

Audited Financial Statements of

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

June 30, 2019

# School District No. 8 (Kootenay Lake)

June 30, 2019

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# School District No. 8 (Kootenay Lake)

## MANAGEMENT REPORT

Version: 6660-5915-3932

### 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)

	<u>Sept 10/19</u>
Signature of the Chairperson of the Board of Education	Date Signed
	<u>Sept 10, 2019</u>
Signature of the Superintendent	Date Signed
	<u>Sep 10, 2019</u>
Signature of the Secretary Treasurer	Date Signed

# Independent auditor's report

To the Board of Education of  
School District No. 8 (Kootenay Lake) and the Ministry of Education

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**Grant Thornton LLP**  
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Kelowna, BC  
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## Opinion

We have audited the financial statements of School District No. 8 (Kootenay Lake), ("the District"), which comprise the statement of financial position as at June 30, 2019, 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.

In our opinion, the accompanying financial statements of School District No. 8 (Kootenay Lake) as at June 30, 2019 and for the year then ended, 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 ("Section 23.1").

## Basis for Opinion

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

## Emphasis of Matter

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

## 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.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 23.1, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

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.

Kelowna, Canada  
September 10, 2019



Chartered Professional Accountants

# School District No. 8 (Kootenay Lake)

Statement 1

## Statement of Financial Position

As at June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents (Note 3)	11,145,611	12,085,782
Accounts Receivable		
Due from Province - Ministry of Education	26,863	832,677
Other (Note 4)	370,299	254,798
Portfolio Investments (Note 5)	87,152	87,534
<b>Total Financial Assets</b>	<u>11,629,925</u>	<u>13,260,791</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	-	41,093
Other (Note 6)	4,467,192	4,930,360
Unearned Revenue (Note 7)	683,017	1,198,163
Deferred Revenue (Note 8)	2,341,518	2,084,072
Deferred Capital Revenue (Note 9)	49,450,686	49,298,323
Employee Future Benefits (Note 10)	742,886	816,307
<b>Total Liabilities</b>	<u>57,685,299</u>	<u>58,368,318</u>
<b>Net Financial Assets (Debt)</b>	<u>(46,055,374)</u>	<u>(45,107,527)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	71,054,116	69,783,389
Prepaid Expenses	233,955	107,890
<b>Total Non-Financial Assets</b>	<u>71,288,071</u>	<u>69,891,279</u>
<b>Accumulated Surplus (Deficit)</b>	<u>25,232,697</u>	<u>24,783,752</u>

Contractual Obligations (Note 16)

Contingent Liabilities (Note 17)

Approved by the Board

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

*Sept 10/19*

Date Signed

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

*Sept 10, 2019*

Date Signed

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

*Sep 10, 2019*

Date Signed

# School District No. 8 (Kootenay Lake)

Statement of Operations  
Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	59,543,000	<b>59,557,061</b>	57,503,560
Other	427,123	<b>407,866</b>	246,709
Tuition	2,361,056	<b>2,340,737</b>	1,991,224
Other Revenue	2,839,540	<b>3,199,413</b>	3,195,780
Rentals and Leases	124,228	<b>127,371</b>	131,596
Investment Income	131,082	<b>185,416</b>	126,989
Gain (Loss) on Disposal of Tangible Capital Assets (Note 12)		<b>122,499</b>	16,250
Amortization of Deferred Capital Revenue	2,586,568	<b>2,586,568</b>	2,625,307
<b>Total Revenue</b>	<u>68,012,597</u>	<u><b>68,526,931</b></u>	<u>65,837,415</u>
<b>Expenses</b>			
Instruction	52,712,977	<b>51,548,234</b>	49,538,552
District Administration	2,969,129	<b>2,849,642</b>	2,743,062
Operations and Maintenance	10,332,307	<b>10,845,172</b>	10,467,880
Transportation and Housing	2,648,808	<b>2,834,938</b>	2,794,027
<b>Total Expense</b>	<u>68,663,221</u>	<u><b>68,077,986</b></u>	<u>65,543,521</u>
<b>Surplus (Deficit) for the year</b>	<u>(650,624)</u>	<u><b>448,945</b></u>	<u>293,894</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>24,783,752</b>	24,489,858
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>25,232,697</b></u></u>	<u><u>24,783,752</u></u>

# School District No. 8 (Kootenay Lake)

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

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	(650,624)	<b>448,945</b>	293,894
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(4,470,237)	<b>(4,888,567)</b>	(2,541,716)
Amortization of Tangible Capital Assets	3,230,207	<b>3,230,202</b>	3,307,879
Net carrying value of Tangible Capital Assets disposed of	-	<b>387,638</b>	-
<b>Total Effect of change in Tangible Capital Assets</b>	(1,240,030)	<b>(1,270,727)</b>	766,163
Acquisition of Prepaid Expenses	-	<b>(233,955)</b>	(107,890)
Use of Prepaid Expenses	-	<b>107,890</b>	59,501
<b>Total Effect of change in Other Non-Financial Assets</b>	-	<b>(126,065)</b>	(48,389)
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(1,890,654)</u>	<b>(947,847)</b>	1,011,668
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<b>(947,847)</b>	1,011,668
<b>Net Financial Assets (Debt), beginning of year</b>		<b>(45,107,527)</b>	(46,119,195)
<b>Net Financial Assets (Debt), end of year</b>		<b>(46,055,374)</b>	(45,107,527)



# School District No. 8 (Kootenay Lake)

Statement 5

Statement of Cash Flows  
Year Ended June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	448,945	293,894
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	690,313	(751,252)
Prepaid Expenses	(126,065)	(48,389)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(504,261)	956,380
Unearned Revenue	(515,146)	368,391
Deferred Revenue	257,446	(524,355)
Employee Future Benefits	(73,421)	(70,513)
Loss (Gain) on Disposal of Tangible Capital Assets	(122,499)	(16,250)
Amortization of Tangible Capital Assets	3,230,202	3,307,879
Amortization of Deferred Capital Revenue	(2,586,568)	(2,625,307)
Non-Cash Adjustment to Other Capital	(154,339)	-
<b>Total Operating Transactions</b>	<u>544,607</u>	<u>890,478</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(4,888,567)	(2,541,716)
District Portion of Proceeds on Disposal	137,500	16,250
<b>Total Capital Transactions</b>	<u>(4,751,067)</u>	<u>(2,525,466)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	3,265,907	2,054,035
<b>Total Financing Transactions</b>	<u>3,265,907</u>	<u>2,054,035</u>
<b>Investing Transactions</b>		
Proceeds on Disposal of Portfolio Investments	382	3,558
<b>Total Investing Transactions</b>	<u>382</u>	<u>3,558</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(940,171)</u>	<u>422,605</u>
<b>Cash and Cash Equivalents, beginning of year</b>	<u>12,085,782</u>	<u>11,663,177</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>11,145,611</u>	<u>12,085,782</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	11,145,611	12,085,782
Cash Equivalents	-	-
	<u>11,145,611</u>	<u>12,085,782</u>

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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**NOTE 1      AUTHORITY AND PURPOSE**

The 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") comprised of nine Trustees is elected to 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. The School District 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, 2019 – increase in annual surplus of \$458,031
- June 30, 2019 – increase in accumulated surplus and decrease in deferred contributions by \$48,873,824
- Year-ended June 30, 2018 – decrease in annual surplus of \$435,789
- June 30, 2018 – increase in accumulated surplus and decrease in deferred contributions by \$48,415,793

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.

**SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

c) Accounts Receivable

Accounts receivable are measured at 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.

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.

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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

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, 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.

h) Asset Retirement Obligations

A liability is recognized when, as at the financial reporting date:

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

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

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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

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 software licenses, membership fees, insurance and annual utilities costs 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  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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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 are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

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

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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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  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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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.
- 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**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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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 and 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  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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**NOTE 3 CASH AND CASH EQUIVALENTS**

Included in cash and cash equivalents are funds in the amount of \$809,711 (2018 - \$855,391), 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 RECEIVABLES**

	2019	2018
GST rebate	\$ 66,232	\$ 83,435
Other school districts	102,818	3,586
Invoices receivable	159,799	117,241
Other receivables	41,450	50,536
	\$ 370,299	\$ 254,798

**NOTE 5 PORTFOLIO INVESTMENTS**

	2019	2018
Investments in the fair value category:		
Mutual Fund	\$ 87,152	\$ 87,534
	\$ 87,152	\$ 87,534

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

	2019	2018
Trade payables	\$ 2,645,003	\$ 988,683
Salaries and benefits payable	565,433	2,676,592
Accrued vacation pay	447,045	409,694
Teacher 12-month pay accrual	809,711	855,391
	\$ 4,467,192	\$ 4,930,360

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

**NOTE 7      UNEARNED REVENUE**

	2019	2018
Balance, beginning of year	\$ 1,198,163	\$ 829,772
Increases:		
Tuition fees	659,267	1,127,163
Other Grants	-	47,250
	659,267	1,174,413
Decreases:		
Tuition fees	(1,127,163)	(803,772)
Other Grants	(47,250)	(2,250)
	(1,174,413)	(806,022)
Balance, end of year	\$ 683,017	\$ 1,198,163

**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.

	2019	2018
Balance, beginning of year	\$ 2,084,072	\$ 2,608,427
Add: Restricted grants	10,597,221	8,231,319
Less: Allocated to revenue	(10,339,775)	(8,755,674)
Balance, end of year	\$ 2,341,518	\$ 2,084,072

**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.

	2019	2018
Balance, beginning of year	\$ 49,298,323	\$ 49,869,595
Add: Contributions received in the year	2,853,407	2,005,285
Add: Restricted proceeds of disposal – Property Sales	412,500	48,750
Less: Amortization of deferred capital revenue	(2,586,568)	(2,625,307)
Less: Revenues recognized on Disposal of Buildings	(372,637)	-
Less: Transfers to operating	(154,339)	-
Balance, end of year	\$ 49,450,686	\$ 49,298,323

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

**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.

	2019	2018
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 970,134	\$ 991,910
Service Cost	75,639	70,265
Interest Cost	26,938	27,517
Benefit Payments	(198,645)	(143,671)
Actuarial Loss	351,939	24,113
Accrued Benefit Obligation – March 31	\$ 1,226,005	\$ 970,134

<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$ 1,226,005	\$ 970,134
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(1,226,005)	(970,134)
Employer Contributions After Measurement Date	58,072	53,454
Benefits Expense After Measurement Date	(37,106)	(25,645)
Unamortized Net Actuarial (Gain) Loss	462,151	126,018
Accrued Benefit Asset (Liability) – June 30	\$ (742,888)	\$ (816,307)

<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability – July 1	\$ 816,307	\$ 886,820
Net expense for Fiscal Year	129,844	111,810
Employer Contributions	(203,265)	(182,323)
Accrued Benefit Liability – June 30	\$ 742,886	\$ 816,307

	2019	2018
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 86,047	\$ 71,609
Interest Cost	27,991	27,372
Amortization of Net Actuarial (Gain)/Loss	15,806	12,829
Net Benefit Expense (Income)	\$ 129,844	\$ 111,810

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

	2019	2018
Discount Rate – April 1	2.75%	2.75%
Discount Rate – March 31	2.50%	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	9.5	8.1

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

**NOTE 11 TANGIBLE CAPITAL ASSETS**

<b>Net Book Value:</b>	2019	2018
Sites	\$ 9,039,595	\$ 9,054,596
Buildings	57,542,233	57,780,597
Vehicles	3,029,053	2,355,009
Furniture and Equipment	764,742	466,862
Computer Hardware	678,493	120,192
Computer Software	-	6,133
<b>Total</b>	<b>\$ 71,054,116</b>	<b>\$ 69,783,389</b>

<b>June 30, 2019</b>	Balance at			<b>Balance at</b>
<b>Cost</b>	July 1, 2018	Additions	Disposals	June 30, 2019
Sites	\$ 9,054,596	\$ -	\$ (15,001)	\$ 9,039,595
Buildings	128,726,356	2,782,352	(1,326,463)	130,182,245
Vehicles	4,261,860	1,100,230	(10,124)	5,351,966
Furniture and equipment	1,035,557	401,436	(299,063)	1,137,930
Computer hardware	231,246	604,549	-	835,795
Computer software	30,695	-	(30,695)	-
<b>Total</b>	<b>\$ 143,340,310</b>	<b>\$ 4,888,567</b>	<b>\$ (1,681,346)</b>	<b>\$ 146,547,531</b>

<b>Accumulated Amortization</b>	Balance at			<b>Balance at</b>
	July 1, 2018	Additions	Disposals	June 30, 2019
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	70,945,759	2,648,079	(953,826)	72,640,012
Vehicles	1,906,851	426,186	(10,124)	2,322,913
Furniture and equipment	568,695	103,556	(299,063)	373,188
Computer hardware	111,054	46,248	-	157,302
Computer software	24,562	6,133	(30,695)	-
<b>Total</b>	<b>\$ 73,556,921</b>	<b>\$ 3,230,202</b>	<b>\$ (1,293,708)</b>	<b>\$ 75,493,415</b>

<b>June 30, 2018</b>	Balance at			<b>Balance at</b>
<b>Cost</b>	July 1, 2017	Additions	Disposals	June 30, 2018
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			<b>Balance at</b>
	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>

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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**NOTE 12     DISPOSAL OF SITES AND BUILDINGS**

On January 2, 2019, the School District sold the Creston Education Centre property and the Canyon Street property adjacent to Prince Charles Secondary School (the “Creston Properties”) for gross proceeds of \$550,000.

The Creston Education Centre property was acquired by predecessor School District No. 86 in 1960 for a purchase price of \$15,000. The original construction, a substantial expansion renovation and various improvements through the years cost an estimated \$837,896, of which \$206,973 remained unamortized at the time of the sale.

The Canyon Street property is part of a property that was acquired by predecessor School District No. 5 for \$1.00 in 1946. The original construction, the secondary building construction and various improvements through the years cost an estimated \$488,567, of which \$180,665 remained unamortized at the time of the sale.

As the acquisition of the properties and construction of the buildings was not funded with School District or predecessor 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 in the District. Therefore, \$412,500 (75%) was allocated to the Ministry of Education Restricted Capital within Deferred Capital Revenues and \$137,500 (25%) was allocated to the School District’s Local Capital fund. These transactions are shown on Schedules 4D and 4, respectively.

The School District recognized a gain on sale of the properties \$122,499 in these financial statements, which is its unrestricted \$137,500 portion of the sale proceeds less the \$15,001 cost of the land.

**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, 2017, the Teachers’ Pension Plan had about 46,000 active members and approximately 38,000 retired members. As of December 31, 2017, the Municipal Pension Plan had about 197,000 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.

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account.

The most recent available actuarial valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million basic pension benefits funding surplus. 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.

The school district paid \$4,641,097 for employer contributions to the plans for the year ended June 30, 2019 (2018: \$4,908,773).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in 2021. The next valuation for the Municipal Pension Plan will be as at December 31, 2018, with results available in 2019.

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, 2019, were as follows:

- Tangible capital assets purchased from operating funds – \$1,048,875 (2018 – \$181,967)
- Operating funds transferred to local capital – \$nil (2018 – \$557,179)
- Tangible capital assets purchased from special purpose funds – \$81,958 (2018 – \$170,231)

**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.

**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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**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.

Contractual obligations	2020	2021	2022	2023	2024
Future operating lease payments	\$86,808	\$28,305	\$6,605	\$21,700	\$21,700

**NOTE 17 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 Schools District. The resulting loss on the School District, if any, will be recorded in the period in which it is determinable.

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, 2019 the liability is not reasonably determinable.

**NOTE 18 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 26, 2019 and reflect more current estimates on student FTE, classroom enhancement funding, revenues and expenditures. The original budget was approved by the Board through the adoption of an annual budget on May 22, 2018. Significant changes between the original and amended budget are as follows:

	Original Budget	Amended Budget	Change
Revenue			
Provincial Grants MOE	\$ 57,892,758	\$ 59,543,000	\$ 1,650,242
Tuition	1,590,300	2,361,056	770,756
Other	5,918,568	6,108,541	189,973
	<u>\$ 65,401,626</u>	<u>\$ 68,012,597</u>	<u>\$ 2,610,971</u>
Expenses			
Instruction	\$ 50,476,550	\$ 52,712,977	\$ 2,236,427
District Administration	2,755,233	2,969,129	213,896
Operations and Maintenance	10,422,579	10,332,307	(90,272)
Transportation and Housing	2,376,571	2,648,808	272,237
	<u>\$ 66,030,933</u>	<u>\$ 68,663,221</u>	<u>\$ 2,632,288</u>



**SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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**NOTE 19 EXPENSE BY OBJECT**

The following are total expenses from operating, special and capital funds:

	2019	2018
Salaries and benefits	\$ 52,930,557	\$ 50,381,226
Services and supplies	11,917,227	11,854,416
Amortization of tangible capital assets	3,230,202	3,307,879
	\$ 68,077,986	\$ 65,543,521

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

	2019	2018
Internally restricted (appropriated) by Board for:		
Schools and other programs	\$ 61,838	\$ 50,849
Community Grants Unspent	15,000	32,837
International program	76,000	76,000
Contractual Pro-D	112,703	117,904
Baragar Systems	108,050	-
Aboriginal Education	-	8,098
Technology Projects	-	636,000
BC Supplement for Education	-	80,708
General Ledger Alignment to Min. of Education	-	20,000
Subtotal internally restricted	\$373,591	1,022,396
District reserve	500,000	500,000
Unrestricted operating surplus	973,802	528,144
Total available for future operations	\$ 1,847,393	\$ 2,050,540

**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  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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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  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

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

c) Liquidity risk:

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

**NOTE 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 of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2019

	<b>Operating Fund</b>	<b>Special Purpose Fund</b>	<b>Capital Fund</b>	<b>2019 Actual</b>	2018 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	2,050,540		22,733,212	<b>24,783,752</b>	24,489,858
<b>Changes for the year</b>					
Surplus (Deficit) for the year	845,728	81,958	(478,741)	<b>448,945</b>	293,894
Interfund Transfers					
Tangible Capital Assets Purchased	(1,048,875)	(81,958)	1,130,833	-	
<b>Net Changes for the year</b>	<b>(203,147)</b>	<b>-</b>	<b>652,092</b>	<b>448,945</b>	<b>293,894</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>1,847,393</b>	<b>-</b>	<b>23,385,304</b>	<b>25,232,697</b>	24,783,752

# School District No. 8 (Kootenay Lake)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	51,910,493	<b>52,166,484</b>	51,585,200
Other	427,123	<b>407,866</b>	246,709
Tuition	2,361,056	<b>2,340,737</b>	1,991,224
Other Revenue	279,217	<b>295,989</b>	365,641
Rentals and Leases	124,228	<b>127,371</b>	131,596
Investment Income	60,000	<b>97,248</b>	90,658
<b>Total Revenue</b>	<u>55,162,117</u>	<u><b>55,435,695</b></u>	<u>54,411,028</u>
<b>Expenses</b>			
Instruction	42,799,145	<b>41,759,686</b>	41,203,118
District Administration	2,935,229	<b>2,790,714</b>	2,602,410
Operations and Maintenance	6,962,100	<b>7,204,629</b>	7,050,644
Transportation and Housing	2,648,808	<b>2,834,938</b>	2,794,027
<b>Total Expense</b>	<u>55,345,282</u>	<u><b>54,589,967</b></u>	<u>53,650,199</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(183,165)</u>	<u><b>845,728</b></u>	<u>760,829</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>650,624</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(467,459)	<b>(1,048,875)</b>	(181,967)
Local Capital			(557,179)
<b>Total Net Transfers</b>	<u>(467,459)</u>	<u><b>(1,048,875)</b></u>	<u>(739,146)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u><b>(203,147)</b></u>	<u>21,683</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>2,050,540</b>	2,028,857
<b>Operating Surplus (Deficit), end of year</b>		<u><b>1,847,393</b></u>	<u>2,050,540</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>873,591</b>	1,522,396
Unrestricted		<b>973,802</b>	528,144
<b>Total Operating Surplus (Deficit), end of year</b>		<u><b>1,847,393</b></u>	<u>2,050,540</u>

# School District No. 8 (Kootenay Lake)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	51,145,820	<b>51,144,631</b>	50,504,495
ISC/LEA Recovery	(152,417)	<b>(64,533)</b>	(100,801)
Other Ministry of Education Grants			
Pay Equity	300,996	<b>300,996</b>	300,996
Funding for Graduated Adults	16,730	<b>29,938</b>	24,245
Transportation Supplement	419,602	<b>419,602</b>	419,602
Economic Stability Dividend	-	<b>53,671</b>	29,195
Return of Administrative Savings			252,383
Carbon Tax Grant	80,000	<b>63,305</b>	72,053
Employer Health Tax Grant	-	<b>119,112</b>	-
Strategic Priorities - Mental Health Grant	35,000	<b>35,000</b>	-
NGN Self-Provisioned Sites	39,575	<b>39,575</b>	52,766
Provincial Assessment Grant	8,187	<b>8,187</b>	8,187
Access Grants	5,000	<b>5,000</b>	5,000
Professional Learning Grant	9,000	<b>9,000</b>	-
Miscellaneous	3,000	<b>3,000</b>	17,079
<b>Total Provincial Grants - Ministry of Education</b>	<b>51,910,493</b>	<b>52,166,484</b>	<b>51,585,200</b>
<b>Provincial Grants - Other</b>	<b>427,123</b>	<b>407,866</b>	<b>246,709</b>
<b>Tuition</b>			
International and Out of Province Students	2,234,056	<b>2,309,337</b>	1,961,224
Distance Learning/Correspondence Course Fees	127,000	<b>31,400</b>	30,000
<b>Total Tuition</b>	<b>2,361,056</b>	<b>2,340,737</b>	<b>1,991,224</b>
<b>Other Revenues</b>			
Other School District/Education Authorities	-	<b>90,328</b>	82,170
LEA Funding from First Nations	152,417	<b>50,538</b>	97,223
Miscellaneous			
Private School Bussing	47,000	<b>79,470</b>	80,942
DASH/ASSAI Grant	69,000	<b>50,000</b>	57,000
Art Starts Grants	10,800	<b>10,370</b>	-
United Way Grant	-	<b>6,750</b>	-
Miscellaneous	-	<b>8,533</b>	48,306
<b>Total Other Revenue</b>	<b>279,217</b>	<b>295,989</b>	<b>365,641</b>
<b>Rentals and Leases</b>	<b>124,228</b>	<b>127,371</b>	<b>131,596</b>
<b>Investment Income</b>	<b>60,000</b>	<b>97,248</b>	<b>90,658</b>
<b>Total Operating Revenue</b>	<b>55,162,117</b>	<b>55,435,695</b>	<b>54,411,028</b>

# School District No. 8 (Kootenay Lake)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	18,804,546	<b>19,514,132</b>	20,249,836
Principals and Vice Principals	3,744,074	<b>3,809,854</b>	3,536,790
Educational Assistants	3,590,034	<b>3,863,032</b>	3,388,207
Support Staff	5,957,855	<b>6,478,893</b>	6,643,278
Other Professionals	1,447,685	<b>1,555,282</b>	1,376,230
Substitutes	1,809,103	<b>1,921,384</b>	1,766,043
<b>Total Salaries</b>	<b>35,353,297</b>	<b>37,142,577</b>	<b>36,960,384</b>
<b>Employee Benefits</b>	11,086,989	<b>9,226,212</b>	8,865,362
<b>Total Salaries and Benefits</b>	<b>46,440,286</b>	<b>46,368,789</b>	<b>45,825,746</b>
<b>Services and Supplies</b>			
Services	1,773,899	<b>1,494,406</b>	1,241,597
Student Transportation	384,716	<b>131,115</b>	127,118
Professional Development and Travel	1,108,027	<b>1,171,653</b>	1,108,384
Rentals and Leases	167,981	<b>157,646</b>	125,388
Dues and Fees	51,356	<b>83,298</b>	56,042
Insurance	141,599	<b>176,464</b>	157,442
Interest	-	-	-
Supplies	3,862,188	<b>3,664,848</b>	3,722,699
Utilities	1,415,230	<b>1,341,748</b>	1,285,783
<b>Total Services and Supplies</b>	<b>8,904,996</b>	<b>8,221,178</b>	<b>7,824,453</b>
<b>Total Operating Expense</b>	<b>55,345,282</b>	<b>54,589,967</b>	<b>53,650,199</b>

# School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	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	17,373,191	214,762	62,898	208,117		1,334,509	19,193,477
1.03 Career Programs	15,360					9,986	25,346
1.07 Library Services	130,356			115,863		819	247,038
1.08 Counselling	267,522						267,522
1.10 Special Education	1,177,580	37,654	3,531,735	89,342	148,195	125,394	5,109,900
1.30 English Language Learning	7,201						7,201
1.31 Aboriginal Education	292,655	174,481	229,954		2,273	3,422	702,785
1.41 School Administration		3,247,985		1,004,815		45,044	4,297,844
1.62 International and Out of Province Students	144,320	126,473	38,445	68,483		4,390	382,111
1.64 Other							-
<b>Total Function 1</b>	<b>19,408,185</b>	<b>3,801,355</b>	<b>3,863,032</b>	<b>1,486,620</b>	<b>150,468</b>	<b>1,523,564</b>	<b>30,233,224</b>
<b>4 District Administration</b>							
4.11 Educational Administration	105,947	8,499		53,600	317,586	3,014	488,646
4.40 School District Governance					123,027	-	123,027
4.41 Business Administration				309,728	556,890	1,617	868,235
<b>Total Function 4</b>	<b>105,947</b>	<b>8,499</b>	<b>-</b>	<b>363,328</b>	<b>997,503</b>	<b>4,631</b>	<b>1,479,908</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				75,279	396,204	801	472,284
5.50 Maintenance Operations				2,906,115		218,789	3,124,904
5.52 Maintenance of Grounds				216,956			216,956
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,198,350</b>	<b>396,204</b>	<b>219,590</b>	<b>3,814,144</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				46,161	11,107		57,268
7.70 Student Transportation				1,384,434		173,599	1,558,033
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,430,595</b>	<b>11,107</b>	<b>173,599</b>	<b>1,615,301</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>19,514,132</b>	<b>3,809,854</b>	<b>3,863,032</b>	<b>6,478,893</b>	<b>1,555,282</b>	<b>1,921,384</b>	<b>37,142,577</b>



# School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	19,193,477	4,500,108	23,693,585	2,040,082	25,733,667	24,136,356	24,740,525
1.03 Career Programs	25,346	5,139	30,485	4,765	35,250	-	45,330
1.07 Library Services	247,038	70,578	317,616	26,160	343,776	733,042	389,981
1.08 Counselling	267,522	62,556	330,078	400	330,478	735,148	391,166
1.10 Special Education	5,109,900	1,561,819	6,671,719	290,773	6,962,492	7,888,711	7,603,142
1.30 English Language Learning	7,201	1,684	8,885		8,885	49,025	12,975
1.31 Aboriginal Education	702,785	181,381	884,166	208,246	1,092,412	1,342,249	1,136,793
1.41 School Administration	4,297,844	1,024,802	5,322,646	110,699	5,433,345	6,128,239	5,069,117
1.62 International and Out of Province Students	382,111	89,232	471,343	1,293,619	1,764,962	1,728,875	1,738,716
1.64 Other	-	-	-	54,419	54,419	57,500	75,373
<b>Total Function 1</b>	<b>30,233,224</b>	<b>7,497,299</b>	<b>37,730,523</b>	<b>4,029,163</b>	<b>41,759,686</b>	42,799,145	41,203,118
<b>4 District Administration</b>							
4.11 Educational Administration	488,646	105,828	594,474	383,665	978,139	1,128,938	862,766
4.40 School District Governance	123,027	4,421	127,448	172,076	299,524	277,224	215,044
4.41 Business Administration	868,235	199,045	1,067,280	445,771	1,513,051	1,529,067	1,524,600
<b>Total Function 4</b>	<b>1,479,908</b>	<b>309,294</b>	<b>1,789,202</b>	<b>1,001,512</b>	<b>2,790,714</b>	2,935,229	2,602,410
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	472,284	97,374	569,658	197,922	767,580	988,890	604,922
5.50 Maintenance Operations	3,124,904	837,081	3,961,985	617,852	4,579,837	4,311,038	4,809,114
5.52 Maintenance of Grounds	216,956	45,473	262,429	253,034	515,463	255,942	350,825
5.56 Utilities	-	-	-	1,341,749	1,341,749	1,406,230	1,285,783
<b>Total Function 5</b>	<b>3,814,144</b>	<b>979,928</b>	<b>4,794,072</b>	<b>2,410,557</b>	<b>7,204,629</b>	6,962,100	7,050,644
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	57,268	14,880	72,148	14,502	86,650	71,524	68,677
7.70 Student Transportation	1,558,033	424,811	1,982,844	765,444	2,748,288	2,577,284	2,725,350
<b>Total Function 7</b>	<b>1,615,301</b>	<b>439,691</b>	<b>2,054,992</b>	<b>779,946</b>	<b>2,834,938</b>	2,648,808	2,794,027
<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>37,142,577</b>	<b>9,226,212</b>	<b>46,368,789</b>	<b>8,221,178</b>	<b>54,589,967</b>	55,345,282	53,650,199

# School District No. 8 (Kootenay Lake)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	7,632,507	<b>7,390,577</b>	5,918,360
Other Revenue	2,560,323	<b>2,903,424</b>	2,830,139
Investment Income	35,082	<b>45,774</b>	7,175
<b>Total Revenue</b>	<u>10,227,912</u>	<u><b>10,339,775</b></u>	<u>8,755,674</u>
<b>Expenses</b>			
Instruction	9,913,832	<b>9,788,548</b>	8,335,434
District Administration	33,900	<b>58,928</b>	140,652
Operations and Maintenance	140,000	<b>410,341</b>	109,357
<b>Total Expense</b>	<u>10,087,732</u>	<u><b>10,257,817</b></u>	<u>8,585,443</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>140,180</u>	<u><b>81,958</b></u>	<u>170,231</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(140,180)	<b>(81,958)</b>	(170,231)
<b>Total Net Transfers</b>	<u>(140,180)</u>	<u><b>(81,958)</b></u>	<u>(170,231)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<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>

# School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2019

	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	-	648,347	1,224,889	43,616	68,013	3,898	73,841	-
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	279,588	200,515			160,000	49,000	86,997	601,899	404,624
Other			59,365	2,973,109					
Investment Income			19,573	26,200					
	279,588	200,515	78,938	2,999,309	160,000	49,000	86,997	601,899	404,624
<b>Less:</b> Allocated to Revenue	280,180	200,515	36,407	2,835,047	159,704	38,158	80,522	619,381	404,624
<b>Deferred Revenue, end of year</b>	-	-	<b>690,878</b>	<b>1,389,151</b>	<b>43,912</b>	<b>78,855</b>	<b>10,373</b>	<b>56,359</b>	-
<b>Revenues</b>									
Provincial Grants - Ministry of Education	280,180	200,515			159,704	38,158	80,522	619,381	404,624
Other Revenue			16,834	2,808,846					
Investment Income			19,573	26,201					
	280,180	200,515	36,407	2,835,047	159,704	38,158	80,522	619,381	404,624
<b>Expenses</b>									
Salaries									
Teachers									97,375
Principals and Vice Principals									128,660
Educational Assistants		145,173					19,637	159,146	
Support Staff	65,980	21			5,364			19,169	79,482
Other Professionals									
Substitutes		5,719				531	1,024	26,661	
	65,980	150,913	-	-	5,364	531	20,661	204,976	305,517
Employee Benefits	16,424	49,602			1,657		8,809	63,403	71,938
Services and Supplies	115,818	-	36,407	2,835,047	152,683	37,627	51,052	351,002	27,169
	198,222	200,515	36,407	2,835,047	159,704	38,158	80,522	619,381	404,624
<b>Net Revenue (Expense) before Interfund Transfers</b>	81,958	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(81,958)								
	(81,958)	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2019

	Coding and Curriculum Implementation	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Donations	TOTAL
	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	-	-	-	-	20,876	2,084,072
<b>Add:</b> Restricted Grants						
Provincial Grants - Ministry of Education		232,432	5,293,656	131,291		7,440,002
Other					78,972	3,111,446
Investment Income						45,773
	-	232,432	5,293,656	131,291	78,972	10,597,221
<b>Less:</b> Allocated to Revenue	-	232,432	5,293,656	81,405	77,744	10,339,775
<b>Deferred Revenue, end of year</b>	-	-	-	<b>49,886</b>	<b>22,104</b>	<b>2,341,518</b>
<b>Revenues</b>						
Provincial Grants - Ministry of Education		232,432	5,293,656	81,405		7,390,577
Other Revenue					77,744	2,903,424
Investment Income						45,774
	-	232,432	5,293,656	81,405	77,744	10,339,775
<b>Expenses</b>						
Salaries						
Teachers		-	4,286,333	-		4,383,708
Principals and Vice Principals						128,660
Educational Assistants						323,956
Support Staff		109,973				279,989
Other Professionals		47,142				47,142
Substitutes		19,631		65,124		118,690
	-	176,746	4,286,333	65,124	-	5,282,145
Employee Benefits		44,186	1,007,323	16,281		1,279,623
Services and Supplies		11,500			77,744	3,696,049
	-	232,432	5,293,656	81,405	77,744	10,257,817
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	81,958
<b>Interfund Transfers</b>						
Tangible Capital Assets Purchased						(81,958)
	-	-	-	-	-	(81,958)
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-

# School District No. 8 (Kootenay Lake)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2019

	2019 Budget	2019 Actual			2018 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Investment Income	36,000		42,394	42,394	29,156
Gain (Loss) on Disposal of Tangible Capital Assets	-	122,499		122,499	16,250
Amortization of Deferred Capital Revenue	2,586,568	2,586,568		2,586,568	2,625,307
<b>Total Revenue</b>	<b>2,622,568</b>	<b>2,709,067</b>	<b>42,394</b>	<b>2,751,461</b>	<b>2,670,713</b>
<b>Expenses</b>					
Operations and Maintenance			-	-	
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,230,207	3,230,202		3,230,202	3,307,879
<b>Total Expense</b>	<b>3,230,207</b>	<b>3,230,202</b>	<b>-</b>	<b>3,230,202</b>	<b>3,307,879</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(607,639)</b>	<b>(521,135)</b>	<b>42,394</b>	<b>(478,741)</b>	<b>(637,166)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	607,639	1,130,833		1,130,833	352,198
Local Capital				-	557,179
<b>Total Net Transfers</b>	<b>607,639</b>	<b>1,130,833</b>	<b>-</b>	<b>1,130,833</b>	<b>909,377</b>
<b>Other Adjustments to Fund Balances</b>					
District Portion of Proceeds on Disposal		(137,500)	137,500	-	
Tangible Capital Assets Purchased from Local Capital		340,498	(340,498)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>202,998</b>	<b>(202,998)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>-</b>	<b>812,696</b>	<b>(160,604)</b>	<b>652,092</b>	<b>272,211</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>21,367,595</b>	<b>1,365,617</b>	<b>22,733,212</b>	<b>22,461,001</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>22,180,291</b>	<b>1,205,013</b>	<b>23,385,304</b>	<b>22,733,212</b>

# School District No. 8 (Kootenay Lake)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2019

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning 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>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,024,140	87,985	1,039,064			<b>3,151,189</b>
Deferred Capital Revenue - Other			266,047				<b>266,047</b>
Operating Fund		335,756	47,404	61,166		604,549	<b>1,048,875</b>
Special Purpose Funds		81,958					<b>81,958</b>
Local Capital		340,498					<b>340,498</b>
	-	2,782,352	401,436	1,100,230	-	604,549	<b>4,888,567</b>
Decrease:							
Disposed of	15,001	1,326,463					<b>1,341,464</b>
Deemed Disposals			299,063	10,124	30,695		<b>339,882</b>
	15,001	1,326,463	299,063	10,124	30,695	-	<b>1,681,346</b>
<b>Cost, end of year</b>	9,039,595	130,182,245	1,137,930	5,351,966	-	835,795	<b>146,547,531</b>
<b>Work in Progress, end of year</b>							-
<b>Cost and Work in Progress, end of year</b>	9,039,595	130,182,245	1,137,930	5,351,966	-	835,795	<b>146,547,531</b>
<b>Accumulated Amortization, beginning of year</b>		70,945,759	568,695	1,906,851	24,562	111,054	<b>73,556,921</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		2,648,079	103,556	426,186	6,133	46,248	<b>3,230,202</b>
Decrease:							
Disposed of		953,826					<b>953,826</b>
Deemed Disposals			299,063	10,124	30,695		<b>339,882</b>
		953,826	299,063	10,124	30,695	-	<b>1,293,708</b>
<b>Accumulated Amortization, end of year</b>		72,640,012	373,188	2,322,913	-	157,302	<b>75,493,415</b>
<b>Tangible Capital Assets - Net</b>	<b>9,039,595</b>	<b>57,542,233</b>	<b>764,742</b>	<b>3,029,053</b>	<b>-</b>	<b>678,493</b>	<b>71,054,116</b>

# School District No. 8 (Kootenay Lake)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	47,533,211	592,928	289,654	<b>48,415,793</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,151,189	266,047		<b>3,417,236</b>
	<u>3,151,189</u>	<u>266,047</u>	<u>-</u>	<u><b>3,417,236</b></u>
Decrease:				
Amortization of Deferred Capital Revenue	2,548,644	28,580	9,344	<b>2,586,568</b>
Revenue Recognized on Disposal of Buildings	372,637			<b>372,637</b>
	<u>2,921,281</u>	<u>28,580</u>	<u>9,344</u>	<u><b>2,959,205</b></u>
<b>Net Changes for the Year</b>	<u>229,908</u>	<u>237,467</u>	<u>(9,344)</u>	<u><b>458,031</b></u>
<b>Deferred Capital Revenue, end of year</b>	<u>47,763,119</u>	<u>830,395</u>	<u>280,310</u>	<u><b>48,873,824</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>47,763,119</b></u>	<u><b>830,395</b></u>	<u><b>280,310</b></u>	<u><b>48,873,824</b></u>

# School District No. 8 (Kootenay Lake)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
<b>Balance, beginning of year</b>	\$ 377,363	\$ 69,000	\$ 281,828	\$ -	\$ 154,339	\$ 882,530
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	2,773,826					2,773,826
Provincial Grants - Other			79,581			79,581
MEd Restricted Portion of Proceeds on Disposal		412,500				412,500
	<u>2,773,826</u>	<u>412,500</u>	<u>79,581</u>	<u>-</u>	<u>-</u>	<u>3,265,907</u>
Decrease:						
Transferred to DCR - Capital Additions	3,151,189		266,047			3,417,236
Transferred to Operations					154,339	154,339
	<u>3,151,189</u>	<u>-</u>	<u>266,047</u>	<u>-</u>	<u>154,339</u>	<u>3,571,575</u>
<b>Net Changes for the Year</b>	<u>(377,363)</u>	<u>412,500</u>	<u>(186,466)</u>	<u>-</u>	<u>(154,339)</u>	<u>(305,668)</u>
<b>Balance, end of year</b>	<u>-</u>	<u>481,500</u>	<u>95,362</u>	<u>-</u>	<u>-</u>	<u>576,862</u>