

Consolidated Audited Financial Statements of

School District No. 44 (North Vancouver)

And Independent Auditors' Report thereon

June 30, 2020

School District No. 44 (North Vancouver)

June 30, 2020

Table of Contents

Management Report	1
Independent Auditors' Report	2-4
Consolidated Statement of Financial Position - Statement 1	5
Consolidated Statement of Operations - Statement 2	6
Consolidated Statement of Changes in Net Debt - Statement 4	7
Consolidated Statement of Cash Flows - Statement 5	8
Notes to the Consolidated Financial Statements	9-30
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	31
Schedule of Operating Operations - Schedule 2 (Unaudited)	32
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	33
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	34
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	35
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	37
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	38
Schedule of Capital Operations - Schedule 4 (Unaudited)	41
Schedule 4A - Tangible Capital Assets (Unaudited)	42
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	43
Schedule 4C - Deferred Capital Revenue (Unaudited)	44
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	45

School District No. 44 (North Vancouver)

MANAGEMENT REPORT

Version: 2822-2077-9094

Management's Responsibility for the Consolidated Financial Statements.

The accompanying consolidated financial statements of School District No. 44 (North Vancouver) 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 consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

The preparation of consolidated 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. 44 (North Vancouver) (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 Audit Committee, on behalf of the Board, periodically reviews internal consolidated financial statements up to four times a year and provides recommendations. The Board reviews externally audited consolidated financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of School District No. 44 (North Vancouver) 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 consolidated financial statements.

On behalf of School District No. 44 (North Vancouver)

Original signed by C. Sacre

September 22, 2020

Signature of the Chairperson of the Board of Education

Date Signed

Original signed by M. Pearmain

September 22, 2020

Signature of the Superintendent

Date Signed

Original signed by J. Stewart

September 22, 2020

Signature of the Secretary Treasurer

Date Signed



KPMG LLP
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250-480-3500
Fax 250-480-3539

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 44 (North Vancouver), and
To the Minister of Education, Province of British Columbia

Opinion

We have audited the consolidated financial statements of School District No. 44 (North Vancouver) (the Entity), which comprise:

- the consolidated statement of financial position as at June 30, 2020
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements of the Entity as at and for the year ended June 30, 2020 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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 – Financial Reporting Framework

We draw attention to note 2 to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.



Other Information

Management is responsible for the other information. Other information comprises:

- Information, other than the financial statements and the auditors' report thereon, included in the Financial Statement Discussion and Analysis document.
- Unaudited Schedules 1-4 attached to the audited financial statements.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Information, other than the financial statements and the auditors' report thereon, included in the Financial Statement Discussion and Analysis document and Unaudited Schedules 1-4 attached to the audited financial statements as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget and Transparency and Accountability Act of the Province of British Columbia and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants

Victoria, Canada
September 22, 2020

School District No. 44 (North Vancouver)

Statement 1

Consolidated Statement of Financial Position

As at June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	66,908,608	50,804,816
Accounts Receivable		
Due from Province - Ministry of Education (Note 3)	697,047	3,069,828
Other (Note 3)	832,709	1,512,721
Inventories for Resale (Note 4)	312,540	353,004
Total Financial Assets	68,750,904	55,740,369
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	29,758	54,997
Other (Note 5)	23,601,552	15,770,934
Unearned Revenue (Note 6)	8,000,991	10,009,398
Deferred Revenue (Note 7)	5,059,288	4,678,968
Deferred Capital Revenue (Note 8)	241,192,037	194,580,740
Employee Future Benefits (Note 9)	7,742,500	7,516,625
Capital Lease Obligations (Note 10)	386,086	544,708
Total Liabilities	286,012,212	233,156,370
Net Debt	(217,261,308)	(177,416,001)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	335,492,245	288,599,693
Prepaid Expenses	722,218	2,994,896
Supplies Inventory	1,678	-
Total Non-Financial Assets	336,216,141	291,594,589
Accumulated Surplus (Deficit) (Note 13)	118,954,833	114,178,588
Unrecognized Assets (Note 15)		
Contractual Obligations (Note 16)		
Contractual Rights (Note 17)		
Contingent Liabilities (Note 19)		
Approved by the Board		
Original signed by C. Sacre	September 22, 2020	
Signature of the Chairperson of the Board of Education	Date Signed	
Original signed by M. Pearmain	September 22, 2020	
Signature of the Superintendent	Date Signed	
Original signed by J. Stewart	September 22, 2020	
Signature of the Secretary Treasurer	Date Signed	

School District No. 44 (North Vancouver)

Consolidated Statement of Operations

Year Ended June 30, 2020

	2020 Budget (Note 18) \$	2020 Actual \$	2019 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	163,963,719	164,947,085	156,378,664
Other	110,000	131,295	126,384
Federal Grants	5,000	7,000	6,650
Tuition (Note 6)	9,918,800	10,977,768	10,859,534
Other Revenue	11,525,418	8,642,201	12,664,871
Rentals and Leases	2,372,735	2,390,823	2,266,635
Investment Income	801,500	962,092	1,031,194
Amortization of Deferred Capital Revenue	6,223,213	6,231,951	6,175,550
Total Revenue	<u>194,920,385</u>	<u>194,290,215</u>	<u>189,509,482</u>
Expenses			
Instruction	162,080,576	156,153,816	154,675,898
District Administration	5,891,641	6,234,354	5,808,671
Operations and Maintenance	26,710,629	26,776,392	25,480,974
Transportation and Housing	555,595	325,880	172,901
Debt Services		23,528	36,895
Total Expense	<u>195,238,441</u>	<u>189,513,970</u>	<u>186,175,339</u>
Surplus (Deficit) for the year	<u>(318,056)</u>	<u>4,776,245</u>	<u>3,334,143</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		114,178,588	110,844,445
Accumulated Surplus (Deficit) from Operations, end of year		<u>118,954,833</u>	<u>114,178,588</u>

School District No. 44 (North Vancouver)

Consolidated Statement of Changes in Net Debt

Year Ended June 30, 2020

	2020 Budget (Note 18) \$	2020 Actual \$	2019 Actual \$
Surplus (Deficit) for the year	(318,056)	4,776,245	3,334,143
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(29,196,288)	(56,981,851)	(24,574,532)
Amortization of Tangible Capital Assets	9,782,180	10,089,299	10,065,018
Total Effect of change in Tangible Capital Assets	(19,414,108)	(46,892,552)	(14,509,514)
Acquisition of Prepaid Expenses		(1,413,169)	(994,896)
Use of Prepaid Expenses		1,685,847	1,027,874
Acquisition of Supplies Inventory		(1,678)	-
Prepaid Deposit		2,000,000	(2,000,000)
Total Effect of change in Other Non-Financial Assets	-	2,271,000	(1,967,022)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(19,732,164)	(39,845,307)	(13,142,393)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(39,845,307)	(13,142,393)
Net Debt, beginning of year		(177,416,001)	(164,273,608)
Net Debt, end of year		(217,261,308)	(177,416,001)

School District No. 44 (North Vancouver)

Statement 5

Consolidated Statement of Cash Flows

Year Ended June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	4,776,245	3,334,143
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	3,052,793	(3,160,533)
Inventories for Resale	40,464	4,874
Supplies Inventories	(1,678)	
Prepaid Expenses	2,272,678	(1,967,022)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	7,805,379	6,695,587
Unearned Revenue	(2,008,407)	334,377
Deferred Revenue	380,320	(46,890)
Employee Future Benefits	225,875	284,726
Amortization of Tangible Capital Assets	10,089,299	10,065,018
Amortization of Deferred Capital Revenue	(6,231,951)	(6,175,550)
Total Operating Transactions	20,401,017	9,368,730
Capital Transactions		
Tangible Capital Assets Purchased	(8,159,990)	(5,211,230)
Tangible Capital Assets -WIP Purchased	(48,821,861)	(19,363,302)
Total Capital Transactions	(56,981,851)	(24,574,532)
Financing Transactions		
Capital Revenue Received	52,843,248	18,483,189
Capital Lease Payments	(158,622)	(175,611)
Total Financing Transactions	52,684,626	18,307,578
Net Increase (Decrease) in Cash and Cash Equivalents	16,103,792	3,101,776
Cash and Cash Equivalents, beginning of year	50,804,816	47,703,040
Cash and Cash Equivalents, end of year	66,908,608	50,804,816
Cash and Cash Equivalents, end of year, is made up of:		
Cash	64,367,651	48,317,484
Cash Equivalents	2,540,957	2,487,332
	66,908,608	50,804,816

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946, operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 44 (North Vancouver)", and operates as "School District No. 44 (North Vancouver)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 44 (North Vancouver) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the School District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the School District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of Accounting

The 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(g) and 2(o).

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

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

a) Basis of Accounting *(continued)*

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

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

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

b) Basis of Consolidation

These financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities, including the Cheakamus Foundation for Environmental Learning. Inter-departmental balances and organizational transactions have been eliminated.

The School District does not administer any trust activities on behalf of external parties.

c) Cash and Cash Equivalents

Cash and cash equivalents include cash 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 for the purpose of meeting short-term cash commitments rather than for investing.

d) Accounts Receivable

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

e) Inventories for Resale

Publications for resale are recorded using the first-in-first-out method. Artists for Kids print inventory is recorded using the specific identification method. These inventories for resale are measured at lower of cost and net realizable value. Cost includes all costs incurred to get ready for sale including production, taxes, duties. Net realizable value is the expected selling price in the ordinary course of business.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

f) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the courses, services, or products are provided.

g) 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(o).

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.

h) 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.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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 and 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) 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 for no consideration 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.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

j) Tangible Capital Assets *(continued)*

- 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
Assets Under Capital Lease	Term of the lease

k) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executory costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

l) Prepaid Expenses

Payments for insurance, commissions, subscriptions, membership and maintenance contracts for use within the School District in a future period are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

m) Supplies Inventory

Supplies inventory held for consumption or use include data processing equipment and are recorded at the lower of historical cost and replacement cost.

n) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 13 – Accumulated Surplus).

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

o) 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.

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.

p) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Interest expense includes interest on capital lease.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

p) Expenditures *(continued)*

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.

q) Financial Instruments

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

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

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

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

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

q) Financial Instruments *(continued)*

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

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

s) Future Changes in Accounting Policies

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

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

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

A modified retroactive application has been recommended by Government pending approval in the Fall of 2020. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

s) Future Changes in Accounting Policies *(continued)*

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

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

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

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

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

t) Comparative Information

Certain comparative information has been reclassified to conform to the financial statement presentation adopted for the current year

NOTE 3 ACCOUNTS RECEIVABLE

	2020	2019
Due from Province Includes:		
Miscellaneous Grants Receivable	\$80,539	\$147,739
COA Draws Receivable	616,508	2,922,089
	\$697,047	\$3,069,828
Other Receivables Include:		
GST/PST/HST Receivable	\$432,157	\$321,754
Recoverable Insurance Claims	-	20,226
Recoverable Payroll	13,916	15,261
Sundry Billings	218,093	416,678
Miscellaneous Receivables	160,667	717,843
Special Purpose	7,876	20,959
	\$832,709	\$1,512,721

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 4 INVENTORIES FOR RESALE

Inventories for resale include:

	2020	2019
Artists for Kids – Prints	\$312,540	\$308,117
Publications	-	44,887
	\$312,540	\$353,004

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2020	2019
Trade payables	\$13,872,811	\$7,081,687
Salaries and benefits payable	9,020,498	8,068,098
Accrued vacation pay	708,243	621,149
	\$23,601,552	\$15,770,934

NOTE 6 UNEARNED REVENUE

	2020	2019
Balance, beginning of year	\$10,009,398	\$9,675,021
Changes for the year:		
Increase:		
Tuition fees collected	8,810,235	11,241,976
Other	1,521,208	1,906,387
	10,331,443	13,148,363
Decrease:		
Tuition fees recognized	(10,977,768)	(10,859,534)
Other	(1,362,082)	(1,954,452)
	(12,339,850)	(12,813,986)
Net changes for the year	(2,008,407)	334,377
Balance, end of year	\$8,000,991	\$10,009,398

Unearned revenue includes tuition and medical premiums collected from International students for school terms beginning September 8, 2020 and subsequent. Due to COVID-19 and associated federal restrictions, only students with a study permit application approved on or before March 18, 2020 are currently able to enter Canada. This creates great uncertainty for families, as the majority of students who have paid tuition would have been applying for new study permits. These permits likely would not have been approved by March 18, 2020 therefore it is likely that many of these students will not be able to enter Canada to attend school.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 6 UNEARNED REVENUE *(Continued)*

Unearned revenue at June 30, 2020 includes:

- Tuition and medical premiums of approximately \$87,500 for which refunds were requested prior to June 30. As at the date of financial statement approval, these amounts have been refunded.
- Tuition and medical premiums of approximately \$1,265,300 for which refunds were requested subsequent to June 30.
- Tuition and medical premiums of approximately \$865,900 received from new students for school terms beginning January 1, 2021 or later. These unearned revenue amounts will need to be refunded to families if the COVID-19 restrictions continue and students withdraw from the program.

NOTE 7 DEFERRED REVENUE

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

	2020	2019
Balance, beginning of year	\$4,678,968	\$4,725,858
Changes for the year:		
Increase:		
Provincial grants	21,396,775	18,925,419
Other revenue	5,148,378	8,014,820
	26,545,153	26,940,239
Decrease:		
Allocated to revenue	(26,164,833)	(26,664,856)
Recoveries	-	(322,273)
	(26,164,833)	(26,987,129)
Net changes for the year	380,320	(46,890)
Balance, end of year	\$5,059,288	\$4,678,968

NOTE 8 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 8 DEFERRED CAPITAL REVENUE
(Continued)

	2020	2019
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$172,669,651	\$175,631,104
Increases:		
Capital additions	5,684,679	3,075,563
Transfer from deferred capital revenue – work in progress	599,015	138,534
Decreases:		
Amortization	(6,231,951)	(6,175,550)
Net change for the year	51,743	(2,961,453)
Balance, end of year	172,721,394	172,669,651
 Deferred capital revenue – work in progress		
Balance, beginning of year	20,479,723	2,554,427
Increases:		
Transfer from deferred capital revenue - unspent	48,570,199	18,063,830
Decreases:		
Transfer to deferred capital revenue subject to amortization	(599,015)	(138,534)
Net change for the year	47,971,184	17,925,296
Balance, end of year	68,450,907	20,479,723
 Deferred capital revenue - unspent		
Balance, beginning of year	1,431,366	4,087,570
Increases:		
Provincial Grants – Ministry of Education	52,707,497	18,309,359
Provincial Grants – Other	-	50,876
Transfer Unspent (Bylaw) to MEd Restricted	-	(1,698,841)
MEd Restricted Capital	-	1,698,841
Playground - PAC	135,751	122,954
	52,843,248	18,483,189
Decreases:		
Transfer to deferred capital revenue subject to amortization	(5,684,679)	(3,075,563)
Transfer to deferred capital revenue – work in progress	(48,570,199)	(18,063,830)
	(54,254,878)	(21,139,393)
Net change for the year	(1,411,630)	(2,656,204)
Balance, end of year	19,736	1,431,366
Total deferred capital revenue balance, end of year	\$241,192,037	\$194,580,740

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 9 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	8,324,029	7,219,056
Service Cost	659,886	577,554
Interest Cost	206,195	201,529
Benefit Payments	(653,332)	(688,126)
Increase (Decrease) in obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	(696,853)	1,014,016
Accrued Benefit Obligation – March 31	<u>7,839,925</u>	<u>8,324,029</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	7,839,925	8,324,029
Market Value of Plan Assets - March 31	<u>-</u>	<u>-</u>
Funded Status - Surplus (Deficit)	(7,839,925)	(8,324,029)
Employer Contributions After Measurement Date	343,113	200,399
Benefits Expense After Measurement Date	(218,694)	(216,520)
Unamortized Net Actuarial (Gain) Loss	(26,994)	823,525
Accrued Benefit Asset (Liability) - June 30	<u>(7,742,500)</u>	<u>(7,516,625)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	7,516,625	7,231,899
Net Expense for Fiscal Year	1,021,921	841,830
Employer Contributions	(796,046)	(557,105)
Accrued Benefit Liability (Asset) - June 30	<u>7,742,500</u>	<u>7,516,625</u>
Components of Net Benefit Expense		
Service Cost	668,370	598,136
Interest Cost	199,885	202,696
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	153,666	40,998
Net Benefit Expense (Income)	<u>1,021,921</u>	<u>841,830</u>
Assumptions		
Discount Rate - April 1	2.50%	2.75%
Discount Rate - March 31	2.25%	2.50%
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	9.0	9.0

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 10 CAPITAL LEASE OBLIGATION

The School District entered into an obligation for multi-function business devices under capital lease in 2018, which expires November 30, 2022.

Repayments are due as follows:

2021	\$182,149
2022	182,149
2023	<u>45,537</u>
Total minimum lease payments	\$409,835
Less amounts representing interest at 5.38%	<u>23,749</u>
Present value of net minimum capital lease payments	<u>\$386,086</u>

Total interest on the capital lease obligation for the year ended June 30, 2020 was \$23,528 (2019: \$36,895).

NOTE 11 TANGIBLE CAPITAL ASSETS

Net Book Value:	Net Book Value 2020	Net Book Value 2019
Sites	\$12,472,243	\$12,472,243
Buildings	244,291,327	247,030,198
Buildings – work in progress	71,023,999	22,829,819
Furniture & Equipment	2,958,118	2,608,653
Vehicles	1,052,238	892,671
Computer Software	74,225	138,412
Computer Hardware	3,620,095	2,627,697
Total	<u>\$335,492,245</u>	<u>\$288,599,693</u>

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 11 TANGIBLE CAPITAL ASSETS
(Continued)

June 30, 2020

Cost:	Opening Cost	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2020
Sites	\$12,472,243	\$ -	-	\$ -	\$12,472,243
Buildings	382,242,559	5,303,850	-	627,681	388,174,090
Buildings – work in progress	22,829,819	48,821,861	-	(627,681)	71,023,999
Furniture & Equipment	3,912,747	740,740	(201,952)	-	4,451,535
Vehicles	1,311,405	290,708	-	-	1,602,113
Computer Software	320,933	-	(16,859)	-	304,074
Computer Hardware	4,161,468	1,824,692	(789,506)	-	5,196,654
Total	\$427,251,174	\$56,981,851	(\$1,008,317)	\$ -	\$483,224,708

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Balance at June 30, 2020
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	135,212,361	8,670,402	-	143,882,763
Furniture & Equipment	1,304,094	391,275	(201,952)	1,493,417
Vehicles	418,734	131,141	-	549,875
Computer Software	182,521	64,187	(16,859)	229,849
Computer Hardware	1,533,771	832,294	(789,506)	1,576,559
Total	\$138,651,481	\$10,089,299	(\$1,008,317)	\$147,732,463

- Buildings – work in progress having a value of \$71,023,999 (2019: \$22,829,819) has not been amortized. Amortization of these assets will commence when the asset is put into service.
- Equipment under capital lease: Included in capital assets is equipment under capital lease with a cost of \$804,568 (2019: \$804,568) and accumulated amortization of \$321,828 (2019: \$160,914).

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 11 TANGIBLE CAPITAL ASSETS
(Continued)

June 30, 2019

Cost:	Opening Cost	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2019
Sites	\$12,472,243	\$ -	-	-	\$12,472,243
Buildings	378,555,075	3,548,950	-	138,534	382,242,559
Buildings – work in progress	3,605,051	19,363,302	-	(138,534)	22,829,819
Furniture & Equipment	3,369,450	757,056	(213,759)	-	3,912,747
Vehicles	1,211,197	217,196	(116,988)	-	1,311,405
Computer Software	662,874	-	(341,941)	-	320,933
Computer Hardware	4,346,435	688,028	(872,995)	-	4,161,468
Total	\$404,222,325	\$24,574,532	(\$1,545,683)	\$ -	\$427,251,174

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Balance at June 30, 2019
Sites	\$ -	\$ -	-	\$ -
Buildings	126,607,270	8,605,091	-	135,212,361
Furniture & Equipment	1,180,908	336,945	(213,759)	1,304,094
Vehicles	414,602	121,120	(116,988)	418,734
Computer Software	391,887	132,575	(341,941)	182,521
Computer Hardware	1,537,479	869,287	(872,995)	1,533,771
Total	\$130,132,146	\$10,065,018	(\$1,545,683)	\$138,651,481

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 12 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2018, the Teachers' Pension Plan has about 48,000 active members and approximately 38,000 retired members. As of December 31, 2018, the Municipal Pension Plan has about 205,000 active members, including approximately 26,000 from school districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis. 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 actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

School District No. 44 paid \$13,221,922 for employer contributions to these plans for the year ended June 30, 2020 (2019: \$13,466,248).

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

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

NOTE 13 ACCUMULATED SURPLUS

Accumulated surplus consists of individual fund surpluses as follows:

	2020	2019
Invested in tangible capital assets	\$93,440,456	\$94,412,210
Operating surplus	11,083,840	8,798,471
Local capital surplus	14,430,537	10,967,907
	\$118,954,833	\$114,178,588

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 13 ACCUMULATED SURPLUS
(Continued)

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2020, were as follows:

- Tangible capital assets and work in progress purchased from operating fund to capital fund: \$672,589
- Capital lease principal payments from operating fund to capital fund: \$158,621
- Transfer from Operating Fund to Local Capital Fund for construction projects and future capital acquisitions: \$4,328,324
- Tangible capital assets purchased from special purpose fund to capital fund: \$1,008,858

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

	2020	2019
Restricted Surplus		
Annual Budget Surplus Appropriation	\$2,509,738	\$2,296,289
Support for 2020/21 Operations Not Known at Time of Budget Approval	1,700,000	-
Amounts for Three Year Staffing Plan	-	2,300,000
Capital Projects	800,000	2,000,000
Outstanding Purchase Orders as at June 30th	84,000	177,000
Subtotal Internally Restricted	\$5,093,738	\$6,773,289
Unrestricted Surplus	5,990,102	2,025,182
Total Operating Surplus	\$11,083,840	\$8,798,471

NOTE 14 RELATED PARTY TRANSACTIONS

The School District is related through common control to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 15 UNRECOGNIZED ASSETS

The School District manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at the Educational Services Center and public display areas. These assets are not recognized in the financial statements. The cost of the permanent art collection is \$2,045,028 at June 30, 2020 (2019: \$2,044,434).

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 16 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	2021	2022	2023	2024
Handsworth seismic	\$24,000,000	\$21,073,133	\$2,000,000	\$100,000
Argyle seismic	9,480,393	1,200,000	-	-
Mountainside seismic	6,756,660	2,252,220	-	-
Management contract for the operations of the Cheakamus Centre	-	250,000	250,000	-
Total	\$40,237,053	\$24,775,353	\$2,250,000	\$100,000

NOTE 17 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of lease contracts entered into for the rental of four locations as summarized below:

2021	\$1,648,863
2022	1,221,200
2023	1,207,596
2024	1,235,933
2025	939,786
Thereafter	3,068,941
Total future lease revenue	<u><u>\$9,322,319</u></u>

NOTE 18 BUDGET FIGURES

Budget figures included in the financial statements represent the amended annual budget approved by the Board on February 25, 2020. The Board approved the annual budget on May 21, 2019. The following table sets out the amended annual operating budget with a comparison to the annual budget.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 18 BUDGET FIGURES
(Continued)

Annual Budget - Revenue and Expense

	2020 Amended Annual Budget	2020 Annual Budget	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	163,963,719	154,042,829	164,947,085
Other	110,000	110,000	131,295
Federal Grants	5,000	5,000	7,000
Tuition	9,918,800	9,537,500	10,977,768
Other Revenue	11,525,418	12,106,643	8,642,201
Rentals and Leases	2,372,735	2,161,983	2,390,823
Investment Income	801,500	701,500	962,092
Amortization of Deferred Capital Revenue	6,223,213	6,010,239	6,231,951
Total Revenue	194,920,385	184,675,694	194,290,215
Expenses			
Instruction	162,080,576	156,656,486	155,886,064
District Administration	5,891,641	5,793,722	6,459,821
Operations and Maintenance	16,928,449	16,756,352	16,735,076
Transportation and Housing	555,595	462,221	320,182
Interest	-	-	23,528
Amortization of Tangible Capital Assets	9,782,180	9,782,180	10,089,299
Total Expense	195,238,441	189,450,961	189,513,970
Net Revenue (Expense)	(318,056)	(4,775,267)	4,776,245
Budgeted Allocation (Retirement) of Surplus (Deficit)	2,765,446	2,296,289	-
Budgeted Surplus (Deficit) for the year	2,447,390	(2,478,978)	4,776,245

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 19 CONTINGENT LIABILITIES

The School District has granted an irrevocable \$2,000,000 standby letter of credit in favour of the Corporation of the District of North Vancouver in lieu of security deposits for general capital projects. The School District has granted an irrevocable \$100,000 standby letter of credit in favour of the Bank of Montreal in relation to School District purchasing cards.

Certain schools in the School District may contain asbestos. No amount has been recorded in these financial statements with regard to this potential liability since the fair value of the future removal costs cannot be reasonably estimated due to unknown timelines.

The nature of the School District's activities are such there is usually litigation pending or in process at any time. With respect to unsettled claims at June 30, 2020, management believes the School District has valid defenses and appropriate insurance coverage in place. In the event that any claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position or operations.

NOTE 20 EXPENSE BY OBJECT

	2020	2019
Salaries and Benefits	\$ 158,838,265	\$ 152,321,152
Services and Supplies	20,562,878	23,752,274
Interest	23,528	36,895
Amortization	10,089,299	10,065,018
	\$ 189,513,970	\$ 186,175,339

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.

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.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 22 RISK MANAGEMENT
(Continued)

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, cash equivalents, 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 and cash equivalents and investments as they are placed in recognized British Columbia institutions and the School District invests solely in placement of funds with institutions that have achieved the highest creditworthiness in the marketplace and earned a public reputation as a good credit risk.

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 it invests solely in investments that are considered liquid (e.g. term deposits) that have a maturity date of no more than 3 years.

c) Liquidity risk:

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2019 related to credit, market or liquidity risks.

School District No. 44 (North Vancouver)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2020

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	8,798,471		105,380,117	114,178,588	110,844,445
Changes for the year					
Surplus (Deficit) for the year	7,444,903	1,008,858	(3,677,516)	4,776,245	3,334,143
Interfund Transfers					
Tangible Capital Assets Purchased	(672,589)	(1,008,858)	1,681,447	-	
Local Capital	(4,328,324)		4,328,324	-	
Other	(158,621)		158,621	-	
Net Changes for the year	2,285,369	-	2,490,876	4,776,245	3,334,143
Accumulated Surplus (Deficit), end of year - Statement 2	11,083,840	-	107,870,993	118,954,833	114,178,588

School District No. 44 (North Vancouver)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2020

	2020 Budget (Note 18)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	142,494,068	144,260,513	137,301,031
Other	10,000	7,068	25,096
Federal Grants	5,000	7,000	6,650
Tuition	9,918,800	10,977,768	10,859,534
Other Revenue	4,244,515	3,288,167	5,178,936
Rentals and Leases	2,372,735	2,390,823	2,266,635
Investment Income	801,500	758,732	905,151
Total Revenue	159,846,618	161,690,071	156,543,033
Expenses			
Instruction	134,536,344	131,345,544	129,431,163
District Administration	5,630,738	6,020,540	5,640,064
Operations and Maintenance	16,888,467	16,647,111	15,362,646
Transportation and Housing	446,515	231,973	172,901
Total Expense	157,502,064	154,245,168	150,606,774
Operating Surplus (Deficit) for the year	2,344,554	7,444,903	5,936,259
Budgeted Appropriation (Retirement) of Surplus (Deficit)	2,765,446		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(610,000)	(672,589)	(623,758)
Tangible Capital Assets - Work in Progress			(28,666)
Local Capital	(4,500,000)	(4,328,324)	(6,328,483)
Other		(158,621)	(175,612)
Total Net Transfers	(5,110,000)	(5,159,534)	(7,156,519)
Total Operating Surplus (Deficit), for the year	-	2,285,369	(1,220,260)
Operating Surplus (Deficit), beginning of year		8,798,471	10,018,731
Operating Surplus (Deficit), end of year		11,083,840	8,798,471
Operating Surplus (Deficit), end of year			
Internally Restricted		5,093,738	6,773,289
Unrestricted		5,990,102	2,025,182
Total Operating Surplus (Deficit), end of year		11,083,840	8,798,471

School District No. 44 (North Vancouver)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget (Note 18) \$	2020 Actual \$	2019 Actual \$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	137,361,827	137,468,116	133,449,509
Other Ministry of Education Grants			
Pay Equity	2,966,047	2,966,047	2,966,047
Funding for Graduated Adults	8,501	16,557	13,503
Transportation Supplement	40,566	40,566	40,566
Economic Stability Dividend			173,377
Carbon Tax Grant	90,000	41,805	97,355
Employer Health Tax Grant	1,210,892	1,210,892	367,966
Strategic Priorities - Mental Health Grant			31,000
Support Staff Benefits Grant	133,495	133,495	104,118
BCTEA - LEA Capacity Building Grant			6,850
Support Staff Wage Increase Funding	663,000	663,000	
Teachers' Labour Settlement Funding		1,696,618	
Equity Scan	2,000	2,000	3,000
FSA Assessment	17,740	17,740	17,740
Inclusive Education			30,000
Early Learning Framework Implementation		3,677	
Total Provincial Grants - Ministry of Education	142,494,068	144,260,513	137,301,031
Provincial Grants - Other	10,000	7,068	25,096
Federal Grants	5,000	7,000	6,650
Tuition			
Summer School Fees	123,000	131,300	141,125
International and Out of Province Students	9,795,800	10,846,468	10,718,409
Total Tuition	9,918,800	10,977,768	10,859,534
Other Revenues			
Miscellaneous			
Cheakamus Centre	1,797,168	1,400,579	2,377,833
Band and Strings	622,000	617,715	626,695
Academy Fees	899,075	558,146	1,004,326
Donations and Recoveries	77,500	103,172	210,150
Artists For Kids	376,772	363,226	371,601
Cafeteria and Vending	81,000	83,634	93,256
Other	391,000	161,695	495,075
Total Other Revenue	4,244,515	3,288,167	5,178,936
Rentals and Leases	2,372,735	2,390,823	2,266,635
Investment Income	801,500	758,732	905,151
Total Operating Revenue	159,846,618	161,690,071	156,543,033

School District No. 44 (North Vancouver)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2020

	2020 Budget (Note 18)	2020 Actual	2019 Actual
	\$	\$	\$
Salaries			
Teachers	69,147,606	69,221,537	65,464,889
Principals and Vice Principals	10,481,987	10,342,118	9,863,456
Educational Assistants	13,470,816	12,300,596	12,674,667
Support Staff	12,184,956	12,105,352	11,121,985
Other Professionals	4,173,549	4,211,118	3,891,897
Substitutes	3,779,510	4,070,038	5,288,690
Total Salaries	113,238,424	112,250,759	108,305,584
Employee Benefits	27,638,196	27,345,166	26,386,900
Total Salaries and Benefits	140,876,620	139,595,925	134,692,484
Services and Supplies			
Services	8,669,204	8,154,503	8,861,147
Student Transportation	91,000	65,713	78,485
Professional Development and Travel	839,503	609,056	926,298
Rentals and Leases	35,000	50,753	34,485
Dues and Fees	61,500	59,126	57,669
Insurance	397,500	418,818	327,453
Supplies	3,844,537	2,907,671	3,086,163
Utilities	2,687,200	2,383,603	2,542,590
Total Services and Supplies	16,625,444	14,649,243	15,914,290
Total Operating Expense	157,502,064	154,245,168	150,606,774

School District No. 44 (North Vancouver)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	52,820,612	2,729,474	1,738,725	1,774,968		3,391,680	62,455,459
1.03 Career Programs	148,899			269,566		7,852	426,317
1.07 Library Services	2,455,667		157,434	246,208		18,420	2,877,729
1.08 Counselling	3,457,013					6,369	3,463,382
1.10 Special Education	7,758,299	847,784	9,766,480	711,348		250,197	19,334,108
1.30 English Language Learning	1,748,412					10,921	1,759,333
1.31 Indigenous Education	353,085	139,509	489,706			9,611	991,911
1.41 School Administration		6,485,841		865,249		63,001	7,414,091
1.60 Summer School	315,787			17,319			333,106
1.62 International and Out of Province Students	109,542			105,375	180,928		395,845
1.64 Other	54,221			17,127	177,217	3,469	252,034
Total Function 1	69,221,537	10,202,608	12,152,345	4,007,160	358,145	3,761,520	99,703,315
4 District Administration							
4.11 Educational Administration					751,579		751,579
4.40 School District Governance					194,746		194,746
4.41 Business Administration		139,510		1,148,572	1,515,250	4,163	2,807,495
Total Function 4	-	139,510	-	1,148,572	2,461,575	4,163	3,753,820
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				55,300	934,557		989,857
5.50 Maintenance Operations				6,603,005	456,841	304,199	7,364,045
5.52 Maintenance of Grounds				291,315			291,315
5.56 Utilities							-
Total Function 5	-	-	-	6,949,620	1,391,398	304,199	8,645,217
7 Transportation and Housing							
7.70 Student Transportation			148,251			156	148,407
Total Function 7	-	-	148,251	-	-	156	148,407
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	69,221,537	10,342,118	12,300,596	12,105,352	4,211,118	4,070,038	112,250,759

School District No. 44 (North Vancouver)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget (Note 18)	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	62,455,459	16,014,607	78,470,066	3,003,983	81,474,049	85,650,512	79,258,286
1.03 Career Programs	426,317	106,511	532,828	24,655	557,483	567,522	481,752
1.07 Library Services	2,877,729	712,041	3,589,770	14,493	3,604,263	3,323,659	3,610,912
1.08 Counselling	3,463,382	798,999	4,262,381	12,866	4,275,247	3,014,622	3,869,291
1.10 Special Education	19,334,108	4,516,961	23,851,069	320,947	24,172,016	22,351,269	24,722,378
1.30 English Language Learning	1,759,333	457,886	2,217,219	11,114	2,228,333	1,845,017	1,905,035
1.31 Indigenous Education	991,911	216,682	1,208,593	63,169	1,271,762	1,390,528	1,303,938
1.41 School Administration	7,414,091	1,501,080	8,915,171	205,547	9,120,718	8,398,388	8,917,582
1.60 Summer School	333,106	60,410	393,516	16,830	410,346	324,717	406,830
1.62 International and Out of Province Students	395,845	92,231	488,076	1,421,157	1,909,233	4,720,909	2,026,615
1.64 Other	252,034	51,558	303,592	2,018,502	2,322,094	2,949,201	2,928,544
Total Function 1	99,703,315	24,528,966	124,232,281	7,113,263	131,345,544	134,536,344	129,431,163
4 District Administration							
4.11 Educational Administration	751,579	150,207	901,786	271,363	1,173,149	1,133,852	1,164,598
4.40 School District Governance	194,746	15,807	210,553	105,463	316,016	323,832	316,868
4.41 Business Administration	2,807,495	584,336	3,391,831	1,139,544	4,531,375	4,173,054	4,158,598
Total Function 4	3,753,820	750,350	4,504,170	1,516,370	6,020,540	5,630,738	5,640,064
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	989,857	195,183	1,185,040	627,292	1,812,332	1,980,152	1,550,586
5.50 Maintenance Operations	7,364,045	1,773,898	9,137,943	2,514,920	11,652,863	11,098,057	10,559,572
5.52 Maintenance of Grounds	291,315	66,688	358,003	526,194	884,197	947,008	799,956
5.56 Utilities	-	-	-	2,297,719	2,297,719	2,863,250	2,452,532
Total Function 5	8,645,217	2,035,769	10,680,986	5,966,125	16,647,111	16,888,467	15,362,646
7 Transportation and Housing							
7.70 Student Transportation	148,407	30,081	178,488	53,485	231,973	446,515	172,901
Total Function 7	148,407	30,081	178,488	53,485	231,973	446,515	172,901
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	112,250,759	27,345,166	139,595,925	14,649,243	154,245,168	157,502,064	150,606,774

School District No. 44 (North Vancouver)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2020

	2020 Budget (Note 18) \$	2020 Actual \$	2019 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	21,469,651	20,686,572	19,077,633
Other	100,000	124,227	101,288
Other Revenue	7,280,903	5,354,034	7,485,935
Total Revenue	28,850,554	26,164,833	26,664,856
Expenses			
Instruction	27,544,232	24,808,272	25,244,735
District Administration	260,903	213,814	168,607
Operations and Maintenance	39,982	39,982	53,310
Transportation and Housing	109,080	93,907	
Total Expense	27,954,197	25,155,975	25,466,652
Special Purpose Surplus (Deficit) for the year	896,357	1,008,858	1,198,204
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(896,357)	(1,008,858)	(1,198,204)
Total Net Transfers	(896,357)	(1,008,858)	(1,198,204)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 44 (North Vancouver)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			3,856,442						
Add: Restricted Grants									
Provincial Grants - Ministry of Education	626,273	500,302		225,106	61,931	268,464	1,109,882	6,844,203	10,097,788
Other			5,055,234						
	626,273	500,302	5,055,234	225,106	61,931	268,464	1,109,882	6,844,203	10,097,788
Less: Allocated to Revenue	626,273	500,302	5,114,079	219,710	59,059	268,464	1,109,882	6,844,203	10,097,788
Deferred Revenue, end of year	-	-	3,797,597	5,396	2,872	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education	626,273	500,302		219,710	59,059	268,464	1,109,882	6,844,203	10,097,788
Provincial Grants - Other			5,114,079						
Other Revenue									
	626,273	500,302	5,114,079	219,710	59,059	268,464	1,109,882	6,844,203	10,097,788
Expenses									
Salaries									
Teachers						48,106	256,518		7,878,367
Principals and Vice Principals						37,163			
Educational Assistants		417,181					393,578	5,109,823	
Support Staff				155,193	4,149		39,873	98,592	
Other Professionals								142,158	
Substitutes					1,844	16,236		60,197	238,800
	-	417,181	-	155,193	5,993	101,505	689,969	5,410,770	8,117,167
Employee Benefits		83,121		33,666	790	22,177	158,769	1,139,367	1,980,621
Services and Supplies	39,982		4,996,621	28,941	52,276	144,782	261,144	1,072	
	39,982	500,302	4,996,621	217,800	59,059	268,464	1,109,882	6,551,209	10,097,788
Net Revenue (Expense) before Interfund Transfers	586,291	-	117,458	1,910	-	-	-	292,994	-
Interfund Transfers									
Tangible Capital Assets Purchased	(586,291)		(117,458)	(1,910)				(292,994)	
	(586,291)	-	(117,458)	(1,910)	-	-	-	(292,994)	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 44 (North Vancouver)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Carlile Youth Inpatient PRP	Violence Prevention	BCEM ERAC	Mental Health Hub	Cheakamus Special Projects
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	155,227				106,632		170,903	124,227	6,141
Add: Restricted Grants									
Provincial Grants - Ministry of Education	1,168,993	211,108	26,500	17,356	238,869				
Other						20,000			
	1,168,993	211,108	26,500	17,356	238,869	20,000	-	-	-
Less: Allocated to Revenue	598,852	93,907	26,500	3,558	238,074	20,000	170,903	124,227	6,141
Deferred Revenue, end of year	725,368	117,201	-	13,798	107,427	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education	598,852	93,907	26,500	3,558	238,074				
Provincial Grants - Other								124,227	
Other Revenue						20,000	170,903		6,141
	598,852	93,907	26,500	3,558	238,074	20,000	170,903	124,227	6,141
Expenses									
Salaries									
Teachers					139,542			80,250	
Principals and Vice Principals					17,706				
Educational Assistants		5,218							
Support Staff									
Other Professionals									
Substitutes	507,502			2,533	22,439			364	
	507,502	5,218	-	2,533	179,687	-	-	80,614	-
Employee Benefits	91,350	479			38,471			20,198	
Services and Supplies		88,210	26,500	1,025	12,228	20,000	170,903	23,415	3,624
	598,852	93,907	26,500	3,558	230,386	20,000	170,903	124,227	3,624
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	7,688	-	-	-	2,517
Interfund Transfers									
Tangible Capital Assets Purchased					(7,688)				(2,517)
	-	-	-	-	(7,688)	-	-	-	(2,517)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 44 (North Vancouver)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2020

	Metro Regional Implementation	Sutherland Track	TOTAL
	\$	\$	\$
Deferred Revenue, beginning of year	259,396		4,678,968
Add: Restricted Grants			
Provincial Grants - Ministry of Education			21,396,775
Other	63,144	10,000	5,148,378
	63,144	10,000	26,545,153
Less: Allocated to Revenue	42,911	-	26,164,833
Deferred Revenue, end of year	279,629	10,000	5,059,288
Revenues			
Provincial Grants - Ministry of Education			20,686,572
Provincial Grants - Other			124,227
Other Revenue	42,911		5,354,034
	42,911	-	26,164,833
Expenses			
Salaries			
Teachers			8,402,783
Principals and Vice Principals			54,869
Educational Assistants			5,925,800
Support Staff			297,807
Other Professionals			142,158
Substitutes			849,915
	-	-	15,673,332
Employee Benefits			3,569,009
Services and Supplies	42,911		5,913,634
	42,911	-	25,155,975
Net Revenue (Expense) before Interfund Transfers	-	-	1,008,858
Interfund Transfers			
Tangible Capital Assets Purchased			(1,008,858)
	-	-	(1,008,858)
Net Revenue (Expense)	-	-	-

School District No. 44 (North Vancouver)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2020

	2020	2020 Actual			2019
	Budget (Note 18)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Investment Income			203,360	203,360	126,043
Amortization of Deferred Capital Revenue	6,223,213	6,231,951		6,231,951	6,175,550
Total Revenue	<u>6,223,213</u>	<u>6,231,951</u>	<u>203,360</u>	<u>6,435,311</u>	<u>6,301,593</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	9,782,180	10,089,299		10,089,299	10,065,018
Debt Services					
Capital Lease Interest			23,528	23,528	36,895
Total Expense	<u>9,782,180</u>	<u>10,089,299</u>	<u>23,528</u>	<u>10,112,827</u>	<u>10,101,913</u>
Capital Surplus (Deficit) for the year	<u>(3,558,967)</u>	<u>(3,857,348)</u>	<u>179,832</u>	<u>(3,677,516)</u>	<u>(3,800,320)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	1,506,357	1,681,447		1,681,447	1,821,962
Tangible Capital Assets - Work in Progress				-	28,666
Local Capital	4,500,000		4,328,324	4,328,324	6,328,483
Capital Lease Payment			158,621	158,621	175,612
Total Net Transfers	<u>6,006,357</u>	<u>1,681,447</u>	<u>4,486,945</u>	<u>6,168,392</u>	<u>8,354,723</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		793,864	(793,864)	-	
Tangible Capital Assets WIP Purchased from Local Capital		251,662	(251,662)	-	
Principal Payment					
Capital Lease		158,621	(158,621)	-	
Total Other Adjustments to Fund Balances		<u>1,204,147</u>	<u>(1,204,147)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>2,447,390</u>	<u>(971,754)</u>	<u>3,462,630</u>	<u>2,490,876</u>	<u>4,554,403</u>
Capital Surplus (Deficit), beginning of year		<u>94,412,210</u>	<u>10,967,907</u>	<u>105,380,117</u>	<u>100,825,714</u>
Capital Surplus (Deficit), end of year		<u>93,440,456</u>	<u>14,430,537</u>	<u>107,870,993</u>	<u>105,380,117</u>

School District No. 44 (North Vancouver)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2020

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	12,472,243	382,242,559	3,912,747	1,311,405	320,933	4,161,468	404,421,355
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		3,136,379	240,565	144,771		629,677	4,151,392
Deferred Capital Revenue - Other		1,343,316	189,971				1,533,287
Operating Fund			222,403	44,937		405,249	672,589
Special Purpose Funds		586,291	87,801			334,766	1,008,858
Local Capital		237,864		101,000		455,000	793,864
Transferred from Work in Progress		627,681					627,681
	-	5,931,531	740,740	290,708	-	1,824,692	8,787,671
Decrease:							
Deemed Disposals			201,952		16,859	789,506	1,008,317
	-	-	201,952	-	16,859	789,506	1,008,317
Cost, end of year	12,472,243	388,174,090	4,451,535	1,602,113	304,074	5,196,654	412,200,709
Work in Progress, end of year		71,023,999					71,023,999
Cost and Work in Progress, end of year	12,472,243	459,198,089	4,451,535	1,602,113	304,074	5,196,654	483,224,708
Accumulated Amortization, beginning of year		135,212,361	1,304,094	418,734	182,521	1,533,771	138,651,481
Changes for the Year							
Increase: Amortization for the Year		8,670,402	391,275	131,141	64,187	832,294	10,089,299
Decrease:							
Deemed Disposals			201,952		16,859	789,506	1,008,317
			201,952		16,859	789,506	1,008,317
Accumulated Amortization, end of year		143,882,763	1,493,417	549,875	229,849	1,576,559	147,732,463
Tangible Capital Assets - Net	12,472,243	315,315,326	2,958,118	1,052,238	74,225	3,620,095	335,492,245

School District No. 44 (North Vancouver)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	22,829,819				22,829,819
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	48,570,199				48,570,199
Local Capital	251,662				251,662
	48,821,861	-	-	-	48,821,861
Decrease:					
Transferred to Tangible Capital Assets	627,681				627,681
	627,681	-	-	-	627,681
Net Changes for the Year	48,194,180	-	-	-	48,194,180
Work in Progress, end of year	71,023,999	-	-	-	71,023,999

School District No. 44 (North Vancouver)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	165,437,244	2,896,493	4,335,914	172,669,651
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	4,151,392	1,343,316	189,971	5,684,679
Transferred from Work in Progress	243,490	355,525		599,015
	<u>4,394,882</u>	<u>1,698,841</u>	<u>189,971</u>	<u>6,283,694</u>
Decrease:				
Amortization of Deferred Capital Revenue	5,946,499	92,063	193,389	6,231,951
	<u>5,946,499</u>	<u>92,063</u>	<u>193,389</u>	<u>6,231,951</u>
Net Changes for the Year	<u>(1,551,617)</u>	<u>1,606,778</u>	<u>(3,418)</u>	<u>51,743</u>
Deferred Capital Revenue, end of year	<u>163,885,627</u>	<u>4,503,271</u>	<u>4,332,496</u>	<u>172,721,394</u>
Work in Progress, beginning of year	14,345,241	6,134,482		20,479,723
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	48,570,199			48,570,199
	<u>48,570,199</u>	<u>-</u>	<u>-</u>	<u>48,570,199</u>
Decrease				
Transferred to Deferred Capital Revenue	243,490	355,525		599,015
	<u>243,490</u>	<u>355,525</u>	<u>-</u>	<u>599,015</u>
Net Changes for the Year	<u>48,326,709</u>	<u>(355,525)</u>	<u>-</u>	<u>47,971,184</u>
Work in Progress, end of year	<u>62,671,950</u>	<u>5,778,957</u>	<u>-</u>	<u>68,450,907</u>
Total Deferred Capital Revenue, end of year	<u>226,557,577</u>	<u>10,282,228</u>	<u>4,332,496</u>	<u>241,172,301</u>

School District No. 44 (North Vancouver)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 14,465	\$ 1,343,316	\$	\$	\$ 73,585	\$ 1,431,366
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	52,707,497					52,707,497
Playgrounds					135,751	135,751
	52,707,497	-	-	-	135,751	52,843,248
Decrease:						
Transferred to DCR - Capital Additions	4,151,392	1,343,316			189,971	5,684,679
Transferred to DCR - Work in Progress	48,570,199					48,570,199
	52,721,591	1,343,316	-	-	189,971	54,254,878
Net Changes for the Year	(14,094)	(1,343,316)	-	-	(54,220)	(1,411,630)
Balance, end of year	371	-	-	-	19,365	19,736