

Audited Financial Statements of

School District No. 59 (Peace River South)

And Independent Auditors' Report thereon

June 30, 2021

School District No. 59 (Peace River South)

June 30, 2021

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School District No. 59 (Peace River South)

MANAGEMENT REPORT

Version: 6812-6066-4084

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 59 (Peace River South) 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.


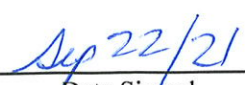


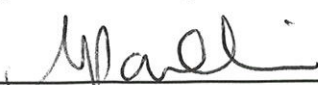
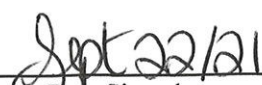
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 59 (Peace River South) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, Sander Rose Bone Grindle 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. 59 (Peace River South) 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. 59 (Peace River South)

 _____ Signature of the Chairperson of the Board of Education	 _____ Date Signed
 _____ Signature of the Superintendent	 _____ Date Signed
 _____ Signature of the Secretary Treasurer	 _____ Date Signed

Partners

- * Ben Sander, B. Comm., FCPA, FCA
- * Dale J. Rose, CPA, CA
- * Alan Bone, B. Comm., CPA, CA
- * Jason Grindle, B. Comm., CPA, CA
- * Jaron Neufeld, B. Comm., CPA, CA

813 - 103rd AVENUE, DAWSON CREEK, BC V1G 2G2
TEL: (250) 782-3374 • FAX: (250) 782-3379 • dc@srbg.ca

10208 - 99th AVENUE, FORT ST. JOHN, BC V1J 1V4
TEL: (250) 785-5645 • FAX: (250) 785-0064 • fsj@srbg.ca

203 - 9815 - 97th STREET, GRANDE PRAIRIE, AB T8V 8B9
TEL: (780) 532-8303 • FAX: (780) 532-8374 • gp@srbg.ca

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 59 (Peace River South) and the Minister of Education of British Columbia

Opinion

We have audited the accompanying financial statements of School District No. 59 (Peace River South) which comprise the statement of financial position as at June 30, 2021 and the statement of operations, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School District No. 59 (Peace River South) as at June 30, 2021 and the result of its operations and its cash flows for the year then ended in accordance with Section 23.1 of the Budget Transparency and Accountability Act.

Basis for Opinion

We conduct 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 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describe the basis of accounting and the significant differences between such basis of accounting and Canadian Public Sector Accounting Standards. Note 2 to the financial statements discloses the impact of these differences.

Other Information

Management is responsible for the other information. Other information comprises of the unaudited schedules 1-4 that are attached to the audited financial statements.

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



Independent Auditor's Report to the Board of Education of School District No. 59 (Peace River South) and the Ministry of Education of British Columbia (*continued*)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above, 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 information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

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 these financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act 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 district's ability to continue as a going concern, disclosing, as applicable, matter relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the district or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the 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 the financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional scepticism 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 district's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report to the Board of Education of School District No. 59 (Peace River South) and the Ministry of Education of British Columbia (*continued*)

- 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 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, further events or conditions may cause the 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 statement 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.

Dawson Creek, BC
September 22, 2021

Sander Rose Bone Grindle CPA
Chartered Professional Accountants

School District No. 59 (Peace River South)

Statement of Financial Position

As at June 30, 2021

	2021 Actual \$	2020 Actual \$
Financial Assets		
Cash and Cash Equivalents	16,507,366	12,567,585
Accounts Receivable		
Due from Province - Ministry of Education	529,842	178,048
Other (Note 3)	228,252	207,291
Total Financial Assets	<u>17,265,460</u>	<u>12,952,924</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education (Note 4)	1,204,445	
Other (Note 5)	4,350,943	3,507,631
Unearned Revenue (Note 6)	85,452	96,331
Deferred Revenue (Note 7)	1,292,380	1,024,704
Deferred Capital Revenue (Note 8)	28,201,027	27,480,346
Employee Future Benefits (Note 9)	967,480	907,677
Total Liabilities	<u>36,101,727</u>	<u>33,016,689</u>
Net Debt	<u>(18,836,267)</u>	<u>(20,063,765)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 10)	39,254,892	38,541,368
Prepaid Expenses	74,664	167,229
Total Non-Financial Assets	<u>39,329,556</u>	<u>38,708,597</u>
Accumulated Surplus (Deficit) (Note 23)	<u>20,493,289</u>	<u>18,644,832</u>

Unrecognized Assets (Note 15)

Contractual Obligations (Note 16)

Contractual Rights (Note 17)

Contingent Liabilities (Note 18)

Approved by the Board



Signature of the Chairperson of the Board of Education

Aug 22/21

Date Signed



Signature of the Superintendent

Aug 22/21

Date Signed



Signature of the Secretary Treasurer

Sep 22/21

Date Signed

School District No. 59 (Peace River South)

Statement of Operations
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	53,004,472	51,557,788	49,900,752
Other	250,084	253,432	260,602
Tuition	34,503	34,503	22,128
Other Revenue	1,105,691	2,223,583	1,470,845
Rentals and Leases	176,000	178,528	226,339
Investment Income	124,200	131,644	197,049
Gain (Loss) on Disposal of Tangible Capital Assets (Note 11)	117,200	120,200	
Amortization of Deferred Capital Revenue	1,623,368	1,623,368	1,512,465
Total Revenue	<u>56,435,518</u>	<u>56,123,046</u>	<u>53,590,180</u>
Expenses			
Instruction	41,291,045	39,546,723	36,906,416
District Administration	1,937,815	1,930,031	2,011,577
Operations and Maintenance	9,984,084	9,068,155	9,778,533
Transportation and Housing	3,931,195	3,729,680	3,460,628
Total Expense	<u>57,144,139</u>	<u>54,274,589</u>	<u>52,157,154</u>
Surplus (Deficit) for the year	<u>(708,621)</u>	<u>1,848,457</u>	<u>1,433,026</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		18,644,832	17,211,806
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>20,493,289</u></u>	<u>18,644,832</u>

School District No. 59 (Peace River South)

Statement of Changes in Net Debt
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(708,621)</u>	<u>1,848,457</u>	<u>1,433,026</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,352,632)	(2,801,673)	(3,895,621)
Amortization of Tangible Capital Assets	2,088,149	2,088,147	1,945,638
Net carrying value of Tangible Capital Assets disposed of		2	
Total Effect of change in Tangible Capital Assets	<u>(264,483)</u>	<u>(713,524)</u>	<u>(1,949,983)</u>
Acquisition of Prepaid Expenses		(74,664)	(167,229)
Use of Prepaid Expenses		167,229	76,250
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>92,565</u>	<u>(90,979)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(973,104)</u>	<u>1,227,498</u>	<u>(607,936)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>1,227,498</u>	<u>(607,936)</u>
Net Debt, beginning of year		<u>(20,063,765)</u>	<u>(19,455,829)</u>
Net Debt, end of year		<u>(18,836,267)</u>	<u>(20,063,765)</u>

School District No. 59 (Peace River South)

Statement of Cash Flows
Year Ended June 30, 2021

	2021 Actual \$	2020 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	1,848,457	1,433,026
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(372,753)	114,440
Prepaid Expenses	92,565	(90,979)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	2,047,757	276,287
Unearned Revenue	(10,879)	(306,939)
Deferred Revenue	267,676	203,294
Employee Future Benefits	59,803	131,982
Loss (Gain) on Disposal of Tangible Capital Assets	(120,200)	
Amortization of Tangible Capital Assets	2,088,147	1,945,638
Amortization of Deferred Capital Revenue	(1,623,368)	(1,512,465)
Bylaw Capital Spent on Non-Capital Items	(1,118,833)	(1,118,833)
Total Operating Transactions	<u>3,158,372</u>	<u>1,075,451</u>
Capital Transactions		
Tangible Capital Assets Purchased	(2,708,704)	(3,895,621)
Tangible Capital Assets -WIP Purchased	(92,969)	
District Portion of Proceeds on Disposal	120,200	
Total Capital Transactions	<u>(2,681,473)</u>	<u>(3,895,621)</u>
Financing Transactions		
Capital Revenue Received	3,462,882	3,465,894
Total Financing Transactions	<u>3,462,882</u>	<u>3,465,894</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>3,939,781</u>	645,724
Cash and Cash Equivalents, beginning of year	<u>12,567,585</u>	11,921,861
Cash and Cash Equivalents, end of year	<u>16,507,366</u>	<u>12,567,585</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	10,388,711	6,535,793
Cash Equivalents	6,118,655	6,031,792
	<u>16,507,366</u>	<u>12,567,585</u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1 AUTHORITY AND PURPOSE

The School District 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. 59 (Peace River South)", and operates as "School District No. 59 (Peace River South)." 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. 59 (Peace River South) 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 September 1, 2020 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

As noted in Notes 2(e) and 2(j), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

a) Basis of Accounting *(Continued)*

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

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

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

- Year-ended June 30, 2020 – increase in annual surplus by \$1,263,294; and,
- June 30, 2020 – increase in accumulated surplus and decrease in deferred contributions by \$27,316,300.
- Year-ended June 30, 2021 – increase in annual surplus by \$438,818; and,
- June 30, 2021 – increase in accumulated surplus and decrease in deferred contributions by \$27,755,118.

b) Cash and Cash Equivalents

Cash and cash equivalents include Certificates of Deposit with the Provincial Treasury that are readily convertible to known amounts of cash, have no set maturity terms, and that are subject to an insignificant risk of change in value. These cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) Unearned Revenue

Unearned revenue includes receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the services or products are provided.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2(j).

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.

f) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

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

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

g) 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 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

h) Prepaid Expenses

Prepaid expenses consist of unexpired insurance premiums and other prepaid amounts which are stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

i) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 11 – Interfund Transfers and Note 23 – Accumulated Surplus).

j) Revenue Recognition

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

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District 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.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

j) Revenue Recognition *(Continued)*

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.

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to 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.

l) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and other liabilities.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

l) Financial Instruments *(Continued)*

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

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.

m) 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 periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

n) 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 all the following criteria are met:

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

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

o) Future Change in Accounting Policies

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

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

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

o) Future Change in Accounting Policies *(Continued)*

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

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

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

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

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

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2021	2020
Due from Federal Government	\$ 153,166	\$ 120,717
BCTF	6,708	10,890
BCGEU	2,289	-
Private Schools	2,404	-
PRSTA	35,751	10,660
School PACs	-	48,173
Northland School Division	6,901	-
Other Accounts Receivable	21,033	16,851
	\$ 228,252	\$ 207,291

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – DUE TO PROVINCE – MINISTRY OF EDUCATION

	2021	2020
Local Education Agreement Grant Adjustment	\$ 1,204,445	\$ -

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2021	2020
Trade payables	\$ 1,166,982	\$ 450,917
Salaries and benefits payable	1,399,342	1,511,138
Source deductions	598,652	555,420
Accrued vacation pay	1,049,381	923,321
Other	136,586	66,835
	\$ 4,350,943	\$ 3,507,631

NOTE 6 UNEARNED REVENUE

	2021	2020
Balance, beginning of year	\$ 96,331	\$ 403,270
Changes for the year:		
Increase:		
Other revenue	89,546	86,511
Decrease:		
Other revenue	100,425	393,450
Balance, end of year	\$ 85,452	\$ 96,331

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

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. Changes in deferred revenue are as follows:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 1,024,704	\$ 821,410
Changes for the year:		
Increase: Contributions received		
Provincial Grants – Ministry of Education	6,196,998	4,529,395
Other	651,338	891,430
Investment income	403	767
	<u>6,848,739</u>	<u>5,421,592</u>
Decrease:		
Expenses	6,581,063	5,213,115
Recovered	-	5,183
	<u>6,581,063</u>	<u>5,218,298</u>
Net changes for the year	<u>267,676</u>	<u>203,294</u>
Balance, end of year	<u>\$ 1,292,380</u>	<u>\$ 1,024,704</u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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.

	Deferred Capital 2021	Unspent Capital 2021	Total Deferred Capital Revenue 2021	Total Deferred Capital Revenue 2020
Balance, beginning of year	\$27,316,300	\$164,046	\$27,480,346	\$26,645,750
Changes for the year:				
Increase:				
Transfer from Unspent – Capital Additions	1,969,217	-	1,969,217	2,775,759
Transfer from Unspent – Work in Progress	92,969	-	92,969	-
Provincial Grants – Ministry of Education	-	3,088,050	3,088,050	3,463,393
Provincial Grants – Other	-	20,200	20,200	-
Investment income	-	3,026	3,026	2,501
MoEd Restricted Portion of Disposal Proceeds	-	351,606	351,606	-
	<u>2,062,186</u>	<u>3,462,882</u>	<u>5,525,068</u>	<u>6,241,653</u>
Decrease:				
Amortization of Deferred Capital	1,623,368	-	1,623,368	1,512,465
Capital Additions–transfer to Deferred Capital	-	1,969,217	1,969,217	2,775,759
Work in Progress–transfer to Deferred Capital	-	92,969	92,969	-
Non-capital items	-	1,118,833	1,118,833	1,118,833
	<u>1,623,368</u>	<u>3,181,019</u>	<u>4,804,387</u>	<u>5,407,057</u>
Net changes for the year	<u>438,818</u>	<u>281,863</u>	<u>720,681</u>	<u>834,596</u>
Balance, end of year	<u>\$27,755,118</u>	<u>\$445,909</u>	<u>\$28,201,027</u>	<u>\$27,480,346</u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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.

	2021	2020
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 982,265	\$ 1,001,935
Service Cost	95,438	90,627
Interest Cost	22,945	25,411
Benefit Payments	(85,251)	(47,587)
Actuarial (Gain) Loss	(47,628)	(88,121)
Accrued Benefit Obligation – March 31	\$967,769	\$982,265
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$967,769	\$982,265
Funded Status - Surplus (Deficit)	(967,769)	(982,265)
Employer Contributions After Measurement Date	26,677	10,778
Benefits Expense After Measurement Date	(30,124)	(29,596)
Unamortized Net Actuarial (Gain) Loss	3,736	93,406
Accrued Benefit Asset (Liability) - June 30	(\$967,480)	(\$907,677)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 907,677	\$ 775,696
Net Expense for Fiscal Year	160,954	172,807
Employer Contributions	(101,151)	(40,826)
Accrued Benefit Liability (Asset) - June 30	\$ 967,480	\$ 907,677
Components of Net Benefit Expense		
Service Cost	\$ 95,383	\$ 91,830
Interest Cost	23,529	24,794
Amortization of Net Actuarial (Gain)/Loss	42,042	56,183
Net Benefit Expense (Income)	\$ 160,954	\$ 172,807

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 9 EMPLOYEE FUTURE BENEFITS *(Continued)*

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

	2021	2020
Discount Rate - April 1	2.25%	2.50%
Discount Rate - March 31	2.50%	2.25%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	9.4	9.4

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value

	Net Book Value June 30, 2021	Net Book Value June 30, 2020
Sites	\$ 5,244,777	\$ 5,244,779
Buildings	30,202,295	29,558,200
Buildings – work in progress	92,969	-
Furniture & Equipment	1,138,894	1,212,637
Vehicles	2,549,123	2,512,932
Computer Software	3,604	4,805
Computer Software	23,230	8,015
Total	\$ 39,254,892	\$ 38,541,368

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2021

Cost:	Balance at July 1, 2020	Additions	Disposals	Balance at June 30, 2021
Sites	\$ 5,244,779	\$ -	\$ (2)	\$ 5,244,777
Buildings	75,887,892	2,047,854	(995,016)	76,940,730
Buildings – work in progress	-	92,969	-	92,969
Furniture & Equipment	2,282,166	154,474	(247,970)	2,188,670
Vehicles	4,469,551	483,146	(468,100)	4,484,597
Computer Software	6,006	-	-	6,006
Computer Hardware	40,086	23,230	(40,086)	23,230
Total	\$ 87,930,480	\$ 2,801,673	\$ (1,751,174)	\$ 88,980,979

Accumulated Amortization:	Balance at July 1, 2020	Amortization Expense	Disposals	Balance at June 30, 2021
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	46,329,692	1,403,759	(995,016)	46,738,435
Furniture & Equipment	1,069,529	228,217	(247,970)	1,049,776
Vehicles	1,956,619	446,955	(468,100)	1,935,474
Computer Software	1,201	1,201	-	2,402
Computer Hardware	32,071	8,015	(40,086)	-
Total	\$ 49,389,112	\$ 2,088,147	\$ (1,751,172)	\$ 49,726,087

June 30, 2020

Cost:	Balance at July 1, 2019	Additions	Disposals	Balance at June 30, 2020
Sites	\$ 5,244,779	\$ -	\$ -	\$ 5,244,779
Buildings	72,976,287	2,911,605	-	75,887,892
Buildings – work in progress	-	-	-	-
Furniture & Equipment	2,103,403	248,995	(70,232)	2,282,166
Vehicles	3,760,569	735,021	(26,039)	4,469,551
Computer Software	6,006	-	-	6,006
Computer Hardware	55,257	-	(15,171)	40,086
Total	\$ 84,146,301	\$ 3,895,621	\$ (111,442)	\$ 87,930,480

Accumulated Amortization:	Balance at July 1, 2019	Additions	Disposals	Balance at June 30, 2020
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	44,982,704	1,346,988	-	46,329,692
Furniture & Equipment	929,421	210,340	(70,232)	1,069,529
Vehicles	1,606,601	376,057	(26,039)	1,956,619
Computer Software	-	1,201	-	1,201
Computer Hardware	36,190	11,052	(15,171)	32,071
Total	\$ 47,554,916	\$ 1,945,638	\$ (111,442)	\$ 49,389,112

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 11 DISPOSAL OF SITES AND BUILDINGS

The following properties were disposed of in the prior fiscal year:

<u>Property</u>	<u>Year of Acquisition</u>	<u>Original Cost</u>	<u>Proceeds of Sale</u>
Rolla Elementary	1966	\$194,548	\$43,308
O'Brien Education Center	1974	\$800,470	\$425,500

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, 2020, the Teachers' Pension Plan has about 49,000 active members and approximately 40,000 retired members. As of December 31, 2020, the Municipal Pension Plan has about 220,000 active members, including approximately 28,000 from school districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis.

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

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in 2021. The next valuation for the Municipal Pension Plan will be as at December 31, 2021, with results available in 2022.

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

The School District paid \$3,337,440 for employer contributions to these plans in the year ended June 30, 2021 (2020: \$3,251,203).

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2021, were as follows:

- A transfer in the amount of \$739,487 (2020: \$1,119,862) was made from the operating fund to the capital fund for capital equipment purchases.

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.

NOTE 15 UNRECOGNIZED ASSETS

The School District has been made available the use of Crown Land. The Crown Land has not been recorded in these Financial Statements.

NOTE 16 CONTRACTUAL OBLIGATIONS

The School District has a total of \$2,804,587 of contractual obligations at year end related to the construction or renovation of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Contractual Commitments:

Chetwynd Senior Secondary - Science Lab Upgrade	\$ 45,657
McLeod Elementary - Roof Renewal	195,195
DCSS South Peace Campus - HVAC Upgrade	504,053
Chetwynd Senior Secondary - HVAC Upgrade	287,199
Devereux Elementary - Playground	259,936
Pouce Coupe Elementary - School Addition	1,334,763
Canalta Elementary - HVAC Upgrade	177,784
	<u>\$ 2,804,587</u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 17 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for rental revenue. The following table summarizes the contractual rights of the School District for future assets:

Contractual Rights	2022	2023	2024	2025	2026	Thereafter
Future rental revenue	\$172,561	\$157,461	\$156,511	\$159,692	\$159,692	\$326,830

NOTE 18 CONTINGENT LIABILITIES

Each year the School District is involved in a number of legal actions and arbitrations.

The School District has been named as the defendant in a potential lawsuit related to the remediation of an environmental contamination in which damages have been sought. These matters may give rise to future liabilities. The potential amount claimed is undetermined at this time. The outcome of these actions is not determinable as at June 30, 2021 and accordingly, no provision has been made in these financial statements for any liability that may result. Any losses arising from these actions will be recorded in the year in which the related litigation is settled.

Management believes all other legal and arbitration matters that are not determinable at this time will not have a material adverse effect on the School District's financial position or operations.

NOTE 19 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As at June 30, 2021, the liability is not reasonably determinable.

NOTE 20 EXPENSE BY OBJECT

	2021	2020
Salaries and benefits	\$ 43,190,315	\$ 41,330,228
Services and supplies	8,996,127	8,881,288
Amortization	2,088,147	1,945,638
	<u>\$ 54,274,589</u>	<u>\$ 52,157,154</u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 21 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 17, 2021. The Board adopted a preliminary annual budget on June 24, 2020. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

	2021 Amended	2021 Preliminary	Difference
Revenues			
Provincial Grants			
Ministry of Education	\$ 53,004,472	\$ 51,025,411	\$ 1,979,061
Other	250,084	281,932	(31,848)
Tuition	34,503	22,128	12,375
Other Revenue	1,105,691	1,141,700	(36,009)
Rentals and Leases	176,000	140,000	36,000
Investment Income	124,200	134,200	(10,000)
Gain (Loss) on Disposal of Tangible Capital Assets	117,200	-	117,200
Amortization of Deferred Capital Revenue	1,623,368	1,623,167	201
Total Revenue	56,435,518	54,368,538	2,066,980
Expenses			
Instruction	41,291,045	39,132,495	2,158,550
District Administration	1,937,815	1,989,628	(51,813)
Operations and Maintenance	9,984,084	9,998,672	(14,588)
Transportation and Housing	3,931,195	3,975,697	(44,502)
Total Expenses	57,144,139	55,096,492	2,047,647
Surplus (Deficit) for the year	(708,621)	(727,954)	19,333
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets			
From Operating and Special Purpose Funds	(741,000)	(741,000)	-
From Deferred Capital Revenue	(1,611,632)	(1,611,632)	-
Total Acquisition of Tangible Capital Assets	(2,352,632)	(2,352,632)	-
Amortization of Tangible Capital Assets	2,088,149	2,086,321	1,828
Total Effect of change in Tangible Capital Assets	(264,483)	(266,311)	1,828
(Increase) Decrease in Net Financial Assets	\$ (973,104)	\$ (994,265)	\$ 21,161

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 22 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 23 ACCUMULATED SURPLUS

	2021	2020
OPERATING		
Internally Restricted (appropriated) by Board for:		
School-based Surpluses	\$ 477,552	\$ 483,810
Aboriginal Education Surplus	93,417	106,431
Capacity Building	-	16,000
Holdback Funding	141,969	-
Renovation Pouce Coupe Elementary	833,513	-
Service Improvement Allocation	27,429	-
Renovation Chetwynd Senior Secondary	-	500,000
Strategic Plan Initiatives	485,000	150,000
Subtotal Internally Restricted	2,058,880	1,256,241
Unrestricted Operating Surplus (Deficit)	6,530,601	5,882,422
Total Available for Future Operations	\$ 8,589,481	\$ 7,138,663
CAPITAL		
Investment in Tangible Capital Assets	11,499,776	11,225,070
Local Capital	404,032	281,099
Capital Surplus	11,903,808	11,506,169
ACCUMULATED SURPLUS	\$ 20,493,289	\$ 18,644,832

NOTE 24 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 and amounts receivable.

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 24 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.

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.

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. There have been no changes to risk exposure from 2020 related to credit, market or liquidity risks.

School District No. 59 (Peace River South)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2021 Actual	2020 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	7,138,663		11,506,169	18,644,832	17,211,806
Changes for the year					
Surplus (Deficit) for the year	2,190,305		(341,848)	1,848,457	1,433,026
Interfund Transfers	(739,487)		739,487	-	
Tangible Capital Assets Purchased	1,450,818	-	397,639	1,848,457	1,433,026
Net Changes for the year	8,589,481	-	11,903,808	20,493,289	18,644,832
Accumulated Surplus (Deficit), end of year - Statement 2					

School District No. 59 (Peace River South)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	45,510,423	44,490,530	44,345,626
Other	250,084	253,432	260,602
Tuition	34,503	34,503	22,128
Other Revenue	344,500	1,591,348	694,790
Rentals and Leases	176,000	178,528	226,339
Investment Income	120,000	128,510	191,996
Total Revenue	46,435,510	46,676,851	45,741,481
Expenses			
Instruction	34,546,258	32,987,074	31,953,499
District Administration	1,937,815	1,930,031	2,011,577
Operations and Maintenance	6,850,197	6,286,848	6,829,921
Transportation and Housing	3,466,480	3,282,593	3,084,571
Total Expense	46,800,750	44,486,546	43,879,568
Operating Surplus (Deficit) for the year	(365,240)	2,190,305	1,861,913
Budgeted Appropriation (Retirement) of Surplus (Deficit)	1,106,240		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(741,000)	(739,487)	(1,119,862)
Total Net Transfers	(741,000)	(739,487)	(1,119,862)
Total Operating Surplus (Deficit), for the year	-	1,450,818	742,051
Operating Surplus (Deficit), beginning of year		7,138,663	6,396,612
Operating Surplus (Deficit), end of year		8,589,481	7,138,663
Operating Surplus (Deficit), end of year			
Internally Restricted		2,058,880	1,256,241
Unrestricted		6,530,601	5,882,422
Total Operating Surplus (Deficit), end of year		8,589,481	7,138,663

School District No. 59 (Peace River South)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	43,103,328	43,286,860	42,169,813
ISC/LEA Recovery		(1,204,445)	
Other Ministry of Education Grants			
Pay Equity	944,395	944,395	708,297
Funding for Graduated Adults		301	298
Student Transportation Fund	441,458	441,458	441,458
Carbon Tax Grant			118,934
Employer Health Tax Grant			323,049
Support Staff Benefits Grant	15,625	15,625	3,933
Support Staff Wage Increase Funding			185,025
Teachers' Labour Settlement Funding	925,751	925,751	382,234
Early Career Mentorship Funding	70,000	70,000	
FSA Scorer Grant	8,187	8,187	
Other	1,679	2,398	12,585
Total Provincial Grants - Ministry of Education	45,510,423	44,490,530	44,345,626
Provincial Grants - Other	250,084	253,432	260,602
Tuition			
International and Out of Province Students	34,503	34,503	22,128
Total Tuition	34,503	34,503	22,128
Other Revenues			
Funding from First Nations		1,204,445	
Miscellaneous			
Seconded Staff Recoveries	97,000	102,374	135,306
Swim Grant	10,000	-	10,000
Substitute Staff Recoveries	90,000	96,465	107,733
Bus Charges	50,000	40,288	39,387
Miscellaneous	97,500	147,776	402,364
Total Other Revenue	344,500	1,591,348	694,790
Rentals and Leases	176,000	178,528	226,339
Investment Income	120,000	128,510	191,996
Total Operating Revenue	46,435,510	46,676,851	45,741,481

School District No. 59 (Peace River South)

Schedule 2B (Unaudited)

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

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Salaries			
Teachers	15,842,586	15,450,470	15,042,502
Principals and Vice Principals	3,056,769	3,079,875	3,383,361
Educational Assistants	3,849,006	3,538,361	3,180,646
Support Staff	5,611,856	5,523,244	5,485,621
Other Professionals	1,925,859	1,889,186	1,751,949
Substitutes	1,571,425	1,409,415	1,236,586
Total Salaries	31,857,501	30,890,551	30,080,665
Employee Benefits	7,636,261	7,068,384	6,947,460
Total Salaries and Benefits	39,493,762	37,958,935	37,028,125
Services and Supplies			
Services	1,415,881	1,413,578	1,584,394
Student Transportation	990,770	903,085	839,915
Professional Development and Travel	366,944	191,823	345,597
Rentals and Leases	26,500	24,415	30,144
Dues and Fees	334,896	399,233	328,307
Insurance	171,173	181,553	164,493
Supplies	2,003,504	1,656,285	1,763,622
Utilities	1,997,320	1,757,639	1,794,971
Total Services and Supplies	7,306,988	6,527,611	6,851,443
Total Operating Expense	46,800,750	44,486,546	43,879,568

School District No. 59 (Peace River South)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	12,467,082	751,374	211,784	520,014	114,706	817,869	14,882,829
1.03 Career Programs	39,913	30,458			181,278	1,803	253,452
1.07 Library Services	248,227		101,632			37,781	387,640
1.08 Counselling	592,279			71,856	23,263	2,129	689,527
1.10 Special Education	1,507,030		2,883,108	138,921	28,124	164,581	4,721,764
1.30 English Language Learning	99,639		46,411			1,306	147,356
1.31 Indigenous Education	496,300	346,334	274,965	101,715	78,299	5,229	1,302,842
1.41 School Administration		1,951,709		620,246		30,300	2,602,255
1.62 International and Out of Province Students							
Total Function 1	15,450,470	3,079,875	3,517,900	1,452,752	425,670	1,060,998	24,987,665
4 District Administration							
4.11 Educational Administration		18,147			399,843	342	418,332
4.40 School District Governance					119,327		119,327
4.41 Business Administration				166,022	546,195	474	712,691
Total Function 4	-	-	-	184,169	1,065,365	816	1,250,350
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				51,579	302,040	1,392	355,011
5.50 Maintenance Operations				2,263,730		220,103	2,483,833
5.52 Maintenance of Grounds				386,139		55,768	441,907
5.56 Utilities							
Total Function 5	-	-	-	2,701,448	302,040	277,263	3,280,751
7 Transportation and Housing							
7.41 Transportation and Housing Administration				51,941	96,111		148,052
7.70 Student Transportation			20,461	1,132,934		70,338	1,223,733
Total Function 7	-	-	20,461	1,184,875	96,111	70,338	1,371,785
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	15,450,470	3,079,875	3,538,361	5,523,244	1,889,186	1,409,415	30,890,551

School District No. 59 (Peace River South)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object
Year Ended June 30, 2021

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	14,882,829	3,551,188	18,434,017	1,527,396	19,961,413	20,558,774	19,979,632
1.03 Career Programs	253,452	58,341	311,793	93,047	404,840	423,129	564,230
1.07 Library Services	387,640	68,780	456,420	42,770	499,190	540,452	509,327
1.08 Counselling	689,527	134,170	823,697	9,634	833,331	812,172	717,032
1.10 Special Education	4,721,764	1,089,209	5,810,973	168,309	5,979,282	6,762,715	5,361,313
1.30 English Language Learning	147,356	31,430	178,786	8,581	187,367	209,002	120,408
1.31 Indigenous Education	1,302,842	307,280	1,610,122	118,892	1,729,014	1,829,231	1,559,619
1.41 School Administration	2,602,255	551,915	3,154,170	124,715	3,278,885	3,297,437	3,015,770
1.62 International and Out of Province Students	-	-	-	113,752	113,752	113,346	126,168
Total Function 1	24,987,665	5,792,313	30,779,978	2,207,096	32,987,074	34,546,258	31,953,499
4 District Administration							
4.11 Educational Administration	418,332	82,683	501,015	57,590	558,605	592,018	686,384
4.40 School District Governance	119,327	7,400	126,727	55,392	182,119	198,067	199,840
4.41 Business Administration	712,691	149,595	862,286	327,021	1,189,307	1,147,730	1,125,353
Total Function 4	1,250,350	239,678	1,490,028	440,003	1,930,031	1,937,815	2,011,577
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	355,011	76,588	431,599	139,930	571,529	621,036	584,007
5.50 Maintenance Operations	2,483,833	574,823	3,058,656	744,545	3,803,201	4,108,903	4,314,541
5.52 Maintenance of Grounds	441,907	92,976	534,883	118,238	653,121	702,938	579,418
5.56 Utilities	-	-	-	1,258,997	1,258,997	1,417,320	1,351,955
Total Function 5	3,280,751	744,387	4,025,138	2,261,710	6,286,848	6,850,197	6,829,921
7 Transportation and Housing							
7.41 Transportation and Housing Administration	148,052	32,674	180,726	5,531	186,257	219,353	204,320
7.70 Student Transportation	1,223,733	259,332	1,483,065	1,613,271	3,096,336	3,247,127	2,880,251
Total Function 7	1,371,785	292,006	1,663,791	1,618,802	3,282,593	3,466,480	3,084,571
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	30,890,551	7,068,384	37,958,935	6,527,611	44,486,546	46,800,750	43,879,568

School District No. 59 (Peace River South)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	6,375,216	5,948,425	4,436,293
Other Revenue	761,191	632,235	776,055
Investment Income		403	767
Total Revenue	<u>7,136,407</u>	<u>6,581,063</u>	<u>5,213,115</u>
Expenses			
Instruction	6,744,787	6,559,649	4,952,917
Operations and Maintenance	373,860	21,282	260,198
Transportation and Housing	17,760	132	
Total Expense	<u>7,136,407</u>	<u>6,581,063</u>	<u>5,213,115</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 59 (Peace River South)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2021

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	88,125	12,172	742,971	20,605	4,151	21,737	7,519	-	17,053
Add: Restricted Grants									
Provincial Grants - Ministry of Education	285,735	157,452	639,942	192,000	36,750	94,708	374,489	293,013	2,874,732
Other Investment Income			639,942						
Less: Allocated to Revenue Recovered	21,282	169,624	607,138	212,605	40,901	90,063	382,008	293,013	2,874,732
Deferred Revenue, end of year	352,578	-	775,775	-	-	26,382	-	-	-
Revenues									
Provincial Grants - Ministry of Education	21,282	169,624	607,138	212,605	40,901	90,063	382,008	293,013	2,874,732
Other Revenue			607,138						
Investment Income									
Expenses									
Salaries									
Teachers						19,747	18,057		2,318,997
Principals and Vice Principals							1,083		
Educational Assistants		135,876				28,851	197,636		
Support Staff				145,026			24,941	17,307	
Other Professionals				14,062	14,062		14,157	35,829	
Substitutes					11,090	1,730	73	186,838	
Employee Benefits		135,876		159,088	25,132	50,328	255,947	239,974	2,318,997
Services and Supplies	21,282	33,748	607,138	42,246	5,512	13,310	64,982	50,650	555,735
	21,282	169,624	607,138	212,605	40,901	90,063	382,008	293,013	2,874,732
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 59 (Peace River South)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2021

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Safe Return to School Grant	Federal Safe Return to Class Fund	Career Grants	Early Learning Funds	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		17,760	14,592			24,191	53,828	1,024,704
Add: Restricted Grants								
Provincial Grants - Ministry of Education	159,489	12,929	55,000	313,770	1,363,984	7,500	3,896	6,214,051
Other Investment Income							403	651,338
Less: Allocated to Revenue	159,489	12,929	55,000	313,770	1,363,984	7,500	4,299	6,865,792
Recovered	123,471	132	62,840	313,770	1,363,984	20,100	5,400	6,581,063
Deferred Revenue, end of year	36,018	30,557	6,752	-	-	11,591	52,727	1,292,380
Revenues								
Provincial Grants - Ministry of Education	123,471	132	62,840	313,770	1,363,984	20,100	4,997	5,948,425
Other Revenue							403	632,235
Investment Income	123,471	132	62,840	313,770	1,363,984	20,100	5,400	6,581,063
Expenses								
Salaries								
Teachers								2,701,210
Principals and Vice Principals					344,409			23,748
Educational Assistants					22,665			403,309
Support Staff				117,899	40,946			347,161
Other Professionals					41,988			78,110
Substitutes	105,340		8,385		37,763			351,219
Employee Benefits	105,340	-	8,385	117,899	487,771	-	-	3,904,757
Services and Supplies	18,131	132	53,238	174,131	774,748	20,100	5,400	908,736
	123,471	132	62,840	313,770	1,363,984	20,100	5,400	1,767,370
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-

School District No. 59 (Peace River South)

Schedule 4 (Unaudited)

Schedule of Capital Operations
Year Ended June 30, 2021

	2021 Budget	2021 Actual			2020 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	1,118,833	1,118,833		1,118,833	1,118,833
Investment Income	4,200		2,731	2,731	4,286
Gain (Loss) on Disposal of Tangible Capital Assets	117,200	120,200		120,200	
Amortization of Deferred Capital Revenue	1,623,368	1,623,368		1,623,368	1,512,465
Total Revenue	2,863,601	2,862,401	2,731	2,865,132	2,635,584
Expenses					
Operations and Maintenance	1,118,833	1,118,833		1,118,833	1,118,833
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,641,194	1,641,192		1,641,192	1,569,581
Transportation and Housing	446,955	446,955		446,955	376,057
Total Expense	3,206,982	3,206,980	-	3,206,980	3,064,471
Capital Surplus (Deficit) for the year	(343,381)	(344,579)	2,731	(341,848)	(428,887)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	741,000	739,487		739,487	1,119,862
Total Net Transfers	741,000	739,487	-	739,487	1,119,862
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(120,202)	120,202	-	
Total Other Adjustments to Fund Balances		(120,202)	120,202	-	
Total Capital Surplus (Deficit) for the year	397,619	274,706	122,933	397,639	690,975
Capital Surplus (Deficit), beginning of year		11,225,070	281,099	11,506,169	10,815,194
Capital Surplus (Deficit), end of year		11,499,776	404,032	11,903,808	11,506,169

School District No. 59 (Peace River South)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2021

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	5,244,779	75,887,892	2,282,166	4,469,551	6,006	40,086	87,930,480
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,547,585		421,632			1,969,217
Operating Fund		500,269	154,474	61,514		23,230	739,487
	-	2,047,854	154,474	483,146	-	23,230	2,708,704
Decrease:							
Disposed of	2	995,016					995,016
Deemed Disposals			247,970	468,100		40,086	756,156
	2	995,016	247,970	468,100	-	40,086	1,751,174
Cost, end of year	5,244,777	76,940,730	2,188,670	4,484,597	6,006	23,230	88,888,010
Work in Progress, end of year		92,969					92,969
Cost and Work in Progress, end of year	5,244,777	77,033,699	2,188,670	4,484,597	6,006	23,230	88,980,979
Accumulated Amortization, beginning of year		46,329,692	1,069,529	1,956,619	1,201	32,071	49,389,112
Changes for the Year							
Increase: Amortization for the Year		1,403,759	228,217	446,955	1,201	8,015	2,088,147
Decrease:							
Disposed of		995,016					995,016
Deemed Disposals			247,970	468,100		40,086	756,156
		995,016	247,970	468,100	-	40,086	1,751,172
Accumulated Amortization, end of year		46,738,435	1,049,776	1,935,474	2,402	-	49,726,087
Tangible Capital Assets - Net	5,244,777	30,295,264	1,138,894	2,549,123	3,604	23,230	39,254,892

School District No. 59 (Peace River South)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress
 Year Ended June 30, 2021

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year					-
Changes for the Year					
Increase:					
Deferred Capital Revenue - Other	92,969				92,969
	92,969	-	-	-	92,969
Net Changes for the Year	92,969	-	-	-	92,969
Work in Progress, end of year	92,969	-	-	-	92,969

School District No. 59 (Peace River South)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2021

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	25,690,143	561,418	1,064,739	27,316,300
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,969,217			1,969,217
	<u>1,969,217</u>	-	-	<u>1,969,217</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,550,157	27,544	45,667	1,623,368
	<u>1,550,157</u>	<u>27,544</u>	<u>45,667</u>	<u>1,623,368</u>
Net Changes for the Year	<u>419,060</u>	<u>(27,544)</u>	<u>(45,667)</u>	<u>345,849</u>
Deferred Capital Revenue, end of year	<u>26,109,203</u>	<u>533,874</u>	<u>1,019,072</u>	<u>27,662,149</u>
Work in Progress, beginning of year				-
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress		92,969		92,969
	-	<u>92,969</u>	-	<u>92,969</u>
Net Changes for the Year	-	<u>92,969</u>	-	<u>92,969</u>
Work in Progress, end of year	-	<u>92,969</u>	-	<u>92,969</u>
Total Deferred Capital Revenue, end of year	<u>26,109,203</u>	<u>626,843</u>	<u>1,019,072</u>	<u>27,755,118</u>

School District No. 59 (Peace River South)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2021

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year		164,046				164,046
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	3,088,050					3,088,050
Provincial Grants - Other			20,200			20,200
Investment Income		3,026				3,026
MEd Restricted Portion of Proceeds on Disposal	3,088,050	354,632	20,200	-	-	3,462,882
Decrease:						
Transferred to DCR - Capital Additions	1,969,217					1,969,217
Transferred to DCR - Work in Progress	1,118,833	92,969				92,969
Facility Improvements Not Capitalized	3,088,050	92,969	-	-	-	1,118,833
						3,181,019
Net Changes for the Year		261,663	20,200	-	-	281,863
Balance, end of year		425,709	20,200	-	-	445,909