

Audited Financial Statements of

School District No. 69 (Qualicum)

And Independent Auditors' Report thereon

June 30, 2021

School District No. 69 (Qualicum)

June 30, 2021

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School District No. 69 (Qualicum)

MANAGEMENT REPORT

Version: 7271-6525-4543

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 69 (Qualicum) 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.

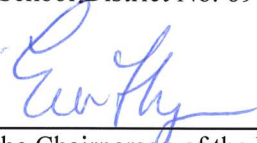
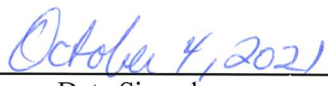
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 69 (Qualicum) (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, McGorman MacLean, 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. 69 (Qualicum) 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. 69 (Qualicum)

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

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 69 (Qualicum), and
To the Minister of Education, Province of British Columbia

Opinion

We have audited the accompanying consolidated financial statements of School District No. 69 (Qualicum), which comprise the statement of financial position as at June 30, 2021 and the statements of operations, changes in net financial assets 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 School District No. 69 (Qualicum) as at June 30, 2021, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 the financial reporting provisions of 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 School District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the School District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School District's financial reporting process.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the School District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

McGerman Maclean
CHARTERED PROFESSIONAL ACCOUNTANTS

Parksville, Canada
September 28, 2021

School District No. 69 (Qualicum)

Statement 1

Statement of Financial Position

As at June 30, 2021

	2021 Actual \$	2020 Actual \$
Financial Assets		
Cash and Cash Equivalents	17,116,087	14,007,248
Accounts Receivable		
Due from Province - Ministry of Education	181,817	737,438
Other (Note 3)	285,548	211,672
Total Financial Assets	17,583,452	14,956,358
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	5,028,488	4,379,136
Unearned Revenue (Note 5)	2,278,449	503,858
Deferred Revenue (Note 6)	844,032	616,953
Deferred Capital Revenue (Note 7)	46,083,460	46,277,020
Employee Future Benefits (Note 8)	6,098,992	5,839,669
Total Liabilities	60,333,421	57,616,636
Net Debt	(42,749,969)	(42,660,278)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	62,829,137	62,465,265
Prepaid Expenses	124,698	100,075
Total Non-Financial Assets	62,953,835	62,565,340
Accumulated Surplus (Deficit) (Note 13)	20,203,866	19,905,062

Contractual Obligations (Note 10)

Contractual Rights (Note 14)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

School District No. 69 (Qualicum)

Statement 2

Statement of Operations
Year Ended June 30, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	53,192,803	54,489,959	50,781,724
Other	110,000	147,870	191,878
Tuition	1,000,000	1,370,654	3,829,455
Other Revenue	1,490,000	684,632	1,247,328
Rentals and Leases	550,000	624,850	653,214
Investment Income	190,000	122,796	236,041
Amortization of Deferred Capital Revenue	2,440,024	2,440,024	2,345,075
Total Revenue	<u>58,972,827</u>	<u>59,880,785</u>	<u>59,284,715</u>
Expenses			
Instruction	45,897,676	46,461,738	45,877,751
District Administration	2,223,574	2,191,247	2,398,481
Operations and Maintenance	8,639,718	8,889,015	9,335,586
Transportation and Housing	2,129,082	2,039,981	1,746,375
Total Expense	<u>58,890,050</u>	<u>59,581,981</u>	<u>59,358,193</u>
Surplus (Deficit) for the year	<u>82,777</u>	<u>298,804</u>	<u>(73,478)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		19,905,062	19,978,540
Accumulated Surplus (Deficit) from Operations, end of year		<u>20,203,866</u>	<u>19,905,062</u>

School District No. 69 (Qualicum)

Statement of Changes in Net Debt

Year Ended June 30, 2021

Statement 4

	2021 Budget \$	2021 Actual \$	2020 Actual \$
Surplus (Deficit) for the year	<u>82,777</u>	<u>298,804</u>	<u>(73,478)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(418,550)	(3,139,669)	(2,698,607)
Amortization of Tangible Capital Assets	<u>2,775,797</u>	<u>2,775,797</u>	<u>2,659,362</u>
Total Effect of change in Tangible Capital Assets	<u>2,357,247</u>	<u>(363,872)</u>	<u>(39,245)</u>
Acquisition of Prepaid Expenses		(124,698)	(100,075)
Use of Prepaid Expenses		<u>100,075</u>	<u>92,785</u>
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(24,623)</u>	<u>(7,290)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>2,440,024</u>	<u>(89,691)</u>	<u>(120,013)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(89,691)</u>	<u>(120,013)</u>
Net Debt, beginning of year		<u>(42,660,278)</u>	<u>(42,540,265)</u>
Net Debt, end of year		<u><u>(42,749,969)</u></u>	<u><u>(42,660,278)</u></u>

School District No. 69 (Qualicum)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2021

	2021 Actual \$	2020 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	298,804	(73,478)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	481,745	(658,916)
Prepaid Expenses	(24,623)	(45,048)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	649,352	728,152
Unearned Revenue	1,774,591	(1,847,666)
Deferred Revenue	227,079	(45,045)
Employee Future Benefits	259,323	67,679
Amortization of Tangible Capital Assets	2,775,797	2,659,362
Amortization of Deferred Capital Revenue	(2,440,024)	(2,345,075)
Services and Supplies purchased with Bylaw Capital	(559,646)	(651,913)
Services and Supplies purchased with Other Provincial Capital		(45,487)
Total Operating Transactions	3,442,398	(2,257,435)
Capital Transactions		
Tangible Capital Assets Purchased	(3,139,669)	(2,698,607)
Total Capital Transactions	(3,139,669)	(2,698,607)
Financing Transactions		
Capital Revenue Received	2,806,110	3,919,006
Total Financing Transactions	2,806,110	3,919,006
Net Increase (Decrease) in Cash and Cash Equivalents	3,108,839	(1,037,036)
Cash and Cash Equivalents, beginning of year	14,007,248	15,044,284
Cash and Cash Equivalents, end of year	17,116,087	14,007,248
Cash and Cash Equivalents, end of year, is made up of:		
Cash	17,116,087	14,007,248
	17,116,087	14,007,248

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1 AUTHORITY AND PURPOSE

The School District, established in 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 69 (Qualicum)" and operates as "School District No. 69 (Qualicum)." 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. 69 (Qualicum) 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 and full-time beginning Sept 1, 2020 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

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, the 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 tangible capital assets into revenue on the same basis as the related amortization expense.

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

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Basis of Accounting (continued)

- 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 - decrease in annual surplus by \$153,403

June 30, 2020 - increase in accumulated surplus and decrease in deferred contributions by \$44,992,755

Year ended June 30, 2021 - increase in annual surplus by \$441,865

June 30, 2021 - increase in accumulated surplus and decrease in deferred contributions by \$45,404,619

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) 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.

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 the 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 (EARS�) 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.

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 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.
- 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Tangible Capital Assets (continued)

- Estimated useful life is as follows:

Buildings	40 years
Furniture and Equipment	10 years
Vehicles	10 years
Computer Hardware	5 years

h) Prepaid Expenses

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

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 Note 13 - 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.
- 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Revenue Recognition (continued)

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 being 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.

k) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Categories of Salaries

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals' and Vice-Principals' salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 and accounts payable and accrued liabilities.

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these instruments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

All financial assets, except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

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, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

n) Future Changes in Accounting Policies

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

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

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

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Future Changes in Accounting Policies (continued)

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

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

Revenue from transactions with no performance obligations should be recognized when a School District:

- Has the authority to claim or retain an inflow of economic resources; and
- Identifies a past transaction or event that gives rise to an asset.

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

NOTE 3 ACCOUNTS RECEIVABLE - OTHER RECEIVABLES

	2021	2020
Due from Federal Government	\$ 95,393	\$ 65,120
Mount Arrowsmith Teachers Association	28,349	18,587
CUPE Local 3570	14,816	18,373
Thomas Bus	55,476	55,476
Other	91,514	54,116
	<u>\$ 285,548</u>	<u>\$ 211,672</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2021	2020
Trades payable	\$ 1,005,727	\$ 766,557
Salaries and benefits payable	2,989,629	2,768,031
Accrued vacation pay	235,545	234,302
Employer health tax payable	257,201	440,357
Other	540,386	169,889
	<u>\$ 5,028,488</u>	<u>\$ 4,379,136</u>

NOTE 5 UNEARNED REVENUE

	2021	2020
Tuition fees	\$ 2,245,247	\$ 503,858
Rentals	33,202	-
	<u>\$ 2,278,449</u>	<u>\$ 503,858</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 6 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 the Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by the Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Detailed information about the changes in deferred revenue is included in Schedule 4C and 4D.

NOTE 8 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	\$ 6,384,645	\$ 6,299,743
Service Cost	457,364	432,388
Interest Cost	146,736	160,284
Benefit Payments	(471,803)	(548,592)
Increase in Obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	(304,383)	40,822
Accrued Benefit Obligation – March 31	<u>\$ 6,212,559</u>	<u>\$ 6,384,645</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 6,212,559	\$ 6,384,645
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	(6,212,559)	(6,384,645)
Employer Contributions After Measurement Date	216,560	247,192
Benefits Expense After Measurement Date	(153,206)	(151,025)
Unamortized Net Actuarial Loss	50,212	448,809
Accrued Benefit Liability – June 30	<u>\$ (6,098,992)</u>	<u>\$ (5,839,669)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 5,839,668	\$ 5,771,990
Net expense for fiscal year	700,495	685,928
Employer Contributions	(441,171)	(618,249)
Accrued Benefit Liability – June 30	<u>\$ 6,098,992</u>	<u>\$ 5,839,669</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 8 EMPLOYEE FUTURE BENEFITS (continued)

Components of Net Benefit Expense

Service Cost	\$ 456,592	\$ 438,632
Interest Cost	149,689	156,897
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial Loss	94,214	90,399
Net Benefit Expense	\$ 700,495	\$ 685,928

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	10.7	10.7

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	June 30, 2021	June 30, 2020
Sites	\$ 11,929,778	\$ 11,929,778
Buildings	47,034,941	47,023,836
Furniture and Equipment	694,323	651,753
Vehicles	3,104,785	2,842,061
Computer Hardware	65,310	17,837
Total	\$ 62,829,137	\$ 62,465,265

June 30, 2021

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2021
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	105,383,582	2,259,419	-	-	107,643,001
Furniture and Equipment	1,130,558	155,626	132,243	-	1,153,941
Vehicles	4,084,809	671,205	102,854	-	4,653,160
Computer Hardware	29,732	53,419	-	-	83,151
Total	\$ 122,558,459	\$ 3,139,669	\$ 235,097	\$ -	\$ 125,463,031

Accumulated Amortization:	Opening Balance	Additions	Disposals	Total 2021
Buildings	\$ 58,359,746	\$ 2,248,314	\$ -	\$ 60,608,060
Furniture and Equipment	478,805	113,056	132,243	459,618
Vehicles	1,242,748	408,481	102,854	1,548,375
Computer Hardware	11,895	5,946	-	17,841
Total	\$ 60,093,194	\$ 2,775,797	\$ 235,097	\$ 62,633,894

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 9 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2020

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2020
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	103,788,335	1,595,247	-	-	105,383,582
Furniture and Equipment	860,206	283,026	12,674	-	1,130,558
Vehicles	3,421,937	820,334	157,462	-	4,084,809
Computer Hardware	56,058	-	26,326	-	29,732
Total	\$ 120,056,314	\$ 2,698,607	\$ 196,462	\$ -	\$122,558,459

Accumulated Amortization:	Opening Balance	Additions	Disposals	Total 2020
Buildings	\$ 56,139,809	\$ 2,219,937	\$ -	\$ 58,359,746
Furniture and Equipment	405,459	86,020	12,674	478,805
Vehicles	1,058,016	342,194	157,462	1,242,748
Computer Hardware	27,010	11,211	26,326	11,895
Total	\$ 57,630,294	\$ 2,659,362	\$ 196,462	\$ 60,093,194

NOTE 10 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

The School District, in conducting its usual business activities, is involved in legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position.

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension plans (the "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 surplus for basic pension benefits on a going concern basis.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 11 EMPLOYEE PENSION PLANS (continued)

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

The School District paid \$4,036,337 for employer contributions to these plans in the year ended June 30, 2021 (2020 - \$3,933,885).

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

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

NOTE 12 EXPENSE BY OBJECT

	2021	2020
Salaries and benefits	\$ 49,270,310	\$ 48,277,968
Services and supplies	7,535,874	8,420,863
Amortization	2,775,797	2,659,362
	<u>\$ 59,581,981</u>	<u>\$ 59,358,193</u>

NOTE 13 ACCUMULATED SURPLUS

Accumulated surplus consists of:

	2021	2020
Invested in tangible capital assets	\$ 17,377,559	\$ 17,425,551
Local capital surplus	325,147	486,263
Total capital surplus	17,702,706	17,911,814
Operating surplus	2,501,160	1,993,248
	<u>\$ 20,203,866</u>	<u>\$ 19,905,062</u>

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

- Capital assets were purchased with Operating funds (\$207,781)
- Capital assets were purchased with Special Purpose funds (\$30,000)

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 13 ACCUMULATED SURPLUS (continued)

The operating surplus has been internally restricted (appropriated) for:

	2021	2020
School budgets	\$ 61,944	\$ 110,051
Capital maintenance	421,493	361,493
Educational programs	53,300	27,500
Energy projects	112,337	200,000
Budgeted allocation of surplus	814,047	300,000
	1,463,121	999,044
Contingency reserve	1,038,039	994,204
Internally restricted	2,501,160	1,993,248
Unrestricted operating surplus	-	-
Total operating surplus	\$ 2,501,160	\$ 1,993,248

NOTE 14 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 the rental of facilities. The following summarizes the contractual rights of the School District for future assets:

	2022	2023	2024	2025
Future rental revenue	\$ 511,471	\$ 350,625	\$ 187,841	\$ 100,034

NOTE 15 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 16 BUDGET FIGURES

The budget figures included in the financial statements are not audited. The budget figures data presented in these financial statements is based upon the 2020/21 amended annual budget adopted by the Board on January 26, 2021. The following chart compares the original annual budget bylaw approved June 5, 2020 to the amended annual budget bylaw reported in these financial statements.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 16 BUDGET FIGURES (continued)

	2021 Amended Annual Budget	2021 Annual Budget
Revenues		
Provincial Grants		
Ministry of Education	\$ 55,632,827	\$ 52,361,710
Other Provincial Revenues	110,000	101,450
Tuition	1,000,000	2,000,000
Other Revenue	1,490,000	1,490,000
Rentals and Leases	550,000	550,000
Investment Income	190,000	200,000
Total Revenue	58,972,827	56,703,160
Expenses		
Instruction	\$ 45,897,676	\$ 43,968,150
District Administration	2,223,574	2,234,527
Operations and Maintenance	8,639,718	8,602,726
Transportation and Housing	2,129,082	2,106,404
Total Expenses	58,890,050	56,911,807
Net Revenue (Expenses)	82,777	(208,647)
Budgeted Allocation of Surplus	-	300,000
Budgeted Surplus for the year	\$ 82,777	\$ 91,353

NOTE 17 ECONOMIC DEPENDENCE

The operations of the School District are dependent on continued funding from the Ministry of Education and various governmental agencies to carry out its programs. These financial statements have been prepared on a going concern basis.

NOTE 18 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 cash equivalents, amounts receivable and investments.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 18 RISK MANAGEMENT (continued)

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 collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in the Central Deposit Program with the Ministry of Finance.

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 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 the Central Deposit Program with the Ministry of Finance.

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. 69 (Qualicum)

Schedule 1

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	1,993,248		17,911,814	19,905,062	19,978,540
Changes for the year					
Surplus (Deficit) for the year	715,693	30,000	(446,889)	298,804	(73,478)
Interfund Transfers	(207,781)	(30,000)	237,781	-	
Tangible Capital Assets Purchased	507,912	-	(209,108)	298,804	(73,478)
Net Changes for the year	2,501,160	-	17,702,706	20,203,866	19,905,062
Accumulated Surplus (Deficit), end of year - Statement 2					

School District No. 69 (Qualicum)

Schedule 2

Schedule of Operating Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	46,829,952	47,244,111	45,475,829
Other	110,000	147,870	146,391
Tuition	1,000,000	1,370,654	3,829,455
Other Revenue	140,000	91,855	152,848
Rentals and Leases	550,000	624,850	653,214
Investment Income	190,000	117,053	222,467
Total Revenue	48,819,952	49,596,393	50,480,204
Expenses			
Instruction	38,835,782	39,412,105	40,328,635
District Administration	2,223,574	2,191,247	2,398,481
Operations and Maintenance	5,623,056	5,645,848	6,087,087
Transportation and Housing	1,718,990	1,631,500	1,404,181
Total Expense	48,401,402	48,880,700	50,218,384
Operating Surplus (Deficit) for the year	418,550	715,693	261,820
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(418,550)	(207,781)	(252,874)
Total Net Transfers	(418,550)	(207,781)	(252,874)
Total Operating Surplus (Deficit), for the year	-	507,912	8,946
Operating Surplus (Deficit), beginning of year		1,993,248	1,984,302
Operating Surplus (Deficit), end of year		2,501,160	1,993,248
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 13)		2,501,160	1,993,248
Total Operating Surplus (Deficit), end of year		2,501,160	1,993,248

School District No. 69 (Qualicum)

Schedule 2A

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	44,146,379	44,534,890	42,927,094
Other Ministry of Education Grants			
Pay Equity	936,176	936,176	936,176
Funding for Graduated Adults		16,883	13,423
Student Transportation Fund	426,341	426,341	426,341
Carbon Tax Grant			58,640
Employer Health Tax Grant			357,774
Support Staff Benefits Grant	68,245	68,245	46,702
Support Staff Wage Increase Funding			222,073
Teachers' Labour Settlement Funding	1,156,463	1,156,463	477,493
Early Career Mentorship Funding	95,000	95,000	
FSA Scorer Grant		8,187	8,187
Early Learning Framework	1,348	1,926	1,926
Total Provincial Grants - Ministry of Education	46,829,952	47,244,111	45,475,829
Provincial Grants - Other	110,000	147,870	146,391
Tuition			
International and Out of Province Students	1,000,000	1,370,654	3,829,455
Total Tuition	1,000,000	1,370,654	3,829,455
Other Revenues			
Miscellaneous			
Transportation Revenue	50,000	22,016	50,666
Miscellaneous	90,000	62,068	92,593
Peard Dividend		7,771	9,589
Total Other Revenue	140,000	91,855	152,848
Rentals and Leases	550,000	624,850	653,214
Investment Income	190,000	117,053	222,467
Total Operating Revenue	48,819,952	49,596,393	50,480,204

School District No. 69 (Qualicum)

Schedule 2B

Schedule of Operating Expense by Object

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Salaries			
Teachers	18,681,515	19,182,758	19,318,832
Principals and Vice Principals	3,530,584	3,594,794	3,297,303
Educational Assistants	3,694,131	3,378,651	3,786,620
Support Staff	5,091,281	5,203,566	5,250,800
Other Professionals	1,578,493	1,587,849	1,767,748
Substitutes	1,739,942	1,730,410	1,440,897
Total Salaries	34,315,946	34,678,028	34,862,200
Employee Benefits	9,149,589	8,777,457	8,979,756
Total Salaries and Benefits	43,465,535	43,455,485	43,841,956
Services and Supplies			
Services	1,774,130	1,908,443	2,639,084
Student Transportation	1,000		
Professional Development and Travel	419,085	321,190	410,577
Rentals and Leases	5,000	14,702	3,235
Dues and Fees	71,000	72,941	69,879
Insurance	164,000	166,616	139,686
Supplies	1,565,652	1,959,969	2,231,575
Utilities	936,000	981,354	882,392
Total Services and Supplies	4,935,867	5,425,215	6,376,428
Total Operating Expense	48,401,402	48,880,700	50,218,384

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

Schedule 2C

	Teachers Salaries \$	Principals and Vice Principals Salaries \$	Educational Assistants Salaries \$	Support Staff Salaries \$	Other Professionals Salaries \$	Substitutes Salaries \$	Total Salaries \$
1 Instruction							
1.02 Regular Instruction	15,934,885	1,030,401		10,822		1,045,830	18,021,938
1.03 Career Programs	176,806			39,819			216,625
1.07 Library Services	604,067	36,059		234,910		402	875,438
1.08 Counselling	731,620						731,620
1.10 Special Education	1,342,013	222,715	3,064,664	46,508	70,027	360,827	5,106,754
1.30 English Language Learning	69,311						69,311
1.31 Indigenous Education	108,121	123,858	313,987				545,966
1.41 School Administration		1,909,643		1,083,014		24,945	3,017,602
1.62 International and Out of Province Students	215,935	272,118		59,345	135,615		683,013
1.64 Other					40,745		40,745
Total Function 1	19,182,758	3,594,794	3,378,651	1,474,418	246,387	1,432,004	29,309,012
4 District Administration							
4.11 Educational Administration					443,426		443,426
4.40 School District Governance					110,023		110,023
4.41 Business Administration				349,943	561,521		911,464
Total Function 4	-	-	-	349,943	1,114,970	-	1,464,913
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				71,263	162,772		234,035
5.50 Maintenance Operations				2,280,693		230,369	2,511,062
5.52 Maintenance of Grounds				159,598			159,598
5.56 Utilities							-
Total Function 5	-	-	-	2,511,554	162,772	230,369	2,904,695
7 Transportation and Housing							
7.41 Transportation and Housing Administration				58,104	63,720	3,934	125,758
7.70 Student Transportation				809,547		64,103	873,650
7.73 Housing							-
Total Function 7	-	-	-	867,651	63,720	68,037	999,408
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	19,182,758	3,594,794	3,378,651	5,203,566	1,587,849	1,730,410	34,678,028

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

Schedule 2C

	Total Salaries \$	Employee Benefits \$	Total Salaries and Benefits \$	Services and Supplies \$	2021 Actual \$	2021 Budget \$	2020 Actual \$
1 Instruction							
1.02 Regular Instruction	18,021,938	4,595,829	22,617,767	1,055,196	23,672,963	22,908,913	23,180,940
1.03 Career Programs	216,625	55,027	271,652	422,861	694,513	703,483	679,513
1.07 Library Services	875,438	228,664	1,104,102	22,381	1,126,483	1,158,336	1,139,684
1.08 Counselling	731,620	190,882	922,502		922,502	981,330	1,020,731
1.10 Special Education	5,106,754	1,408,870	6,515,624	48,439	6,564,063	7,030,196	6,967,382
1.30 English Language Learning	69,311	19,506	88,817		88,817	87,889	84,251
1.31 Indigenous Education	545,966	147,411	693,377	37,123	730,500	731,778	687,300
1.41 School Administration	3,017,602	757,958	3,775,560	79,230	3,854,790	3,885,671	3,847,563
1.62 International and Out of Province Students	683,013	176,919	859,932	846,773	1,706,705	1,297,919	2,676,110
1.64 Other	40,745	10,024	50,769		50,769	50,267	45,161
Total Function 1	29,309,012	7,591,090	36,900,102	2,512,003	39,412,105	38,835,782	40,328,635
4 District Administration							
4.11 Educational Administration	443,426	48,678	492,104	93,279	585,383	656,975	690,633
4.40 School District Governance	110,023	8,045	118,068	83,229	201,297	215,358	197,612
4.41 Business Administration	911,464	218,402	1,129,866	274,701	1,404,567	1,351,241	1,510,236
Total Function 4	1,464,913	275,125	1,740,038	451,209	2,191,247	2,223,574	2,398,481
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	234,035	52,248	286,283	187,094	473,377	606,444	515,076
5.50 Maintenance Operations	2,511,062	549,105	3,060,167	745,311	3,805,478	3,634,692	4,274,285
5.52 Maintenance of Grounds	159,598	42,755	202,353	86,813	289,166	325,920	319,806
5.56 Utilities	-	-	-	1,077,827	1,077,827	1,056,000	977,920
Total Function 5	2,904,695	644,108	3,548,803	2,097,045	5,645,848	5,623,056	6,087,087
7 Transportation and Housing							
7.41 Transportation and Housing Administration	125,758	22,487	148,245	3,143	151,388	160,594	135,172
7.70 Student Transportation	873,650	244,647	1,118,297	330,580	1,448,877	1,540,396	1,250,252
7.73 Housing	-	-	-	31,235	31,235	18,000	18,757
Total Function 7	999,408	267,134	1,266,542	364,958	1,631,500	1,718,990	1,404,181
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	34,678,028	8,777,457	43,455,485	5,425,215	48,880,700	48,401,402	50,218,384

School District No. 69 (Qualicum)

Schedule 3

Schedule of Special Purpose Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	5,912,851	6,686,202	4,653,982
Other Revenue	1,350,000	592,777	1,094,480
Total Revenue	<u>7,262,851</u>	<u>7,278,979</u>	<u>5,748,462</u>
Expenses			
Instruction	7,061,894	7,049,633	5,549,116
Operations and Maintenance	199,346	199,346	199,346
Transportation and Housing	1,611		
Total Expense	<u>7,262,851</u>	<u>7,248,979</u>	<u>5,748,462</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>30,000</u>	<u>-</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(30,000)	
Total Net Transfers	<u>-</u>	<u>(30,000)</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. 69 (Qualicum)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2021

Schedule 3A

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education
Other

Less: Allocated to Revenue
Deferred Revenue, end of year

Revenues
Provincial Grants - Ministry of Education
Other Revenue

Expenses

Salaries
Teachers
Principals and Vice Principals
Educational Assistants
Support Staff

Employee Benefits
Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers
Tangible Capital Assets Purchased

Net Revenue (Expense)

Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK Fund - Overhead	Classroom Enhancement Fund - Staffing
\$	\$	\$	\$	\$	\$	\$	\$
-	-	575,191	-	-	16,964	-	-
199,346	158,680	644,957	96,000	19,600	102,743	380,322	400,019
199,346	158,680	644,957	96,000	19,600	102,743	380,322	400,019
199,346	158,680	592,777	96,000	19,600	119,707	380,322	400,019
-	-	627,371	-	-	-	-	-
199,346	158,680	592,777	96,000	19,600	119,707	380,322	400,019
199,346	158,680	592,777	96,000	19,600	119,707	380,322	400,019
145,274	124,945	-	-	-	57,661	40,071	199,916
145,274	124,945	-	-	-	57,661	267,726	314,976
39,224	33,735	-	-	-	15,568	59,080	85,043
14,848	-	562,777	96,000	19,600	46,478	53,516	696,498
199,346	158,680	562,777	96,000	19,600	119,707	380,322	400,019
-	-	30,000	-	-	-	-	-
-	-	(30,000)	-	-	-	-	-
-	-	(30,000)	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

School District No. 69 (Qualicum)
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	Changing Results for Young Children	Safe Return to School Grant	Federal Safe Return to Class Fund	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	1,611	16,578	6,609	-	-	616,953
Add: Restricted Grants							
Provincial Grants - Ministry of Education	48,650	100,854	55,000	52,000	311,500	1,660,269	6,861,101
Other							644,957
	48,650	100,854	55,000	52,000	311,500	1,660,269	7,506,058
Less: Allocated to Revenue	48,650	-	13,058	2,933	311,500	1,660,269	7,278,979
Deferred Revenue, end of year	-	102,465	58,520	55,676	-	-	844,032
Revenues							
Provincial Grants - Ministry of Education	48,650	-	13,058	2,933	311,500	1,660,269	6,686,202
Other Revenue	48,650	-	13,058	2,933	311,500	1,660,269	592,777
Expenses							
Salaries							
Teachers	48,650					671,209	3,357,140
Principals and Vice Principals						39,749	40,071
Educational Assistants						150,319	592,265
Support Staff					131,491	861,277	542,144
	48,650	-	-	-	131,491	4,531,620	4,531,620
Employee Benefits					35,503	318,554	1,283,205
Services and Supplies			13,058	2,933	144,506	480,438	1,434,154
	48,650	-	13,058	2,933	311,500	1,660,269	7,248,979
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	30,000
Interfund Transfers							
Tangible Capital Assets Purchased	-	-	-	-	-	-	(30,000)
Net Revenue (Expense)	-	-	-	-	-	-	(30,000)

School District No. 69 (Qualicum)

Schedule 4

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	450,000	559,646		559,646	651,913
Other				-	45,487
Investment Income			5,743	5,743	13,574
Amortization of Deferred Capital Revenue	2,440,024	2,440,024		2,440,024	2,345,075
Total Revenue	<u>2,890,024</u>	<u>2,999,670</u>	<u>5,743</u>	<u>3,005,413</u>	<u>3,056,049</u>
Expenses					
Operations and Maintenance	450,000	559,646	116,859	676,505	731,985
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,367,316	2,367,316		2,367,316	2,317,168
Transportation and Housing	408,481	408,481		408,481	342,194
Total Expense	<u>3,225,797</u>	<u>3,335,443</u>	<u>116,859</u>	<u>3,452,302</u>	<u>3,391,347</u>
Capital Surplus (Deficit) for the year	<u>(335,773)</u>	<u>(335,773)</u>	<u>(111,116)</u>	<u>(446,889)</u>	<u>(335,298)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	418,550	237,781		237,781	252,874
Total Net Transfers	<u>418,550</u>	<u>237,781</u>	<u>-</u>	<u>237,781</u>	<u>252,874</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		50,000	(50,000)	-	
Total Other Adjustments to Fund Balances		<u>50,000</u>	<u>(50,000)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>82,777</u>	<u>(47,992)</u>	<u>(161,116)</u>	<u>(209,108)</u>	<u>(82,424)</u>
Capital Surplus (Deficit), beginning of year		17,425,551	486,263	17,911,814	17,994,238
Capital Surplus (Deficit), end of year		<u>17,377,559</u>	<u>325,147</u>	<u>17,702,706</u>	<u>17,911,814</u>

School District No. 69 (Qualicum)

Tangible Capital Assets
Year Ended June 30, 2021

Schedule 4A

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	11,929,778	105,383,582	1,130,558	4,084,809	-	29,732	122,558,459
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,118,528	81,144	548,310			1,747,982
Deferred Capital Revenue - Other		1,103,906					1,103,906
Operating Fund		6,985	24,482	122,895		53,419	207,781
Special Purpose Funds		30,000					30,000
Local Capital			50,000				50,000
	-	2,259,419	155,626	671,205	-	53,419	3,139,669
Decrease:							
Deemed Disposals			132,243	102,854			235,097
	-	-	132,243	102,854	-	-	235,097
Cost, end of year	11,929,778	107,643,001	1,153,941	4,653,160	-	83,151	125,463,031
Work in Progress, end of year							-
Cost and Work in Progress, end of year	11,929,778	107,643,001	1,153,941	4,653,160	-	83,151	125,463,031
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		58,359,746	478,805	1,242,748		11,895	60,093,194
Decrease:							
Deemed Disposals		2,248,314	113,056	408,481		5,946	2,775,797
			132,243	102,854			235,097
		-	132,243	102,854	-	-	235,097
Accumulated Amortization, end of year		60,608,060	459,618	1,548,375	-	17,841	62,633,894
Tangible Capital Assets - Net	11,929,778	47,034,941	694,323	3,104,785	-	65,310	62,829,137

School District No. 69 (Qualicum)

Schedule 4C

Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	43,988,032	950,299	54,424	44,992,755
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,747,982	1,103,906		2,851,888
	1,747,982	1,103,906	-	2,851,888
Decrease:				
Amortization of Deferred Capital Revenue	2,395,215	35,223	9,586	2,440,024
	2,395,215	35,223	9,586	2,440,024
Net Changes for the Year	(647,233)	1,068,683	(9,586)	411,864
Deferred Capital Revenue, end of year	43,340,799	2,018,982	44,838	45,404,619
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	43,340,799	2,018,982	44,838	45,404,619

School District No. 69 (Qualicum)

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	-	-	1,079,594	204,671	-	1,284,265
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,307,628		484,500			2,307,628
Provincial Grants - Other			11,078	2,904		484,500
Investment Income	2,307,628	-	495,578	2,904	-	13,982
Decrease:						
Transferred to DCR - Capital Additions	1,747,982		1,103,906			2,851,888
Purchase of Services and Supplies	559,646					559,646
	2,307,628	-	1,103,906	-	-	3,411,534
Net Changes for the Year	-	-	(608,328)	2,904	-	(605,424)
Balance, end of year	-	-	471,266	207,575	-	678,841