
Accrued Benefit Asset (Liability) - June 30	<u>\$ (3,574,773)</u>	<u>\$ (3,402,711)</u>

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 EMPLOYEE FUTURE BENEFITS (continued)

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 3,402,711	\$ 3,249,287
Net Expense for Fiscal Year	360,743	377,357
Employer Contributions	(188,681)	(223,933)
Accrued Benefit Liability (Asset) - June 30	<u>\$ 3,574,773</u>	<u>\$ 3,402,711</u>
Components of Net Benefit Expense		
Service Cost	\$ 228,802	\$ 238,355
Interest Cost	92,651	82,204
Amortization of Net Actuarial (Gain)/Loss	39,291	56,798
Net Benefit Expense (Income)	<u>\$ 360,744</u>	<u>\$ 377,357</u>
Assumptions		
Discount Rate - April 1	2.50%	2.25%
Discount Rate - March 31	3.25%	2.50%
Long Term Salary Growth - April 1*	2.50%	2.50%
Long Term Salary Growth - March 31*	2.50%	2.50%
EARS L - March 31	11.0	11.2

Note: * +Seniority

NOTE 10 CAPITAL LEASE OBLIGATION

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Wells Fargo Equipment Finance Company, non-interest bearing, repayable in monthly instalments of \$2,000, secured by equipment with a net book value of \$59,708	<u>\$ 32,005</u>	<u>\$ 56,008</u>
Repayments Remaining:		
2023	24,003	
2024	8,002	
Total Minimum Lease Payments Remaining	<u>\$ 32,005</u>	

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 11 TANGIBLE CAPITAL ASSETS

Cost:	Balance at July 1, 2021	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2022
Sites	\$ 7,770,429	\$ 15,937	\$ (37,967)		\$ 7,748,399
Buildings	112,944,717	843,607		1,731,400	115,519,724
Buildings - Work in Progress	193,885	1,760,631		(1,731,400)	223,116
Furniture & Equipment	2,078,014	108,467	(331,335)		1,855,146
Vehicles	4,990,772	650,525	(991,790)		4,649,507
Computer Software	6,096				6,096
Computer Hardware	28,010				28,010
Total	\$ 128,011,923	\$ 3,379,167	\$ (1,361,092)	\$ -	\$ 130,029,998

Accumulated Amortization: (restated-Note 20)	Balance at July 1, 2021	Additions	Disposals	Balance at June 30, 2022
Buildings	\$ 60,159,534	\$ 2,359,302		\$ 62,518,836
Furniture & Equipment	1,056,645	196,658	(331,335)	921,968
Vehicles	2,888,970	482,014	(991,790)	2,379,194
Computer Software	1,827	1,219	-	3,046
Computer Hardware	12,023	5,602	-	17,625
Total	\$ 64,118,999	\$ 3,044,795	\$ (1,323,125)	\$ 65,840,669

Net Book Value:	NBV at June 30, 2022	NBV at June 30, 2021
Sites	\$ 7,748,399	\$ 7,770,429
Buildings	53,000,888	52,785,183
Buildings - Work in Progress	223,116	193,885
Furniture & Equipment	933,178	1,021,369
Vehicles	2,270,313	2,101,802
Computer Software	3,050	4,269
Computer Hardware	10,385	15,987
Total	\$ 64,189,329	\$ 63,892,924

Included in Furniture & Equipment is leased equipment with a net book value of \$59,708 (2021 - \$66,342)

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 11 TANGIBLE CAPITAL ASSETS (continued)

Cost:	Balance at July 1, 2020	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2021
Sites	\$ 7,767,167	\$ 27,839	\$ (24,577)		\$ 7,770,429
Buildings	110,828,882	178,288	(164,941)	2,102,488	112,944,717
Buildings - Work in Progress	382,730	1,913,643		(2,102,488)	193,885
Furniture & Equipment	2,025,713	225,698	(173,397)		2,078,014
Vehicles	5,862,932	45,354	(917,514)		4,990,772
Computer Software	14,784		(8,688)		6,096
Computer Hardware	28,010				28,010
Total	\$ 126,910,218	\$ 2,390,822	\$ (1,289,117)	\$ -	\$ 128,011,923

	Balance at July 1, 2020		Balance at June 30, 2021
Accumulated Amortization: (restated-Note 20)		Additions	Disposals
Buildings	\$ 57,916,256	\$ 2,314,646	\$ (71,368)
Furniture & Equipment	1,024,856	205,186	(173,397)
Vehicles	3,263,799	542,685	(917,514)
Computer Software	8,427	2,088	(8,688)
Computer Hardware	6,421	5,602	-
Total	\$ 62,219,759	\$ 3,070,207	\$ (1,170,967)

NOTE 12 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, 2021, the Teachers' Pension Plan has about 50,000 active members and approximately 40,000 retired members. As of December 31, 2021, the Municipal Pension Plan has about 227,000 active members and 118,000 retired members.

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 is then adjusted to the extent there is amortization of any funding deficit.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2020, indicated a \$1,584 million 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.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 12 EMPLOYEE PENSION PLANS (continued)

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$4,348,259 for employer contributions to the plans for the year ended June 30, 2022 (2021 - \$4,248,638).

The most recent valuation for the Teachers' Pension Plan was on December 31, 2020, with results available in the last quarter of 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.

NOTE 13 RESTRICTED ASSETS - ENDOWMENT FUNDS

Donors have placed restrictions on their contributions to the endowment funds of the school district. One restriction is that the original contribution should not be spent. Another potential restriction is that any investment income of the endowment fund that is required to offset the eroding effect of inflation or preserve the original value of the endowment should also not be spent.

	Balance	Contributions	Balance
	June 30, 2021	June 30, 2022	June 30, 2022
M. Goodwin	\$ 4,218	\$ 26	\$ 4,244
D. Bunting	5,500		5,500
Barteaux	70,717		70,717
Fortin	16,000		16,000
Holiday	8,500		8,500
Steinbach	5,200		5,200
T'Saiku	5,000		5,000
Hoffman	9,986		9,986
Nourse	10,000		10,000
Marks	10,000		10,000
JP Diemert	50,090	\$ 6	50,096
Total	\$ 195,211	\$ 32	\$ 195,243

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 14 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2022, were as follows:

	<u>2021-22</u>		<u>2020-21</u>	
Transferred from operating funds to local capital	\$	65,792	\$	276,428
Transferred from operating funds to capital	\$	15,414	\$	-
Transferred from special purpose funds to capital	\$	114,690	\$	198,478

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 28, 2022. The Board adopted a preliminary annual budget on June 29, 2021. The amended budget is used for comparison purposes, as these are based on actual student enrollments. Reconciliation to the original approved budget is presented below:

	Original Approved Budget	Amendments	Amended Approved Budget
Revenue:			
Ministry of Education Provincial Grants	\$ 53,902,888	\$ 1,747,322	\$ 55,650,210
Other Provincial Ministry Grants	-	32,643	32,643
Tuition	260,000	-	260,000
Rentals & Leases	68,000	38,645	106,645
Investment Income	96,766	4,031	100,797
Gain(Loss) on Disposal-Tangible Capital Assets		100,033	100,033
Other Income	7,327,661	1,219,387	8,547,048
Amortization of Deferred Capital Revenue	2,175,973	28,230	2,204,203
	<u>\$ 63,831,288</u>	<u>\$ 3,170,291</u>	<u>\$ 67,001,579</u>
Expenses:			
Instruction	\$ 51,172,168	\$ 2,715,130	\$ 53,887,298
District Administration	2,853,770	75,119	2,928,889
Operations & Maintenance	8,810,780	492,583	9,303,363
Transportation & Housing	3,348,498	248,439	3,596,937
	<u>\$ 66,185,216</u>	<u>\$ 3,531,271</u>	<u>\$ 69,716,487</u>
Net Revenue (Expense)	<u>\$ (2,353,928)</u>	<u>\$ (360,980)</u>	<u>\$ (2,714,908)</u>
Budgeted Allocation of Surplus	1,783,786	355,248	2,139,034
Budgeted Annual Surplus for the Year	<u>\$ (570,142)</u>	<u>\$ (5,732)</u>	<u>\$ (575,874)</u>
Comprised of:			
Operating Fund Surplus	\$ -	\$ -	\$ -
Special Purpose Fund Surplus	-	-	-
Capital Fund Deficiency	(570,142)	(5,732)	(575,874)
Budgeted Annual Surplus for the Year	<u>\$ (570,142)</u>	<u>\$ (5,732)</u>	<u>\$ (575,874)</u>

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 16 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 considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 17 EXPENSE BY OBJECT

	June 30, 2022	June 30, 2021
	(restated-Note 20)	
Salaries and benefits	\$ 52,898,063	\$ 51,653,841
Services and supplies	12,359,743	10,688,244
Amortization	3,044,795	3,070,207
	\$ 68,302,601	\$ 65,412,292

NOTE 18 ECONOMIC DEPENDENCE

The 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 on a going concern basis.

NOTE 19 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	June 30, 2022	June 30, 2021
Internally Restricted (appropriated) by Board for:		
Schools/Departments	\$ 533,865	\$ 354,925
Aboriginal Education	452,448	276,968
Other Restricted - 22/23 Budget Deficit	595,591	
Other Restricted - 21/22 Budget Deficit		570,142
Other Targeted	407,467	326,343
Sub-Total Internally Restricted	1,989,371	1,528,378
Unrestricted Operating Surplus	710,649	1,573,910
Total Available for Future Operations	\$ 2,700,020	\$ 3,102,288

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 20 PRIOR PERIOD ADJUSTMENT

On May 28, 2021, the Office of the Comptroller General directed all school districts to apply the half-year rule method of amortization beginning in the fiscal year an asset is placed into service. This directive applies to both past and future purchases. Prior to this directive, the district did not recognize amortization in the first partial service year. The School District has made a retroactive adjustment to recognize amortization of all assets and deferred capital contributions beginning in the first service year. The impact of the prior period adjustment on the June 30, 2021 comparative amounts is as follows:

	<u>Increase (Decrease)</u>
Tangible Capital Assets	(1,524,415)
Deferred Capital Revenue	(1,094,491)
Accumulated Surplus (Deficit)	(429,924)
Amortization of Deferred Capital Revenue	(22,110)
Total Asset Amortization	(25,497)
Accumulated Surplus - beginning of the year July 1, 2020	(433,311)

NOTE 21 CONTRACTUAL OBLIGATIONS

The School District has entered into a multiple-year contract for the lease of office equipment for 5 years. The lease is considered an operating lease, and the lease payments are charged to expenses when incurred. The cost of the lease is \$80,831 each year, starting in 2021/22 and ending at the end of the 2025/26 school year.

NOTE 22 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit Risk:

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, amounts receivable and investments.

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in guaranteed investment certificates.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 22 RISK MANAGEMENT (continued)

b) Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in guaranteed investment certificates that have a maturity date of no more than 5 years.

c) Liquidity Risk:

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

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, that it will 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.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

School District No. 91 (Nechako Lakes)
Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2022

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year					
Prior Period Adjustments	3,102,288	195,211	25,805,646	29,103,145	28,929,366
Accumulated Surplus (Deficit), beginning of year, as restated	3,102,288	195,211	25,805,646	29,103,145	(433,311)
					28,496,055
Changes for the year					
Surplus (Deficit) for the year	(321,062)	114,722	(683,198)	(889,538)	607,090
Interfund Transfers					
Tangible Capital Assets Purchased	(15,414)	(114,690)	130,104	-	-
Local Capital	(65,792)		65,792	-	-
Net Changes for the year	(402,268)	32	(487,302)	(889,538)	607,090
Accumulated Surplus (Deficit), end of year - Statement 2	2,700,020	195,243	25,318,344	28,213,607	29,103,145

School District No. 91 (Nechako Lakes)

Schedule of Operating Operations

Year Ended June 30, 2022

Schedule 2 (Unaudited)

	2022 Budget (Note 15)	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	50,500,483	51,213,649	50,110,722
Other	32,643	16,900	18,500
Tuition	260,000	266,918	213,850
Other Revenue	6,283,643	6,015,972	5,875,077
Rentals and Leases	106,645	109,442	65,445
Investment Income	80,000	100,861	118,212
Total Revenue	<u>57,263,414</u>	<u>57,723,742</u>	<u>56,401,806</u>
Expenses			
Instruction	47,209,101	46,396,579	44,171,116
District Administration	2,928,889	2,958,094	2,796,513
Operations and Maintenance	6,338,465	5,862,917	5,359,154
Transportation and Housing	2,878,956	2,827,214	2,779,333
Total Expense	<u>59,355,411</u>	<u>58,044,804</u>	<u>55,106,116</u>
Operating Surplus (Deficit) for the year	<u>(2,091,997)</u>	<u>(321,062)</u>	<u>1,295,690</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>2,139,034</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(15,414)	
Local Capital	(47,037)	(65,792)	(276,428)
Total Net Transfers	<u>(47,037)</u>	<u>(81,206)</u>	<u>(276,428)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(402,268)</u>	<u>1,019,262</u>
Operating Surplus (Deficit), beginning of year		3,102,288	2,083,026
Operating Surplus (Deficit), end of year		<u>2,700,020</u>	<u>3,102,288</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		1,989,371	1,528,378
Unrestricted		710,649	1,573,910
Total Operating Surplus (Deficit), end of year		<u>2,700,020</u>	<u>3,102,288</u>

School District No. 91 (Nechako Lakes)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget (Note 15)	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	54,213,910	54,423,106	52,066,192
ISC/LEA Recovery	(5,586,966)	(5,149,603)	(5,123,821)
Other Ministry of Education and Child Care Grants			
Pay Equity	1,096,373	1,096,373	1,096,373
Funding for Graduated Adults	56,000	122,607	138,981
Student Transportation Fund	503,247	503,247	503,247
Support Staff Benefits Grant	96,069	96,069	95,050
Teachers' Labour Settlement Funding			1,127,851
Early Career Mentorship Funding			85,000
FSA Scorer Grant	8,187	8,187	8,187
PLN Self Provisioned Sites Grant	111,540	111,540	111,540
ELF Implementation	2,123	2,123	2,122
Total Provincial Grants - Ministry of Education and Child Care	50,500,483	51,213,649	50,110,722
Provincial Grants - Other	32,643	16,900	18,500
Tuition			
International and Out of Province Students	260,000	266,918	213,850
Total Tuition	260,000	266,918	213,850
Other Revenues			
Funding from First Nations	5,586,966	5,149,603	5,123,821
Miscellaneous			
Bottle Depot	164,000	211,230	225,411
Bus Charters	7,500	13,457	9,104
Premium Holiday	431,000	370,000	303,676
Miscellaneous	94,177	271,682	213,065
Total Other Revenue	6,283,643	6,015,972	5,875,077
Rentals and Leases	106,645	109,442	65,445
Investment Income	80,000	100,861	118,212
Total Operating Revenue	57,263,414	57,723,742	56,401,806

School District No. 91 (Nechako Lakes)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2022

	2022 Budget (Note 15)	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$
Salaries			
Teachers	20,536,231	20,871,862	20,216,011
Principals and Vice Principals	3,579,446	3,478,759	3,429,310
Educational Assistants	5,084,952	4,759,799	4,448,413
Support Staff	6,725,536	6,588,503	6,506,499
Other Professionals	2,572,361	2,714,291	2,417,176
Substitutes	1,527,257	1,451,665	1,247,214
Total Salaries	40,025,783	39,864,879	38,264,623
Employee Benefits	9,021,815	9,097,412	8,756,795
Total Salaries and Benefits	49,047,598	48,962,291	47,021,418
Services and Supplies			
Services	2,719,193	2,167,682	1,958,264
Student Transportation	130,974	73,114	40,445
Professional Development and Travel	964,210	819,235	675,414
Rentals and Leases	31,873	69,185	29,605
Dues and Fees	75,724	61,778	59,387
Insurance	206,730	147,441	155,240
Supplies	4,637,291	4,559,408	3,952,562
Utilities	1,541,818	1,184,670	1,213,781
Total Services and Supplies	10,307,813	9,082,513	8,084,698
Total Operating Expense	59,355,411	58,044,804	55,106,116

School District No. 91 (Nechako Lakes)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

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	16,541,599	1,382,596	55,911	1,627,904	189,678	994,148	20,791,836
1.03 Career Programs	341,418				26,140	9,779	377,337
1.07 Library Services				105,676		4,336	110,012
1.08 Counselling	1,313,750				46,707		1,360,457
1.10 Special Education	2,477,963	147,900	4,000,750		425,520	208,091	7,260,224
1.30 English Language Learning	11,866						11,866
1.31 Indigenous Education	185,266	101,362	703,138		64,258	29,694	1,083,718
1.41 School Administration		1,846,901		632,545		8,583	2,488,029
1.62 International and Out of Province Students							-
1.64 Other							-
Total Function 1	20,871,862	3,478,759	4,759,799	2,366,125	752,303	1,254,631	33,483,479
4 District Administration							
4.11 Educational Administration				152	846,913		847,065
4.40 School District Governance					92,404		92,404
4.41 Business Administration				239,391	713,735	5,209	958,335
Total Function 4	-	-	-	239,543	1,653,052	5,209	1,897,804
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				5,424	212,029	2,325	219,778
5.50 Maintenance Operations				2,367,203	5,651	134,055	2,506,909
5.52 Maintenance of Grounds				195,368			195,368
5.56 Utilities							-
Total Function 5	-	-	-	2,567,995	217,680	136,380	2,922,055
7 Transportation and Housing							
7.41 Transportation and Housing Administration					91,256		91,256
7.70 Student Transportation				1,414,840		55,445	1,470,285
Total Function 7	-	-	-	1,414,840	91,256	55,445	1,561,541
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	20,871,862	3,478,759	4,759,799	6,588,503	2,714,291	1,451,665	39,864,879

School District No. 91 (Nechako Lakes)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

Schedule 2C (Unaudited)

	Total Salaries \$	Employee Benefits \$	Total Salaries and Benefits \$	Services and Supplies \$	2022 Actual \$	2022 Budget (Note 15) \$	2021 Actual (Restated - Note 20) \$
1 Instruction							
1.02 Regular Instruction	20,791,836	4,839,376	25,631,212	2,367,934	27,999,146	27,490,046	26,953,172
1.03 Career Programs	377,337	74,395	451,732	154,356	606,088	479,047	492,028
1.07 Library Services	110,012	28,611	138,623	19,777	158,400	164,089	142,073
1.08 Counselling	1,360,457	288,226	1,648,683	45,005	1,693,688	1,547,992	1,776,101
1.10 Special Education	7,260,224	1,648,210	8,908,434	1,775,724	10,684,158	11,523,271	9,846,879
1.30 English Language Learning	11,866	2,372	14,238		14,238	18,126	13,729
1.31 Indigenous Education	1,083,718	272,580	1,356,298	532,990	1,889,288	2,368,865	1,792,390
1.41 School Administration	2,488,029	524,905	3,012,934	110,689	3,123,623	3,242,631	2,952,609
1.62 International and Out of Province Students	-	-	-	10,140	10,140	100,843	3,788
1.64 Other	-	-	-	217,810	217,810	274,191	198,347
Total Function 1	33,483,479	7,678,675	41,162,154	5,234,425	46,396,579	47,209,101	44,171,116
4 District Administration							
4.11 Educational Administration	847,065	177,920	1,024,985	119,948	1,144,933	1,028,083	1,160,401
4.40 School District Governance	92,404	5,077	97,481	81,406	178,887	207,649	149,390
4.41 Business Administration	958,335	212,999	1,171,334	462,940	1,634,274	1,693,157	1,486,722
Total Function 4	1,897,804	395,996	2,293,800	664,294	2,958,094	2,928,889	2,796,513
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	219,778	51,292	271,070	95,919	366,989	462,755	324,131
5.50 Maintenance Operations	2,506,909	563,805	3,070,714	756,032	3,826,746	3,904,100	3,371,197
5.52 Maintenance of Grounds	195,368	36,562	231,930	252,582	484,512	429,792	450,045
5.56 Utilities	-	-	-	1,184,670	1,184,670	1,541,818	1,213,781
Total Function 5	2,922,055	651,659	3,573,714	2,289,203	5,862,917	6,338,465	5,359,154
7 Transportation and Housing							
7.41 Transportation and Housing Administration	91,256	20,910	112,166	18,072	130,238	137,173	147,441
7.70 Student Transportation	1,470,285	350,172	1,820,457	876,519	2,696,976	2,741,783	2,631,892
Total Function 7	1,561,541	371,082	1,932,623	894,591	2,827,214	2,878,956	2,779,333
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	39,864,879	9,097,412	48,962,291	9,082,513	58,044,804	59,355,411	55,106,116

School District No. 91 (Nechako Lakes)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget (Note 15)	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	5,144,727	4,860,949	5,950,895
Other		2,775	1,100
Other Revenue	2,214,892	2,433,083	944,664
Investment Income	12,197	30,885	24,340
Total Revenue	<u>7,371,816</u>	<u>7,327,692</u>	<u>6,920,999</u>
Expenses			
Instruction	6,678,197	6,770,460	6,605,658
Operations and Maintenance	397,797	421,413	108,429
Transportation and Housing	234,223	21,129	8,434
Total Expense	<u>7,310,217</u>	<u>7,213,002</u>	<u>6,722,521</u>
Special Purpose Surplus (Deficit) for the year, before endowment contributions	<u>61,599</u>	<u>114,690</u>	<u>198,478</u>
Endowment Contributions		32	1,660
Special Purpose Surplus (Deficit) for the year	<u>61,599</u>	<u>114,722</u>	<u>200,138</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(61,599)	(114,690)	(198,478)
Total Net Transfers	<u>(61,599)</u>	<u>(114,690)</u>	<u>(198,478)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>32</u>	<u>1,660</u>
Special Purpose Surplus (Deficit), beginning of year		195,211	193,551
Special Purpose Surplus (Deficit), end of year		<u>195,243</u>	<u>195,211</u>
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		195,243	195,211
Total Special Purpose Surplus (Deficit), end of year		<u>195,243</u>	<u>195,211</u>

School District No. 91 (Nechako Lakes)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	48,017	9,250	29,371	1,770,442	153,362	92,036	27,892	5,014	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	283,324	183,367			160,000	26,950	87,070	524,892	255,844
Provincial Grants - Other			15,000	1,532,380					
Investment Income	607		343	17,175	1,375	644		7	
	283,931	183,367	15,343	1,549,555	161,375	27,594	87,070	524,899	255,844
Less: Allocated to Revenue	331,948	118,936	4,739	1,537,818	97,939	33,157	101,218	529,913	255,844
Deferred Revenue, end of year	-	73,681	39,975	1,782,179	216,798	86,473	13,744	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	331,341	118,936			96,564	32,513	101,218	529,906	255,844
Provincial Grants - Other			4,396	1,520,643					
Other Revenue	607		343	17,175	1,375	644		7	
Investment Income	331,948	118,936	4,739	1,537,818	97,939	33,157	101,218	529,913	255,844
Expenses									
Salaries									
Teachers									
Principals and Vice Principals									29,462
Educational Assistants									
Support Staff		95,130			59,541	43	46,551	281,233	
Other Professionals								59,910	28,865
Substitutes		1,586			4,801	924	2,507	94,221	11,238
Employee Benefits	-	96,716	-	-	64,342	967	49,058	341,143	163,786
Services and Supplies	280,108	22,220	4,739	1,534,968	16,792	220	13,397	81,552	36,401
	280,108	118,936	4,739	1,534,968	16,805	31,970	38,763	107,218	55,657
					97,939	33,157	101,218	529,913	255,844
Net Revenue (Expense) before Interfund Transfers	51,840	-	-	2,850	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(51,840)			(2,850)					
	(51,840)	-	-	(2,850)	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 91 (Nechako Lakes)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other
Investment Income

Less: Allocated to Revenue
Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other Revenue
Investment Income

Expenses

Salaries
Teachers
Principals and Vice Principals
Educational Assistants
Support Staff
Other Professionals
Substitutes

Employee Benefits
Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased

Net Revenue (Expense)

	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/ Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	Seamless Day Kindergarten	Endowment Income
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			176,624	10,682	4,563		145,823		5,285
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	2,839,163	6,480	57,599	129,932	6,000	127,440	110,504	50,000	
Provincial Grants - Other									
Other									
Investment Income									2,379
Less: Allocated to Revenue	2,839,163	6,480	57,599	129,932	6,000	127,440	110,504	50,000	2,379
Deferred Revenue, end of year		-	213,094	39,942	183	127,440	256,327	43,233	1,480
					10,380			6,767	6,184
Revenues									
Provincial Grants - Ministry of Education and Child Care	2,839,163	6,480	21,129	100,672	183	127,440	256,327	43,233	1,480
Provincial Grants - Other									
Other Revenue									
Investment Income									1,480
Expenses									
Salaries									
Teachers	2,288,368			727			99,821	34,645	
Principals and Vice Principals									
Educational Assistants									
Support Staff			15,594	279	149		19,024		
Other Professionals									
Substitutes		3,298					1,733	1,324	
Employee Benefits	2,288,368	3,298	15,594	1,006	149	-	120,578	35,969	-
Services and Supplies	550,795	758	3,172	221	34		13,718	7,264	
		2,424	2,363	99,445		127,440	122,031		1,480
	2,839,163	6,480	21,129	100,672	183	127,440	256,327	43,233	1,480
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 91 (Nechako Lakes)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other
Investment Income

Less: Allocated to Revenue
Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other Revenue
Investment Income

Expenses

Salaries
Teachers
Principals and Vice Principals
Educational Assistants
Support Staff
Other Professionals
Substitutes

Employee Benefits
Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased

Net Revenue (Expense)

Literacy Now Stewardship	Fort St James Woodlot	BCSSA North Zone	Seamless Day Oth Contributions	TOTAL
\$	\$	\$	\$	\$
39,860	44,392	47,528		2,610,141
56,476	1,926,472	2,700	2,775	4,848,565
	9,254		8,598	2,775
				3,541,626
56,476	1,935,726	2,700	11,373	31,784
49,259	809,213	50,228	11,373	8,424,750
47,077	1,170,905	-	-	7,327,692
				3,707,199
49,259	809,213	50,228	11,373	4,860,949
			2,775	2,775
		50,228	8,598	2,433,083
	9,254			30,885
				7,327,692
-	-	-	6,711	2,289,095
			1,543	129,283
			4,195	521,338
			2,516	126,337
				11,238
				110,394
				3,187,685
49,259	749,213	50,228	3,119	748,087
49,259	749,213	50,228	11,373	3,277,230
				7,213,002
-	60,000	-	-	114,690
	(60,000)			(114,690)
-	(60,000)	-	-	(114,690)
-	-	-	-	-
-	-	-	-	-

School District No. 91 (Nechako Lakes)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2022

	2022 Budget (Note 15)	2022 Actual			2021 Actual (Restated - Note 20)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	5,000	2,719		2,719	513,448
Other Revenue	48,513	13,218	25,000	38,218	52,839
Investment Income	8,600		15,686	15,686	11,178
Gain (Loss) on Disposal of Tangible Capital Assets	100,033	100,033		100,033	(93,650)
Amortization of Deferred Capital Revenue	2,204,203	2,204,941		2,204,941	2,211,102
Total Revenue	2,366,349	2,320,911	40,686	2,361,597	2,694,917
Expenses					
Operations and Maintenance				-	513,448
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,567,101	2,562,781		2,562,781	2,483,914
Transportation and Housing	483,758	482,014		482,014	586,293
Total Expense	3,050,859	3,044,795	-	3,044,795	3,583,655
Capital Surplus (Deficit) for the year	(684,510)	(723,884)	40,686	(683,198)	(888,738)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	61,599	130,104		130,104	198,478
Local Capital	47,037		65,792	65,792	276,428
Total Net Transfers	108,636	130,104	65,792	195,896	474,906
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(138,000)	138,000	-	
Tangible Capital Assets Purchased from Local Capital		96,628	(96,628)	-	
Principal Payment					
Capital Lease		24,003	(24,003)	-	
Total Other Adjustments to Fund Balances		(17,369)	17,369	-	
Total Capital Surplus (Deficit) for the year	(575,874)	(611,149)	123,847	(487,302)	(413,832)
Capital Surplus (Deficit), beginning of year		24,167,919	1,637,727	25,805,646	26,652,789
Prior Period Adjustments					
Adoption of half year rule for amortization					(433,311)
Capital Surplus (Deficit), beginning of year, as restated		24,167,919	1,637,727	25,805,646	26,219,478
Capital Surplus (Deficit), end of year		23,556,770	1,761,574	25,318,344	25,805,646

School District No. 91 (Nechako Lakes)

Tangible Capital Assets
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	7,770,429	112,944,717	2,078,014	4,990,772	6,096	28,010	127,818,038
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	2,719	756,155		605,703			1,364,577
Deferred Capital Revenue - Other	13,218		9,983				23,201
Operating Fund		15,414					15,414
Special Purpose Funds		51,840	62,850				114,690
Local Capital		20,198	31,608	44,822			96,628
Transferred from Work in Progress		1,731,400	4,026				1,735,426
	15,937	2,575,007	108,467	650,525	-	-	3,349,936
Decrease:							
Disposed of	37,967						37,967
Deemed Disposals			331,335	991,790			1,323,125
	37,967	-	331,335	991,790	-	-	1,361,092
Cost, end of year	7,748,399	115,519,724	1,855,146	4,649,507	6,096	28,010	129,806,882
Work in Progress, end of year		223,116					223,116
Cost and Work in Progress, end of year	7,748,399	115,742,840	1,855,146	4,649,507	6,096	28,010	130,029,998
Accumulated Amortization, beginning of year							
Prior Period Adjustments		58,991,969	952,744	2,639,429	1,218	9,223	62,594,583
Prior Period Adjustment - adoption of half-year rule for amortization		1,167,565	103,901	249,541	609	2,800	1,524,416
Accumulated Amortization, beginning of year, as restated		60,159,534	1,056,645	2,888,970	1,827	12,023	64,118,999
Changes for the Year							
Increase: Amortization for the Year		2,359,302	196,658	482,014	1,219	5,602	3,044,795
Decrease:							
Deemed Disposals			331,335	991,790			1,323,125
		-	331,335	991,790	-	-	1,323,125
Accumulated Amortization, end of year		62,518,836	921,968	2,379,194	3,046	17,625	65,840,669
Tangible Capital Assets - Net	7,748,399	53,224,004	933,178	2,270,313	3,050	10,385	64,189,329

School District No. 91 (Nechako Lakes)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2022

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	193,885				193,885
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	1,760,631	4,026			1,764,657
	1,760,631	4,026	-	-	1,764,657
Decrease:					
Transferred to Tangible Capital Assets	1,731,400	4,026			1,735,426
	1,731,400	4,026	-	-	1,735,426
Net Changes for the Year	29,231	-	-	-	29,231
Work in Progress, end of year	223,116	-	-	-	223,116

School District No. 91 (Nechako Lakes)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	40,101,455	110,361	388,387	40,600,203
Prior Period Adjustments				
Adoption of half-year rule for amortization	(1,076,081)	(5,705)	(12,705)	(1,094,491)
Deferred Capital Revenue, beginning of year, as restated	39,025,374	104,656	375,682	39,505,712
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,361,858		9,983	1,371,841
Transferred from Work in Progress	1,735,426			1,735,426
	3,097,284	-	9,983	3,107,267
Decrease:				
Amortization of Deferred Capital Revenue	2,167,621	11,410	25,910	2,204,941
	2,167,621	11,410	25,910	2,204,941
Net Changes for the Year	929,663	(11,410)	(15,927)	902,326
Deferred Capital Revenue, end of year	39,955,037	93,246	359,755	40,408,038
Work in Progress, beginning of year	193,885			193,885
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	1,764,657			1,764,657
	1,764,657	-	-	1,764,657
Decrease				
Transferred to Deferred Capital Revenue	1,735,426			1,735,426
	1,735,426	-	-	1,735,426
Net Changes for the Year	29,231	-	-	29,231
Work in Progress, end of year	223,116	-	-	223,116
Total Deferred Capital Revenue, end of year	40,178,153	93,246	359,755	40,631,154

School District No. 91 (Nechako Lakes)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2022

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	639	374,541			23,512	398,692
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	3,163,470					3,163,470
Other					11,984	11,984
	3,163,470	-	-	-	11,984	3,175,454
Decrease:						
Transferred to DCR - Capital Additions	1,361,858				9,983	1,371,841
Transferred to DCR - Work in Progress	1,764,657					1,764,657
Transferred to Revenue - Site Purchases	2,719				13,218	15,937
	3,129,234	-	-	-	23,201	3,152,435
Net Changes for the Year	34,236	-	-	-	(11,217)	23,019
Balance, end of year	34,875	374,541	-	-	12,295	421,711