

Audited Financial Statements of

School District No. 74 (Gold Trail)

And Independent Auditors' Report thereon

June 30, 2021

School District No. 74 (Gold Trail)

June 30, 2021

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School District No. 74 (Gold Trail)

MANAGEMENT REPORT

Version: 1799-1054-8071

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 74 (Gold Trail) 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. 74 (Gold Trail) (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, BDO Canada 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. 74 (Gold Trail) 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. 74 (Gold Trail)

Original signature on file	September 7, 2021
Signature of the Chairperson of the Board of Education	Date Signed

Original signature on file	September 7, 2021
Signature of the Superintendent	Date Signed

Original signature on file	September 7, 2021
Signature of the Secretary Treasurer	Date Signed

Independent Auditor's Report

To the Board of Education of School District No. 74 (Gold Trail)

Opinion

We have audited the financial statements of School District No. 74 (Gold Trail) (the "District"), which comprise the statement of financial position as at June 30, 2021, and the statements of operations, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at June 30, 2021, and its results of operations, its changes of net debt and its cash flows for the year then ended in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

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 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

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules on pages 25 through 39 of School District No. 74 (Gold Trail)'s financial statements.

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 of the Province of British Columbia, 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, matters related 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 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 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 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 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.

Chartered Professional Accountants

Kamloops, British Columbia
September 7, 2021

School District No. 74 (Gold Trail)

Statement of Financial Position

As at June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	11,100,435	11,883,108
Accounts Receivable		
Other (Note 3)	1,799,179	647,689
Total Financial Assets	12,899,614	12,530,797
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	1,328,036	
Other (Note 4)	2,631,270	2,401,165
Deferred Revenue (Note 5)	619,348	506,711
Deferred Capital Revenue (Note 6)	16,659,310	14,657,956
Employee Future Benefits (Note 7)	918,676	876,455
Total Liabilities	22,156,640	18,442,287
Net Debt	(9,257,026)	(5,911,490)
Non-Financial Assets		
Tangible Capital Assets (Note 8)	35,848,806	30,890,335
Prepaid Expenses	119,686	192,355
Total Non-Financial Assets	35,968,492	31,082,690
Accumulated Surplus (Deficit)	26,711,466	25,171,200

Contractual Obligations (Note 12)

Approved by the Board

Original signature on file
Signature of the Chairperson of the Board of Education

September 7, 2021
Date Signed

Original signature on file
Signature of the Superintendent

September 7, 2021
Date Signed

Original signature on file
Signature of the Secretary Treasurer

September 7, 2021
Date Signed

School District No. 74 (Gold Trail)

Statement 2

Statement of Operations
Year Ended June 30, 2021

	2021 Budget (Note 13)	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	21,222,059	20,229,502	20,642,331
Other	186,568	126,968	134,185
Other Revenue	1,501,423	2,920,910	1,693,504
Investment Income	130,000	115,598	251,886
Amortization of Deferred Capital Revenue	698,913	705,491	688,623
Total Revenue	<u>23,738,963</u>	<u>24,098,469</u>	<u>23,410,529</u>
Expenses			
Instruction	16,820,562	15,174,417	15,404,186
District Administration	1,250,216	1,300,186	1,301,197
Operations and Maintenance	4,267,242	4,527,587	4,075,330
Transportation and Housing	1,481,203	1,556,013	1,400,195
Total Expense	<u>23,819,223</u>	<u>22,558,203</u>	<u>22,180,908</u>
Surplus (Deficit) for the year	<u>(80,260)</u>	<u>1,540,266</u>	<u>1,229,621</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		25,171,200	23,941,579
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>26,711,466</u></u>	<u>25,171,200</u>

School District No. 74 (Gold Trail)

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

	2021 Budget (Note 13)	2021 Actual	2020 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(80,260)</u>	<u>1,540,266</u>	<u>1,229,621</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,870,000)	(6,381,291)	(4,720,749)
Amortization of Tangible Capital Assets	1,373,533	1,422,820	1,345,650
Total Effect of change in Tangible Capital Assets	<u>(3,496,467)</u>	<u>(4,958,471)</u>	<u>(3,375,099)</u>
Acquisition of Prepaid Expenses		(119,686)	(192,355)
Use of Prepaid Expenses		192,355	92,897
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>72,669</u>	<u>(99,458)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(3,576,727)</u>	<u>(3,345,536)</u>	<u>(2,244,936)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(3,345,536)</u>	<u>(2,244,936)</u>
Net Debt, beginning of year		<u>(5,911,490)</u>	<u>(3,666,554)</u>
Net Debt, end of year		<u>(9,257,026)</u>	<u>(5,911,490)</u>

School District No. 74 (Gold Trail)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,540,266	1,229,621
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,151,490)	150,627
Prepaid Expenses	72,669	(99,458)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,558,141	632,872
Deferred Revenue	112,637	(322,666)
Employee Future Benefits	42,221	57,809
Amortization of Tangible Capital Assets	1,422,820	1,345,650
Amortization of Deferred Capital Revenue	(705,491)	(688,623)
Total Operating Transactions	2,891,773	2,305,832
Capital Transactions		
Tangible Capital Assets Purchased	(6,381,291)	(4,720,749)
Total Capital Transactions	(6,381,291)	(4,720,749)
Financing Transactions		
Capital Revenue Received	2,706,845	1,846,845
Total Financing Transactions	2,706,845	1,846,845
Net Increase (Decrease) in Cash and Cash Equivalents	(782,673)	(568,072)
Cash and Cash Equivalents, beginning of year	11,883,108	12,451,180
Cash and Cash Equivalents, end of year	11,100,435	11,883,108
Cash and Cash Equivalents, end of year, is made up of:		
Cash	4,018,078	3,500,985
Cash Equivalents	7,082,357	8,382,123
	11,100,435	11,883,108

SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on December 1, 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. 74 (Gold Trail)", and operates as "School District No.74 (Gold Trail)." 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. 74 (Gold Trail) 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(k).

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(k), 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. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

a) Basis of Accounting (cont'd)

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 \$ 1,156,904

June 30, 2020 - increase in accumulated surplus and decrease in deferred contributions by \$14,656,638

Year-ended June 30, 2021 – increase in annual surplus by \$2,001,354

June 30, 2021 – increase in accumulated surplus and increase in deferred contributions by \$16,659,310

b) Cash and Cash Equivalents

Cash and cash equivalents include 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) 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. 74 (GOLD TRAIL)
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(k).

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. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

g) Liability for Contaminated Sites

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

There are no contaminated sites as at June 30, 2021 or 2020.

SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- 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.
- 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

i) Prepaid Expenses

Payments for subscriptions and maintenance contracts are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) 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 10 – Interfund Transfers and Note 15 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 2, 3 and 4.

SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

k) 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.

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. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

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

Allocation of Costs

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

m) 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, and accounts payable and accrued liabilities.

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.

SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

m) Financial Instruments (cont'd)

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.

n) 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. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

o) Future Changes in Accounting Policies

PS 3280 Asset Retirement Obligations issued August 2018 establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective for the School District's year end beginning on 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.

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 for the School District's year end beginning on 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.

**SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2021	2020
CRA (GST Rebate)	\$ 52,876	\$ 84,761
Miscellaneous	2,044,623	861,248
Allowance for doubtful accounts	(298,320)	(298,320)
	\$1,799,179	\$ 647,689

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Trade payables	\$1,759,623	\$ 1,442,301
Salaries and benefits payable	859,620	950,277
Accrued vacation pay	12,027	8,587
	\$2,631,270	\$ 2,401,165

NOTE 5 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. Unaudited detailed information about the changes in deferred revenue is included in Schedule 3A.

NOTE 6 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. Unaudited detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 7 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, 2021</u>	<u>June 30, 2020</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	791,518	813,223
Service Cost	74,297	70,664
Interest Cost	18,596	20,523
Benefit Payments	(30,942)	(101,819)
Increase (Decrease) in obligation due to Plan Amendment	0	0
Actuarial (Gain) Loss	(60,985)	(11,073)
Accrued Benefit Obligation – March 31	<u>792,484</u>	<u>791,518</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	792,484	791,518
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(792,484)	(791,518)
Employer Contributions After Measurement Date	11,297	9,851
Benefits Expense After Measurement Date	(23,747)	(23,223)
Unamortized Net Actuarial (Gain) Loss	(113,742)	(71,565)
Accrued Benefit Asset (Liability) - June 30	<u>(918,676)</u>	<u>(876,455)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	876,455	818,645
Net Expense for Fiscal Year	74,610	73,196
Employer Contributions	(32,389)	(15,385)
Accrued Benefit Liability (Asset) - June 30	<u>918,676</u>	<u>876,455</u>
Components of Net Benefit Expense		
Service Cost	74,284	71,572
Interest Cost	19,134	20,041
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial (Gain)/Loss	(18,808)	(18,418)
Net Benefit Expense (Income)	<u>74,610</u>	<u>73,196</u>

**SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 7 EMPLOYEE FUTURE BENEFITS *(Continued)*

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

Assumptions	June 30, 2021	June 30, 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	10.2	10.2

NOTE 8 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2021	Net Book Value 2020
Sites	\$ 1,529,698	\$ 1,529,698
Buildings	32,161,984	27,163,672
Furniture & Equipment	441,517	196,866
Vehicles	1,271,566	1,536,926
Computer Software	332,285	376,867
Computer Hardware	111,756	83,306
Total	\$35,848,806	\$30,890,335

SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 8 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2021

	Opening Cost	Additions	Disposals	Total 2021
Sites	\$ 1,529,698	\$	\$	\$ 1,529,698
Buildings	51,748,817	5,927,587		57,676,404
Furniture & Equipment	439,625	288,614	94,194	634,045
Vehicles	2,653,597		206,025	2,447,572
Computer Software	760,519	107,522	206,035	662,006
Computer Hardware	160,591	57,568		218,159
Total	\$57,292,847	\$6,381,291	\$ 506,254	\$63,167,884

	Opening Accumulated Amortization	Additions	Disposals	Total 2021
Buildings	\$24,585,145	\$ 929,275	\$	\$25,514,420
Furniture & Equipment	242,759	43,963	94,194	192,528
Vehicles	1,116,671	265,360	206,025	1,176,006
Computer Software	383,652	152,104	206,035	329,721
Computer Hardware	74,285	32,118		106,403
Total	\$26,402,512	\$1,422,820	\$ 506,254	\$27,319,078

June 30, 2020

	Opening Cost	Additions	Disposals	Total 2020
Sites	\$ 1,529,698	\$	\$	\$ 1,529,698
Buildings	47,132,430	4,616,387		51,748,817
Furniture & Equipment	438,933	10,661	9,969	439,625
Vehicles	2,923,465	70,264	340,132	2,653,597
Computer Software	737,082	23,437		760,519
Computer Hardware	190,492		29,901	160,591
Total	\$52,952,100	\$4,720,749	\$380,002	\$57,292,847

	Opening Accumulated Amortization	Additions	Disposals	Total 2020
Buildings	\$23,761,249	\$ 823,896	\$	\$24,585,145
Furniture & Equipment	208,835	43,893	9,969	242,759
Vehicles	1,164,456	292,347	340,132	1,116,671
Computer Software	236,236	147,416		383,652
Computer Hardware	66,088	38,098	29,901	74,285
Total	\$25,436,864	\$1,345,650	\$380,002	\$26,402,512

SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 9 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 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 funding 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 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 \$1,374,249 for employer contributions to the plans for the year ended June 30, 2021 (2020: \$1,349,119)

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

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

NOTE 10 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 \$2,190,843 from the operating fund to the local capital fund for building improvements.

**SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 11 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 12 CONTRACTUAL OBLIGATIONS

The School District has a technology equipment lease which expires June 2025. The future minimum lease payments are as follows:

Contractual obligations	2022	2023	2024	2025
Operating Lease Payments	\$265,895	\$231,222	\$231,222	\$231,222
	<u>\$265,895</u>	<u>\$231,222</u>	<u>\$231,222</u>	<u>\$231,222</u>

NOTE 13 BUDGET FIGURES

The budgeted figures included in these financial statements were approved by the Board through the adoption of an annual budget on June 2, 2020.

NOTE 14 EXPENSE BY OBJECT

	<u>2021</u>	<u>2020</u>
Salaries and benefits	\$ 16,740,466	\$16,532 307
Services and supplies	4,394,917	4,302,951
Amortization	1,422,820	1,345,650
	<u>\$ 22,558,203</u>	<u>\$ 22,180,908</u>

**SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 15 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	2021	2020
Internally Restricted (appropriated) by Board for:		
Transportation Supplement Grant (BCTEA)	\$ 602,115	\$ 585,183
Transfer to Local Capital	946,023	472,753
COVID-19 – 2020/21 additional resources	0	300,000
School Budgets	197,494	252,062
Learner Support – SMCS	0	184,179
LEA Capacity Building Grant	113,195	116,156
Aboriginal Education Targeted Dollars	149,688	113,287
FPEC – Administration	33,668	81,939
Outdoor Classroom	0	50,000
Mental Health Grant	0	19,652
Aboriginal Education Language Program	1,904	1,904
Operating Grant Holdback	65,228	0
Subtotal Internally Restricted	\$2,109,315	\$2,177,115
Unrestricted Operating Surplus (Deficit)	0	0
Total Available for Future Operations	\$2,109,315	\$2,177,115

NOTE 16 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 17 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 debtor. This risk is mitigated as most amounts receivable are due from the Province and other governments and are collectible.

SCHOOL DISTRICT NO. 74 (GOLD TRAIL)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 17 RISK MANAGEMENT *(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 Ministry of Education's Central Deposit Program.

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 Ministry of Education's Central Deposit Program.

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.

NOTE 18 Lytton Creek Wildfire

In the early evening of June 30, 2021, the Lytton Creek wildfire was ignited and subsequently destroyed 90% of the Village of Lytton. On July 5, 2021, it was confirmed that included in the damage was Lytton Elementary School, which was a total loss. As the extent of the loss is significant the final determination of the damage is ongoing. However, Kumsheen ShchEma-meet School was left unaffected and class will resume in September. The Federal and Provincial governments have indicated that they will fully support the rebuilding of the community.

School District No. 74 (Gold Trail)

Schedule 1 (Unaudited)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2021 Actual	2020 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,177,115		22,994,085	25,171,200	23,941,579
Changes for the year					
Surplus (Deficit) for the year	2,123,043	134,552	(717,329)	1,540,266	1,229,621
Interfund Transfers					
Tangible Capital Assets Purchased		(134,552)	134,552	-	
Local Capital	(2,190,843)		2,190,843	-	
Net Changes for the year	(67,800)	-	1,608,066	1,540,266	1,229,621
Accumulated Surplus (Deficit), end of year - Statement 2	2,109,315	-	24,602,151	26,711,466	25,171,200

School District No. 74 (Gold Trail)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2021

	2021 Budget (Note 13)	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	19,693,099	18,297,754	18,980,499
Other	131,568	126,968	133,368
Other Revenue	1,295,923	2,781,215	1,348,636
Investment Income	130,000	115,598	251,886
Total Revenue	<u>21,250,590</u>	<u>21,321,535</u>	<u>20,714,389</u>
Expenses			
Instruction	15,260,759	13,695,491	13,662,923
District Administration	1,232,216	1,300,085	1,279,744
Operations and Maintenance	2,752,052	2,794,726	2,589,876
Transportation and Housing	1,411,203	1,408,190	1,295,198
Total Expense	<u>20,656,230</u>	<u>19,198,492</u>	<u>18,827,741</u>
Operating Surplus (Deficit) for the year	<u>594,360</u>	<u>2,123,043</u>	<u>1,886,648</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(20,000)		(10,661)
Local Capital	(574,360)	(2,190,843)	(1,532,918)
Total Net Transfers	<u>(594,360)</u>	<u>(2,190,843)</u>	<u>(1,543,579)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(67,800)</u>	<u>343,069</u>
Operating Surplus (Deficit), beginning of year		2,177,115	1,834,046
Operating Surplus (Deficit), end of year		<u>2,109,315</u>	<u>2,177,115</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 15)		<u>2,109,315</u>	<u>2,177,115</u>
Total Operating Surplus (Deficit), end of year		<u>2,109,315</u>	<u>2,177,115</u>

School District No. 74 (Gold Trail)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2021

	2021 Budget (Note 13)	2021 Actual	2020 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	19,792,404	19,789,168	19,113,855
ISC/LEA Recovery	(1,208,490)	(2,637,735)	(1,309,699)
Other Ministry of Education Grants			
Pay Equity	376,093	376,093	376,093
Student Transportation Fund	366,932	366,932	366,932
Carbon Tax Grant			33,631
Employer Health Tax Grant			130,082
Support Staff Benefits Grant	19,138	24,678	19,138
Support Staff Wage Increase Funding			96,182
Teachers' Labour Settlement Funding	339,516	339,516	140,183
Early Career Mentorship Funding		30,000	
FSA Scorer Grant	7,506	7,506	7,506
Early Learning Framework		1,596	1,596
Shoulder Tappers			5,000
Total Provincial Grants - Ministry of Education	19,693,099	18,297,754	18,980,499
Provincial Grants - Other	131,568	126,968	133,368
Other Revenues			
Funding from First Nations	1,208,490	2,637,735	1,309,699
Miscellaneous			
Miscellaneous	47,433	76,916	26,484
Nzenman			12,453
Childcare	40,000	66,564	
Total Other Revenue	1,295,923	2,781,215	1,348,636
Investment Income	130,000	115,598	251,886
Total Operating Revenue	21,250,590	21,321,535	20,714,389

School District No. 74 (Gold Trail)

Schedule 2B (Unaudited)

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

	2021 Budget (Note 13)	2021 Actual	2020 Actual
	\$	\$	\$
Salaries			
Teachers	5,927,117	5,869,200	5,797,789
Principals and Vice Principals	1,522,445	1,453,042	1,582,979
Educational Assistants	1,232,126	1,245,835	1,457,592
Support Staff	2,543,934	2,378,945	2,174,558
Other Professionals	889,287	1,023,087	1,005,764
Substitutes	961,410	574,049	749,802
Total Salaries	13,076,319	12,544,158	12,768,484
Employee Benefits	3,020,206	2,791,621	2,659,158
Total Salaries and Benefits	16,096,525	15,335,779	15,427,642
Services and Supplies			
Services	1,389,132	1,169,418	900,109
Student Transportation	76,720	23,444	53,340
Professional Development and Travel	330,613	61,367	206,184
Rentals and Leases	2,500	2,305	3,429
Dues and Fees	203,200	170,437	64,667
Insurance	101,700	90,607	89,744
Supplies	1,935,840	1,796,107	1,533,649
Utilities	520,000	549,028	548,977
Total Services and Supplies	4,559,705	3,862,713	3,400,099
Total Operating Expense	20,656,230	19,198,492	18,827,741

School District No. 74 (Gold Trail)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

	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	4,841,385	239,251	1,508	192,468	20,719	320,606	5,615,937
1.03 Career Programs	47,052	27,258					74,310
1.07 Library Services	158,725			34,054		8,583	201,362
1.08 Counselling	173,816						173,816
1.10 Special Education	495,733	64,679	702,242		108,483	74,451	1,445,588
1.31 Indigenous Education	145,401	57,190	542,085		13,098	10,944	768,718
1.41 School Administration	711	1,064,664		234,979		26,248	1,326,602
1.64 Other	6,377			53,711	53,228		113,316
Total Function 1	5,869,200	1,453,042	1,245,835	515,212	195,528	440,832	9,719,649
4 District Administration							
4.11 Educational Administration					219,663		219,663
4.40 School District Governance					97,523		97,523
4.41 Business Administration				79,318	345,840	3,865	429,023
Total Function 4	-	-	-	79,318	663,026	3,865	746,209
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				63,579	81,187		144,766
5.50 Maintenance Operations				995,797		76,051	1,071,848
5.52 Maintenance of Grounds				81,693			81,693
5.56 Utilities							-
Total Function 5	-	-	-	1,141,069	81,187	76,051	1,298,307
7 Transportation and Housing							
7.41 Transportation and Housing Administration				14,884	83,346		98,230
7.70 Student Transportation				628,462		53,301	681,763
7.73 Housing							-
Total Function 7	-	-	-	643,346	83,346	53,301	779,993
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	5,869,200	1,453,042	1,245,835	2,378,945	1,023,087	574,049	12,544,158

School District No. 74 (Gold Trail)

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 (Note 13)	2020 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	5,615,937	1,260,834	6,876,771	1,182,035	8,058,806	8,802,912	7,237,392
1.03 Career Programs	74,310	16,206	90,516	8,108	98,624	189,448	96,782
1.07 Library Services	201,362	47,119	248,481	27,498	275,979	387,603	278,218
1.08 Counselling	173,816	38,320	212,136		212,136	244,999	225,989
1.10 Special Education	1,445,588	362,348	1,807,936	161,463	1,969,399	2,184,631	2,934,188
1.31 Indigenous Education	768,718	172,244	940,962	170,430	1,111,392	1,374,095	999,977
1.41 School Administration	1,326,602	293,493	1,620,095	108,137	1,728,232	1,968,371	1,747,123
1.64 Other	113,316	24,049	137,365	103,558	240,923	108,700	143,254
Total Function 1	9,719,649	2,214,613	11,934,262	1,761,229	13,695,491	15,260,759	13,662,923
4 District Administration							
4.11 Educational Administration	219,663	43,176	262,839	16,950	279,789	291,932	275,672
4.40 School District Governance	97,523	6,938	104,461	47,549	152,010	184,631	164,658
4.41 Business Administration	429,023	80,412	509,435	358,851	868,286	755,653	839,414
Total Function 4	746,209	130,526	876,735	423,350	1,300,085	1,232,216	1,279,744
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	144,766	21,318	166,084	31,488	197,572	168,412	180,999
5.50 Maintenance Operations	1,071,848	234,734	1,306,582	580,229	1,886,811	1,920,191	1,688,670
5.52 Maintenance of Grounds	81,693	17,351	99,044	50,149	149,193	143,449	170,516
5.56 Utilities	-	-	-	561,150	561,150	520,000	549,691
Total Function 5	1,298,307	273,403	1,571,710	1,223,016	2,794,726	2,752,052	2,589,876
7 Transportation and Housing							
7.41 Transportation and Housing Administration	98,230	8,322	106,552	2,784	109,336	109,704	103,523
7.70 Student Transportation	681,763	164,757	846,520	446,894	1,293,414	1,301,499	1,189,485
7.73 Housing	-	-	-	5,440	5,440		2,190
Total Function 7	779,993	173,079	953,072	455,118	1,408,190	1,411,203	1,295,198
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	12,544,158	2,791,621	15,335,779	3,862,713	19,198,492	20,656,230	18,827,741

School District No. 74 (Gold Trail)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2021

	2021 Budget (Note 13)	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	1,528,960	1,931,748	1,661,832
Other	55,000		817
Other Revenue	205,500	139,695	344,868
Total Revenue	<u>1,789,460</u>	<u>2,071,443</u>	<u>2,007,517</u>
Expenses			
Instruction	1,559,803	1,478,926	1,741,263
District Administration	18,000	101	21,453
Operations and Maintenance	141,657	310,041	139,804
Transportation and Housing	70,000	147,823	104,997
Total Expense	<u>1,789,460</u>	<u>1,936,891</u>	<u>2,007,517</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>134,552</u>	<u>-</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(134,552)	
Total Net Transfers	<u>-</u>	<u>(134,552)</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. 74 (Gold Trail)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2021

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	4,232	553	20,610	271,316	-	40,725	16,654	
Add: Restricted Grants									
Provincial Grants - Ministry of Education	139,657	71,632				96,000	19,600		388,173
Other				270	156,375				
	139,657	71,632	-	270	156,375	96,000	19,600	-	388,173
Less: Allocated to Revenue									
Recovered	139,657	75,864	-	3,200	126,038	96,000	22,028	-	388,173
Deferred Revenue, end of year	-	-	553	17,680	301,653	-	38,297	16,654	-
Revenues									
Provincial Grants - Ministry of Education	139,657	75,864				96,000	22,028		388,173
Other Revenue				3,200	126,038				
	139,657	75,864	-	3,200	126,038	96,000	22,028	-	388,173
Expenses									
Salaries									
Teachers									
Educational Assistants		61,278							
Support Staff						71,593			262,697
Substitutes									122
	-	61,278	-	-	-	71,593	-	-	262,819
Employee Benefits		14,586				17,582			65,497
Services and Supplies	48,523			3,200	126,038	6,825	22,028		59,857
	48,523	75,864	-	3,200	126,038	96,000	22,028	-	388,173
Net Revenue (Expense) before Interfund Transfers	91,134	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(91,134)								
	(91,134)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 74 (Gold Trail)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2021

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Safe Return to School Grant	Federal Safe Return to Class Fund	After School Sport and Art Initiative	Thompson Okanagan Branch
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	4,951	30,535	8,935	24,292				59,566	6,664
Add: Restricted Grants									
Provincial Grants - Ministry of Education	8,935	667,865	47,872	57,000	11,250	123,253	426,624		
Other									5,060
	8,935	667,865	47,872	57,000	11,250	123,253	426,624	-	5,060
Less: Allocated to Revenue									
Recovered	4,951	30,535	56,807	-	-	123,253	353,166	39	101
Deferred Revenue, end of year	-	-	-	81,292	11,250	-	73,458	59,527	11,623
Revenues									
Provincial Grants - Ministry of Education	8,935	667,865	56,807			123,253	353,166		
Other Revenue								39	101
	8,935	667,865	56,807	-	-	123,253	353,166	39	101
Expenses									
Salaries									
Teachers		539,070					54,952		
Educational Assistants									
Support Staff						53,350	85,809		
Substitutes	6,600								
	6,600	539,070	-	-	-	53,350	140,761	-	-
Employee Benefits	445	128,795				12,221	30,090		
Services and Supplies	1,890		56,807			57,682	138,897	39	101
	8,935	667,865	56,807	-	-	123,253	309,748	39	101
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	43,418	-	-
Interfund Transfers									
Tangible Capital Assets Purchased							(43,418)		
	-	-	-	-	-	-	(43,418)	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 74 (Gold Trail)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2021

Schedule 3A (Unaudited)

	<u>Red Cross</u>	<u>TOTAL</u>
	\$	\$
Deferred Revenue, beginning of year	17,678	506,711
Add: Restricted Grants		
Provincial Grants - Ministry of Education		2,057,861
Other		161,705
	-	2,219,566
Less: Allocated to Revenue	10,317	2,071,443
Recovered		35,486
Deferred Revenue, end of year	<u>7,361</u>	<u>619,348</u>
Revenues		
Provincial Grants - Ministry of Education		1,931,748
Other Revenue	10,317	139,695
	10,317	2,071,443
Expenses		
Salaries		
Teachers		594,022
Educational Assistants		61,278
Support Staff		473,449
Substitutes		6,722
	-	1,135,471
Employee Benefits		269,216
Services and Supplies	10,317	532,204
	10,317	1,936,891
Net Revenue (Expense) before Interfund Transfers	<u>-</u>	<u>134,552</u>
Interfund Transfers		
Tangible Capital Assets Purchased		(134,552)
	-	(134,552)
Net Revenue (Expense)	<u><u>-</u></u>	<u><u>-</u></u>

School District No. 74 (Gold Trail)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2021

	2021	2021 Actual			2020
	Budget (Note 13)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Amortization of Deferred Capital Revenue	698,913	705,491		705,491	688,623
Total Revenue	698,913	705,491	-	705,491	688,623
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,373,533	1,422,820		1,422,820	1,345,650
Total Expense	1,373,533	1,422,820	-	1,422,820	1,345,650
Capital Surplus (Deficit) for the year	(674,620)	(717,329)	-	(717,329)	(657,027)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	20,000	134,552		134,552	10,661
Local Capital	574,360		2,190,843	2,190,843	1,532,918
Total Net Transfers	594,360	134,552	2,190,843	2,325,395	1,543,579
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		3,582,114	(3,582,114)	-	
Total Other Adjustments to Fund Balances		3,582,114	(3,582,114)	-	
Total Capital Surplus (Deficit) for the year	(80,260)	2,999,337	(1,391,271)	1,608,066	886,552
Capital Surplus (Deficit), beginning of year		17,066,359	5,927,726	22,994,085	22,107,533
Capital Surplus (Deficit), end of year		20,065,696	4,536,455	24,602,151	22,994,085

School District No. 74 (Gold Trail)

Tangible Capital Assets
Year Ended June 30, 2021

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	1,529,698	51,748,817	439,625	2,653,597	760,519	160,591	57,292,847
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,539,896	124,729				2,664,625
Special Purpose Funds		91,134	43,418				134,552
Local Capital		3,296,557	120,467		107,522	57,568	3,582,114
	-	5,927,587	288,614	-	107,522	57,568	6,381,291
Decrease:							
Deemed Disposals			94,194	206,025	206,035		506,254
	-	-	94,194	206,025	206,035	-	506,254
Cost, end of year	1,529,698	57,676,404	634,045	2,447,572	662,006	218,159	63,167,884
Work in Progress, end of year							-
Cost and Work in Progress, end of year	1,529,698	57,676,404	634,045	2,447,572	662,006	218,159	63,167,884
Accumulated Amortization, beginning of year		24,585,145	242,759	1,116,671	383,652	74,285	26,402,512
Changes for the Year							
Increase: Amortization for the Year		929,275	43,963	265,360	152,104	32,118	1,422,820
Decrease:							
Deemed Disposals			94,194	206,025	206,035		506,254
			94,194	206,025	206,035	-	506,254
Accumulated Amortization, end of year		25,514,420	192,528	1,176,006	329,721	106,403	27,319,078
Tangible Capital Assets - Net	1,529,698	32,161,984	441,517	1,271,566	332,285	111,756	35,848,806

School District No. 74 (Gold Trail)

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	13,718,913	105,061		13,823,974
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,664,625			2,664,625
	2,664,625	-	-	2,664,625
Decrease:				
Amortization of Deferred Capital Revenue	694,205	11,286		705,491
	694,205	11,286	-	705,491
Net Changes for the Year	1,970,420	(11,286)	-	1,959,134
Deferred Capital Revenue, end of year	15,689,333	93,775	-	15,783,108
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	15,689,333	93,775	-	15,783,108

School District No. 74 (Gold Trail)

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	258,131	575,851				833,982
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,706,845					2,706,845
	2,706,845	-	-	-	-	2,706,845
Decrease:						
Transferred to DCR - Capital Additions	2,664,625					2,664,625
	2,664,625	-	-	-	-	2,664,625
Net Changes for the Year	42,220	-	-	-	-	42,220
Balance, end of year	300,351	575,851	-	-	-	876,202