Audited Financial Statements of

School District No. 91 (Nechako Lakes)

June 30, 2019

September 24, 2019 10:30

School District No. 91 (Nechako Lakes)

June 30, 2019

Table of Contents

School District No. 91 (Nechako Lakes)

MANAGEMENT REPORT

Version: 1370-9625-7642

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 91 (Nechako Lakes) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 91 (Nechako Lakes) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 91 (Nechako Lakes) 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. 91 (Nechako Lakes)

Signature of the Chairperson of the Board of Education	Sept 24/19 Date Signed
Signature of the Superintendent	Sept. 24 '19 Date Signed
Signature of the Secretary Treasurer	Sept 24/19 Date Signed

MNP LLP

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Independent Auditor's Report

To the Board of Education of School District No. 91 (Nechako Lakes), and
To the Minister of Education, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 91 (Nechako Lakes) (the "School District"), which comprise the statement of financial position as at June 30, 2019, and the statements of operations, changes in net financial assets (debt) and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements of the School District 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 British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board (the "special purpose framework").

Basis for Opinion

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2(a) to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the School District in complying with the special purpose framework. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the School District for the year ended June 30, 2018 were audited by Deloitte LLP of Prince George, BC, Canada, who expressed an unmodified opinion on those statements on September 24, 2018.

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 special purpose framework, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

MNP LLP

Chartered Professional Accountants

Prince George, British Columbia

September 23, 2019

School District No. 91 (Nechako Lakes)

Statement 1

Statement of Financial Position
As at June 30, 2019

	2019 Actual	2018 Actual
	$	$
Financial Assets		
Cash and Cash Equivalents	**10,964,023**	9,631,023
Accounts Receivable		
Due from Province - Ministry of Education	**321,922**	417,623
Due from Province - Other		2,221
Due from LEA Funding	**376,822**	831,476
Other	**371,234**	337,702
Portfolio Investments	**69,544**	66,590
Total Financial Assets	**12,103,545**	11,286,635
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	**-**	264,899
Other	**4,129,495**	3,729,822
Unearned Revenue	**4,000**	92,370
Deferred Revenue	**2,214,403**	2,257,206
Deferred Capital Revenue	**40,102,757**	40,352,235
Employee Future Benefits	**3,083,937**	3,027,451
Total Liabilities	**49,534,592**	49,723,983
Net Financial Assets (Debt)	**(37,431,047)**	(38,437,348)
Non-Financial Assets		
Tangible Capital Assets	**64,985,108**	66,165,670
Restricted Assets (Endowments)	**193,384**	183,530
Prepaid Expenses	**231,847**	329,441
Total Non-Financial Assets	**65,410,339**	66,678,641
Accumulated Surplus (Deficit)	**27,979,292**	28,241,293

Approved by the Board

Signature of the Chairperson of the Board of Education — Sept 24/19
Date Signed

Signature of the Superintendent — Sept. 24 '19
Date Signed

Signature of the Secretary Treasurer — Sept 24/19
Date Signed

School District No. 91 (Nechako Lakes)

Statement of Operations

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	$	$	$
Revenues			
Provincial Grants			
Ministry of Education	50,164,400	**50,938,009**	50,298,134
Other	101,000	**211,037**	150,634
Federal Grants			21,542
Tuition	187,500	**198,721**	117,805
Other Revenue	6,296,186	**6,319,183**	6,795,398
Rentals and Leases	83,780	**84,800**	95,985
Investment Income	157,779	**217,832**	155,659
Gain (Loss) on Disposal of Tangible Capital Assets			59,104
Amortization of Deferred Capital Revenue	2,102,998	**2,102,998**	2,015,383
Total Revenue	59,093,643	**60,072,580**	59,709,644
Expenses			
Instruction	46,179,682	**46,280,799**	46,934,678
District Administration	2,494,755	**2,661,992**	2,490,638
Operations and Maintenance	8,329,816	**7,999,635**	8,394,994
Transportation and Housing	3,232,797	**3,402,009**	3,243,768
Total Expense	60,237,050	**60,344,435**	61,064,078
Surplus (Deficit) for the year, before endowment contributions	(1,143,407)	**(271,855)**	(1,354,434)
Endowment Contributions		**9,854**	(2,043)
Surplus (Deficit) for the year	(1,143,407)	**(262,001)**	(1,356,477)
Accumulated Surplus (Deficit) from Operations, beginning of year		**28,241,293**	29,597,770
Accumulated Surplus (Deficit) from Operations, end of year		**27,979,292**	28,241,293

The accompanying notes are an integral part of these financial statements.

School District No. 91 (Nechako Lakes)

Statement of Changes in Net Financial Assets (Debt)
Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	$	$	$
Surplus (Deficit) for the year	(1,143,407)	**(262,001)**	(1,356,477)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,054,645)	**(1,832,896)**	(2,591,090)
Amortization of Tangible Capital Assets	3,013,458	**3,013,458**	2,921,982
Net carrying value of Tangible Capital Assets disposed of			5,000
Total Effect of change in Tangible Capital Assets	958,813	**1,180,562**	335,892
Acquisition of Prepaid Expenses		**(231,847)**	(329,441)
Use of Prepaid Expenses		**329,441**	285,786
Endowment Contributions		**(9,854)**	2,043
Total Effect of change in Other Non-Financial Assets	-	**87,740**	(41,612)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	(184,594)	**1,006,301**	(1,062,197)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		**1,006,301**	(1,062,197)
Net Financial Assets (Debt), beginning of year		**(38,437,348)**	(37,375,151)
Net Financial Assets (Debt), end of year		**(37,431,047)**	(38,437,348)

School District No. 91 (Nechako Lakes)

Statement of Cash Flows

Year Ended June 30, 2019

	2019 Actual	2018 Actual
	$	$
Operating Transactions		
Surplus (Deficit) for the year	**(262,001)**	(1,356,477)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	**519,044**	(65,729)
Prepaid Expenses	**97,594**	(43,655)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	**134,774**	151,687
Unearned Revenue	**(88,370)**	91,770
Deferred Revenue	**(42,803)**	(321,828)
Employee Future Benefits	**56,486**	7,639
Loss (Gain) on Disposal of Tangible Capital Assets		(59,104)
Amortization of Tangible Capital Assets	**3,013,458**	2,921,982
Amortization of Deferred Capital Revenue	**(2,102,998)**	(2,015,383)
Total Operating Transactions	**1,325,184**	(689,098)
Capital Transactions		
Tangible Capital Assets Purchased	**(1,078,912)**	(1,890,115)
Tangible Capital Assets -WIP Purchased	**(753,984)**	(700,975)
District Portion of Proceeds on Disposal		64,104
Total Capital Transactions	**(1,832,896)**	(2,526,986)
Financing Transactions		
Capital Revenue Received	**1,853,520**	2,295,737
Endowment Contributions	**(9,854)**	2,043
Total Financing Transactions	**1,843,666**	2,297,780
Investing Transactions		
Investments in Portfolio Investments	**(2,954)**	(5,500)
Total Investing Transactions	**(2,954)**	(5,500)
Net Increase (Decrease) in Cash and Cash Equivalents	**1,333,000**	(923,804)
Cash and Cash Equivalents, beginning of year	**9,631,023**	10,554,827
Cash and Cash Equivalents, end of year	**10,964,023**	9,631,023
Cash and Cash Equivalents, end of year, is made up of:		
Cash	**10,964,023**	9,631,023
	10,964,023	9,631,023

The accompanying notes are an integral part of these financial statements.

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on December 2, 1996, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 91 (Nechako Lakes)", and operates as "School District No. 91(Nechako Lakes)." 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. 91(Nechako Lakes) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the "Act'). This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(f) and 2(l).

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

As noted in Notes 2(f) and 2(l), Section 23.1 of the Act and its related regulations requires the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

As a result, revenue recognized in the statement of operations and certain capital revenue would be recorded differently under Canadian public sector accounting standards. The impact of this difference on the financial statements of the School District is as follows:

		June 30, 2019		June 30, 2018
(Decrease)Increase in Annual Surplus	$	(249,478)	$	280,354
Increase in Accumulated Surplus	$	40,102,757	$	40,352,235
Decrease in Deferred Contributions	$	40,102,757	$	40,352,235

b) Cash and Cash Equivalents

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Accounts Receivable

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

d) Portfolio Investments

The School District has investments in GIC's and term deposits that have a maturity of greater than 3 months at the time of acquisition. GIC's, term deposits, and other investments not quoted in an active market are reported at cost.

Portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are realized on disposal. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Operations.

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

Detailed information regarding portfolio investments is disclosed in Note 4.

e) 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.

f) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by the Province of British Columbia 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(l).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Deferred Revenue and Deferred Capital Revenue (continued)

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

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2019, and projected to June 30, 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.
- Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) 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

j) Prepaid Expenses

Goods and services paid for, but not yet received at year-end are included as a prepaid expense, stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

k) Funds and Reserves

The School District uses fund accounting procedures, which result in self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various fund have been amalgamated for the purpose of presentation in these financial statements. All inter-fund balances have been eliminated.

The School District maintains the following funds:

- The Operations Fund, which reports the general activities of the School District
- The Capital Operations Fund which report activities related to the tangible capital assets and related funding of the School District
- Various special purposes funds as follows: Annual Facility Grant, Learning Improvement Fund, Special Education Equipment Fund, Scholarships and Bursaries/Endowment Income Fund, Service Delivery Transformation, School Generated Funds, Strong Start, Ready, Set, Learn, OLEP Fund, CommunityLINK Fund, Classroom Enhancement Fund, Speech Pathologist Fund, Literacy Now Stewardship Fund, Fort St. James Woodlot Fund, and BCSSA North Zone Fund.

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 13 – Interfund Transfers and Note 18 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 2, 3 and 4.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l) 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.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred;
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased; and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition, in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Investment income is reported in the period earned. When required by the funding party or related act, investment income earned on deferred revenue is added to the deferred revenue balance.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.

- Superintendents, Secretary-Treasurers, Directors, 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.

n) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Financial Instruments

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

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

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

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

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2(a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

q) Adoption of New Accounting Standards

The School District has prospectively adopted the following standards from July 1, 2017:

"PS 2200 – Related party disclosures" defines a related party and identifies disclosures for related parties and related party transactions, including key management personnel and close family members.

"PS 3420 – Inter-entity transactions" establishes standards on how to account for and report transactions between public sector entries that comprise a government's reporting entity from both a provider and recipient perspective.

"PS 3210 – Assets" provides guidance for applying the definition of assets set out in PS 1000 Financial statement concepts and establishes general disclosure standards for assets.

"PS 3320 – Contingent assets" defines and establishes disclosure standards for contingent assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q) Adoption of New Accounting Standards (continued)

"PS 3380 – Contractual rights" defines and establishes disclosure standards for contractual rights.

Adoption of these standards did not have a material impact on the School District's financial statements.

r) Future Changes in Accounting Policies

The following summarizes the upcoming changes to the Canadian public sector accounting standards issued by the Public Sector Accounting Standards Board (PSAB). The School District will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption can vary, certain standards must be adopted concurrently. The requirements in the Financial Statement Presentation (PS 1201), Financial Instruments (PS 3450), Foreign Currency Translation (PS 2601) and Portfolio Investments (PS 3041) must be implemented at the same time.

i) Financial statement presentation

PS 1201 Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising for the re-measurement of financial instruments and items denominated in foreign currencies as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This standard is effective for fiscal years starting on or after April 1, 2021.

ii) Foreign currency translation

PSAB issued PS 2601 Foreign Currency Translation, replacing the current PS 2600 applicable for fiscal years beginning on or after April 1, 2021. This standard requires that monetary assets and liabilities denominated in a foreign currency be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the new statement of re-measurement gains and losses.

iii)Financial instruments

PS 3450 Financial Instruments applicable for fiscal years beginning on or after April 1, 2021 establishes recognition, measurement and disclosure requirements for derivate and no-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments, all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

iv)Portfolio investments

Section PS 3041 Portfolio Investments has removed the distinction between temporary and portfolio investments. This section now includes pooled investments in its scope and was amended to conform to Financial instruments PS 3450. Upon adoption of PS 3450 and PS 3041, PS 3030 Temporary Investments will no longer apply. This standard is applicable for fiscal years beginning on or after April 1, 2021.

v) Asset retirement obligations

PSAB issued PS 3280 Asset Retirement Obligations applicable for fiscal years beginning on or after April 1, 2021. This standard establishes standards on how to account for and report a liability for asset retirement obligations.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	June 30, 2019	June 30, 2018
Due from Federal Government	$ 97,782	$ 75,044
Other	273,452	262,658
Total	**$ 371,234**	**$ 337,702**

NOTE 4 PORTFOLIO INVESTMENTS

	June 30, 2019	June 30, 2018
Investments-cost & amortized cost category:		
GIC's	$ 51,838	$ 52,093
Term Deposits	17,706	14,497
Total	**$ 69,544**	**$ 66,590**

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2019	June 30, 2018
Trades Payable	$ 1,051,496	$ 791,048
Salaries and Benefits Payable	2,412,854	2,228,636
Accrued Vacation Pay	665,145	710,138
Total	**$ 4,129,495**	**$ 3,729,822**

NOTE 6 UNEARNED REVENUE

	June 30, 2019	June 30, 2018
Balance, Beginning of Year	$ 92,370	$ 600
Increases:		
Rents	-	1,470
ASSAI funding	3,000	48,000
BC Council for International Education	-	30,000
Tuition Fees	1,000	12,900
Decreases:		
Rents	(1,470)	(600)
Tuition Fees	(12,900)	-
Grants	(78,000)	-
Net Changes for the Year	(88,370)	91,770
Balance, End of Year	**$ 4,000**	**$ 92,370**

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. Detailed information about the changes in deferred revenue is included in Schedule 3A.

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. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

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.

	June 30, 2019	June 30, 2018
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	3,266,738	3,265,151
Service Cost	211,302	206,148
Interest Cost	91,687	91,391
Benefit Payments	(286,406)	(332,777)
Actuarial (Gain) Loss	168,169	36,824
Accrued Benefit Obligation – March 31	3,451,490	3,266,738
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	3,451,490	3,266,738
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(3,451,490)	(3,266,738)
Employer Contributions After Measurement Date	58,011	51,847
Benefits Expense After Measurement Date	(78,239)	(75,747)
Unamortized Net Actuarial (Gain) Loss	387,781	263,188
Accrued Benefit Asset (Liability) - June 30	(3,083,937)	(3,027,451)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	3,027,451	3,019,812
Net Expense for Fiscal Year	349,056	339,068
Employer Contributions	(292,570)	(331,428)
Accrued Benefit Liability (Asset) - June 30	3,083,937	3,027,451
Components of Net Benefit Expense		
Service Cost	214,737	207,437
Interest Cost	90,744	91,465
Amortization of Net Actuarial (Gain)/Loss	43,575	40,166
Net Benefit Expense (Income)	349,056	339,068
Assumptions		
Discount Rate - April 1	2.75%	2.75%
Discount Rate - March 31	2.50%	2.75%
Long Term Salary Growth - April 1	2.50%	2.50%
Long Term Salary Growth - March 31	2.50%	2.50%
EARSL - March 31	11.2	10.8

NOTE 10 TANGIBLE CAPITAL ASSETS

Cost:	Balance at July 1, 2018	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2019
Sites	$ 7,606,117				$ 7,606,117
Buildings	106,568,444	888,231		487,443	107,944,118
Buildings - Work in Progress	122,449	747,864		(487,443)	382,870
Furniture & Equipment	2,055,167	57,824	(324,193)	118,191	1,906,989
Furniture & Equipment - Work in Progress	112,071	6,120		(118,191)	-
Vehicles	5,642,284	132,857	(377,322)		5,397,819
Computer Software	76,392		(67,704)		8,688
Computer Hardware	31,162				31,162
Total	$122,214,086	$ 1,832,896	$ (769,219)	$ -	$123,277,763

Accumulated Amortization:	Balance at July 1, 2018	Additions	Disposals	Balance at June 30, 2019
Buildings	$ 52,300,650	2,222,203	-	$ 54,522,853
Furniture & Equipment	1,025,610	205,517	(324,193)	906,934
Vehicles	2,651,253	564,228	(377,322)	2,838,159
Computer Software	57,638	15,278	(67,704)	5,212
Computer Hardware	13,265	6,232	-	19,497
Total	$ 56,048,416	$ 3,013,458	$ (769,219)	$ 58,292,655

Net Book Value:	NBV at June 30, 2018	NBV at June 30, 2019
Sites	$ 7,606,117	$ 7,606,117
Buildings	54,267,794	53,421,265
Buildings - Work in Progress	122,449	382,870
Furniture & Equipment	1,029,557	1,000,055
Furniture & Equipment - Work in Progress	112,071	-
Vehicles	2,991,031	2,559,660
Computer Software	18,754	3,476
Computer Hardware	17,897	11,665
Total	$ 66,165,670	$ 64,985,108

NOTE 10 TANGIBLE CAPITAL ASSETS (continued)

Cost:	Balance at July 1, 2017	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2018
Sites	$ 7,611,117		$ (5,000)		$ 7,606,117
Buildings	105,272,324	918,104	(161,725)	539,741	106,568,444
Buildings - Work in Progress	53,261	608,929		(539,741)	122,449
Furniture & Equipment	2,220,280	64,796	(246,930)	17,021	2,055,167
Furniture & Equipment - Work in Progress	37,046	92,046		(17,021)	112,071
Vehicles	4,744,122	898,162			5,642,284
Computer Software	76,392				76,392
Computer Hardware	60,778	9,053	(38,669)		31,162
Total	$120,075,320	$ 2,591,090	$ (452,324)	$ -	$122,214,086

Accumulated Amortization:	Balance at July 1, 2017	Additions	Disposals	Balance at June 30, 2018
Buildings	$ 50,264,268	2,198,107	(161,725)	$ 52,300,650
Furniture & Equipment	1,050,512	222,028	(246,930)	1,025,610
Vehicles	2,176,840	474,413		2,651,253
Computer Software	42,360	15,278		57,638
Computer Hardware	39,778	12,156	(38,669)	13,265
Total	$ 53,573,758	$ 2,921,982	$ (447,324)	$ 56,048,416

Net Book Value:	NBV at June 30, 2017	NBV at June 30, 2018
Sites	$ 7,611,117	$ 7,606,117
Buildings	55,008,056	54,267,794
Buildings - Work in Progress	53,261	122,449
Furniture & Equipment	1,169,768	1,029,557
Furniture & Equipment - Work in Progress	37,046	112,071
Vehicles	2,567,282	2,991,031
Computer Software	34,032	18,754
Computer Hardware	21,000	17,897
Total	$ 66,501,562	$ 66,165,670

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trusteed 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 46,000 active members and approximately 38,000 retired members. As of December 31, 2017, the Municipal Pension Plan has about 197,000, 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 is then adjusted to the extent there is amortization of any funding deficit.

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.

The School District paid $4,235,507 for employer contributions to the plans for the year ended June 30, 2019 (2018 - $4,635,906).

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

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

NOTE 12 RESTRICTED ASSETS - ENDOWMENT FUNDS

Donors have placed restrictions on their contributions to the endowment funds of the school district. One restriction is that the original contribution should not be spent. Another potential restriction is that any investment income of the endowment fund that is required to offset the eroding effect of inflation or preserve the original value of the endowment should also not be spent.

	Balance June 30, 2018	Contributions / Withdrawals June 30, 2019	Balance June 30, 2019
M. Goodwin	$ 4,072	$ 61	$ 4,133
D. Bunting	5,000		5,000
Barteaux	70,717		70,717
Fortin	15,000		15,000
Holiday	8,500		8,500
Steinbach	5,200		5,200
T'Saiku	5,000		5,000
Hoffman	9,986		9,986
Nourse	10,000		10,000
Marks		9,778	9,778
JP Diemert	50,055	$ 15	50,070
Total	$ 183,530	$ 9,854	$ 193,384

NOTE 13 INTERFUND TRANSFERS

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

	2018-19	2017-18
Transferred from operating funds to local capital	$ 200,814	$ -
Transferred from local capital to operating funds	$ -	$ 175,095
Transferred from special purpose funds to capital	$ 66,004	$ 131,549
Transferred from school generated funds to capital	$ -	$ 18,697

NOTE 14 RELATED PARTY TRANSACTIONS

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

NOTE 15 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 28, 2019.

NOTE 16 EXPENSE BY OBJECT

	June 30, 2019	June 30, 2018
Salaries and benefits	$ 46,682,300	$ 47,440,377
Services and supplies	10,648,677	10,701,719
Amortization	3,013,458	2,921,982
	$60,344,435	$61,064,078

NOTE 17 ECONOMIC DEPENDENCE

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

NOTE 18 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	2018-19	2017-18
Internally Restricted (appropriated) by Board for:		
Schools	$ 425,777	$ -
Aboriginal Education	306,685	374,533
Student Learning Grant	-	-
Other Targeted	135,177	153,035
Sub-Total Internally Restricted	867,639	527,568
Unrestricted Operating Surplus	-	-
Total Available for Future Operations	$ 867,639	$ 527,568

NOTE 19 RISK MANAGEMENT

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

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

a) Credit Risk:

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

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

NOTE 19 RISK MANAGEMENT (continued)

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in guaranteed investment certificates.

b) Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in guaranteed investment certificates that have a maturity date of no more than 5 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.

Schedule 1 (Unaudited)

School District No. 91 (Nechako Lakes)

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
	$	$	$	$	$
Accumulated Surplus (Deficit), beginning of year	527,568	183,530	27,530,195	**28,241,293**	29,597,770
Changes for the year					
Surplus (Deficit) for the year	543,088	75,858	(880,947)	**(262,001)**	(1,356,477)
Interfund Transfers					
Tangible Capital Assets Purchased	(2,203)	(66,004)	68,207	-	
Local Capital	(200,814)		200,814	-	
Net Changes for the year	**340,071**	**9,854**	**(611,926)**	**(262,001)**	**(1,356,477)**
Accumulated Surplus (Deficit), end of year - Statement 2	**867,639**	**193,384**	**26,918,269**	**27,979,292**	28,241,293

School District No. 91 (Nechako Lakes)

Schedule of Operating Operations

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	$	$	$
Revenues			
Provincial Grants			
Ministry of Education	45,941,422	**46,955,777**	46,316,151
Other	101,000	**195,347**	150,634
Federal Grants			21,542
Tuition	187,500	**198,721**	117,805
Other Revenue	4,893,036	**4,735,406**	5,288,512
Rentals and Leases	83,780	**84,800**	95,985
Investment Income	95,000	**132,183**	99,994
Total Revenue	51,301,738	**52,302,234**	52,090,623
Expenses			
Instruction	40,810,033	**40,814,317**	41,742,330
District Administration	2,494,755	**2,661,992**	2,490,638
Operations and Maintenance	5,855,949	**5,445,056**	5,768,739
Transportation and Housing	2,668,569	**2,837,781**	2,769,355
Total Expense	51,829,306	**51,759,146**	52,771,062
Operating Surplus (Deficit) for the year	(527,568)	**543,088**	(680,439)
Budgeted Appropriation (Retirement) of Surplus (Deficit)	527,568		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		**(2,203)**	(24,426)
Local Capital		**(200,814)**	175,095
Total Net Transfers	-	**(203,017)**	150,669
Total Operating Surplus (Deficit), for the year	-	**340,071**	(529,770)
Operating Surplus (Deficit), beginning of year		**527,568**	1,057,338
Operating Surplus (Deficit), end of year		**867,639**	527,568
Operating Surplus (Deficit), end of year			
Internally Restricted		**867,639**	527,568
Total Operating Surplus (Deficit), end of year		**867,639**	527,568

School District No. 91 (Nechako Lakes)

Schedule of Operating Revenue by Source
Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	$	$	$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	48,574,701	**49,039,944**	49,085,819
ISC/LEA Recovery	(4,595,700)	**(4,319,269)**	(4,860,600)
Other Ministry of Education Grants			
Pay Equity	1,096,373	**1,096,373**	1,096,373
Funding for Graduated Adults	38,156	**91,867**	61,766
Transportation Supplement	503,247	**503,247**	503,247
Economic Stability Dividend	24,336	**40,756**	24,336
Return of Administrative Savings			253,903
Carbon Tax Grant	91,000	**112,657**	107,411
Employer Health Tax Grant		**117,417**	
Strategic Priorities - Mental Health Grant	35,000	**35,000**	
Support Staff Benefits Grant	61,122	**61,122**	58,968
BCTEA - LEA Capacity Building Grant		**89,040**	
FSA Scorer Grant	8,187	**8,187**	8,187
PLNet Services Self-Provisioned Sites Grant	100,000	**96,336**	96,336
DL Audit Recoveries		**(24,400)**	(126,166)
Indigineous Language Learning Grant			6,571
Equity Scan/MyED Academy Travel	5,000	**7,500**	
Total Provincial Grants - Ministry of Education	45,941,422	**46,955,777**	46,316,151
Provincial Grants - Other	101,000	**195,347**	150,634
Federal Grants			21,542
Tuition			
International and Out of Province Students	187,500	**198,721**	117,805
Total Tuition	187,500	**198,721**	117,805
Other Revenues			
Other School District/Education Authorities	10,000		
LEA Funding from First Nations	4,595,700	**4,319,269**	4,860,600
Miscellaneous			
Cultural Grant		**13,100**	13,600
Miscellaneous	113,336	**226,624**	224,242
Bottle Depot	164,000	**161,651**	162,262
Bus Charters	10,000	**14,762**	15,481
Sale of Assets			12,327
Total Other Revenue	4,893,036	**4,735,406**	5,288,512
Rentals and Leases	83,780	**84,800**	95,985
Investment Income	95,000	**132,183**	99,994
Total Operating Revenue	51,301,738	**52,302,234**	52,090,623

School District No. 91 (Nechako Lakes)

Schedule of Operating Expense by Object
Year Ended June 30, 2019

	2019 Budget (Note 15)	**2019 Actual**	2018 Actual
	$	$	$
Salaries			
Teachers	18,679,963	**18,881,413**	18,852,282
Principals and Vice Principals	2,865,088	**2,699,827**	3,065,891
Educational Assistants	3,977,536	**4,036,636**	4,297,833
Support Staff	6,193,588	**6,206,875**	6,582,438
Other Professionals	2,038,680	**2,137,717**	1,848,936
Substitutes	1,217,181	**1,531,027**	1,266,958
Total Salaries	34,972,036	**35,493,495**	35,914,338
Employee Benefits	7,590,667	**7,738,021**	8,314,255
Total Salaries and Benefits	42,562,703	**43,231,516**	44,228,593
Services and Supplies			
Services	1,921,229	**2,004,867**	1,903,782
Student Transportation	137,237	**110,932**	132,513
Professional Development and Travel	1,127,238	**1,004,103**	816,389
Rentals and Leases	43,873	**34,907**	34,178
Dues and Fees	75,634	**54,383**	54,987
Insurance	187,514	**152,100**	171,949
Supplies	4,125,332	**3,700,388**	3,815,413
Utilities	1,648,546	**1,465,950**	1,613,258
Total Services and Supplies	9,266,603	**8,527,630**	8,542,469
Total Operating Expense	51,829,306	**51,759,146**	52,771,062

School District No. 91 (Nechako Lakes)

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
	$	$	$	$	$	$	$
1 Instruction							
1.02 Regular Instruction	14,940,582	1,494,785	25,296	1,664,838	97,521	989,382	**19,212,404**
1.03 Career Programs	280,503			767	84,695	19,725	**385,690**
1.07 Library Services	425,949			106,290		12,674	**544,913**
1.08 Counselling	913,812						**913,812**
1.10 Special Education	2,129,273	107,370	3,191,167		259,371	251,196	**5,938,377**
1.30 English Language Learning	83,426		11,165				**94,591**
1.31 Aboriginal Education	107,868	135,020	809,008	1,031	19,511	43,214	**1,115,652**
1.41 School Administration		952,068		632,552		8,245	**1,592,865**
1.62 International and Out of Province Students						4,073	**4,073**
1.64 Other							**-**
Total Function 1	**18,881,413**	**2,689,243**	**4,036,636**	**2,405,478**	**461,098**	**1,328,509**	**29,802,377**
4 District Administration							
4.11 Educational Administration		10,584		114	737,887	1,245	**749,830**
4.40 School District Governance					85,548		**85,548**
4.41 Business Administration				235,230	595,617	19,305	**850,152**
Total Function 4	**-**	**10,584**	**-**	**235,344**	**1,419,052**	**20,550**	**1,685,530**
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				7,079	151,376	13,381	**171,836**
5.50 Maintenance Operations				2,130,526	1,627	80,861	**2,213,014**
5.52 Maintenance of Grounds				169,738			**169,738**
5.56 Utilities							**-**
Total Function 5	**-**	**-**	**-**	**2,307,343**	**153,003**	**94,242**	**2,554,588**
7 Transportation and Housing							
7.41 Transportation and Housing Administration					104,564		**104,564**
7.70 Student Transportation				1,258,710		87,726	**1,346,436**
Total Function 7	**-**	**-**	**-**	**1,258,710**	**104,564**	**87,726**	**1,451,000**
9 Debt Services							
Total Function 9	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Functions 1 - 9	**18,881,413**	**2,699,827**	**4,036,636**	**6,206,875**	**2,137,717**	**1,531,027**	**35,493,495**

School District No. 91 (Nechako Lakes)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Actual	2019 Budget (Note 15)	2018 Actual
	$	$	$	$	$	$	$
1 Instruction							
1.02 Regular Instruction	19,212,404	4,087,207	23,299,611	2,069,621	25,369,232	25,034,389	25,991,339
1.03 Career Programs	385,690	76,970	462,660	172,089	634,749	609,750	580,995
1.07 Library Services	544,913	112,163	657,076	24,805	681,881	222,153	685,326
1.08 Counselling	913,812	187,658	1,101,470	55,720	1,157,190	1,378,324	1,132,701
1.10 Special Education	5,938,377	1,322,900	7,261,277	1,538,895	8,800,172	8,469,631	9,427,255
1.30 English Language Learning	94,591	18,332	112,923		112,923		135,250
1.31 Aboriginal Education	1,115,652	273,518	1,389,170	282,597	1,671,767	1,978,453	1,508,575
1.41 School Administration	1,592,865	428,018	2,020,883	149,862	2,170,745	2,835,370	2,123,885
1.62 International and Out of Province Students	4,073	324	4,397	49,643	54,040	25,500	9,403
1.64 Other	-		-	161,618	161,618	256,463	147,601
Total Function 1	29,802,377	6,507,090	36,309,467	4,504,850	40,814,317	40,810,033	41,742,330
4 District Administration							
4.11 Educational Administration	749,830	145,107	894,937	132,326	1,027,263	817,578	1,160,594
4.40 School District Governance	85,548	2,909	88,457	180,859	269,316	243,764	170,809
4.41 Business Administration	850,152	181,595	1,031,747	333,666	1,365,413	1,433,413	1,159,235
Total Function 4	1,685,530	329,611	2,015,141	646,851	2,661,992	2,494,755	2,490,638
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	171,836	36,460	208,296	95,423	303,719	335,368	262,552
5.50 Maintenance Operations	2,213,014	512,487	2,725,501	570,423	3,295,924	3,516,496	3,454,818
5.52 Maintenance of Grounds	169,738	30,464	200,202	179,262	379,464	355,539	438,109
5.56 Utilities	-		-	1,465,949	1,465,949	1,648,546	1,613,260
Total Function 5	2,554,588	579,411	3,133,999	2,311,057	5,445,056	5,855,949	5,768,739
7 Transportation and Housing							
7.41 Transportation and Housing Administration	104,564	19,506	124,070	20,982	145,052	134,850	131,747
7.70 Student Transportation	1,346,436	302,403	1,648,839	1,043,890	2,692,729	2,533,719	2,637,608
Total Function 7	1,451,000	321,909	1,772,909	1,064,872	2,837,781	2,668,569	2,769,355
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	35,493,495	7,738,021	43,231,516	8,527,630	51,759,146	51,829,306	52,771,062

School District No. 91 (Nechako Lakes)
Schedule of Special Purpose Operations
Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	$	$	$
Revenues			
Provincial Grants			
Ministry of Education	4,222,978	**3,982,232**	3,981,983
Other		**15,690**	
Other Revenue	1,403,150	**1,583,777**	1,506,886
Investment Income	32,950	**56,136**	32,411
Total Revenue	5,659,078	**5,637,835**	5,521,280
Expenses			
Instruction	5,369,649	**5,466,482**	5,192,348
Operations and Maintenance	24,637	**105,349**	178,686
Total Expense	5,394,286	**5,571,831**	5,371,034
Special Purpose Surplus (Deficit) for the year, before endowment contributions	264,792	**66,004**	150,246
Endowment Contributions		**9,854**	(2,043)
Special Purpose Surplus (Deficit) for the year	264,792	**75,858**	148,203
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(264,792)	**(66,004)**	(131,549)
Other			(18,697)
Total Net Transfers	(264,792)	**(66,004)**	(150,246)
Total Special Purpose Surplus (Deficit) for the year	-	**9,854**	(2,043)
Special Purpose Surplus (Deficit), beginning of year		**183,530**	185,573
Special Purpose Surplus (Deficit), end of year		**193,384**	183,530
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		**193,384**	183,530
Total Special Purpose Surplus (Deficit), end of year		**193,384**	183,530

School District No. 91 (Nechako Lakes)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	$	$	$	$	$	$	$	$	$
Deferred Revenue, beginning of year			45,474	25,000	1,830,127	93,139	58,731		
Scholarship Funds Transferred to Endowment Revenue			(2,351)						
Deferred Revenue, beginning of year, as restated	-	-	43,123	25,000	1,830,127	93,139	58,731	-	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education	289,429	188,731				160,000	26,950	93,875	497,539
Other					1,344,840				
Investment Income	1,866		1,021		40,631	2,951	1,615	235	78
	291,295	188,731	1,021	-	1,385,471	162,951	28,565	94,110	497,617
Less: Allocated to Revenue	153,783	168,976	6,350	25,000	1,504,016	174,583	10,896	94,110	484,086
Deferred Revenue, end of year	137,512	19,755	37,794	-	1,711,582	81,507	76,400	-	13,531
Revenues									
Provincial Grants - Ministry of Education	151,917	168,976		25,000		171,632	9,281	93,875	484,008
Provincial Grants - Other									
Other Revenue			5,329		1,463,385				
Investment Income	1,866		1,021		40,631	2,951	1,615	235	78
	153,783	168,976	6,350	25,000	1,504,016	174,583	10,896	94,110	484,086
Expenses									
Salaries									
Teachers									
Principals and Vice Principals									
Educational Assistants		124,287				93,311		21,789	213,472
Support Staff									20,967
Other Professionals									
Substitutes		6,855				1,057		10,085	10,068
	-	131,142	-	-	-	94,368	-	31,874	244,507
Employee Benefits		37,834				25,247		9,699	65,517
Services and Supplies	105,349		6,350	25,000	1,486,446	54,968	10,896	52,537	174,062
	105,349	168,976	6,350	25,000	1,486,446	174,583	10,896	94,110	484,086
Net Revenue (Expense) before Interfund Transfers	48,434	-	-	-	17,570	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(48,434)				(17,570)				
	(48,434)	-	-	-	(17,570)	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 91 (Nechako Lakes)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Endowment Income	Speech Pathologist	Literacy Now Stewardship	Fort St James Woodlot	BCSSA North Zone	TOTAL
	$	$	$	$	$	$	$	$	$
Deferred Revenue, beginning of year				5,209	15,690	34,260	112,544	37,032	2,257,206
Scholarship Funds Transferred to Endowment Revenue				2,351					-
Deferred Revenue, beginning of year, as restated	-	-	-	7,560	15,690	34,260	112,544	37,032	2,257,206
Add: Restricted Grants									
Provincial Grants - Ministry of Education	288,448	2,578,731	15,561						4,139,264
Other				7,726		47,066			1,399,632
Investment Income				5,475			2,264		56,136
	288,448	2,578,731	15,561	13,201	-	47,066	2,264	-	5,595,032
Less: Allocated to Revenue	288,448	2,578,731	10,364	14,740	15,690	44,947	26,083	37,032	5,637,835
Deferred Revenue, end of year	-	-	5,197	6,021	-	36,379	88,725	-	2,214,403
Revenues									
Provincial Grants - Ministry of Education	288,448	2,578,731	10,364						3,982,232
Provincial Grants - Other					15,690				15,690
Other Revenue				9,265		44,947	23,819	37,032	1,583,777
Investment Income				5,475			2,264		56,136
	288,448	2,578,731	10,364	14,740	15,690	44,947	26,083	37,032	5,637,835
Expenses									
Salaries									
Teachers	92,475	2,104,518							2,196,993
Principals and Vice Principals	22,560								22,560
Educational Assistants									452,859
Support Staff	51,267								72,234
Other Professionals	9,593				12,769				22,362
Substitutes									28,065
	175,895	2,104,518	-	-	12,769	-	-	-	2,795,073
Employee Benefits	40,280	474,213			2,921				655,711
Services and Supplies	72,273		10,364	14,740		44,947	26,083	37,032	2,121,047
	288,448	2,578,731	10,364	14,740	15,690	44,947	26,083	37,032	5,571,831
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	66,004
Interfund Transfers									
Tangible Capital Assets Purchased									(66,004)
	-	-	-	-	-	-	-	-	(66,004)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 91 (Nechako Lakes)

Schedule of Capital Operations
Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual Invested in Tangible Capital Assets	2019 Actual Local Capital	2019 Actual Fund Balance	2018 Actual
	$	$	$	$	$
Revenues					
Investment Income	29,829		29,513	29,513	23,254
Gain (Loss) on Disposal of Tangible Capital Assets				-	59,104
Amortization of Deferred Capital Revenue	2,102,998	2,102,998		2,102,998	2,015,383
Total Revenue	2,132,827	2,102,998	29,513	2,132,511	2,097,741
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,449,230	2,449,230		2,449,230	2,447,569
Transportation and Housing	564,228	564,228		564,228	474,413
Total Expense	3,013,458	3,013,458	-	3,013,458	2,921,982
Capital Surplus (Deficit) for the year	(880,631)	(910,460)	29,513	(880,947)	(824,241)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	264,792	68,207		68,207	155,975
Local Capital			200,814	200,814	(175,095)
From School Generated Funds				-	18,697
Total Net Transfers	264,792	68,207	200,814	269,021	(423)
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		40,254	(40,254)	-	
Total Other Adjustments to Fund Balances		40,254	(40,254)	-	
Total Capital Surplus (Deficit) for the year	(615,839)	(801,999)	190,073	(611,926)	(824,664)
Capital Surplus (Deficit), beginning of year		26,143,094	1,387,101	27,530,195	28,354,859
Capital Surplus (Deficit), end of year		25,341,095	1,577,174	26,918,269	27,530,195

School District No. 91 (Nechako Lakes)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2019

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	$	$	$	$	$	$	$
Cost, beginning of year	7,606,117	106,568,444	2,055,167	5,642,284	76,392	31,162	**121,979,566**
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		839,797		130,654			**970,451**
Operating Fund				2,203			**2,203**
Special Purpose Funds		48,434	17,570				**66,004**
Local Capital			40,254				**40,254**
Transferred from Work in Progress		487,443	118,191				**605,634**
	-	1,375,674	176,015	132,857	-	-	**1,684,546**
Decrease:							
Deemed Disposals			324,193	377,322	67,704		**769,219**
	-	-	324,193	377,322	67,704	-	**769,219**
Cost, end of year	7,606,117	107,944,118	1,906,989	5,397,819	8,688	31,162	**122,894,893**
Work in Progress, end of year		382,870					**382,870**
Cost and Work in Progress, end of year	7,606,117	108,326,988	1,906,989	5,397,819	8,688	31,162	**123,277,763**
Accumulated Amortization, beginning of year		52,300,650	1,025,610	2,651,253	57,637	13,266	**56,048,416**
Changes for the Year							
Increase: Amortization for the Year		2,222,203	205,517	564,228	15,278	6,232	**3,013,458**
Decrease:							
Deemed Disposals			324,193	377,322	67,704		**769,219**
		-	324,193	377,322	67,704	-	**769,219**
Accumulated Amortization, end of year		54,522,853	906,934	2,838,159	5,211	19,498	**58,292,655**
Tangible Capital Assets - Net	**7,606,117**	**53,804,135**	**1,000,055**	**2,559,660**	**3,477**	**11,664**	**64,985,108**

School District No. 91 (Nechako Lakes)
Tangible Capital Assets - Work in Progress
Year Ended June 30, 2019

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	$	$	$	$	$
Work in Progress, beginning of year	122,449	112,071			234,520
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	747,864				747,864
Deferred Capital Revenue - Other		6,120			6,120
	747,864	6,120	-	-	753,984
Decrease:					
Transferred to Tangible Capital Assets	487,443	118,191			605,634
	487,443	118,191	-	-	605,634
Net Changes for the Year	260,421	(112,071)	-	-	148,350
Work in Progress, end of year	382,870	-	-	-	382,870

School District No. 91 (Nechako Lakes)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	$	$	$	$
Deferred Capital Revenue, beginning of year	39,367,363	33,038	416,078	**39,816,479**
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	970,451			**970,451**
Transferred from Work in Progress	487,443	96,191	22,000	**605,634**
	1,457,894	96,191	22,000	**1,576,085**
Decrease:				
Amortization of Deferred Capital Revenue	2,078,051	1,152	23,795	**2,102,998**
	2,078,051	1,152	23,795	**2,102,998**
Net Changes for the Year	(620,157)	95,039	(1,795)	**(526,913)**
Deferred Capital Revenue, end of year	38,747,206	128,077	414,283	**39,289,566**
Work in Progress, beginning of year	122,449	90,071	22,000	**234,520**
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	747,864	6,120		**753,984**
	747,864	6,120	-	**753,984**
Decrease				
Transferred to Deferred Capital Revenue	487,443	96,191	22,000	**605,634**
	487,443	96,191	22,000	**605,634**
Net Changes for the Year	260,421	(90,071)	(22,000)	**148,350**
Work in Progress, end of year	382,870	-	-	**382,870**
Total Deferred Capital Revenue, end of year	**39,130,076**	**128,077**	**414,283**	**39,672,436**

School District No. 91 (Nechako Lakes)

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
	$	$	$	$	$	$
Balance, beginning of year	-	301,041	-	-	195	**301,236**
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,823,315					**1,823,315**
Provincial Grants - Other			12,505			**12,505**
Other					17,700	**17,700**
	1,823,315	-	12,505	-	17,700	**1,853,520**
Decrease:						
Transferred to DCR - Capital Additions	970,451					**970,451**
Transferred to DCR - Work in Progress	747,864		6,120			**753,984**
	1,718,315	-	6,120	-	-	**1,724,435**
Net Changes for the Year	105,000	-	6,385	-	17,700	**129,085**
Balance, end of year	**105,000**	**301,041**	**6,385**	-	**17,895**	**430,321**