

Audited Financial Statements of

# **School District No. 8 (Kootenay Lake)**

June 30, 2018

# School District No. 8 (Kootenay Lake)

June 30, 2018

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# School District No. 8 (Kootenay Lake)

## MANAGEMENT REPORT

Version: 9474-8728-6746

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 8 (Kootenay Lake) 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.

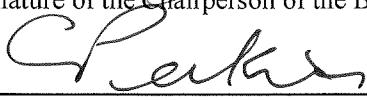
The Board of Education of School District No. 8 (Kootenay Lake) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, Grant Thornton 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. 8 (Kootenay Lake) 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. 8 (Kootenay Lake)

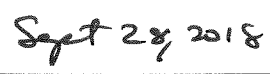
  
\_\_\_\_\_  
Signature of the Chairperson of the Board of Education

  
\_\_\_\_\_  
Date Signed

  
\_\_\_\_\_  
Signature of the Superintendent

  
\_\_\_\_\_  
Date Signed

  
\_\_\_\_\_  
Signature of the Secretary Treasurer

  
\_\_\_\_\_  
Date Signed

## Independent auditor's report

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Grant Thornton LLP  
200-1633 Ellis Street  
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To the Board of Education of  
School District No. 8 (Kootenay Lake) and the Ministry of Education:

We have audited the accompanying financial statements of School District No. 8 (Kootenay Lake), which comprise the statement of financial position as at June 30, 2018 and the statement of operations, statement of changes in net financial assets (debt) and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation of these financial statements in accordance with the accounting requirements 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.

### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements of School District No. 8 (Kootenay Lake) for the year ended June 30, 2018 are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

**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.

**Other matters**

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules 1 through 4 is presented for purposes of additional information and is not a required part of the financial statements. Such information has been subject to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of the financial statements taken as a whole.

Kelowna, Canada  
September 28, 2018

*Grant Thornton LLP*

Chartered Professional Accountants

# School District No. 8 (Kootenay Lake)

Statement 1

## Statement of Financial Position

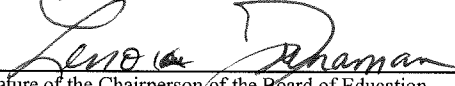
As at June 30, 2018

	2018 Actual	2017 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents (Note 3)	12,085,782	11,663,177
Accounts Receivable		
Due from Province - Ministry of Education (Note 4)	832,677	80,855
Other (Note 4)	254,798	255,368
Portfolio Investments (Note 5)	87,534	91,092
<b>Total Financial Assets</b>	<u>13,260,791</u>	<u>12,090,492</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	41,093	
Other (Note 6)	4,930,360	4,015,073
Unearned Revenue (Note 7)	1,198,163	829,772
Deferred Revenue (Note 8)	2,084,072	2,608,427
Deferred Capital Revenue (Note 9)	49,298,323	49,869,595
Employee Future Benefits (Note 10)	816,307	886,820
<b>Total Liabilities</b>	<u>58,368,318</u>	<u>58,209,687</u>
<b>Net Financial Assets (Debt)</b>	<u>(45,107,527)</u>	<u>(46,119,195)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	69,783,389	70,549,552
Prepaid Expenses	107,890	59,501
<b>Total Non-Financial Assets</b>	<u>69,891,279</u>	<u>70,609,053</u>
<b>Accumulated Surplus (Deficit)</b>	<u>24,783,752</u>	<u>24,489,858</u>

Contractual Obligations (Note 16)


Contingent Liabilities (Note 19)

Approved by the Board

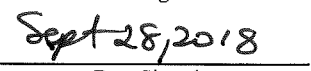
  
 Signature of the Chairperson of the Board of Education

  
 Date Signed

  
 Signature of the Superintendent

  
 Date Signed

  
 Signature of the Secretary Treasurer

  
 Date Signed

# School District No. 8 (Kootenay Lake)

Statement of Operations  
Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	57,077,404	<b>57,503,560</b>	53,368,185
Other	181,579	<b>246,709</b>	193,513
Tuition	2,013,193	<b>1,991,224</b>	1,549,895
Other Revenue	2,851,267	<b>3,195,780</b>	2,983,944
Rentals and Leases	131,000	<b>131,596</b>	126,519
Investment Income	94,000	<b>126,989</b>	70,762
Gain (Loss) on Disposal of Tangible Capital Assets (Note 12)		<b>16,250</b>	
Amortization of Deferred Capital Revenue	2,601,373	<b>2,625,307</b>	2,471,062
<b>Total Revenue</b>	<u>64,949,816</u>	<u><b>65,837,415</b></u>	<u>60,763,880</u>
<b>Expenses</b>			
Instruction	50,305,582	<b>49,753,521</b>	45,289,752
District Administration	2,846,858	<b>2,743,062</b>	2,342,180
Operations and Maintenance	10,283,245	<b>10,467,880</b>	10,724,250
Transportation and Housing	2,628,576	<b>2,579,058</b>	2,368,573
<b>Total Expense</b>	<u>66,064,261</u>	<u><b>65,543,521</b></u>	<u>60,724,755</u>
<b>Surplus (Deficit) for the year</b>	<u>(1,114,445)</u>	<u><b>293,894</b></u>	<u>39,125</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>24,489,858</b>	24,450,733
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>24,783,752</b></u></u>	<u>24,489,858</u>

# School District No. 8 (Kootenay Lake)

## Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
<b>Surplus (Deficit) for the year</b>	<u>(1,114,445)</u>	<u>293,894</u>	<u>39,125</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(2,319,629)	(2,541,716)	(2,083,574)
Amortization of Tangible Capital Assets	3,303,567	3,307,879	3,289,199
<b>Total Effect of change in Tangible Capital Assets</b>	<u>983,938</u>	<u>766,163</u>	<u>1,205,625</u>
Acquisition of Prepaid Expenses	-	(107,890)	(48,075)
Use of Prepaid Expenses	-	59,501	23,502
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>(48,389)</u>	<u>(24,573)</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(130,507)</u>	<u>1,011,668</u>	<u>1,220,177</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<u>1,011,668</u>	<u>1,220,177</u>
<b>Net Financial Assets (Debt), beginning of year</b>		<u>(46,119,195)</u>	<u>(47,339,372)</u>
<b>Net Financial Assets (Debt), end of year</b>		<u>(45,107,527)</u>	<u>(46,119,195)</u>



# School District No. 8 (Kootenay Lake)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2018

	2018 Actual	2017 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	293,894	39,125
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(751,252)	226,494
Prepaid Expenses	(48,389)	(24,573)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	956,380	396,090
Unearned Revenue	368,391	213,018
Deferred Revenue	(524,355)	265,053
Employee Future Benefits	(70,513)	7,305
Loss (Gain) on Disposal of Tangible Capital Assets	(16,250)	-
Amortization of Tangible Capital Assets	3,307,879	3,289,199
Amortization of Deferred Capital Revenue	(2,625,307)	(2,471,062)
<b>Total Operating Transactions</b>	<b>890,478</b>	<b>1,940,649</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(2,541,716)	(2,083,574)
District Portion of Proceeds on Disposal	16,250	-
<b>Total Capital Transactions</b>	<b>(2,525,466)</b>	<b>(2,083,574)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	2,054,035	2,605,426
<b>Total Financing Transactions</b>	<b>2,054,035</b>	<b>2,605,426</b>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	3,558	615
<b>Total Investing Transactions</b>	<b>3,558</b>	<b>615</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>422,605</b>	<b>2,463,116</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>11,663,177</b>	<b>9,200,061</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>12,085,782</b>	<b>11,663,177</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	11,734,004	11,217,545
Cash Equivalents	351,778	445,632
	<b>12,085,782</b>	<b>11,663,177</b>

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 1      AUTHORITY AND PURPOSE**

School District No. 8 (Kootenay Lake) (“the School District”), established on December 2, 1996 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 8 (Kootenay Lake)", and operates as "School District No. 8 (Kootenay Lake)." 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 School District and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 8 (Kootenay Lake) is exempt from federal and provincial corporate income taxes.

**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(f) and 2(m).

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

As noted in Notes 2(f) and 2(m), Section 23.1 of the *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. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

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

- Year-ended June 30, 2017 - decrease in annual surplus by \$688,850
- June 30, 2017 - increase in accumulated surplus and decrease in deferred contributions by \$48,851,582
- Year-ended June 30, 2018 – decrease in annual surplus by \$435,789
- June 30, 2018 – increase in accumulated surplus and decrease in deferred contributions by \$48,815,793

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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

b) Cash and Cash Equivalents

Cash and cash equivalents include cash balances and term deposits 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 to meet short-term cash commitments rather than to seek an investment return.

c) Accounts Receivable

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

d) Portfolio Investments

The School District has an investment in a mutual fund, which is quoted in an active market and reported at fair value, and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are realized on disposal. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Operations.

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

Detailed information regarding portfolio investments is disclosed in Note 5.

e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods (such as for the School District's International and Distance Education programs). Revenue will be recognized in that future period when the courses, services, or products are provided.

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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

f) Deferred Revenue and Deferred Capital Revenue

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

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2016 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. 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 since 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. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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

h) Asset Retirement Obligations

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.

i) 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.

j) Prepaid Expenses

Prepaid licenses, membership, and insurance are included as prepaid expenses and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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

k) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets (*list any that are significant*) are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

l) 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 14 – Interfund Transfers and Note 20 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 1, 2, 3 and 4.

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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

m) 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. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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

n) Expenditures

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

Categories of Salaries:

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals; and
- 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; and
- Supplies and services are allocated based on actual program identification.



**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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

o) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable, accrued liabilities and other liabilities. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant credit, liquidity or market risks arising from these financial instruments.

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

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Statement of Remeasurement Gains and Losses. Upon settlement, the cumulative gain or loss is reclassified from the Statement of Remeasurement Gains and Losses and recognized in the Statement of Operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

All financial assets 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.

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2 (a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting 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. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 3 CASH AND CASH EQUIVALENTS**

Included in cash and cash equivalents are funds in the amount of \$855,391 (2017 – \$626,225), which are restricted and paid out to teachers who contribute to and take part in the District’s self-funded summer saving plan.

**NOTE 4 ACCOUNTS RECEIVABLE - OTHER**

	2018	2017
GST rebate	\$ 83,435	\$ 43,697
Invoices receivable	120,827	123,661
Other receivables	50,536	88,010
	\$ 254,798	\$ 255,368

**NOTE 5 PORTFOLIO INVESTMENTS**

	2018	2017
Investments in the fair value category:		
Mutual Fund	\$ 87,534	\$ 91,092
	\$ 87,534	\$ 91,092

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER**

	2018	2017
Trade payables	\$ 988,683	\$ 407,479
Salaries and benefits payable	2,676,592	2,551,883
Accrued vacation pay	409,694	429,486
Teacher 12-month pay accrual	855,391	626,225
	\$ 4,930,360	\$ 4,015,073

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 7      UNEARNED REVENUE**

	2018	2017
Balance, beginning of year	\$ 829,772	\$ 616,754
Changes for the year:		
Increase:		
Tuition fees	1,127,163	827,522
IHA Health Promoting School Grant	2,250	2,250
Dash/ASSAI Grant	45,000	-
	1,174,413	829,772
Decrease:		
Tuition fees	(803,772)	(614,187)
IHA Health Promoting School Grant	(2,250)	(2,567)
	(806,022)	(616,754)
Balance, end of year	\$ 1,198,163	\$ 829,772

**NOTE 8      DEFERRED REVENUE**

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

	2018	2017
Balance, beginning of year	\$ 2,608,427	\$ 2,343,374
Add: Restricted grants	8,231,319	5,463,315
Less: Allocated to revenue	(8,755,674)	(5,198,262)
Balance, end of year	\$ 2,084,072	\$ 2,608,427

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 9 DEFERRED CAPITAL REVENUE**

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

	2018	2017
Balance, beginning of year	\$ 49,869,595	\$ 49,735,231
Add: Contributions received in the year	2,005,285	2,605,426
Add: Restricted proceeds of disposal – Crawford Bay	48,750	-
Less: Amortization of deferred capital revenue	(2,625,307)	(2,471,062)
	\$ 49,298,323	\$ 49,869,595

**NOTE 10 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.

	2018	2017
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 991,910	\$ 1,052,981
Service Cost	70,265	70,174
Interest Cost	27,517	26,300
Benefit Payments	(143,671)	(102,939)
Actuarial (Gain) / Loss	24,113	(54,606)
Accrued Benefit Obligation – March 31	\$ 970,134	\$ 991,910

**Reconciliation of Funded Status at End of Fiscal Year**

Accrued Benefit Obligation – March 31	\$ 970,134	\$ 991,910
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(970,134)	(991,910)
Employer Contributions After Measurement Date	53,454	14,802
Benefits Expense After Measurement Date	(25,645)	(24,446)
Unamortized Net Actuarial (Gain) Loss	126,018	114,734
Accrued Benefit Liability – June 30	\$ (816,307)	\$ (886,820)

**Reconciliation of Change in Accrued Benefit Liability**

Accrued Benefit Liability – July 1	\$ 886,820	\$ 879,515
Net expense for Fiscal Year	111,810	116,371
Employer Contributions	(182,323)	(109,066)
Accrued Benefit Liability – June 30	\$ 816,307	\$ 886,820

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 10 EMPLOYEE FUTURE BENEFITS** *(Continued)*

	2018	2017
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 71,609	\$ 70,197
Interest Cost	27,372	26,604
Amortization of Net Actuarial (Gain) / Loss	12,829	19,750
Net Benefit Expense	\$ 111,810	\$ 116,371

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

	2018	2017
Discount Rate – April 1	2.75%	2.50%
Discount Rate – March 31	2.75%	2.75%
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	8.1	8.1

**NOTE 11 TANGIBLE CAPITAL ASSETS**

Net Book Value:

	2018	2017
Sites	\$ 9,054,596	\$ 9,054,596
Buildings	57,780,597	58,187,781
Vehicles	2,355,009	2,709,136
Furniture and Equipment	466,862	397,736
Computer Hardware	120,192	174,807
Computer Software	6,133	25,496
Total	\$ 69,783,389	\$70,549,552

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

**NOTE 11**                      **TANGIBLE CAPITAL ASSETS** *(Continued)*

<b>June 30, 2018</b>	Balance at			Balance at
	July 1, 2017	Additions	Disposals	June 30, 2018
<b>Cost</b>				
Sites	\$ 9,054,596	\$ -	\$ -	\$ 9,054,596
Buildings	126,522,210	2,204,146	-	128,726,356
Vehicles	5,000,504	149,128	(887,772)	4,261,860
Furniture and equipment	1,193,157	188,442	(346,042)	1,035,557
Computer hardware	273,079	-	(41,833)	231,246
Computer software	96,819	-	(66,124)	30,695
<b>Total</b>	<b>\$ 142,140,365</b>	<b>\$ 2,541,716</b>	<b>\$ (1,341,771)</b>	<b>\$ 143,340,310</b>

<b>Accumulated Amortization</b>	Balance at			Balance at
	July 1, 2017	Additions	Disposals	June 30, 2018
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	68,334,429	2,611,330	-	70,945,759
Vehicles	2,291,368	503,255	(887,772)	1,906,851
Furniture and equipment	795,421	119,316	(346,042)	568,695
Computer hardware	98,272	54,615	(41,833)	111,054
Computer software	71,323	19,363	(66,124)	24,562
<b>Total</b>	<b>\$ 71,590,813</b>	<b>\$ 3,307,879</b>	<b>\$ (1,341,771)</b>	<b>\$ 73,556,921</b>

<b>June 30, 2017</b>	Balance at			Balance at
	July 1, 2016	Additions	Disposals	June 30, 2017
<b>Cost</b>				
Sites	\$ 9,054,596	\$ -	\$ -	\$ 9,054,596
Buildings	125,076,263	1,445,947	-	126,522,210
Vehicles	4,695,137	572,189	(266,822)	5,000,504
Furniture and equipment	1,420,964	6,021	(233,828)	1,193,157
Computer hardware	262,121	59,417	(48,459)	273,079
Computer software	131,320	-	(34,501)	96,819
<b>Total</b>	<b>\$ 140,640,401</b>	<b>\$ 2,083,574</b>	<b>\$ (583,610)</b>	<b>\$ 142,140,365</b>

<b>Accumulated Amortization</b>	Balance at			Balance at
	July 1, 2016	Additions	Disposals	June 30, 2017
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	65,735,527	2,598,902	-	68,334,429
Vehicles	2,088,676	469,514	(266,822)	2,291,368
Furniture and equipment	887,152	142,097	(233,828)	795,421
Computer hardware	94,308	52,423	(48,459)	98,272
Computer software	79,561	26,263	(34,501)	71,323
<b>Total</b>	<b>\$ 68,885,224</b>	<b>\$ 3,289,199</b>	<b>\$ (583,610)</b>	<b>\$ 71,590,813</b>

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 12     DISPOSAL OF SITE AND BUILDING**

On April 4, 2018, the School District sold the Old Crawford Bay School Site and Building (“the Site”) located at 16230 Wadds Road, Regional District of Central Kootenay, BC, for proceeds of \$65,000.

The Site was comprised of three parts, each acquired in 1951, 1968 and 2002, respectively at no cost. Prior to the sale, there was a demolition of the School District-owned building on the site.

The School District realized a gain on the sale of the property equal to \$65,000, equal to the sales proceeds. As the acquisition was not funded with School District Local Capital funds, 75% of the proceeds and gain on disposal are required to be held as Ministry of Education Restricted Capital for use towards future site and building purchases. Therefore, the School District recognized a gain on sale in these financial statements in the amount of its portion of the proceeds on disposal, \$16,250.

Of the proceeds of the sale, \$48,750 (75%) was allocated to the Ministry of Education Restricted Capital within Deferred Capital Revenues and \$16,250 (25%) was allocated to the School District’s Local Capital fund. These transactions are shown on Schedules 4 and 4A, respectively.

**NOTE 13     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, 2016, the Teachers’ Pension Plan has about 45,000 active members and approximately 37,000 retired members from the various BC school districts. As of December 31, 2016, the Municipal Pension Plan has about 193,000 active members, including approximately 24,000 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 for the Municipal Pension Plan as at December 31, 2015, indicated a \$2.2 billion funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 13 EMPLOYEE PENSION PLANS** *(Continued)*

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014 indicated a \$449 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$4,908,773 for employer contributions to the plans for the year ended June 30, 2018 (2017 - \$4,519,630).

The next valuation for the Municipal Pension Plan will be as at December 31, 2018, with results available in 2019. The next valuation for the Teachers' Pension Plan will be as at December 31, 2017, with results available in late 2018.

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 14 INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2018, were as follows:

- Operating funds transferred to local capital – \$557,179 (2017 – \$711,000)
- Tangible capital assets purchased from special purpose funds – \$170,231 (2017 – 197,788)
- Tangible capital assets purchased from operating funds – \$181,967 (2017 – \$103,574)

**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 CONTRACTUAL OBLIGATIONS**

The School District has entered into a number of multiple-year contracts for office equipment, computer software and vehicles. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	2019	2020	2021	2022
Future operating lease payments	\$120,850	\$37,567	\$24,272	\$6,605



**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 17 BUDGET FIGURES**

Budget figures included in the financial statements are the School District’s amended annual budget adopted by the Board of Education on February 13, 2018 and reflect more current estimates on student FTE, classroom enhancement funding, revenues and expenditures. The original planned budget was approved by the Board through the adoption of an annual budget on May 30, 2017. Significant changes between the original and amended budget are as follows:

	Original Budget	Amended Budget	Change
<b>Revenue</b>			
Provincial Grants MOE	\$ 56,560,813	\$ 57,077,404	\$ 516,591
Amortization of deferred capital revenue	2,615,468	2,601,373	(14,095)
Other	5,006,465	5,271,039	264,574
	<u>\$ 64,182,746</u>	<u>\$ 64,949,816</u>	<u>\$ 767,070</u>
<b>Expenses</b>			
Instruction	\$ 48,978,368	\$ 50,305,582	\$ 1,327,214
District Administration	2,784,064	2,846,858	62,794
Operations and Maintenance	7,222,484	6,979,678	(242,806)
Transportation and Housing	2,596,213	2,628,576	32,363
Amortization of tangible capital assets	3,322,862	3,303,567	(19,295)
	<u>\$ 64,903,991</u>	<u>\$ 66,064,261</u>	<u>\$ 1,160,270</u>

**NOTE 18 CONTINGENT LIABILITIES**

The School District is involved in certain legal actions. Some of these legal actions are managed and covered by the British Columbia Schools Protection Program. The outcome of these matters cannot be determined at this time. In the event that any claims are successful, it is management's opinion that the settlements of such claims would not have a material effect on the financial position of the School District. The resulting loss on the School District, if any, will be recorded in the period in which it is determinable.

Under Memorandum of Understanding 17, which provided agreement on the restoration of language to the Collective Agreement (the “CA”) with the Kootenay Lake Teacher’s Federation, there were agreed remedies for classrooms not meeting the size and composition requirements of the CA. While many of these remedies were incurred and paid out during the year, some were not. The matter of these “Outstanding Remedies” is subject to bargaining. Though payment is likely, the total cost of any Outstanding Remedies is unknown and therefore is not recorded as a liability herein these financial statements. It is management’s opinion that the settlements would not have a material effect on the financial position of the School District. The resulting cost to the School District, if any, will be recorded in the period in which it is determinable.

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 18 CONTINGENT LIABILITIES** *(continued)*

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As at June 30, 2018 the liability is not reasonably determinable.

**NOTE 19 EXPENSES BY OBJECT**

	2018	2017
Salaries and benefits	\$ 50,381,226	\$ 46,106,052
Services and supplies	11,854,416	11,329,504
Amortization of tangible capital assets	3,307,879	3,289,199
	\$ 65,543,521	\$ 60,724,755

**NOTE 20 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND**

	2018	2017
Internally restricted (appropriated) by Board for:		
Schools and other programs	\$ 50,849	\$ 14,562
Aboriginal Education	8,098	97,733
International program	76,000	76,000
Contractual Pro-D	117,904	66,240
Transformative Learning Environments Grants	-	23,966
Facilities Plan	-	608,657
Student Learning Fund Unspent	-	155,615
Technology Projects	636,000	110,000
BC Supplement for Education	80,708	111,391
Operations & Grounds Equipment	-	185,000
Staffing	-	50,000
Community Grants Unspent	32,837	18,116
Student Assessment Resources	-	11,577
General Ledger Alignment to Min. of Education	20,000	-
Subtotal internally restricted	1,022,396	1,528,857
District reserve	500,000	500,000
Unrestricted operating surplus	528,144	-
Total available for future operations	\$ 2,050,540	\$ 2,028,857

**NOTE 21 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.

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 22     RISK MANAGEMENT**

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

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

a) Credit risk:

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

The School District is exposed to credit risk in the event of non-performance by a 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 term deposits and mutual funds.

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 term deposits that have a maturity date of no more than 3 years, and mutual funds.

**SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2018**

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**NOTE 22     RISK MANAGEMENT** *(Continued)*

b) 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 23     COMPARATIVE FIGURES**

Certain of the prior year's figures have been reclassified to conform to the current year's financial statement presentation. There was no impact on net surplus or deficit in the prior year.

# School District No. 8 (Kootenay Lake)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2018

	Operating Fund	Special Purpose Fund	Capital Fund	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	2,028,857		22,461,001	<b>24,489,858</b>	24,450,733
<b>Changes for the year</b>					
Surplus (Deficit) for the year	760,829	170,231	(637,166)	<b>293,894</b>	39,125
Interfund Transfers					
Tangible Capital Assets Purchased	(181,967)	(170,231)	352,198	-	
Local Capital	(557,179)		557,179	-	
<b>Net Changes for the year</b>	<b>21,683</b>	-	<b>272,211</b>	<b>293,894</b>	<b>39,125</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>2,050,540</b>	-	<b>22,733,212</b>	<b>24,783,752</b>	24,489,858

# School District No. 8 (Kootenay Lake)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	51,445,755	<b>51,585,200</b>	50,879,689
Other	181,579	<b>246,709</b>	193,513
Tuition	2,013,193	<b>1,991,224</b>	1,549,895
Other Revenue	274,767	<b>365,641</b>	274,178
Rentals and Leases	131,000	<b>131,596</b>	126,519
Investment Income	50,000	<b>90,658</b>	60,528
<b>Total Revenue</b>	<u>54,096,294</u>	<u><b>54,411,028</b></u>	<u>53,084,322</u>
<b>Expenses</b>			
Instruction	42,422,722	<b>41,418,087</b>	40,453,578
District Administration	2,761,858	<b>2,602,410</b>	2,291,705
Operations and Maintenance	6,873,889	<b>7,050,644</b>	7,321,226
Transportation and Housing	2,628,576	<b>2,579,058</b>	2,368,573
<b>Total Expense</b>	<u>54,687,045</u>	<u><b>53,650,199</b></u>	<u>52,435,082</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(590,751)</u>	<u><b>760,829</b></u>	<u>649,240</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>1,447,930</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(300,000)	<b>(181,967)</b>	(103,574)
Local Capital	(557,179)	<b>(557,179)</b>	(711,000)
<b>Total Net Transfers</b>	<u>(857,179)</u>	<u><b>(739,146)</b></u>	<u>(814,574)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u><b>21,683</b></u>	<u>(165,334)</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>2,028,857</b>	2,194,191
<b>Operating Surplus (Deficit), end of year</b>		<u><b>2,050,540</b></u>	<u>2,028,857</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>1,522,396</b>	2,028,857
Unrestricted		<b>528,144</b>	-
<b>Total Operating Surplus (Deficit), end of year</b>		<u><b>2,050,540</b></u>	<u>2,028,857</u>

# School District No. 8 (Kootenay Lake)

Schedule 2A (Unaudited)

## Schedule of Operating Revenue by Source

Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	50,463,159	<b>50,504,495</b>	49,647,972
DISC/LEA Recovery	(152,417)	<b>(100,801)</b>	(138,850)
Other Ministry of Education Grants			
Pay Equity	300,996	<b>300,996</b>	300,996
Funding for Graduated Adults	4,000	<b>24,245</b>	3,709
Transportation Supplement	419,602	<b>419,602</b>	419,602
Economic Stability Dividend	-	<b>29,195</b>	25,851
Return of Administrative Savings	252,383	<b>252,383</b>	252,383
Carbon Tax Grant	80,000	<b>72,053</b>	78,260
Student Learning Grant			241,338
FSA and Exam Marking	8,187	<b>8,187</b>	8,187
Shoulder Tapper Grant	17,079	<b>17,079</b>	17,500
NGN Self Provision Transfer Under Agreement	52,766	<b>52,766</b>	13,191
Skills Training Access Support	-	<b>5,000</b>	5,000
Miscellaneous	-	-	4,550
<b>Total Provincial Grants - Ministry of Education</b>	<b>51,445,755</b>	<b>51,585,200</b>	50,879,689
<b>Provincial Grants - Other</b>	<b>181,579</b>	<b>246,709</b>	193,513
<b>Tuition</b>			
International and Out of Province Students	1,886,193	<b>1,961,224</b>	1,497,404
Distance Learning/Correspondence Course Fees	127,000	<b>30,000</b>	52,491
<b>Total Tuition</b>	<b>2,013,193</b>	<b>1,991,224</b>	1,549,895
<b>Other Revenues</b>			
Other School District/Education Authorities	-	<b>82,170</b>	-
LEA/Direct Funding from First Nations	152,417	<b>97,223</b>	138,850
Miscellaneous			
Private School Bussing Fees	47,000	<b>80,942</b>	61,825
DASH BC After School Sports Grant	50,000	<b>57,000</b>	50,000
Miscellaneous	25,350	<b>48,306</b>	23,503
<b>Total Other Revenue</b>	<b>274,767</b>	<b>365,641</b>	274,178
<b>Rentals and Leases</b>	<b>131,000</b>	<b>131,596</b>	126,519
<b>Investment Income</b>	<b>50,000</b>	<b>90,658</b>	60,528
<b>Total Operating Revenue</b>	<b>54,096,294</b>	<b>54,411,028</b>	53,084,322

# School District No. 8 (Kootenay Lake)

Schedule 2B (Unaudited)

## Schedule of Operating Expense by Object

Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
<b>Salaries</b>			
Teachers	20,445,501	<b>20,249,836</b>	20,239,764
Principals and Vice Principals	3,536,834	<b>3,536,790</b>	3,115,775
Educational Assistants	3,510,287	<b>3,388,207</b>	3,079,883
Support Staff	6,598,608	<b>6,467,003</b>	6,107,803
Other Professionals	1,400,602	<b>1,376,230</b>	1,260,406
Substitutes	1,595,629	<b>1,766,043</b>	1,795,566
<b>Total Salaries</b>	<b>37,087,461</b>	<b>36,784,109</b>	<b>35,599,197</b>
<b>Employee Benefits</b>	8,970,124	<b>8,865,362</b>	8,913,841
<b>Total Salaries and Benefits</b>	<b>46,057,585</b>	<b>45,649,471</b>	<b>44,513,038</b>
<b>Services and Supplies</b>			
Services	1,122,636	<b>655,545</b>	530,399
Student Transportation	30,000	<b>733,881</b>	628,666
Professional Development and Travel	1,737,047	<b>1,169,764</b>	1,238,892
Rentals and Leases	109,307	<b>125,388</b>	122,365
Dues and Fees	382,724	<b>269,061</b>	281,117
Insurance	157,450	<b>157,442</b>	185,290
Interest	100	<b>1,146</b>	1,506
Supplies	3,724,375	<b>3,602,718</b>	3,579,782
Utilities	1,365,821	<b>1,285,783</b>	1,354,027
<b>Total Services and Supplies</b>	<b>8,629,460</b>	<b>8,000,728</b>	<b>7,922,044</b>
<b>Total Operating Expense</b>	<b>54,687,045</b>	<b>53,650,199</b>	<b>52,435,082</b>



# School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	16,862,857	167,206	83,320	228,029	-	1,069,903	<b>18,411,315</b>
1.03 Career Programs	25,623	-	-	-	-	6,313	<b>31,936</b>
1.07 Library Services	158,066	-	-	123,813	-	891	<b>282,770</b>
1.08 Counselling	313,059	-	-	-	-	-	<b>313,059</b>
1.10 Special Education	2,298,299	48,502	2,970,484	91,367	138,365	162,225	<b>5,709,242</b>
1.30 English Language Learning	10,438	-	-	-	-	-	<b>10,438</b>
1.31 Aboriginal Education	184,502	138,687	297,147	325	12,073	13,587	<b>646,321</b>
1.41 School Administration	-	2,965,830	-	1,002,460	-	41,098	<b>4,009,388</b>
1.62 International and Out of Province Students	263,344	101,985	37,256	63,164	-	1,145	<b>466,894</b>
1.64 Other	-	-	-	-	-	-	<b>-</b>
<b>Total Function 1</b>	<b>20,116,188</b>	<b>3,422,210</b>	<b>3,388,207</b>	<b>1,509,158</b>	<b>150,438</b>	<b>1,295,162</b>	<b>29,881,363</b>
<b>4 District Administration</b>							
4.11 Educational Administration	133,648	51,110	-	11,996	368,757	114	<b>565,625</b>
4.40 School District Governance	-	-	-	-	121,249	-	<b>121,249</b>
4.41 Business Administration	-	63,470	-	300,505	485,786	14,314	<b>864,075</b>
<b>Total Function 4</b>	<b>133,648</b>	<b>114,580</b>	<b>-</b>	<b>312,501</b>	<b>975,792</b>	<b>14,428</b>	<b>1,550,949</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	-	-	-	82,049	233,600	7,215	<b>322,864</b>
5.50 Maintenance Operations	-	-	-	3,017,401	-	290,146	<b>3,307,547</b>
5.52 Maintenance of Grounds	-	-	-	197,339	-	2,495	<b>199,834</b>
5.56 Utilities	-	-	-	-	-	-	<b>-</b>
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,296,789</b>	<b>233,600</b>	<b>299,856</b>	<b>3,830,245</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	-	-	-	27,203	16,400	-	<b>43,603</b>
7.70 Student Transportation	-	-	-	1,321,352	-	156,597	<b>1,477,949</b>
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,348,555</b>	<b>16,400</b>	<b>156,597</b>	<b>1,521,552</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>20,249,836</b>	<b>3,536,790</b>	<b>3,388,207</b>	<b>6,467,003</b>	<b>1,376,230</b>	<b>1,766,043</b>	<b>36,784,109</b>

# School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2018 Actual	2018 Budget (Note 18)	2017 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	18,411,315	4,227,610	22,638,925	2,316,569	24,955,494	25,627,961	25,185,386
1.03 Career Programs	31,936	6,543	38,479	6,851	45,330	39,142	88,925
1.07 Library Services	282,770	75,210	357,980	32,001	389,981	356,733	481,355
1.08 Counselling	313,059	77,177	390,236	930	391,166	370,626	610,511
1.10 Special Education	5,709,242	1,572,088	7,281,330	321,812	7,603,142	7,813,076	7,112,591
1.30 English Language Learning	10,438	2,518	12,956	19	12,975	18,359	53,607
1.31 Aboriginal Education	646,321	174,087	820,408	316,385	1,136,793	1,164,528	1,139,349
1.41 School Administration	4,009,388	947,262	4,956,650	112,467	5,069,117	5,155,735	4,133,994
1.62 International and Out of Province Students	466,894	110,559	577,453	1,161,263	1,738,716	1,806,096	1,603,627
1.64 Other	-	-	-	75,373	75,373	70,466	44,233
<b>Total Function 1</b>	<b>29,881,363</b>	<b>7,193,054</b>	<b>37,074,417</b>	<b>4,343,670</b>	<b>41,418,087</b>	<b>42,422,722</b>	<b>40,453,578</b>
<b>4 District Administration</b>							
4.11 Educational Administration	565,625	125,732	691,357	171,409	862,766	915,253	675,703
4.40 School District Governance	121,249	2,183	123,432	91,612	215,044	221,524	208,441
4.41 Business Administration	864,075	197,887	1,061,962	462,638	1,524,600	1,625,081	1,407,561
<b>Total Function 4</b>	<b>1,550,949</b>	<b>325,802</b>	<b>1,876,751</b>	<b>725,659</b>	<b>2,602,410</b>	<b>2,761,858</b>	<b>2,291,705</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	322,864	55,770	378,634	226,288	604,922	651,532	630,900
5.50 Maintenance Operations	3,307,547	821,760	4,129,307	679,807	4,809,114	4,531,570	5,044,972
5.52 Maintenance of Grounds	199,834	52,353	252,187	98,638	350,825	324,966	291,326
5.56 Utilities	-	-	-	1,285,783	1,285,783	1,365,821	1,354,028
<b>Total Function 5</b>	<b>3,830,245</b>	<b>929,883</b>	<b>4,760,128</b>	<b>2,290,516</b>	<b>7,050,644</b>	<b>6,873,889</b>	<b>7,321,226</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	43,603	14,563	58,166	10,511	68,677	35,064	79,520
7.70 Student Transportation	1,477,949	402,060	1,880,009	630,372	2,510,381	2,593,512	2,289,053
<b>Total Function 7</b>	<b>1,521,552</b>	<b>416,623</b>	<b>1,938,175</b>	<b>640,883</b>	<b>2,579,058</b>	<b>2,628,576</b>	<b>2,368,573</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>36,784,109</b>	<b>8,865,362</b>	<b>45,649,471</b>	<b>8,000,728</b>	<b>53,650,199</b>	<b>54,687,045</b>	<b>52,435,082</b>

# School District No. 8 (Kootenay Lake)

## Schedule of Special Purpose Operations

Year Ended June 30, 2018

Schedule 3 (Unaudited)

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	5,631,649	<b>5,918,360</b>	2,488,496
Other Revenue	2,576,500	<b>2,830,139</b>	2,709,766
Investment Income	15,500	<b>7,175</b>	-
<b>Total Revenue</b>	<u>8,223,649</u>	<u><b>8,755,674</b></u>	<u>5,198,262</u>
<b>Expenses</b>			
Instruction	7,882,860	<b>8,335,434</b>	4,836,174
District Administration	85,000	<b>140,652</b>	50,475
Operations and Maintenance	105,789	<b>109,357</b>	113,825
<b>Total Expense</b>	<u>8,073,649</u>	<u><b>8,585,443</b></u>	<u>5,000,474</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>150,000</u>	<u><b>170,231</b></u>	<u>197,788</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(150,000)	<b>(170,231)</b>	(197,788)
<b>Total Net Transfers</b>	<u>(150,000)</u>	<u><b>(170,231)</b></u>	<u>(197,788)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u><u>-</u></u>	<u><u>-</u></u>

# School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2018

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Rural Education Enhancement Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	592	405,492	626,169	1,303,866	34,698	59,308	7,954	91,040	-
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	279,588	199,400	-	-	160,000	51,450	84,133	594,036	404,624
Other	-	-	46,213	2,697,552	-	-	-	-	-
Investment Income	-	-	7,175	-	-	-	-	-	-
	279,588	199,400	53,388	2,697,552	160,000	51,450	84,133	594,036	404,624
<b>Less:</b> Allocated to Revenue	279,588	604,892	31,210	2,776,529	151,082	42,745	88,189	611,235	404,624
<b>Deferred Revenue, end of year</b>	<b>592</b>	<b>-</b>	<b>648,347</b>	<b>1,224,889</b>	<b>43,616</b>	<b>68,013</b>	<b>3,898</b>	<b>73,841</b>	<b>-</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education	279,588	604,892	-	-	151,082	42,745	88,189	611,235	404,624
Other Revenue	-	-	24,035	2,776,529	-	-	-	-	-
Investment Income	-	-	7,175	-	-	-	-	-	-
	279,588	604,892	31,210	2,776,529	151,082	42,745	88,189	611,235	404,624
<b>Expenses</b>									
Salaries									
Teachers	-	245,400	-	-	-	-	-	18,153	183,325
Principals and Vice Principals	-	-	-	-	-	-	-	-	74,091
Educational Assistants	-	231,913	-	-	-	-	19,665	157,131	-
Support Staff	-	-	-	-	4,624	42	-	26,180	31,246
Other Professionals	-	-	-	-	-	311	-	-	-
Substitutes	-	6,679	-	-	-	-	612	11,540	-
	-	483,992	-	-	4,624	353	20,277	213,004	288,662
Employee Benefits	-	120,900	-	-	1,493	20	8,474	59,657	69,407
Services and Supplies	109,357	-	31,210	2,776,529	144,965	42,372	59,438	338,574	46,555
	109,357	604,892	31,210	2,776,529	151,082	42,745	88,189	611,235	404,624
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>170,231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(170,231)	-	-	-	-	-	-	-	-
	(170,231)	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2018

	Coding and Curriculum Implementation	Priority Measures	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Festival Nelson	Donations	TOTAL
	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	57,247	270	-	-	8,336	13,455	2,608,427
<b>Add:</b> Restricted Grants							
Provincial Grants - Ministry of Education	-	-	346,462	3,332,026	-	-	5,451,719
Other	-	-	-	-	-	28,660	2,772,425
Investment Income	-	-	-	-	-	-	7,175
	-	-	346,462	3,332,026	-	28,660	8,231,319
<b>Less:</b> Allocated to Revenue	57,247	270	346,462	3,332,026	-	29,575	8,755,674
<b>Deferred Revenue, end of year</b>	-	-	-	-	<b>8,336</b>	<b>12,540</b>	<b>2,084,072</b>
<b>Revenues</b>							
Provincial Grants - Ministry of Education	57,247	270	346,462	3,332,026	-	-	5,918,360
Other Revenue	-	-	-	-	-	29,575	2,830,139
Investment Income	-	-	-	-	-	-	7,175
	57,247	270	346,462	3,332,026	-	29,575	8,755,674
<b>Expenses</b>							
Salaries							
Teachers	-	270	-	2,589,247	-	-	3,036,395
Principals and Vice Principals	-	-	-	-	-	-	74,091
Educational Assistants	-	-	-	-	-	-	408,709
Support Staff	-	-	19,407	-	-	-	81,499
Other Professionals	-	-	-	-	-	-	311
Substitutes	-	-	90,669	60,235	-	-	169,735
	-	270	110,076	2,649,482	-	-	3,770,740
Employee Benefits	-	-	18,520	682,544	-	-	961,015
Services and Supplies	57,247	-	217,866	-	-	29,575	3,853,688
	57,247	270	346,462	3,332,026	-	29,575	8,585,443
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	170,231
<b>Interfund Transfers</b>							
Tangible Capital Assets Purchased	-	-	-	-	-	-	(170,231)
	-	-	-	-	-	-	(170,231)
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-

# School District No. 8 (Kootenay Lake)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2018

	2018	2018 Actual			2017
	Budget (Note 18)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Investment Income	28,500		29,156	29,156	10,234
Gain (Loss) on Disposal of Tangible Capital Assets	-	16,250		16,250	-
Amortization of Deferred Capital Revenue	2,601,373	2,625,307		2,625,307	2,471,062
<b>Total Revenue</b>	<u>2,629,873</u>	<u>2,641,557</u>	<u>29,156</u>	<u>2,670,713</u>	<u>2,481,296</u>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,303,567	3,307,879		3,307,879	3,289,199
<b>Total Expense</b>	<u>3,303,567</u>	<u>3,307,879</u>	<u>-</u>	<u>3,307,879</u>	<u>3,289,199</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(673,694)</u>	<u>(666,322)</u>	<u>29,156</u>	<u>(637,166)</u>	<u>(807,903)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	450,000	352,198		352,198	301,362
Local Capital	557,179		557,179	557,179	711,000
<b>Total Net Transfers</b>	<u>1,007,179</u>	<u>352,198</u>	<u>557,179</u>	<u>909,377</u>	<u>1,012,362</u>
<b>Other Adjustments to Fund Balances</b>					
District Portion of Proceeds on Disposal		(16,250)	16,250	-	
<b>Total Other Adjustments to Fund Balances</b>		<u>(16,250)</u>	<u>16,250</u>	<u>-</u>	
<b>Total Capital Surplus (Deficit) for the year</b>	<u>333,485</u>	<u>(330,374)</u>	<u>602,585</u>	<u>272,211</u>	<u>204,459</u>
<b>Capital Surplus (Deficit), beginning of year</b>		<u>21,697,969</u>	<u>763,032</u>	<u>22,461,001</u>	<u>22,256,542</u>
<b>Capital Surplus (Deficit), end of year</b>		<u>21,367,595</u>	<u>1,365,617</u>	<u>22,733,212</u>	<u>22,461,001</u>

# School District No. 8 (Kootenay Lake)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2018

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	9,054,596	126,522,210	1,193,157	5,000,504	96,819	273,079	<b>142,140,365</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	-	2,033,915	-	15,702	-	-	<b>2,049,617</b>
Deferred Capital Revenue - Other	-	-	139,901	-	-	-	<b>139,901</b>
Operating Fund	-	-	48,541	133,426	-	-	<b>181,967</b>
Special Purpose Funds	-	170,231	-	-	-	-	<b>170,231</b>
	-	2,204,146	188,442	149,128	-	-	<b>2,541,716</b>
Decrease:							
Deemed Disposals			346,042	887,772	66,124	41,833	<b>1,341,771</b>
	-	-	346,042	887,772	66,124	41,833	<b>1,341,771</b>
<b>Cost, end of year</b>	9,054,596	128,726,356	1,035,557	4,261,860	30,695	231,246	<b>143,340,310</b>
<b>Work in Progress, end of year</b>							<b>-</b>
<b>Cost and Work in Progress, end of year</b>	9,054,596	128,726,356	1,035,557	4,261,860	30,695	231,246	<b>143,340,310</b>
<b>Accumulated Amortization, beginning of year</b>		68,334,429	795,421	2,291,368	71,323	98,272	<b>71,590,813</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		2,611,330	119,316	503,255	19,363	54,615	<b>3,307,879</b>
Decrease:							
Deemed Disposals			346,042	887,772	66,124	41,833	<b>1,341,771</b>
			346,042	887,772	66,124	41,833	<b>1,341,771</b>
<b>Accumulated Amortization, end of year</b>		70,945,759	568,695	1,906,851	24,562	111,054	<b>73,556,921</b>
<b>Tangible Capital Assets - Net</b>	<b>9,054,596</b>	<b>57,780,597</b>	<b>466,862</b>	<b>2,355,009</b>	<b>6,133</b>	<b>120,192</b>	<b>69,783,389</b>

# School District No. 8 (Kootenay Lake)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2018

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
<b>Deferred Capital Revenue, beginning of year</b>	\$ 48,084,967	\$ 467,617	\$ 298,998	\$ <b>48,851,582</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,049,617	139,901	-	<b>2,189,518</b>
	<u>2,049,617</u>	<u>139,901</u>	<u>-</u>	<u><b>2,189,518</b></u>
Decrease:				
Amortization of Deferred Capital Revenue	2,601,373	14,590	9,344	<b>2,625,307</b>
	<u>2,601,373</u>	<u>14,590</u>	<u>9,344</u>	<u><b>2,625,307</b></u>
<b>Net Changes for the Year</b>	<u>(551,756)</u>	<u>125,311</u>	<u>(9,344)</u>	<u><b>(435,789)</b></u>
<b>Deferred Capital Revenue, end of year</b>	<u>47,533,211</u>	<u>592,928</u>	<u>289,654</u>	<u><b>48,415,793</b></u>
<b>Work in Progress, beginning of year</b>				-
<b>Changes for the Year</b>				
<b>Net Changes for the Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Work in Progress, end of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u><b>47,533,211</b></u>	<u><b>592,928</b></u>	<u><b>289,654</b></u>	<u><b>48,415,793</b></u>



# School District No. 8 (Kootenay Lake)

## Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2018

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	686,841	20,250	310,922	-	-	<b>1,018,013</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	1,740,139					<b>1,740,139</b>
Provincial Grants - Other			110,807		-	<b>110,807</b>
MEd Restricted Portion of Proceeds on Disposal		48,750				<b>48,750</b>
Recognition of Deferred Capital Revenue					154,339	<b>154,339</b>
	<u>1,740,139</u>	<u>48,750</u>	<u>110,807</u>	<u>-</u>	<u>154,339</u>	<b><u>2,054,035</u></b>
Decrease:						
Transferred to DCR - Capital Additions	2,049,617		139,901		-	<b>2,189,518</b>
	<u>2,049,617</u>	<u>-</u>	<u>139,901</u>	<u>-</u>	<u>-</u>	<b><u>2,189,518</u></b>
<b>Net Changes for the Year</b>	<u>(309,478)</u>	<u>48,750</u>	<u>(29,094)</u>	<u>-</u>	<u>154,339</u>	<b><u>(135,483)</u></b>
<b>Balance, end of year</b>	<u><b>377,363</b></u>	<u><b>69,000</b></u>	<u><b>281,828</b></u>	<u><b>-</b></u>	<u><b>154,339</b></u>	<b><u>882,530</u></b>