

Audited Financial Statements of

School District No. 91 (Nechako Lakes)

And Independent Auditors' Report thereon

June 30, 2020

School District No. 91 (Nechako Lakes)

June 30, 2020

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School District No. 91 (Nechako Lakes)

MANAGEMENT REPORT

Version: 6365-5620-3637

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)

Signature of the Chairperson of the Board of Education	Date Signed
Signature of the Superintendent	Date Signed
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, 2020, 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, 2020, 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 comprises Unaudited Schedules 1-4D attached to the audited financial statements.

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 this other information, 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 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 21, 2020

The logo for MNP LLP, featuring the letters 'MNP' in a large, stylized, handwritten-style font, followed by 'LLP' in a smaller, similar font.

Chartered Professional Accountants

School District No. 91 (Nechako Lakes)

Statement 1

Statement of Financial Position

As at June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	12,574,606	10,964,023
Accounts Receivable		
Due from Province - Ministry of Education	470,090	321,922
Due from First Nations	571,325	376,822
Other (Note 3)	307,958	371,234
Portfolio Investments (Note 4)	69,656	69,544
Total Financial Assets	13,993,635	12,103,545
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	4,733,270	4,129,495
Unearned Revenue (Note 6)	42,250	4,000
Deferred Revenue (Note 7)	2,388,504	2,214,403
Deferred Capital Revenue (Note 8)	41,385,480	40,102,757
Employee Future Benefits (Note 9)	3,249,287	3,083,937
Total Liabilities	51,798,791	49,534,592
Net Debt	(37,805,156)	(37,431,047)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	66,240,372	64,985,108
Restricted Assets (Endowments) (Note 12)	193,551	193,384
Prepaid Expenses	300,599	231,847
Total Non-Financial Assets	66,734,522	65,410,339
Accumulated Surplus (Deficit)	28,929,366	27,979,292

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

School District No. 91 (Nechako Lakes)

Statement 2

Statement of Operations
Year Ended June 30, 2020

	2020 Budget (Note 15)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	51,936,154	52,468,849	50,938,009
Other	100,000	125,049	211,037
Federal Grants		86,924	
Tuition	228,500	259,550	198,721
Other Revenue	6,153,436	6,294,262	6,319,183
Rentals and Leases	77,075	75,525	84,800
Investment Income	165,850	194,006	217,832
Amortization of Deferred Capital Revenue	2,127,442	2,122,760	2,102,998
Total Revenue	60,788,457	61,626,925	60,072,580
Expenses			
Instruction	47,143,424	46,543,062	46,280,799
District Administration	2,519,743	2,521,701	2,661,992
Operations and Maintenance	8,440,609	8,364,108	7,999,635
Transportation and Housing	3,589,222	3,248,147	3,402,009
Total Expense	61,692,998	60,677,018	60,344,435
Surplus (Deficit) for the year, before endowment contributions	(904,541)	949,907	(271,855)
Endowment Contributions		167	9,854
Surplus (Deficit) for the year	(904,541)	950,074	(262,001)
Accumulated Surplus (Deficit) from Operations, beginning of year		27,979,292	28,241,293
Accumulated Surplus (Deficit) from Operations, end of year		28,929,366	27,979,292

School District No. 91 (Nechako Lakes)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2020

	2020 Budget (Note 15)	2020 Actual	2019 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(904,541)	950,074	(262,001)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(3,521,415)	(4,235,918)	(1,832,896)
Amortization of Tangible Capital Assets	2,980,654	2,980,654	3,013,458
Total Effect of change in Tangible Capital Assets	(540,761)	(1,255,264)	1,180,562
Acquisition of Prepaid Expenses		(300,599)	(231,847)
Use of Prepaid Expenses		231,847	329,441
Endowment Contributions		(167)	(9,854)
Total Effect of change in Other Non-Financial Assets	-	(68,919)	87,740
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(1,445,302)</u>	(374,109)	1,006,301
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(374,109)	1,006,301
Net Debt, beginning of year		(37,431,047)	(38,437,348)
Net Debt, end of year		<u>(37,805,156)</u>	<u>(37,431,047)</u>

School District No. 91 (Nechako Lakes)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	950,074	(262,001)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(279,395)	519,044
Prepaid Expenses	(68,752)	97,594
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	603,775	134,774
Unearned Revenue	38,250	(88,370)
Deferred Revenue	174,101	(42,803)
Employee Future Benefits	165,350	56,486
Amortization of Tangible Capital Assets	2,980,654	3,013,458
Amortization of Deferred Capital Revenue	(2,122,760)	(2,102,998)
Recognition of Deferred Capital Revenue Spent on Sites	(161,050)	
Total Operating Transactions	2,280,247	1,325,184
Capital Transactions		
Tangible Capital Assets Purchased	(2,571,785)	(1,078,912)
Tangible Capital Assets -WIP Purchased	(1,664,133)	(753,984)
Total Capital Transactions	(4,235,918)	(1,832,896)
Financing Transactions		
Capital Revenue Received	3,566,533	1,853,520
Endowment Contributions	(167)	(9,854)
Total Financing Transactions	3,566,366	1,843,666
Investing Transactions		
Investments in Portfolio Investments	(112)	(2,954)
Total Investing Transactions	(112)	(2,954)
Net Increase (Decrease) in Cash and Cash Equivalents	1,610,583	1,333,000
Cash and Cash Equivalents, beginning of year	10,964,023	9,631,023
Cash and Cash Equivalents, end of year	12,574,606	10,964,023
Cash and Cash Equivalents, end of year, is made up of:		
Cash	12,574,606	10,964,023
	12,574,606	10,964,023

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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 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(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(f) and 2(l), 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, 2020

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:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Increase (decrease) in annual surplus	1,392,324	(378,563)
Increase in accumulated surplus	41,064,760	39,672,436
Decrease in deferred contributions	41,064,760	39,672,436

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, 2020

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(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 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 at March 31, 2019 and projected to June 30, 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. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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.
- 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

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Tangible Capital Assets (continued)

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) 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.

k) 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.

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 Fund, CommunityLINK Fund, Classroom Enhancement Fund, First Nation Student Transportation, Mental Health in Schools, Changing Results for Young Children, Literacy Now Stewardship Fund, Fort St. James Woodlot Fund, and BCSSA North Zone Fund.

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 18 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 2, 3 and 4.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l) 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.

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. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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, 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.

n) 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.

o) 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.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Financial Instruments (continued)

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.

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

p) 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.

q) Future Changes in Accounting Policies

The following summarizes the upcoming changes to the Canadian public sector accounting standards issued by the Public Sector Accounting Standards Board (PSAB). The School District will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption can vary, certain standards must be adopted concurrently. The requirements in the Financial Statement Presentation (PS 1201), Financial Instruments (PS 3450), Foreign

Currency Translation (PS 2601) and Portfolio Investments (PS 3041) must be implemented at the same time.

i) Financial statement presentation

PS 1201 Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising for the re-measurement of financial instruments and items denominated in foreign currencies as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This standard is effective for fiscal years starting on or after April 1, 2022.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q) Future Changes in Accounting Policies (continued)

ii) Foreign currency translation

PSAB issued PS 2601 Foreign Currency Translation, replacing the current PS 2600 applicable for fiscal years beginning on or after April 1, 2022. This standard requires that monetary assets and liabilities denominated in a foreign currency be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the new statement of re-measurement gains and losses.

iii) Financial instruments

PS 3450 Financial Instruments applicable for fiscal years beginning on or after April 1, 2022 establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments, all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

iv) Portfolio investments

Section PS 3041 Portfolio Investments has removed the distinction between temporary and portfolio investments. This section now includes pooled investments in its scope and was amended to conform to Financial instruments PS 3450. Upon adoption of PS 3450 and PS 3041, PS 3030 Temporary Investments will no longer apply. This standard is applicable for fiscal years beginning on or after April 1, 2022.

v) Asset retirement obligations

PSAB issued PS 3280 Asset Retirement Obligations applicable for fiscal years beginning on or after April 1, 2022. This standard establishes standards on how to account for and report a liability for asset retirement obligations.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q) Future Changes in Accounting Policies (continued)

vi) Revenue

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue. 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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Due from Federal Government	\$ 80,262	\$ 97,782
Other	227,696	273,452
Total	<u>\$ 307,958</u>	<u>\$ 371,234</u>

NOTE 4 PORTFOLIO INVESTMENTS

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Investments-cost & amortized cost		
GIC's	\$ 51,950	\$ 51,838
Term Deposits	17,706	17,706
Total	<u>\$ 69,656</u>	<u>\$ 69,544</u>

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Trades Payable	\$ 1,187,233	\$ 1,051,496
Salaries and Benefits Payable	2,826,405	2,412,854
Accrued Vacation Pay	719,632	665,145
Total	\$ 4,733,270	\$ 4,129,495

NOTE 6 UNEARNED REVENUE

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Balance, Beginning of Year	\$ 4,000	\$ 92,370
Increases:		
ASSAI funding	-	3,000
Tuition Fees	42,250	1,000
Decreases:		
Rents	(3,000)	(1,470)
Tuition Fees	(1,000)	(12,900)
Grants	-	(78,000)
Net Changes for the Year	38,250	(88,370)
Balance, End of Year	\$ 42,250	\$ 4,000

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, 2020</u>	<u>June 30, 2019</u>
Deferred Revenue, beginning of year	\$ 2,214,403	\$ 2,257,206
Add: Restricted Grants		
Provincial Grants	4,228,934	4,139,264
Other	1,249,017	1,399,632
Investment Income	44,325	56,136
	<u>7,736,679</u>	<u>7,852,238</u>
Less:		
Allocated to revenue	5,342,978	5,637,835
Recovered	5,197	-
Total deferred capital revenue, end of year	\$ 2,388,504	\$ 2,214,403

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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.

	June 30, 2020	June 30, 2019
Deferred Capital Revenue, beginning of year	39,289,566	39,816,479
Transfers from deferred revenue - capital additions	1,850,951	970,451
Transfers from work in progress	1,664,273	605,634
Amortization of deferred capital revenue	(2,122,760)	(2,102,998)
	<u>40,682,030</u>	<u>39,289,566</u>
 Work in progress, beginning of year	 382,870	 234,520
Transferred from deferred revenue - work in progress	1,664,133	753,984
Work in progress, end of year	(1,664,273)	(605,634)
Net Changes for the Year	<u>382,730</u>	<u>382,870</u>
Total deferred capital revenue, end of year	<u>41,064,760</u>	<u>39,672,436</u>
 Changes in unspent deferred capital revenue		
Balance, beginning of year	430,321	301,236
Provincial Grants - Ministry of Education	3,403,699	1,823,315
Other	162,834	30,205
Transfers to DCR - capital additions	(1,850,951)	(970,451)
Transfers to DCR - work in progress	(1,664,133)	(753,984)
Transfers to revenue - site purchases	(161,050)	-
Balance, end of year	<u>320,720</u>	<u>430,321</u>
	<u>41,385,480</u>	<u>40,102,757</u>

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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.

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	3,451,490	3,266,738
Service Cost	225,040	211,302
Interest Cost	87,914	91,687
Benefit Payments	(214,932)	(286,406)
Increase (Decrease) in obligation due to Plan Amendment	0	0
Actuarial (Gain) Loss	(20,074)	168,169
Accrued Benefit Obligation – March 31	<u>3,529,438</u>	<u>3,451,490</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	3,529,438	3,451,490
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(3,529,438)	(3,451,490)
Employer Contributions After Measurement Date	50,982	58,011
Benefits Expense After Measurement Date	(79,948)	(78,239)
Unamortized Net Actuarial (Gain) Loss	309,117	387,781
Accrued Benefit Asset (Liability) - June 30	<u>(3,249,287)</u>	<u>(3,083,937)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	3,083,937	3,027,451
Net Expense for Fiscal Year	373,254	349,056
Employer Contributions	(207,904)	(292,570)
Accrued Benefit Liability (Asset) - June 30	<u>3,249,287</u>	<u>3,083,937</u>
Components of Net Benefit Expense		
Service Cost	228,529	214,737
Interest Cost	86,135	90,744
Amortization of Net Actuarial (Gain)/Loss	58,591	43,575
Net Benefit Expense (Income)	<u>373,254</u>	<u>349,056</u>
Assumptions		
Discount Rate - April 1	2.50%	2.75%
Discount Rate - March 31	2.25%	2.50%
Long Term Salary Growth - April 1	2.50% *	2.50%
Long Term Salary Growth - March 31	2.50% *	2.50%
EARSL - March 31	11.2	11.2

Note: * +Seniority

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 10 TANGIBLE CAPITAL ASSETS

Cost:	Balance at July 1, 2019	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2020
Sites	\$ 7,606,117	161,050			\$ 7,767,167
Buildings	107,944,118	1,220,491		1,664,273	110,828,882
Buildings - Work in Progress	382,870	1,664,133		(1,664,273)	382,730
Furniture & Equipment	1,906,989	292,787	(174,063)		2,025,713
Vehicles	5,397,819	872,404	(407,291)		5,862,932
Computer Software	8,688	6,096			14,784
Computer Hardware	31,162	18,957	(22,109)		28,010
Total	\$123,277,763	\$ 4,235,918	\$ (603,463)	\$ -	\$126,910,218

Accumulated Amortization:	Balance at July 1, 2019	Additions	Disposals	Balance at June 30, 2020
Buildings	\$ 54,522,853	2,242,203	-	\$ 56,765,056
Furniture & Equipment	906,934	190,699	(174,063)	923,570
Vehicles	2,838,159	539,782	(407,291)	2,970,650
Computer Software	5,211	1,738	-	6,949
Computer Hardware	19,498	6,232	(22,109)	3,621
Total	\$ 58,292,655	\$ 2,980,654	\$ (603,463)	\$ 60,669,846

Net Book Value:	NBV at June 30, 2020	NBV at June 30, 2019
Sites	\$ 7,767,167	\$ 7,606,117
Buildings	54,063,826	53,421,265
Buildings - Work in Progress	382,730	382,870
Furniture & Equipment	1,102,143	1,000,055
Vehicles	2,892,282	2,559,660
Computer Software	7,835	3,477
Computer Hardware	24,389	11,664
Total	\$ 66,240,372	\$ 64,985,108

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

Cost:	Balance at July 1, 2018	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2019
Sites	\$ 7,606,117				\$ 7,606,117
Buildings	106,568,444	888,231		487,443	107,944,118
Buildings - Work in Progress	122,449	747,864		(487,443)	382,870
Furniture & Equipment	2,055,167	57,824	(324,193)	118,191	1,906,989
Furniture & Equipment - Work in Progress	112,071	6,120		(118,191)	-
Vehicles	5,642,284	132,857	(377,322)		5,397,819
Computer Software	76,392		(67,704)		8,688
Computer Hardware	31,162				31,162
Total	\$122,214,086	\$ 1,832,896	\$ (769,219)	\$ -	\$123,277,763

Accumulated Amortization:	Balance at July 1, 2018	Additions	Disposals	Balance at June 30, 2019
Buildings	\$ 52,300,650	2,222,203	-	\$ 54,522,853
Furniture & Equipment	1,025,610	205,517	(324,193)	906,934
Vehicles	2,651,253	564,228	(377,322)	2,838,159
Computer Software	57,638	15,278	(67,704)	5,212
Computer Hardware	13,265	6,232	-	19,497
Total	\$ 56,048,416	\$ 3,013,458	\$ (769,219)	\$ 58,292,655

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2019, the Teachers' Pension Plan has about 61,000 active members and approximately 39,000 retired members. As of December 31, 2019, the Municipal Pension Plan has about 210,000 active members and 105,000 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, 2017, indicated a \$1,656 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.

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 \$4,184,621 for employer contributions to the plans for the year ended June 30, 2020 (2019 - \$4,235,507).

The next valuation for the Teachers' Pension Plan was on 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. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 12 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, 2019	Withdrawals	June 30, 2020
	June 30, 2019	June 30, 2020	June 30, 2020
M. Goodwin	\$ 4,133	\$ 55	\$ 4,188
D. Bunting	5,000		5,000
Barteaux	70,717		70,717
Fortin	15,000		15,000
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	9,778	100	9,878
JP Diemert	50,070	\$ 12	50,082
Total	\$ 193,384	\$ 167	\$ 193,551

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2020, were as follows:

	2019-20	2018-19
Transferred from operating funds to local capital	\$ 128,579	\$ 200,814
Transferred from special purpose funds to capital	\$ 271,303	\$ 66,004

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

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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 27, 2020. The Board adopted a preliminary annual budget on June 26, 2019. 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	\$ 50,876,875	\$ 1,059,279	\$ 51,936,154
Other Provincial Ministry Grants	100,000	-	100,000
Tuition	62,000	166,500	228,500
Rentals & Leases	83,780	(6,705)	77,075
Investment Income	128,500	37,350	165,850
Other Income	6,517,482	(364,046)	6,153,436
Amortization of Deferred Capital Revenue	2,117,081	10,361	2,127,442
	\$ 59,885,718	\$ 902,739	\$ 60,788,457
Expenses:			
Instruction	\$ 46,246,786	\$ 896,638	\$ 47,143,424
District Administration	2,520,435	(692)	2,519,743
Operations & Maintenance	8,347,523	93,086	8,440,609
Transportation & Housing	3,237,107	352,115	3,589,222
	\$ 60,351,851	\$ 1,341,147	\$ 61,692,998
Net Revenue (Expense)	\$ (466,133)	\$ (438,408)	\$ (904,541)
Budgeted Allocation of Surplus	0	522,024	522,024
Budgeted Annual Surplus for the Year	\$ (466,133)	\$ 83,616	\$ (382,517)
Comprised of:			
Operating Fund Surplus	\$ -	\$ -	\$ -
Special Purpose Fund Surplus	-	-	-
Capital Fund Deficiency	(466,133)	83,616	(382,517)
Budgeted Annual Surplus for the Year	\$ (466,133)	\$ 83,616	\$ (382,517)

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 16 EXPENSE BY OBJECT

	June 30, 2020	June 30, 2019
Salaries and benefits	\$ 48,125,104	\$ 46,682,300
Services and supplies	9,571,260	10,648,677
Amortization	2,980,654	3,013,458
	\$ 60,677,018	\$ 60,344,435

NOTE 17 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 18 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	June 30, 2020	June 30, 2019
Internally Restricted (appropriated) by Board for:		
Schools	\$ 440,319	\$ 425,777
Aboriginal Education	312,890	306,685
Contingency Reserve, Policy 801.3	530,212	-
Other Restricted - 20/21 Budget Deficit	552,838	-
Other Targeted	246,767	135,177
Sub-Total Internally Restricted	2,083,026	867,639
Unrestricted Operating Surplus	-	-
Total Available for Future Operations	\$ 2,083,026	\$ 867,639

NOTE 19 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.

SCHOOL DISTRICT No. 91 (Nechako Lakes)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 19 RISK MANAGEMENT (continued)

a) Credit Risk (continued):

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.

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 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2020

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	867,639	193,384	26,918,269	27,979,292	28,241,293
Changes for the year					
Surplus (Deficit) for the year	1,348,181	271,470	(669,577)	950,074	(262,001)
Interfund Transfers					
Tangible Capital Assets Purchased	(4,215)	(271,303)	275,518	-	
Local Capital	(128,579)		128,579	-	
Net Changes for the year	1,215,387	167	(265,480)	950,074	(262,001)
Accumulated Surplus (Deficit), end of year - Statement 2	2,083,026	193,551	26,652,789	28,929,366	27,979,292

School District No. 91 (Nechako Lakes)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2020

	2020 Budget (Note 15)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	47,378,515	48,438,735	46,955,777
Other	100,000	114,900	195,347
Federal Grants		86,924	
Tuition	228,500	259,550	198,721
Other Revenue	4,689,236	4,879,406	4,735,406
Rentals and Leases	77,075	75,525	84,800
Investment Income	125,850	117,830	132,183
Total Revenue	52,599,176	53,972,870	52,302,234
Expenses			
Instruction	41,665,389	41,587,660	40,814,317
District Administration	2,519,743	2,521,701	2,661,992
Operations and Maintenance	5,916,491	5,806,963	5,445,056
Transportation and Housing	2,919,577	2,708,365	2,837,781
Total Expense	53,021,200	52,624,689	51,759,146
Operating Surplus (Deficit) for the year	(422,024)	1,348,181	543,088
Budgeted Appropriation (Retirement) of Surplus (Deficit)	522,024		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(4,215)	(2,203)
Local Capital	(100,000)	(128,579)	(200,814)
Total Net Transfers	(100,000)	(132,794)	(203,017)
Total Operating Surplus (Deficit), for the year	-	1,215,387	340,071
Operating Surplus (Deficit), beginning of year		867,639	527,568
Operating Surplus (Deficit), end of year		2,083,026	867,639
Operating Surplus (Deficit), end of year			
Internally Restricted		2,083,026	867,639
Total Operating Surplus (Deficit), end of year		2,083,026	867,639

School District No. 91 (Nechako Lakes)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget (Note 15)	2020 Actual	2019 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	49,026,004	49,379,059	49,039,944
ISC/LEA Recovery	(4,319,269)	(4,072,182)	(4,319,269)
Other Ministry of Education Grants			
Pay Equity	1,096,373	1,096,373	1,096,373
Funding for Graduated Adults	75,431	129,467	91,867
Transportation Supplement	503,247	503,247	503,247
Economic Stability Dividend			40,756
Carbon Tax Grant	88,759	54,361	112,657
Employer Health Tax Grant	386,394	386,394	117,417
Strategic Priorities - Mental Health Grant			35,000
Support Staff Benefits Grant	71,421	71,421	61,122
BCTEA - LEA Capacity Building Grant			89,040
Support Staff Wage Increase Funding	291,510	291,510	
Teachers' Labour Settlement Funding		465,679	
FSA Scorer Grant	8,187	8,187	8,187
PLNet Services Self-Provisioned Sites Grant	96,336	96,336	96,336
DL Audit Recoveries			(24,400)
Equity Scan/MyED Academy Travel	2,000	2,000	7,500
Trauma Grant/ELF Implementation	52,122	26,883	
Total Provincial Grants - Ministry of Education	47,378,515	48,438,735	46,955,777
Provincial Grants - Other	100,000	114,900	195,347
Federal Grants		86,924	
Tuition			
International and Out of Province Students	228,500	259,550	198,721
Total Tuition	228,500	259,550	198,721
Other Revenues			
Funding from First Nations	4,319,269	4,072,182	4,319,269
Miscellaneous			
Cultural Grant		13,100	13,100
Miscellaneous	87,967	486,445	226,624
Bottle Depot	164,000	185,042	161,651
Bus Charters	10,000	14,637	14,762
Premium Holiday	108,000	108,000	
Total Other Revenue	4,689,236	4,879,406	4,735,406
Rentals and Leases	77,075	75,525	84,800
Investment Income	125,850	117,830	132,183
Total Operating Revenue	52,599,176	53,972,870	52,302,234

School District No. 91 (Nechako Lakes)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2020

	2020 Budget (Note 15)	2020 Actual	2019 Actual
	\$	\$	\$
Salaries			
Teachers	18,554,486	19,240,828	18,881,413
Principals and Vice Principals	3,227,503	3,090,714	2,699,827
Educational Assistants	3,972,169	4,097,126	4,036,636
Support Staff	6,438,788	6,730,271	6,206,875
Other Professionals	2,111,087	2,184,822	2,137,717
Substitutes	1,440,642	974,698	1,531,027
Total Salaries	35,744,675	36,318,459	35,493,495
Employee Benefits	8,000,090	8,475,797	7,738,021
Total Salaries and Benefits	43,744,765	44,794,256	43,231,516
Services and Supplies			
Services	2,172,916	1,899,030	2,004,867
Student Transportation	128,269	80,780	110,932
Professional Development and Travel	1,177,061	798,710	1,004,103
Rentals and Leases	43,873	34,731	34,907
Dues and Fees	76,034	62,120	54,383
Insurance	207,514	166,949	152,100
Supplies	3,944,948	3,322,355	3,700,388
Utilities	1,525,820	1,465,758	1,465,950
Total Services and Supplies	9,276,435	7,830,433	8,527,630
Total Operating Expense	53,021,200	52,624,689	51,759,146

School District No. 91 (Nechako Lakes)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	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	15,202,190	481,624	33,061	978,501	99,244	557,005	17,351,625
1.03 Career Programs	257,658			39	88,785	13,388	359,870
1.07 Library Services	6,435			103,419		4,547	114,401
1.08 Counselling	1,014,311				29,667		1,043,978
1.10 Special Education	2,532,874	86,970	3,308,293		265,587	192,702	6,386,426
1.30 English Language Learning	10,724						10,724
1.31 Indigenous Education	216,636	136,001	755,772	256	10,150	47,472	1,166,287
1.41 School Administration		2,386,119		1,467,621		6,928	3,860,668
1.62 International and Out of Province Students							-
1.64 Other							-
Total Function 1	19,240,828	3,090,714	4,097,126	2,549,836	493,433	822,042	30,293,979
4 District Administration							
4.11 Educational Administration					716,236		716,236
4.40 School District Governance					91,100		91,100
4.41 Business Administration				274,596	629,211	5,873	909,680
Total Function 4	-	-	-	274,596	1,436,547	5,873	1,717,016
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				8,008	164,747	8,061	180,816
5.50 Maintenance Operations				2,337,311	149	88,644	2,426,104
5.52 Maintenance of Grounds				174,847			174,847
5.56 Utilities							-
Total Function 5	-	-	-	2,520,166	164,896	96,705	2,781,767
7 Transportation and Housing							
7.41 Transportation and Housing Administration					89,946		89,946
7.70 Student Transportation				1,385,673		50,078	1,435,751
Total Function 7	-	-	-	1,385,673	89,946	50,078	1,525,697
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	19,240,828	3,090,714	4,097,126	6,730,271	2,184,822	974,698	36,318,459

School District No. 91 (Nechako Lakes)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget (Note 15)	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	17,351,625	4,295,951	21,647,576	1,809,568	23,457,144	25,414,871	25,369,232
1.03 Career Programs	359,870	74,440	434,310	100,173	534,483	506,928	634,749
1.07 Library Services	114,401	27,516	141,917	21,875	163,792	189,225	681,881
1.08 Counselling	1,043,978	217,788	1,261,766	39,394	1,301,160	1,300,456	1,157,190
1.10 Special Education	6,386,426	1,487,068	7,873,494	1,525,250	9,398,744	8,990,231	8,800,172
1.30 English Language Learning	10,724	2,146	12,870	223	13,093	19,861	112,923
1.31 Indigenous Education	1,166,287	289,570	1,455,857	335,643	1,791,500	1,900,049	1,671,767
1.41 School Administration	3,860,668	776,674	4,637,342	129,420	4,766,762	3,087,678	2,170,745
1.62 International and Out of Province Students	-	-	-	15,519	15,519	35,000	54,040
1.64 Other	-	-	-	145,463	145,463	221,090	161,618
Total Function 1	30,293,979	7,171,153	37,465,132	4,122,528	41,587,660	41,665,389	40,814,317
4 District Administration							
4.11 Educational Administration	716,236	136,698	852,934	89,436	942,370	836,603	1,027,263
4.40 School District Governance	91,100	4,757	95,857	71,889	167,746	206,264	269,316
4.41 Business Administration	909,680	188,544	1,098,224	313,361	1,411,585	1,476,876	1,365,413
Total Function 4	1,717,016	329,999	2,047,015	474,686	2,521,701	2,519,743	2,661,992
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	180,816	38,328	219,144	88,087	307,231	356,511	303,719
5.50 Maintenance Operations	2,426,104	555,657	2,981,761	595,714	3,577,475	3,677,593	3,295,924
5.52 Maintenance of Grounds	174,847	33,366	208,213	248,286	456,499	356,567	379,464
5.56 Utilities	-	-	-	1,465,758	1,465,758	1,525,820	1,465,949
Total Function 5	2,781,767	627,351	3,409,118	2,397,845	5,806,963	5,916,491	5,445,056
7 Transportation and Housing							
7.41 Transportation and Housing Administration	89,946	18,918	108,864	35,075	143,939	152,350	145,052
7.70 Student Transportation	1,435,751	328,376	1,764,127	800,299	2,564,426	2,767,227	2,692,729
Total Function 7	1,525,697	347,294	1,872,991	835,374	2,708,365	2,919,577	2,837,781
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	36,318,459	8,475,797	44,794,256	7,830,433	52,624,689	53,021,200	51,759,146

School District No. 91 (Nechako Lakes)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2020

	2020 Budget (Note 15)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	4,557,639	4,030,114	3,982,232
Other		10,149	15,690
Other Revenue	1,464,200	1,253,806	1,583,777
Investment Income	13,000	48,909	56,136
Total Revenue	6,034,839	5,342,978	5,637,835
Expenses			
Instruction	5,478,035	4,955,402	5,466,482
Operations and Maintenance	83,246	116,273	105,349
Transportation and Housing	129,863		
Total Expense	5,691,144	5,071,675	5,571,831
Special Purpose Surplus (Deficit) for the year, before endowment contributions	343,695	271,303	66,004
Endowment Contributions		167	9,854
Special Purpose Surplus (Deficit) for the year	343,695	271,470	75,858
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(343,695)	(271,303)	(66,004)
Total Net Transfers	(343,695)	(271,303)	(66,004)
Total Special Purpose Surplus (Deficit) for the year	-	167	9,854
Special Purpose Surplus (Deficit), beginning of year		193,384	183,530
Special Purpose Surplus (Deficit), end of year		193,551	193,384
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		193,551	193,384
Total Special Purpose Surplus (Deficit), end of year		193,551	193,384

School District No. 91 (Nechako Lakes)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

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	137,512	19,755	37,794	1,711,582	81,507	76,400	-	13,531	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education	289,429	184,013			160,790	27,436	93,857	501,976	287,006
Provincial Grants - Other				10,149					
Other				1,122,419					
Investment Income	3,821		789	29,448	2,067	1,432	188	259	
	293,250	184,013	789	1,162,016	162,857	28,868	94,045	502,235	287,006
Less: Allocated to Revenue	387,576	121,310	5,850	1,216,743	154,046	18,828	66,639	448,188	287,006
Recovered									
Deferred Revenue, end of year	43,186	82,458	32,733	1,656,855	90,318	86,440	27,406	67,578	-
Revenues									
Provincial Grants - Ministry of Education	383,755	121,310			151,979	17,396	66,451	447,929	287,006
Provincial Grants - Other				10,149					
Other Revenue				1,177,146					
Investment Income	3,821		5,850	29,448	2,067	1,432	188	259	
	387,576	121,310	5,850	1,216,743	154,046	18,828	66,639	448,188	287,006
Expenses									
Salaries									
Teachers									92,475
Principals and Vice Principals									22,560
Educational Assistants		92,753			88,037		25,251	237,864	
Support Staff								21,658	51,267
Other Professionals									9,593
Substitutes		25			3,341		2,136	2,849	
	-	92,778	-	-	91,378	-	27,387	262,371	175,895
Employee Benefits		28,532			24,163		9,859	67,177	40,280
Services and Supplies	116,273		5,850	1,216,743	38,505	18,828	29,393	118,640	70,831
	116,273	121,310	5,850	1,216,743	154,046	18,828	66,639	448,188	287,006
Net Revenue (Expense) before Interfund Transfers	271,303	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(271,303)								
	(271,303)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund								61,996	

School District No. 91 (Nechako Lakes)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Endowment Income	Literacy Now Stewardship	Fort St James Woodlot	BCSSA North Zone
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	5,197	-	-	-	6,021	36,379	88,725	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education	2,507,203	6,499	129,863	30,500	10,362				
Provincial Grants - Other						250	66,492		49,707
Other						5,042		1,279	
Investment Income									
	2,507,203	6,499	129,863	30,500	10,362	5,292	66,492	1,279	49,707
Less: Allocated to Revenue	2,507,203	6,499	-	30,500	10,086	4,815	51,741	22,259	3,689
Recovered		5,197							
Deferred Revenue, end of year	-	-	129,863	-	276	6,498	51,130	67,745	46,018
Revenues									
Provincial Grants - Ministry of Education	2,507,203	6,499		30,500	10,086				
Provincial Grants - Other						250	51,741	20,980	3,689
Other Revenue						4,565		1,279	
Investment Income									
	2,507,203	6,499	-	30,500	10,086	4,815	51,741	22,259	3,689
Expenses									
Salaries									
Teachers	2,020,546								
Principals and Vice Principals									
Educational Assistants									
Support Staff									
Other Professionals									
Substitutes						3,132			
	2,020,546	-	-	-	3,132	-	-	-	-
Employee Benefits	486,657				693				
Services and Supplies		6,499		30,500	6,261	4,815	51,741	22,259	3,689
	2,507,203	6,499	-	30,500	10,086	4,815	51,741	22,259	3,689
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund									

School District No. 91 (Nechako Lakes)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2020

Schedule 3A (Unaudited)

	<u>TOTAL</u>
	\$
Deferred Revenue, beginning of year	2,214,403
Add: Restricted Grants	
Provincial Grants - Ministry of Education	4,228,934
Provincial Grants - Other	10,149
Other	1,238,868
Investment Income	<u>44,325</u>
	5,522,276
Less: Allocated to Revenue	5,342,978
Recovered	<u>5,197</u>
Deferred Revenue, end of year	<u>2,388,504</u>
Revenues	
Provincial Grants - Ministry of Education	4,030,114
Provincial Grants - Other	10,149
Other Revenue	1,253,806
Investment Income	<u>48,909</u>
	5,342,978
Expenses	
Salaries	
Teachers	2,113,021
Principals and Vice Principals	22,560
Educational Assistants	443,905
Support Staff	72,925
Other Professionals	9,593
Substitutes	<u>11,483</u>
	2,673,487
Employee Benefits	657,361
Services and Supplies	<u>1,740,827</u>
	5,071,675
Net Revenue (Expense) before Interfund Transfers	<u>271,303</u>
Interfund Transfers	
Tangible Capital Assets Purchased	<u>(271,303)</u>
	(271,303)
Net Revenue (Expense)	<u><u>-</u></u>
Additional Expenses funded by, and reported in, the Operating Fund	61,996

School District No. 91 (Nechako Lakes)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2020

	2020 Budget (Note 15)	2020 Actual			2019 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Other Revenue		161,050		161,050	
Investment Income	27,000		27,267	27,267	29,513
Amortization of Deferred Capital Revenue	2,127,442	2,122,760		2,122,760	2,102,998
Total Revenue	<u>2,154,442</u>	<u>2,283,810</u>	<u>27,267</u>	<u>2,311,077</u>	<u>2,132,511</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,440,872	2,440,872		2,440,872	2,449,230
Transportation and Housing	539,782	539,782		539,782	564,228
Total Expense	<u>2,980,654</u>	<u>2,980,654</u>	<u>-</u>	<u>2,980,654</u>	<u>3,013,458</u>
Capital Surplus (Deficit) for the year	<u>(826,212)</u>	<u>(696,844)</u>	<u>27,267</u>	<u>(669,577)</u>	<u>(880,947)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	443,695	275,518		275,518	68,207
Local Capital			128,579	128,579	200,814
Total Net Transfers	<u>443,695</u>	<u>275,518</u>	<u>128,579</u>	<u>404,097</u>	<u>269,021</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		284,266	(284,266)	-	
Total Other Adjustments to Fund Balances		<u>284,266</u>	<u>(284,266)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>(382,517)</u>	<u>(137,060)</u>	<u>(128,420)</u>	<u>(265,480)</u>	<u>(611,926)</u>
Capital Surplus (Deficit), beginning of year		25,341,095	1,577,174	26,918,269	27,530,195
Capital Surplus (Deficit), end of year		<u>25,204,035</u>	<u>1,448,754</u>	<u>26,652,789</u>	<u>26,918,269</u>

School District No. 91 (Nechako Lakes)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2020

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	7,606,117	107,944,118	1,906,989	5,397,819	8,688	31,162	122,894,893
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		949,188	216,761	678,617			1,844,566
Deferred Capital Revenue - Other	161,050		6,385				167,435
Operating Fund				4,215			4,215
Special Purpose Funds		271,303					271,303
Local Capital			69,641	189,572	6,096	18,957	284,266
Transferred from Work in Progress		1,664,273					1,664,273
	161,050	2,884,764	292,787	872,404	6,096	18,957	4,236,058
Decrease:							
Deemed Disposals			174,063	407,291		22,109	603,463
	-	-	174,063	407,291	-	22,109	603,463
Cost, end of year	7,767,167	110,828,882	2,025,713	5,862,932	14,784	28,010	126,527,488
Work in Progress, end of year		382,730					382,730
Cost and Work in Progress, end of year	7,767,167	111,211,612	2,025,713	5,862,932	14,784	28,010	126,910,218
Accumulated Amortization, beginning of year		54,522,853	906,934	2,838,159	5,211	19,498	58,292,655
Changes for the Year							
Increase: Amortization for the Year		2,242,203	190,699	539,782	1,738	6,232	2,980,654
Decrease:							
Deemed Disposals			174,063	407,291		22,109	603,463
			174,063	407,291		22,109	603,463
		-	174,063	407,291	-	22,109	603,463
Accumulated Amortization, end of year		56,765,056	923,570	2,970,650	6,949	3,621	60,669,846
Tangible Capital Assets - Net	7,767,167	54,446,556	1,102,143	2,892,282	7,835	24,389	66,240,372

School District No. 91 (Nechako Lakes)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	382,870	-	-	-	382,870
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	1,664,133				1,664,133
	1,664,133	-	-	-	1,664,133
Decrease:					
Transferred to Tangible Capital Assets	1,664,273				1,664,273
	1,664,273	-	-	-	1,664,273
Net Changes for the Year	(140)	-	-	-	(140)
Work in Progress, end of year	382,730	-	-	-	382,730

School District No. 91 (Nechako Lakes)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	38,747,206	128,077	414,283	39,289,566
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,844,566	6,385		1,850,951
Transferred from Work in Progress	1,664,273			1,664,273
	3,508,839	6,385	-	3,515,224
Decrease:				
Amortization of Deferred Capital Revenue	2,088,476	10,771	23,513	2,122,760
Adjustment-restate DCR at July 1, 2019		1,920	(1,920)	-
	2,088,476	12,691	21,593	2,122,760
Net Changes for the Year	1,420,363	(6,306)	(21,593)	1,392,464
Deferred Capital Revenue, end of year	40,167,569	121,771	392,690	40,682,030
Work in Progress, beginning of year	382,870	-	-	382,870
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	1,664,133			1,664,133
	1,664,133	-	-	1,664,133
Decrease				
Transferred to Deferred Capital Revenue	1,664,273			1,664,273
	1,664,273	-	-	1,664,273
Net Changes for the Year	(140)	-	-	(140)
Work in Progress, end of year	382,730	-	-	382,730
Total Deferred Capital Revenue, end of year	40,550,299	121,771	392,690	41,064,760

School District No. 91 (Nechako Lakes)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 105,000	\$ 301,041	\$ 6,385	\$	\$ 17,895	\$ 430,321
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	3,403,699					3,403,699
Other					162,834	162,834
	3,403,699	-	-	-	162,834	3,566,533
Decrease:						
Transferred to DCR - Capital Additions	1,844,566		6,385			1,850,951
Transferred to DCR - Work in Progress	1,664,133					1,664,133
Transferred to Revenue - Site Purchases					161,050	161,050
	3,508,699	-	6,385	-	161,050	3,676,134
Net Changes for the Year	(105,000)	-	(6,385)	-	1,784	(109,601)
Balance, end of year	-	301,041	-	-	19,679	320,720