

Consolidated Audited Financial Statements of

# **School District No. 44 (North Vancouver)**

June 30, 2019

# School District No. 44 (North Vancouver)

June 30, 2019

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# School District No. 44 (North Vancouver)

## MANAGEMENT REPORT

Version: 6072-5326-3344

Management's Responsibility for the 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 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 financial statements.

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

Original signed by C.Sacre	September 24, 2019
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by M. Pearmain	September 24, 2019
Signature of the Superintendent	Date Signed
Original signed by G. Allison	September 24, 2019
Signature of the Secretary Treasurer	Date Signed



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## **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 financial statements of School District No. 44 (North Vancouver) (the Entity), which comprise:

- the statement of financial position as at June 30, 2019
- the statement of operations for the year then ended
- the statement of changes in net financial assets (debt) for the year then ended
- the 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, 2019 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 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.

Chartered Professional Accountants

Victoria, Canada  
September 24, 2019

# School District No. 44 (North Vancouver)

Statement 1

## Consolidated Statement of Financial Position

As at June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	50,804,816	47,703,040
Accounts Receivable (Note 3)		
Due from Province - Ministry of Education	3,069,828	162,389
Other	1,512,721	1,259,633
Inventories for Resale (Note 4)	353,004	357,872
<b>Total Financial Assets</b>	<b>55,740,369</b>	<b>49,482,934</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	54,997	53,563
Other (Note 5)	15,770,934	9,076,780
Unearned Revenue (Note 6)	10,009,398	9,675,021
Deferred Revenue (Note 7)	4,678,968	4,725,858
Deferred Capital Revenue (Note 8)	194,580,740	182,273,101
Employee Future Benefits (Note 9)	7,516,625	7,231,899
Capital Lease Obligations (Note 10)	544,708	720,320
<b>Total Liabilities</b>	<b>233,156,370</b>	<b>213,756,542</b>
<b>Net Financial Assets (Debt)</b>	<b>(177,416,001)</b>	<b>(164,273,608)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	288,599,693	274,090,179
Prepaid Expenses	2,994,896	1,027,874
<b>Total Non-Financial Assets</b>	<b>291,594,589</b>	<b>275,118,053</b>
<b>Accumulated Surplus (Deficit) (Note 13)</b>	<b>114,178,588</b>	<b>110,844,445</b>

Approved by the Board

Original signed by C. Sacre	September 24, 2019
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by M. Pearmain	September 24, 2019
Signature of the Superintendent	Date Signed
Original signed by G. Allison	September 24, 2019
Signature of the Secretary Treasurer	Date Signed

# School District No. 44 (North Vancouver)

## Consolidated Statement of Operations

Year Ended June 30, 2019

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	155,423,146	<b>156,378,664</b>	148,597,332
Other	62,000	<b>126,384</b>	17,385
Federal Grants	5,000	<b>6,650</b>	5,000
Tuition	10,545,625	<b>10,859,534</b>	11,012,146
Other Revenue	12,211,510	<b>12,664,871</b>	12,143,272
Rentals and Leases	2,094,323	<b>2,266,635</b>	2,132,489
Investment Income	701,300	<b>1,031,194</b>	815,375
Amortization of Deferred Capital Revenue	5,756,300	<b>6,175,550</b>	5,934,773
<b>Total Revenue</b>	<u>186,799,204</u>	<u><b>189,509,482</b></u>	<u>180,657,772</u>
<b>Expenses</b>			
Instruction	155,502,901	<b>154,675,898</b>	147,219,935
District Administration	5,584,730	<b>5,808,671</b>	5,657,610
Operations and Maintenance	25,933,225	<b>25,480,974</b>	25,189,030
Transportation and Housing	468,645	<b>172,901</b>	321,880
Debt Services		<b>36,895</b>	22,005
<b>Total Expense</b>	<u>187,489,501</u>	<u><b>186,175,339</b></u>	<u>178,410,460</u>
<b>Surplus (Deficit) for the year</b>	<u>(690,297)</u>	<u><b>3,334,143</b></u>	<u>2,247,312</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>110,844,445</b>	108,597,133
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><b>114,178,588</b></u>	<u>110,844,445</u>



# School District No. 44 (North Vancouver)

Statement 4

## Consolidated 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>	(690,297)	<b>3,334,143</b>	2,247,312
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(5,937,066)	<b>(24,574,532)</b>	(10,707,579)
Amortization of Tangible Capital Assets	9,521,347	<b>10,065,018</b>	9,679,007
<b>Total Effect of change in Tangible Capital Assets</b>	3,584,281	<b>(14,509,514)</b>	(1,028,572)
Acquisition of Prepaid Expenses		<b>(994,896)</b>	(1,360,826)
Use of Prepaid Expenses		<b>1,027,874</b>	1,313,129
Prepaid Deposits		<b>(2,000,000)</b>	
<b>Total Effect of change in Other Non-Financial Assets</b>	-	<b>(1,967,022)</b>	(47,697)
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>2,893,984</u>	<b>(13,142,393)</b>	1,171,043
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<b>(13,142,393)</b>	1,171,043
<b>Net Financial Assets (Debt), beginning of year</b>		<b>(164,273,608)</b>	(165,444,651)
<b>Net Financial Assets (Debt), end of year</b>		<b>(177,416,001)</b>	(164,273,608)

# School District No. 44 (North Vancouver)

Consolidated Statement of Cash Flows  
Year Ended June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	3,334,143	2,247,312
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(3,160,533)	867,929
Inventories for Resale	4,874	(4,509)
Prepaid Expenses	(1,967,022)	(47,697)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	6,695,587	1,688,089
Unearned Revenue	334,377	117,296
Deferred Revenue	(46,890)	328,926
Employee Future Benefits	284,726	121,934
Amortization of Tangible Capital Assets	10,065,018	9,679,007
Amortization of Deferred Capital Revenue	(6,175,550)	(5,934,773)
<b>Total Operating Transactions</b>	<b>9,368,730</b>	<b>9,063,514</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(5,211,230)	(8,007,233)
Tangible Capital Assets -WIP Purchased	(19,363,302)	(2,275,441)
Insurance Proceeds Expended and not Capitalized		(1,047,469)
Local Capital Transferred to Bylaw		379,663
<b>Total Capital Transactions</b>	<b>(24,574,532)</b>	<b>(10,950,480)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	18,483,189	6,410,043
Capital Lease Payments	(175,611)	(84,248)
<b>Total Financing Transactions</b>	<b>18,307,578</b>	<b>6,325,795</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>3,101,776</b>	<b>4,438,829</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>47,703,040</b>	<b>43,264,211</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>50,804,816</b>	<b>47,703,040</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	48,317,484	45,263,283
Cash Equivalents	2,487,332	2,439,757
	<b>50,804,816</b>	<b>47,703,040</b>

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**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.

**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 supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

a) Basis of Accounting *(continued)*

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires 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.

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.

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

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 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, 2019**

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

j) Liability for Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) the School District is directly responsible or accepts responsibility
- iv) it is expected that future economic benefits will be given up; and
- v) 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.

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 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, 2019**

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

k) 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

l) 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.

m) Prepaid Expenses

Payments for insurance, 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.

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.

o) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

o) Revenue Recognition *(continued)*

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.



**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

p) Expenditures *(continued)*

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.

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.

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

r) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 2 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.

**NOTE 3      ACCOUNTS RECEIVABLE**

	<b>2019</b>	<b>2018</b>
Due from Province Includes:		
Miscellaneous Grants Receivable	<b>\$147,739</b>	\$162,389
COA Draws Receivable	2,922,089	-
	<b>\$3,069,828</b>	<b>\$162,389</b>
Other Receivables Include:		
GST/PST/HST Receivable	\$321,754	\$81,515
Recoverable Insurance Claims	20,226	50,221
Recoverable Payroll	15,261	42,865
Sundry Billings	416,678	553,784
Miscellaneous Receivables	717,843	504,630
Special Purpose	20,959	26,618
	<b>\$1,512,721</b>	<b>\$1,259,633</b>

**NOTE 4      INVENTORIES FOR RESALE**

Inventories for resale include:

	<b>2019</b>	<b>2018</b>
Publications	\$44,887	\$47,119
Artists for Kids – Prints	308,117	310,753
	<b>\$353,004</b>	<b>\$357,872</b>

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 5      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER**

	<b>2019</b>	<b>2018</b>
Trade payables	\$7,081,687	\$1,604,057
Salaries and benefits payable	8,068,098	6,902,883
Accrued vacation pay	621,149	569,840
	<b>\$15,770,934</b>	<b>\$9,076,780</b>

**NOTE 6      UNEARNED REVENUE**

	<b>2019</b>	<b>2018</b>
Balance, beginning of year	\$9,675,021	\$9,557,725
Changes for the year:		
Increase:		
Tuition fees collected	11,187,364	11,288,203
Other	1,892,399	2,656,032
	13,079,763	13,944,235
Decrease:		
Tuition fees recognized	(10,859,534)	(11,012,146)
Other	(1,885,852)	(2,814,793)
	(12,745,386)	(13,826,939)
Net changes for the year	334,377	117,296
<b>Balance, end of year</b>	<b>\$10,009,398</b>	<b>\$9,675,021</b>

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**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.

	<b>2019</b>	<b>2018</b>
Balance, beginning of year	\$4,725,858	\$4,396,932
Changes for the year:		
Increase:		
Provincial grants	18,925,419	15,014,119
Other revenue	8,014,820	7,252,666
	26,940,239	22,266,785
Decrease:		
Allocated to revenue	(26,664,856)	(21,937,859)
Recoveries	(322,273)	
	(26,987,129)	(21,937,859)
Net changes for the year	(46,890)	328,926
<b>Balance, end of year</b>	<b>\$4,678,968</b>	<b>\$4,725,858</b>

**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.

	<b>2019</b>	<b>2018</b>
<b>Deferred capital revenue subject to amortization</b>		
Balance, beginning of year	\$175,631,104	\$170,569,984
Increases:		
Capital additions	3,075,563	5,745,605
Transfer from deferred capital revenue – work in progress	138,534	5,250,288
Decreases:		
Amortization	(6,175,550)	(5,934,773)
Net change for the year	(2,961,453)	5,061,120
Balance, end of year	172,669,651	175,631,104

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 8 DEFERRED CAPITAL REVENUE (Continued)**

	<b>2019</b>	<b>2018</b>
<b>Deferred capital revenue – work in progress</b>		
Balance, beginning of year	2,554,427	5,591,185
Increases:		
Transfer from deferred capital revenue - unspent	18,063,830	2,213,530
Decreases:		
Transfer to deferred capital revenue subject to amortization	(138,534)	(5,250,288)
Net change for the year	17,925,296	(3,036,758)
Balance, end of year	20,479,723	2,554,427
 <b>Deferred capital revenue - unspent</b>		
Balance, beginning of year	4,087,570	6,684,131
Increases:		
Provincial Grants – Ministry of Education	18,309,359	6,253,622
Provincial Grants – Other	50,876	53,648
Transfer Unspent (Bylaw) to MEd Restricted	(1,698,841)	-
MEd Restricted Capital	1,698,841	-
Playground - PAC	122,954	102,773
	18,483,189	6,410,043
Decreases:		
Transfer to deferred capital revenue subject to amortization	(3,075,563)	(5,745,605)
Transfer to deferred capital revenue – work in progress	(18,063,830)	(2,213,530)
Insurance proceeds netted with expenditures	-	(1,047,469)
	21,139,393	(9,006,604)
Net change for the year	(2,656,204)	(2,596,561)
Balance, end of year	1,431,366	4,087,570
<b>Total deferred capital revenue balance, end of year</b>	<b>\$194,580,740</b>	<b>\$182,273,101</b>

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**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.

	<b>June 30, 2019</b>	<b>June 30, 2018</b>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	7,219,056	7,429,266
Service Cost	577,554	556,656
Interest Cost	201,529	206,140
Benefit Payments	(688,126)	(583,092)
Actuarial (Gain) Loss	1,014,016	(389,914)
Accrued Benefit Obligation – March 31	8,324,029	7,219,056
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	8,324,029	7,219,056
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(8,324,029)	(7,219,056)
Employer Contributions After Measurement Date	200,399	331,421
Benefits Expense After Measurement Date	(216,520)	(194,771)
Unamortized Net Actuarial (Gain) Loss	823,525	(149,493)
Accrued Benefit Asset (Liability) - June 30	(7,516,625)	(7,231,899)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability (Asset) - July 1	7,231,899	7,109,965
Net Expense for Fiscal Year	841,830	854,844
Employer Contributions	(557,104)	(732,910)
Accrued Benefit Liability (Asset) - June 30	7,516,625	7,231,899
<b>Components of Net Benefit Expense</b>		
Service Cost	598,136	561,880
Interest Cost	202,696	204,988
Amortization of Net Actuarial (Gain)/Loss	40,998	87,976
Net Benefit Expense (Income)	841,830	854,844
<b>Assumptions</b>		
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	9.0	8.3

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**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:

2020	182,149
2021	182,149
2022	182,149
2023	69,982
Total minimum lease payments	\$616,429
Less amounts representing interest at 5.38%	71,721
Present value of net minimum capital lease payments	<u><u>\$544,708</u></u>

Total interest on the capital lease obligation for the year ended June 30, 2019 was \$36,895 (2018: \$22,005).

**NOTE 11 TANGIBLE CAPITAL ASSETS**

<b>Net Book Value:</b>	<b>Net Book Value 2019</b>	<b>Net Book Value 2018</b>
Sites	\$12,472,243	\$12,472,243
Buildings	247,030,198	251,947,805
Buildings – work in progress	22,829,819	3,605,051
Furniture & Equipment	2,608,653	2,188,542
Vehicles	892,671	796,595
Computer Software	138,412	270,987
Computer Hardware	2,627,697	2,808,956
<b>Total</b>	<u><u>\$288,599,693</u></u>	<u><u>\$274,090,179</u></u>

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

**June 30, 2019**

<b>Cost:</b>	<b>Opening Cost</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers (WIP)</b>	<b>Balance at June 30, 2019</b>
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
<b>Total</b>	<b>\$404,222,325</b>	<b>\$24,574,532</b>	<b>(\$1,545,683)</b>	<b>\$ -</b>	<b>\$427,251,174</b>

<b>Accumulated Amortization:</b>	<b>Opening Accumulated Amortization</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2019</b>
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
<b>Total</b>	<b>\$130,132,146</b>	<b>\$10,065,018</b>	<b>(\$1,545,683)</b>	<b>\$138,651,481</b>

- Buildings – work in progress having a value of \$22,829,819 (2018: \$3,605,051) 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 (2018: \$804,568) and accumulated amortization of \$160,914 (2018: \$0).



**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

**June 30, 2018**

<b>Cost:</b>	<b>Opening Cost</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers (WIP)</b>	<b>Balance at June 30, 2018</b>
Sites	\$12,472,243	\$ -	-	\$ -	\$12,472,243
Buildings	365,105,982	5,639,989	-	-	378,555,075
				7,809,104	
Buildings – work in progress	9,138,714	2,275,441	-	(7,809,104)	3,605,051
Furniture & Equipment	2,901,504	1,080,989	(613,043)	-	3,369,450
Vehicles	1,383,955	284,180	(456,938)	-	1,211,197
Computer Software	931,153	-	(268,279)	-	662,874
Computer Software – work in progress	-	-	-	-	-
Computer Hardware	3,842,449	1,426,980	(922,994)	-	4,346,435
<b>Total</b>	<b>\$395,776,000</b>	<b>\$10,707,579</b>	<b>(\$2,261,254)</b>	<b>\$ -</b>	<b>\$404,222,325</b>

<b>Accumulated Amortization:</b>	<b>Opening Accumulated Amortization</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2018</b>
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	118,311,530	8,295,740	-	126,607,270
Furniture & Equipment	1,503,801	290,150	(613,043)	1,180,908
Vehicles	733,144	138,396	(456,938)	414,602
Computer Software	473,935	186,231	(268,279)	391,887
Computer Hardware	1,691,983	768,490	(922,994)	1,537,479
<b>Total</b>	<b>\$122,714,393</b>	<b>\$9,679,007</b>	<b>(\$2,261,254)</b>	<b>\$130,132,146</b>

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

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, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

School District No. 44 paid \$13,466,248 for employer contributions to these plans for the year ended June 30, 2019 (2018: \$14,075,488).

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 later in 2019.

**NOTE 13      ACCUMULATED SURPLUS**

Accumulated surplus consists of individual fund surpluses as follows:

	<b>2019</b>	<b>2018</b>
Invested in tangible capital assets	\$94,412,210	\$94,690,927
Operating surplus	8,798,471	10,018,731
Local capital surplus	10,967,907	6,134,787
	<b>\$114,178,588</b>	<b>\$110,844,445</b>

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 13      ACCUMULATED SURPLUS (Continued)**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2019, were as follows:

- Tangible capital assets and work in progress purchased from operating fund: \$652,424
- Capital lease principal payments from operating fund: \$175,612
- Transfer from Operating Fund to Local Capital Fund for construction projects and future capital acquisitions: \$6,328,483
- Tangible capital assets purchased from special purpose fund: \$1,198,204

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

	<b>2019</b>	<b>2018</b>
<b>Restricted Surplus</b>		
Amounts for Three Year Staffing Plan	\$2,300,000	\$2,300,000
2019/20 Annual Budget Surplus Appropriation	2,296,289	-
School Capital Projects	2,000,000	-
Outstanding Purchase Orders as at June 30th	177,000	-
Operations Spanning the School Year		3,981,311
<b>Subtotal Internally Restricted</b>	<b>\$6,773,289</b>	<b>\$6,281,311</b>
<b>Unrestricted Surplus</b>	<b>2,025,182</b>	<b>3,737,420</b>
<b>Total Operating Surplus</b>	<b>\$8,798,471</b>	<b>\$10,018,731</b>

**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 \$2,044,434 at June 30, 2019 (2018: \$2,046,037).

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**NOTE 16      CONTRACTUAL OBLIGATIONS**

The School District has entered into contracts related to various capital construction projects totaling approximately \$62,768,648. These contracts relate primarily to the Argyle Secondary School replacement.

Additionally, the School District has commitments relating to a management contract expiring June 30, 2022 for the operations of the Cheakamus Centre:

2020	250,000
2021	250,000
2022	250,000
Total future obligation	<u><u>\$750,000</u></u>

**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:

2020	\$1,531,512
2021	1,544,901
2022	1,215,026
2023	1,209,903
2024	1,238,299
Thereafter	3,934,702
Total future lease revenue	<u><u>\$10,674,343</u></u>

**NOTE 18      BUDGET FIGURES**

Budget figures included in the financial statements represent the amended annual budget approved by the Board on February 19, 2019. The Board approved the annual budget on June 27, 2018. 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, 2019**

**NOTE 18**      **BUDGET FIGURES** *(Continued)*

**Annual Budget - Revenue and Expense**

	<b>2019 Amended Annual Budget</b>	<b>2019 Annual Budget</b>	<b>2019 Actual</b>
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	155,423,146	149,428,658	156,378,664
Other	62,000	10,000	126,384
Federal Grants	5,000	5,000	6,650
Tuition	10,545,625	9,502,500	10,859,534
Other Revenue	12,211,510	12,178,566	12,664,871
Rentals and Leases	2,094,323	2,094,323	2,266,635
Investment Income	701,300	526,300	1,031,194
Gain (Loss) on Disposal of Tangible Capital Assets	-	-	-
Amortization of Deferred Capital Revenue	5,756,300	5,756,300	6,175,550
<b>Total Revenue</b>	<b>186,799,204</b>	<b>179,501,647</b>	<b>189,509,482</b>
<b>Expenses</b>			
Instruction	155,502,901	152,810,219	154,675,898
District Administration	5,584,730	5,318,260	5,808,671
Operations and Maintenance	16,411,878	16,325,766	15,415,956
Transportation and Housing	468,645	465,950	172,901
Interest	-	-	36,895
Amortization of Tangible Capital Assets	9,521,347	9,521,347	10,065,018
<b>Total Expense</b>	<b>187,489,501</b>	<b>184,441,542</b>	<b>186,175,339</b>
<b>Net Revenue (Expense)</b>	<b>(690,297)</b>	<b>(4,939,895)</b>	<b>3,334,143</b>
<b>Budgeted Allocation (Retirement) of Surplus (Deficit)</b>	<b>4,461,828</b>	<b>2,297,811</b>	<b>-</b>
<b>Budgeted Surplus (Deficit) for the year</b>	<b>3,771,531</b>	<b>(2,642,084)</b>	<b>3,334,143</b>

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**NOTE 19      CONTINGENCIES**

The School District has granted \$244,817 in irrevocable standby letters of credit in favour of the Corporation of the District of North Vancouver. Two letters of credit, for \$100,000 each, are in lieu of security deposits for general capital projects and the Argyle replacement, respectively. A third irrevocable standby letter of credit in the amount of \$44,817 in favour of the Corporation of the District of North Vancouver was issued in lieu of a security deposit for the Highlands School capital project.

The School District has not accrued the unpaid Teacher Remedy expense of \$381,686 related to the Classroom Enhancement Fund and restored language, pending the outcome of negotiations with North Vancouver Teachers' Association. The deferred Classroom Enhancement Fund grant revenue of \$155,227 relates to the funds received from the Province in respect of this unpaid Teacher Remedy. At June 30, 2019, a contingent liability of \$226,440 related to a portion of the Teacher Remedy exists.

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, 2019, 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**

	<b>2019</b>	<b>2018</b>
Salaries and Benefits	\$ 152,321,152	\$ 145,227,306
Services and Supplies	23,752,274	23,482,142
Interest	36,895	22,005
Amortization	10,065,018	9,679,007
	<b>\$ 186,175,339</b>	<b>\$ 178,410,460</b>

**NOTE 21      ECONOMIC DEPENDENCE**

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

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)**  
**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, cash equivalents and amounts receivable.

The School District is exposed to credit risk in the event of non-performance by a borrower. 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 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 cash. 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 2018 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, 2019

	Operating Fund	Special Purpose Fund	Capital Fund	2019 Actual	2018 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	10,018,731		100,825,714	<b>110,844,445</b>	108,597,133
<b>Changes for the year</b>					
Surplus (Deficit) for the year	5,936,259	1,198,204	(3,800,320)	<b>3,334,143</b>	2,247,312
Interfund Transfers					
Tangible Capital Assets Purchased	(623,758)	(1,198,204)	1,821,962	-	-
Tangible Capital Assets - Work in Progress	(28,666)		28,666	-	-
Local Capital	(6,328,483)		6,328,483	-	-
Other	(175,612)		175,612	-	-
<b>Net Changes for the year</b>	<b>(1,220,260)</b>	<b>-</b>	<b>4,554,403</b>	<b>3,334,143</b>	<b>2,247,312</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>8,798,471</b>	<b>-</b>	<b>105,380,117</b>	<b>114,178,588</b>	110,844,445



# School District No. 44 (North Vancouver)

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	136,528,426	<b>137,301,031</b>	133,682,731
Other	62,000	<b>25,096</b>	17,900
Federal Grants	5,000	<b>6,650</b>	5,000
Tuition	10,545,625	<b>10,859,534</b>	11,012,146
Other Revenue	5,020,369	<b>5,178,936</b>	5,129,946
Rentals and Leases	2,094,323	<b>2,266,635</b>	2,132,489
Investment Income	701,300	<b>905,151</b>	694,762
<b>Total Revenue</b>	<u>154,957,043</u>	<u><b>156,543,033</b></u>	<u>152,674,974</u>
<b>Expenses</b>			
Instruction	130,528,928	<b>129,431,163</b>	126,658,890
District Administration	5,419,730	<b>5,640,064</b>	5,618,687
Operations and Maintenance	16,358,568	<b>15,362,646</b>	15,428,609
Transportation and Housing	468,645	<b>172,901</b>	275,539
<b>Total Expense</b>	<u>152,775,871</u>	<u><b>150,606,774</b></u>	<u>147,981,725</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>2,181,172</u>	<u><b>5,936,259</b></u>	<u>4,693,249</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>4,461,828</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(1,168,000)	<b>(623,758)</b>	(752,597)
Tangible Capital Assets - Work in Progress		<b>(28,666)</b>	
Local Capital	(5,475,000)	<b>(6,328,483)</b>	
Other		<b>(175,612)</b>	(84,248)
<b>Total Net Transfers</b>	<u>(6,643,000)</u>	<u><b>(7,156,519)</b></u>	<u>(836,845)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u><b>(1,220,260)</b></u>	<u>3,856,404</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>10,018,731</b>	6,162,327
<b>Operating Surplus (Deficit), end of year</b>		<u><b>8,798,471</b></u>	<u>10,018,731</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>6,773,289</b>	6,281,311
Unrestricted		<b>2,025,182</b>	3,737,420
<b>Total Operating Surplus (Deficit), end of year</b>		<u><b>8,798,471</b></u>	<u>10,018,731</u>

# School District No. 44 (North Vancouver)

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	133,297,955	<b>133,449,509</b>	129,602,729
Other Ministry of Education Grants			
Pay Equity	2,966,047	<b>2,966,047</b>	2,966,047
Funding for Graduated Adults	12,000	<b>13,503</b>	16,452
Transportation Supplement	40,566	<b>40,566</b>	40,566
Economic Stability Dividend		<b>173,377</b>	92,203
Return of Administrative Savings			665,252
Carbon Tax Grant	90,000	<b>97,355</b>	113,861
Employer Health Tax Grant		<b>367,966</b>	
Strategic Priorities - Mental Health Grant		<b>31,000</b>	
Support Staff Benefits Grant	104,118	<b>104,118</b>	98,802
BCTEA - LEA Capacity Building Grant		<b>6,850</b>	
Inclusive Education		<b>30,000</b>	
Equity Scan		<b>3,000</b>	
FSA	17,740	<b>17,740</b>	17,740
Skills Training			17,079
Support Building Capacity			52,000
<b>Total Provincial Grants - Ministry of Education</b>	<b>136,528,426</b>	<b>137,301,031</b>	<b>133,682,731</b>
<b>Provincial Grants - Other</b>	<b>62,000</b>	<b>25,096</b>	<b>17,900</b>
<b>Federal Grants</b>	<b>5,000</b>	<b>6,650</b>	<b>5,000</b>
<b>Tuition</b>			
Summer School Fees	133,125	<b>141,125</b>	104,275
International and Out of Province Students	10,412,500	<b>10,718,409</b>	10,907,871
<b>Total Tuition</b>	<b>10,545,625</b>	<b>10,859,534</b>	<b>11,012,146</b>
<b>Other Revenues</b>			
Miscellaneous			
Cheakamus Centre	2,538,616	<b>2,377,832</b>	2,218,161
Other	367,000	<b>501,576</b>	244,343
Band & Strings	607,953	<b>607,383</b>	588,820
Recoveries and Donations	94,500	<b>349,360</b>	340,006
School Miscellaneous	75,000	<b>86,756</b>	334,559
Artists for Kids	353,300	<b>251,704</b>	283,851
Academy Fees	984,000	<b>1,004,325</b>	1,120,206
<b>Total Other Revenue</b>	<b>5,020,369</b>	<b>5,178,936</b>	<b>5,129,946</b>
<b>Rentals and Leases</b>	<b>2,094,323</b>	<b>2,266,635</b>	<b>2,132,489</b>
<b>Investment Income</b>	<b>701,300</b>	<b>905,151</b>	<b>694,762</b>
<b>Total Operating Revenue</b>	<b>154,957,043</b>	<b>156,543,033</b>	<b>152,674,974</b>

# School District No. 44 (North Vancouver)

Schedule 2B (Unaudited)

## Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	67,467,891	<b>65,464,889</b>	65,008,622
Principals and Vice Principals	9,911,417	<b>9,863,456</b>	9,519,308
Educational Assistants	12,902,461	<b>12,674,667</b>	12,779,955
Support Staff	11,918,264	<b>11,121,985</b>	11,123,371
Other Professionals	3,964,112	<b>3,891,897</b>	3,754,613
Substitutes	3,707,510	<b>5,288,690</b>	4,290,006
<b>Total Salaries</b>	<b>109,871,655</b>	<b>108,305,584</b>	<b>106,475,875</b>
<b>Employee Benefits</b>	<b>26,398,306</b>	<b>26,386,900</b>	<b>25,369,082</b>
<b>Total Salaries and Benefits</b>	<b>136,269,961</b>	<b>134,692,484</b>	<b>131,844,957</b>
<b>Services and Supplies</b>			
Services	8,524,283	<b>8,861,147</b>	8,493,831
Student Transportation	91,000	<b>78,485</b>	52,860
Professional Development and Travel	828,988	<b>926,298</b>	862,068
Rentals and Leases	31,000	<b>34,485</b>	31,632
Dues and Fees	58,100	<b>57,669</b>	56,648
Insurance	432,200	<b>327,453</b>	349,626
Supplies	3,665,118	<b>3,086,163</b>	3,677,097
Utilities	2,875,221	<b>2,542,590</b>	2,613,006
<b>Total Services and Supplies</b>	<b>16,505,910</b>	<b>15,914,290</b>	<b>16,136,768</b>
<b>Total Operating Expense</b>	<b>152,775,871</b>	<b>150,606,774</b>	<b>147,981,725</b>

# School District No. 44 (North Vancouver)

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	49,851,332	2,571,776	1,730,750	1,698,325		4,191,687	<b>60,043,870</b>
1.03 Career Programs	96,256			260,908		3,604	<b>360,768</b>
1.07 Library Services	2,434,626	21,587	164,765	222,708		40,176	<b>2,883,862</b>
1.08 Counselling	3,107,918					9,345	<b>3,117,263</b>
1.10 Special Education	7,453,900	720,460	10,191,502	674,606		431,773	<b>19,472,241</b>
1.30 English Language Learning	1,486,247					11,198	<b>1,497,445</b>
1.31 Aboriginal Education	378,953	135,506	495,598			9,081	<b>1,019,138</b>
1.41 School Administration		6,290,207		858,339		81,480	<b>7,230,026</b>
1.60 Summer School	294,608			19,790			<b>314,398</b>
1.62 International and Out of Province Students	293,926			92,053	167,691	974	<b>554,644</b>
1.64 Other	67,123			15,007	167,881	6,947	<b>256,958</b>
<b>Total Function 1</b>	<b>65,464,889</b>	<b>9,739,536</b>	<b>12,582,615</b>	<b>3,841,736</b>	<b>335,572</b>	<b>4,786,265</b>	<b>96,750,613</b>
<b>4 District Administration</b>							
4.11 Educational Administration					694,960		<b>694,960</b>
4.40 School District Governance					186,350		<b>186,350</b>
4.41 Business Administration		123,920		1,070,653	1,431,028	2,055	<b>2,627,656</b>
<b>Total Function 4</b>	<b>-</b>	<b>123,920</b>	<b>-</b>	<b>1,070,653</b>	<b>2,312,338</b>	<b>2,055</b>	<b>3,508,966</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				53,858	801,873		<b>855,731</b>
5.50 Maintenance Operations				5,909,959	442,114	500,074	<b>6,852,147</b>
5.52 Maintenance of Grounds				245,779			<b>245,779</b>
5.56 Utilities							<b>-</b>
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,209,596</b>	<b>1,243,987</b>	<b>500,074</b>	<b>7,953,657</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation			92,052			296	<b>92,348</b>
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>92,052</b>	<b>-</b>	<b>-</b>	<b>296</b>	<b>92,348</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>65,464,889</b>	<b>9,863,456</b>	<b>12,674,667</b>	<b>11,121,985</b>	<b>3,891,897</b>	<b>5,288,690</b>	<b>108,305,584</b>

# School District No. 44 (North Vancouver)

## 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	60,043,870	15,065,571	75,109,441	4,148,845	79,258,286	83,180,326	80,048,834
1.03 Career Programs	360,768	88,605	449,373	32,379	481,752	478,416	501,925
1.07 Library Services	2,883,862	706,151	3,590,013	20,899	3,610,912	3,360,500	3,209,694
1.08 Counselling	3,117,263	738,123	3,855,386	13,905	3,869,291	2,800,335	3,967,043
1.10 Special Education	19,472,241	4,886,004	24,358,245	364,133	24,722,378	21,319,783	21,887,374
1.30 English Language Learning	1,497,445	397,820	1,895,265	9,770	1,905,035	1,646,803	1,725,788
1.31 Aboriginal Education	1,019,138	217,443	1,236,581	67,357	1,303,938	1,365,617	1,223,357
1.41 School Administration	7,230,026	1,434,120	8,664,146	253,436	8,917,582	8,071,092	8,900,744
1.60 Summer School	314,398	55,589	369,987	36,843	406,830	362,866	360,319
1.62 International and Out of Province Students	554,644	122,332	676,976	1,349,639	2,026,615	4,788,842	1,818,765
1.64 Other	256,958	55,579	312,537	2,616,007	2,928,544	3,154,348	3,015,047
<b>Total Function 1</b>	<b>96,750,613</b>	<b>23,767,337</b>	<b>120,517,950</b>	<b>8,913,213</b>	<b>129,431,163</b>	<b>130,528,928</b>	<b>126,658,890</b>
<b>4 District Administration</b>							
4.11 Educational Administration	694,960	142,508	837,468	327,130	1,164,598	1,069,852	1,169,612
4.40 School District Governance	186,350	17,288	203,638	113,230	316,868	308,666	308,790
4.41 Business Administration	2,627,656	565,784	3,193,440	965,158	4,158,598	4,041,212	4,140,285
<b>Total Function 4</b>	<b>3,508,966</b>	<b>725,580</b>	<b>4,234,546</b>	<b>1,405,518</b>	<b>5,640,064</b>	<b>5,419,730</b>	<b>5,618,687</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	855,731	184,123	1,039,854	510,732	1,550,586	1,625,762	1,563,504
5.50 Maintenance Operations	6,852,147	1,638,280	8,490,427	2,069,145	10,559,572	11,041,901	10,533,747
5.52 Maintenance of Grounds	245,779	55,045	300,824	499,132	799,956	815,684	796,461
5.56 Utilities	-	-	-	2,452,532	2,452,532	2,875,221	2,534,897
<b>Total Function 5</b>	<b>7,953,657</b>	<b>1,877,448</b>	<b>9,831,105</b>	<b>5,531,541</b>	<b>15,362,646</b>	<b>16,358,568</b>	<b>15,428,609</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation	92,348	16,535	108,883	64,018	172,901	468,645	275,539
<b>Total Function 7</b>	<b>92,348</b>	<b>16,535</b>	<b>108,883</b>	<b>64,018</b>	<b>172,901</b>	<b>468,645</b>	<b>275,539</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>108,305,584</b>	<b>26,386,900</b>	<b>134,692,484</b>	<b>15,914,290</b>	<b>150,606,774</b>	<b>152,775,871</b>	<b>147,981,725</b>

# School District No. 44 (North Vancouver)

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	18,894,720	<b>19,077,633</b>	14,914,601
Other		<b>101,288</b>	(515)
Other Revenue	7,191,141	<b>7,485,935</b>	7,013,326
Investment Income			10,447
<b>Total Revenue</b>	<u>26,085,861</u>	<u><b>26,664,856</b></u>	<u>21,937,859</u>
<b>Expenses</b>			
Instruction	24,973,973	<b>25,244,735</b>	20,561,045
District Administration	165,000	<b>168,607</b>	38,923
Operations and Maintenance	53,310	<b>53,310</b>	81,414
Transportation and Housing			46,341
<b>Total Expense</b>	<u>25,192,283</u>	<u><b>25,466,652</b></u>	<u>20,727,723</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>893,578</u>	<u><b>1,198,204</b></u>	<u>1,210,136</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(893,578)	<b>(1,198,204)</b>	(1,210,136)
<b>Total Net Transfers</b>	<u>(893,578)</u>	<u><b>(1,198,204)</b></u>	<u>(1,210,136)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u><u>-</u></u>	<u><u>-</u></u>

**School District No. 44 (North Vancouver)**

Changes in Special Purpose Funds and Expense by Object

**School District No. 44 (North Vancouver)**

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Coding and Curriculum Implementation	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>									
District Entered			3,452,889					83,287	
<b>Deferred Revenue, beginning of year, as restated</b>	-	-	3,452,889	-	-	-	-	83,287	-
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	626,273	506,353		224,000	61,250	268,463	1,098,847		5,317,326
Other			7,772,316						
	626,273	506,353	7,772,316	224,000	61,250	268,463	1,098,847	-	5,317,326
<b>Less:</b> Allocated to Revenue	626,273	506,353	7,368,763	224,000	61,250	268,463	1,098,847	83,287	5,317,326
Recovered									
<b>Deferred Revenue, end of year</b>	-	-	<b>3,856,442</b>	-	-	-	-	-	-
<b>Revenues</b>									
Provincial Grants - Ministry of Education	626,273	506,353		224,000	61,250	268,463	1,098,847	83,287	5,317,326
Provincial Grants - Other									
Other Revenue			7,368,763						
	626,273	506,353	7,368,763	224,000	61,250	268,463	1,098,847	83,287	5,317,326
<b>Expenses</b>									
Salaries									
Teachers						76,015	252,749		
Principals and Vice Principals									46,840
Educational Assistants		417,039					385,868		3,842,101
Support Staff				163,078	5,685		38,221		112,495
Other Professionals									71,435
Substitutes					8,368	29,213		8,035	51,271
	-	417,039	-	163,078	14,053	105,228	676,838	8,035	4,124,142
Employee Benefits		89,314		34,866	1,907	22,518	154,212	1,465	872,569
Services and Supplies	53,310		7,136,901	26,056	45,290	111,029	267,797	30,711	
	53,310	506,353	7,136,901	224,000	61,250	238,775	1,098,847	40,211	4,996,711
<b>Net Revenue (Expense) before Interfund Transfers</b>	572,963	-	231,862	-	-	29,688	-	43,076	320,615
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(572,963)		(231,862)			(29,688)		(43,076)	(320,615)
	(572,963)	-	(231,862)	-	-	(29,688)	-	(43,076)	(320,615)
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

**School District No. 44 (North Vancouver)**

Changes in Special Purpose Funds and Expense by Object

**School District No. 44 (North Vancouver)**

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Carlile Youth Inpatient Unit	Violence Prevention	ERAC Funding	Mental Health Hub	Cheakamus Special Projects	Metro Regional Implementation	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>									-
District Entered		322,273	330,786			225,515	6,141	304,967	4,725,858
<b>Deferred Revenue, beginning of year, as restated</b>	-	322,273	330,786	-	-	225,515	6,141	304,967	4,725,858
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	8,928,648	1,894,259							18,925,419
Other				20,000	170,903			51,601	8,014,820
	8,928,648	1,894,259	-	20,000	170,903	-	-	51,601	26,940,239
<b>Less:</b> Allocated to Revenue	8,928,648	1,739,032	224,154	20,000	-	101,288	-	97,172	26,664,856
Recovered		322,273							322,273
<b>Deferred Revenue, end of year</b>	-	155,227	106,632	-	170,903	124,227	6,141	259,396	4,678,968
<b>Revenues</b>									
Provincial Grants - Ministry of Education	8,928,648	1,739,032	224,154						19,077,633
Provincial Grants - Other						101,288			101,288
Other Revenue				20,000				97,172	7,485,935
	8,928,648	1,739,032	224,154	20,000	-	101,288	-	97,172	26,664,856
<b>Expenses</b>									
Salaries									
Teachers	6,890,143		141,537						7,360,444
Principals and Vice Principals			14,067			70,084			130,991
Educational Assistants									4,645,008
Support Staff									319,479
Other Professionals									71,435
Substitutes	203,388	1,389,668							1,689,943
	7,093,531	1,389,668	155,604	-	-	70,084	-	-	14,217,300
Employee Benefits	1,835,117	349,364	36,454			13,582			3,411,368
Services and Supplies			32,096	20,000		17,622		97,172	7,837,984
	8,928,648	1,739,032	224,154	20,000	-	101,288	-	97,172	25,466,652
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	1,198,204
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased									(1,198,204)
	-	-	-	-	-	-	-	-	(1,198,204)
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-



# School District No. 44 (North Vancouver)

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			126,043	126,043	110,166
Amortization of Deferred Capital Revenue	5,756,300	6,175,550		6,175,550	5,934,773
<b>Total Revenue</b>	<u>5,756,300</u>	<u>6,175,550</u>	<u>126,043</u>	<u>6,301,593</u>	<u>6,044,939</u>
<b>Expenses</b>					
Amortization of Tangible Capital Assets Operations and Maintenance	9,521,347	10,065,018		10,065,018	9,679,007
Debt Services Capital Lease Interest			36,895	36,895	22,005
<b>Total Expense</b>	<u>9,521,347</u>	<u>10,065,018</u>	<u>36,895</u>	<u>10,101,913</u>	<u>9,701,012</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(3,765,047)</u>	<u>(3,889,468)</u>	<u>89,148</u>	<u>(3,800,320)</u>	<u>(3,656,073)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	2,061,578	1,821,962		1,821,962	1,962,733
Tangible Capital Assets - Work in Progress		28,666		28,666	
Local Capital	5,475,000		6,328,483	6,328,483	
Capital Lease Payment			175,612	175,612	84,248
<b>Total Net Transfers</b>	<u>7,536,578</u>	<u>1,850,628</u>	<u>6,504,095</u>	<u>8,354,723</u>	<u>2,046,981</u>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		313,705	(313,705)	-	
Tangible Capital Assets WIP Purchased from Local Capital		1,270,806	(1,270,806)	-	
Principal Payment Capital Lease		175,612	(175,612)	-	
<b>Total Other Adjustments to Fund Balances</b>		<u>1,760,123</u>	<u>(1,760,123)</u>	<u>-</u>	
<b>Total Capital Surplus (Deficit) for the year</b>	<u>3,771,531</u>	<u>(278,717)</u>	<u>4,833,120</u>	<u>4,554,403</u>	<u>(1,609,092)</u>
<b>Capital Surplus (Deficit), beginning of year</b>		<u>94,690,927</u>	<u>6,134,787</u>	<u>100,825,714</u>	<u>102,434,806</u>
<b>Capital Surplus (Deficit), end of year</b>		<u>94,412,210</u>	<u>10,967,907</u>	<u>105,380,117</u>	<u>100,825,714</u>

# School District No. 44 (North Vancouver)

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>	12,472,243	378,555,075	3,369,450	1,211,197	662,874	4,346,435	<b>400,617,274</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,832,100	105,000				<b>2,937,100</b>
Deferred Capital Revenue - Other		108,505	29,958				<b>138,463</b>
Operating Fund		26,517	412,745	14,145		170,351	<b>623,758</b>
Special Purpose Funds		572,963	209,353	4,007		411,881	<b>1,198,204</b>
Local Capital		8,865		199,044		105,796	<b>313,705</b>
Transferred from Work in Progress		138,534					<b>138,534</b>
	-	3,687,484	757,056	217,196	-	688,028	<b>5,349,764</b>
Decrease:							
Deemed Disposals			213,759	116,988	341,941	872,995	<b>1,545,683</b>
	-	-	213,759	116,988	341,941	872,995	<b>1,545,683</b>
<b>Cost, end of year</b>	12,472,243	382,242,559	3,912,747	1,311,405	320,933	4,161,468	<b>404,421,355</b>
<b>Work in Progress, end of year</b>		22,829,819					<b>22,829,819</b>
<b>Cost and Work in Progress, end of year</b>	12,472,243	405,072,378	3,912,747	1,311,405	320,933	4,161,468	<b>427,251,174</b>
<b>Accumulated Amortization, beginning of year</b>		126,607,270	1,180,908	414,602	391,887	1,537,479	<b>130,132,146</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		8,605,091	336,945	121,120	132,575	869,287	<b>10,065,018</b>
Decrease:							
Deemed Disposals			213,759	116,988	341,941	872,995	<b>1,545,683</b>
		-	213,759	116,988	341,941	872,995	<b>1,545,683</b>
<b>Accumulated Amortization, end of year</b>		135,212,361	1,304,094	418,734	182,521	1,533,771	<b>138,651,481</b>
<b>Tangible Capital Assets - Net</b>	<b>12,472,243</b>	<b>269,860,017</b>	<b>2,608,653</b>	<b>892,671</b>	<b>138,412</b>	<b>2,627,697</b>	<b>288,599,693</b>

**School District No. 44 (North Vancouver)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2019

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	3,605,051				<b>3,605,051</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	13,832,817				<b>13,832,817</b>
Deferred Capital Revenue - Other	4,231,013				<b>4,231,013</b>
Operating Fund	28,666				<b>28,666</b>
Local Capital	1,270,806				<b>1,270,806</b>
	<u>19,363,302</u>	-	-	-	<u><b>19,363,302</b></u>
Decrease:					
Transferred to Tangible Capital Assets	138,534				<b>138,534</b>
	<u>138,534</u>	-	-	-	<u><b>138,534</b></u>
<b>Net Changes for the Year</b>	<u>19,224,768</u>	-	-	-	<u><b>19,224,768</b></u>
<b>Work in Progress, end of year</b>	<u><b>22,829,819</b></u>	-	-	-	<u><b>22,829,819</b></u>

**School District No. 44 (North Vancouver)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

	<b>Bylaw Capital</b>	<b>Other Provincial</b>	<b>Other Capital</b>	<b>Total Capital</b>
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	168,250,219	2,877,338	4,503,547	<b>175,631,104</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,937,100	108,505	29,958	<b>3,075,563</b>
Transferred from Work in Progress	138,534			<b>138,534</b>
	<u>3,075,634</u>	<u>108,505</u>	<u>29,958</u>	<u><b>3,214,097</b></u>
Decrease:				
Amortization of Deferred Capital Revenue	5,888,609	89,350	197,591	<b>6,175,550</b>
	<u>5,888,609</u>	<u>89,350</u>	<u>197,591</u>	<u><b>6,175,550</b></u>
<b>Net Changes for the Year</b>	<u>(2,812,975)</u>	<u>19,155</u>	<u>(167,633)</u>	<u><b>(2,961,453)</b></u>
<b>Deferred Capital Revenue, end of year</b>	<u>165,437,244</u>	<u>2,896,493</u>	<u>4,335,914</u>	<u><b>172,669,651</b></u>
<b>Work in Progress, beginning of year</b>	650,958	1,903,469		<b>2,554,427</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	13,832,817	4,231,013		<b>18,063,830</b>
	<u>13,832,817</u>	<u>4,231,013</u>	<u>-</u>	<u><b>18,063,830</b></u>
Decrease				
Transferred to Deferred Capital Revenue	138,534			<b>138,534</b>
	<u>138,534</u>	<u>-</u>	<u>-</u>	<u><b>138,534</b></u>
<b>Net Changes for the Year</b>	<u>13,694,283</u>	<u>4,231,013</u>	<u>-</u>	<u><b>17,925,296</b></u>
<b>Work in Progress, end of year</b>	<u>14,345,241</u>	<u>6,134,482</u>	<u>-</u>	<u><b>20,479,723</b></u>
<b>Total Deferred Capital Revenue, end of year</b>	<u><b>179,782,485</b></u>	<u><b>9,030,975</b></u>	<u><b>4,335,914</b></u>	<u><b>193,149,374</b></u>

# School District No. 44 (North Vancouver)

Schedule 4D (Unaudited)

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>	173,864	3,875,488	57,629		(19,411)	<b>4,087,570</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	18,309,359					<b>18,309,359</b>
Provincial Grants - Other			50,876			<b>50,876</b>
Transfer project surplus to MEd Restricted (from) Bylaw	(1,698,841)	1,698,841				-
					122,954	<b>122,954</b>
	16,610,518	1,698,841	50,876	-	122,954	<b>18,483,189</b>
Decrease:						
Transferred to DCR - Capital Additions	2,937,100		108,505		29,958	<b>3,075,563</b>
Transferred to DCR - Work in Progress	13,832,817	4,231,013				<b>18,063,830</b>
	16,769,917	4,231,013	108,505	-	29,958	<b>21,139,393</b>
<b>Net Changes for the Year</b>	(159,399)	(2,532,172)	(57,629)	-	92,996	<b>(2,656,204)</b>
<b>Balance, end of year</b>	<b>14,465</b>	<b>1,343,316</b>	-	-	<b>73,585</b>	<b>1,431,366</b>