

Audited Financial Statements of

School District No. 46 (Sunshine Coast)

And Independent Auditors' Report thereon

June 30, 2021

School District No. 46 (Sunshine Coast)

June 30, 2021

Table of Contents

Management Report	1
Independent Auditors' Report	2-4
Statement of Financial Position - Statement 1	5
Statement of Operations - Statement 2	6
Statement of Changes in Net Debt - Statement 4	7
Statement of Cash Flows - Statement 5	8
Notes to the Financial Statements	9-26
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	27
Schedule of Operating Operations - Schedule 2 (Unaudited)	28
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	29
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	30
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	31
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	33
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	34
Schedule of Capital Operations - Schedule 4 (Unaudited)	37
Schedule 4A - Tangible Capital Assets (Unaudited)	38
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	39
Schedule 4C - Deferred Capital Revenue (Unaudited)	40
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	41

School District No. 46 (Sunshine Coast)

MANAGEMENT REPORT

Version: 9995-9249-7267

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 46 (Sunshine Coast) 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. 46 (Sunshine Coast) (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, Crowe Mackay 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. 46 (Sunshine Coast) 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. 46 (Sunshine Coast)

	September 8, 2021
Signature of the Chairperson of the Board of Education	Date Signed
	September 8, 2021
Signature of the Superintendent	Date Signed
	September 8, 2021
Signature of the Secretary Treasurer	Date Signed



Crowe MacKay LLP
PO Box 1610
200 - 5710 Teredo Street
Sechelt, BC V0N 3A0
Main +1 (604) 697 9271
Fax +1 (604) 697 9250
www.crowemackay.ca

INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Education of School District No.46 (Sunshine Coast) and to the Minister of Education, Province of British Columbia

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of School District No. 46 (Sunshine Coast), which comprise the statement of financial position as at June 30, 2021, and the statement of operations, statement of changes in net financial assets (net debt) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the district as at June 30, 2021, and its results of operations and its cash flows for the year then ended in accordance with the accounting requirements 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 report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2(a) to the financial statements which disclose that the accounting requirements of section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia are in accordance with Canadian public sector accounting standards except in regard to the accounting treatment of government transfers. Note 2(a) to the financial statements discloses the impact of these differences. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the Financial Statement Discussion and Analysis report for the year ended June 30, 2021.

Our opinion on the financial statements does not cover the other information and we do 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 and fair presentation of the financial statements in accordance with the accounting requirements of section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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 these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and



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

Sechelt, British Columbia
September 8, 2021

Crowe MacKay LLP

Chartered Professional Accountants

School District No. 46 (Sunshine Coast)

Statement of Financial Position
As at June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	14,622,370	16,346,824
Accounts Receivable		
Due from Province - Ministry of Education	828,802	147,063
Due from Province - Other	93,987	
Other (Note 3)	698,528	542,503
Total Financial Assets	<u>16,243,687</u>	<u>17,036,390</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	5,290,906	4,392,593
Unearned Revenue (Note 5)	197,936	21,189
Deferred Revenue (Note 6)	1,564,580	1,579,743
Deferred Capital Revenue (Note 7)	51,281,013	44,656,321
Employee Future Benefits (Note 8)	1,997,066	1,884,344
Debt (Note 9)	303,040	438,650
Total Liabilities	<u>60,634,541</u>	<u>52,972,840</u>
Net Debt	<u>(44,390,854)</u>	<u>(35,936,450)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 10)	58,597,591	50,342,047
Prepaid Expenses	188,570	145,361
Total Non-Financial Assets	<u>58,786,161</u>	<u>50,487,408</u>
Accumulated Surplus (Deficit)	<u>14,395,307</u>	<u>14,550,958</u>

Approved by the Board

	September 8, 2021
Signature of the Chairperson of the Board of Education	Date Signed
	September 8, 2021
Signature of the Superintendent	Date Signed
	September 8, 2021
Signature of the Secretary Treasurer	Date Signed

School District No. 46 (Sunshine Coast)

Statement 2

Statement of Operations
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	47,050,720	47,349,521	44,962,899
Other	13,200	14,200	30,000
Tuition	18,700	33,825	81,085
Other Revenue	1,833,666	1,733,504	1,763,086
Rentals and Leases	70,000	50,694	73,557
Investment Income	132,000	148,159	215,870
Amortization of Deferred Capital Revenue	1,796,984	1,796,984	1,758,445
Total Revenue	50,915,270	51,126,887	48,884,942
Expenses			
Instruction	44,689,019	40,402,063	37,432,128
District Administration	2,389,039	2,340,736	2,165,388
Operations and Maintenance	7,386,651	7,261,841	6,673,505
Transportation and Housing	1,522,558	1,274,452	1,132,872
Debt Services		3,446	12,181
Total Expense	55,987,267	51,282,538	47,416,074
Surplus (Deficit) for the year	(5,071,997)	(155,651)	1,468,868
Accumulated Surplus (Deficit) from Operations, beginning of year		14,550,958	13,082,090
Accumulated Surplus (Deficit) from Operations, end of year		14,395,307	14,550,958

School District No. 46 (Sunshine Coast)

Statement of Changes in Net Debt
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(5,071,997)</u>	<u>(155,651)</u>	1,468,868
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets		(10,508,780)	(2,060,630)
Amortization of Tangible Capital Assets	2,253,236	2,253,236	2,209,644
Total Effect of change in Tangible Capital Assets	<u>2,253,236</u>	<u>(8,255,544)</u>	149,014
Acquisition of Prepaid Expenses		(188,570)	(145,361)
Use of Prepaid Expenses		145,361	137,165
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(43,209)</u>	(8,196)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(2,818,761)</u>	<u>(8,454,404)</u>	1,609,686
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(8,454,404)	1,609,686
Net Debt, beginning of year		(35,936,450)	(37,546,136)
Net Debt, end of year		<u>(44,390,854)</u>	<u>(35,936,450)</u>

School District No. 46 (Sunshine Coast)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(155,651)	1,468,868
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(931,751)	(307,301)
Prepaid Expenses	(43,209)	(8,196)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	898,314	430,111
Unearned Revenue	176,747	(29,407)
Deferred Revenue	(15,163)	184,946
Employee Future Benefits	112,721	43,589
Amortization of Tangible Capital Assets	2,253,236	2,209,644
Amortization of Deferred Capital Revenue	(1,796,984)	(1,758,445)
Total Operating Transactions	<u>498,260</u>	<u>2,233,809</u>
Capital Transactions		
Tangible Capital Assets Purchased	(1,257,940)	(1,093,500)
Tangible Capital Assets -WIP Purchased	(9,250,840)	(889,567)
Tangible Capital Assets Purchased - MFA Loan		(77,563)
Total Capital Transactions	<u>(10,508,780)</u>	<u>(2,060,630)</u>
Financing Transactions		
Loan Proceeds		77,563
Loan Payments	(135,610)	(130,658)
Capital Revenue Received	8,421,676	3,363,261
Total Financing Transactions	<u>8,286,066</u>	<u>3,310,166</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(1,724,454)</u>	<u>3,483,345</u>
Cash and Cash Equivalents, beginning of year	<u>16,346,824</u>	<u>12,863,479</u>
Cash and Cash Equivalents, end of year	<u>14,622,370</u>	<u>16,346,824</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>14,622,370</u>	<u>16,346,824</u>
	<u>14,622,370</u>	<u>16,346,824</u>

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1 AUTHORITY AND PURPOSE

The School District 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. 46 (Sunshine Coast)", and operates as "School District No. 46 (Sunshine Coast)." A board of education ("Board") elected for a three-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. 46 (Sunshine Coast) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

As noted in Notes 2(f) and 2(m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue. The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2020 - increase in annual surplus by \$1,604,816.

June 30, 2019 - increase in accumulated surplus and decrease in deferred contributions by \$44,656,321.

Year-ended June 30, 2021 - increase in annual surplus by \$6,624,692.

June 30, 2020 - increase in accumulated surplus and decrease in deferred contributions by \$51,281,013.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

b) Cash and Cash Equivalents

Cash and cash equivalents include deposits with the Provincial Treasury's Central Deposit Program 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.

c) Accounts Receivable

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

d) Portfolio Investments

The School District occasionally has investments in GIC's and term deposits that either have no maturity dates or 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 or amortized 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.

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.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

f) Deferred Revenue and Deferred Capital Revenue

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

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

g) Employee Future Benefits

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

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

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

The most recent valuation of the obligation was performed at March 31, 2019 and projected to March 31, 2022. The next valuation will be performed at March 31, 2022 for use at June 30, 2022. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School district and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

h) Asset Retirement Obligations

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

i) 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.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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) 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 executor 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.

k) Prepaid Expenses

Software licenses, property tax, equipment leases, insurance premiums, subscriptions, services, memberships and supplies are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

l) Funds and Reserves

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

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

m) 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.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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

n) Expenses

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

o) 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.

**SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

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

p) 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 debt.

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

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

q) Measurement Uncertainty

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2021	2020
GST receivable	\$ 190,557	\$ 66,693
Other	507,971	475,810
	\$698,528	\$542,503

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2021	2020
Trade payables	\$ 2,057,621	\$ 1,120,929
Salaries and benefits payable	2,771,724	2,881,473
Accrued vacation pay	459,081	386,809
Other	2,480	3,382
	\$ 5,290,906	\$ 4,392,593

NOTE 5 UNEARNED REVENUE

	2021	2020
Balance, beginning of year	\$ 21,189	\$ 50,596
Changes for the year:		
Increase:		
ISP-Homestay Fees	197,936	21,189
Decrease:		
Homestay Fees	(21,189)	(47,763)
Facilities Booking Fees	-	(2,833)
Net changes for the year	176,747	(29,407)
Balance, end of year	\$ 197,936	\$ 21,189

NOTE 6 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 7 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.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 8 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, retirement/severance, vacation and overtime. 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.

	2021	2020
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	1,799,919	1,850,329
Service Cost	208,007	197,910
Interest Cost	42,823	47,173
Benefit Payments	-161,033	-289,868
Actuarial (Gain) Loss	-76,686	-5,625
Accrued Benefit Obligation – March 31	1,813,030	1,799,919
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	1,813,030	1,799,919
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	-1,813,030	-1,799,919
Employer Contributions After Measurement Date	5,330	33,274
Benefits Expense After Measurement Date	-63,942	-62,708
Unamortized Net Actuarial (Gain) Loss	-125,424	-54,992
Accrued Benefit Asset (Liability) - June 30	-1,997,066	-1,884,345
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	1,884,345	1,840,755
Net Expense for Fiscal Year	245,810	238,189
Employer Contributions	-133,089	-194,599
Accrued Benefit Liability (Asset) - June 30	1,997,066	1,884,345
Components of Net Benefit Expense		
Service Cost	207,987	200,434
Interest Cost	44,077	46,086
Amortization of Net Actuarial (Gain)/Loss	-6,254	-8,331
Net Benefit Expense (Income)	245,810	238,189

**SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 8 EMPLOYEE FUTURE BENEFITS (Continued)

Assumptions	2021	2020
Discount Rate - April 1	2.25%	2.50%
Discount Rate - March 31	2.50%	2.25%
Long Term Salary Growth - April 1	2.50%	2.50%
Long Term Salary Growth - March 31	2.50%	2.50%
 EARSL - March 31	 9.2	 9.2

NOTE 9 DEBT

The following unsecured loans are approved under *Section 144* of the *School Act* and relate to equipment financed through the Municipal Finance Authority:

Type	Year Borrowed	Interest Rate	Term	Amount Borrowed	Principal Repaid	2021 Balance	Payment Amount	Maturity Date
Term	2016	2.45%	5 Years	74,961	\$74,961	\$-	\$1,293	01/31/21
Term	2016	2.45%	5 Years	26,120	26,120	-	451	04/30/21
Term	2016	2.45%	5 Years	26,101	24,379	1,722	450	09/30/21
Term	2018	2.45%	5 Years	18,174	13,352	4,822	317	09/30/22
Term	2018	2.45%	5 Years	7,508	4,309	3,199	133	07/31/23
Term	2019	2.45%	5 Years	335,313	161,709	173,604	5,996	01/31/24
Term	2019	2.45%	5 Years	117,695	48,587	69,108	2,088	05/31/24
Term	2019	2.46%	5 Years	77,563	26,978	50,585	1,375	09/03/24
				\$825,5187	\$522,4768	\$303,0400	\$ 20,8178	

Anticipated annual principal repayments over the next four years are as follows:

2022	\$118,315
2023	\$114,911
2024	\$67,968
2025	\$1,846
	\$303,040

The School District also has an approved line of credit related to purchasing cards with interest at 18%. As of June 30, 2021, the School District had \$nil borrowings (2020: \$nil) under these facilities. Statement balances are paid in full each month.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2021	Net Book Value 2020
Sites	\$ 3,051,972	\$ 3,051,972
Buildings	44,907,570	45,024,739
Buildings – WIP	8,980,429	454,589
Furniture & Equipment	855,182	901,180
Vehicles	519,402	490,768
Computer Software	3,071	8,098
Computer Hardware	279,965	410,701
Total	\$ 58,597,591	\$ 50,342,047

June 30, 2021

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2021
Sites	\$ 3,051,972	\$ -	\$ -	\$ -	\$3,051,972
Buildings	87,542,004	1,769,539			89,311,543
Buildings – WIP	454,589	9,250,840		(725,000)	8,980,429
Furniture & Equipment	1,482,668	102,269	(43,695)		1,541,242
Vehicles	824,977	111,132			936,109
Computer Software	25,134		(9,773)		15,361
Computer Hardware	653,681	-	(167,079)		486,602
Total	\$94,035,025	\$11,233,780	\$ (220,547)	\$ (725,000)	\$104,323,258

	Opening Accumulated Amortization	Increases	Disposals	Total 2021
Buildings	\$ 42,517,265	\$ 1,886,708	\$ -	\$ 44,403,973
Furniture & Equipment	581,488	148,267	(43,695)	686,060
Vehicles	334,209	82,498	-	416,707
Computer Software	17,036	5,027	(9,773)	12,290
Computer Hardware	242,980	130,736	(167,079)	206,637
Total	\$ 43,692,978	\$ 2,253,236	\$ (220,547)	\$ 45,725,667

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2020

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2020
Sites	\$ 3,051,972	\$ -	\$ -	\$ -	\$3,051,972
Buildings	85,940,915	1,601,089			87,542,004
Buildings – WIP	165,022	889,567		(600,000)	454,589
Furniture & Equipment	1,347,561	151,469	(16,362)		1,482,668
Vehicles	835,672	18,505	(29,200)		824,977
Computer Software	25,134				25,134
Computer Hardware	653,681	-	-		653,681
Total	\$92,019,957	\$2,660,630	\$ (45,562)	\$ (600,000)	\$94,035,025

	Opening Accumulated Amortization	Increases	Disposals	Total 2020
Buildings	\$ 40,661,707	\$ 1,855,558	\$ -	\$ 42,517,265
Furniture & Equipment	463,094	134,756	(16,362)	581,488
Vehicles	279,842	83,567	(29,200)	334,209
Computer Software	12,009	5,027	-	17,036
Computer Hardware	112,244	130,736	-	242,980
Total	\$ 41,528,896	\$ 2,209,644	\$(45,562)	\$ 43,692,978

Funds contributed by Operating Fund for the purchase of tangible capital assets:

Additions to Furniture & Equipment and Vehicles include the following tangible capital assets purchased using funds contributed by the Operating Fund:

	2021	2020
Vehicles	\$ 111,132	\$ 18,505
Total	\$ 111,132	\$ 18,505

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 11 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, 2020, the Teachers' Pension Plan has about 49,000 active members and approximately 40,000 retired members. As of December 31, 2020, the Municipal Pension Plan has about 220,000 active members, including approximately 28,000 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.

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

The school district paid \$3,305,610 for employer contributions to the plans for the year ended June 30, 2021 (2020: \$3,122,627).

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

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

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 12 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 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2021, were as follows:

- Purchase of Capital Assets from Operating Fund \$ 111,132
- Capital Loan payment from Operating Fund \$ 139,056
- Purchase of Capital Assets from Special Purpose Fund \$ 249,516

NOTE 14 CONTRACTUAL OBLIGATIONS

The School District has no multiple-year contracts for the delivery of services and the construction of tangible capital assets at this time.

NOTE 15 BUDGET FIGURES

Budget figures were approved by the Board through the adoption of an *amended* annual budget on *February 5, 2021*.

The *amended* annual budget figures are adjusted to reflect more current enrolment information and grant figures. The revision of the annual budget is a provincial requirement, and the inclusion of amended budgets in the financial statements presents the most relevant information to the user.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 16 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal/disposal of asbestos in schools that will undergo major renovations or demolition. As at June 30, 2021 the liability cannot reasonably be determined.

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

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

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

NOTE 17 EXPENSE BY OBJECT

	2021	2020
Salaries and benefits	\$ 41,185,067	\$ 38,904,315
Services and supplies	7,840,789	6,289,934
Amortization	2,253,236	2,209,644
Interest	3,446	12,181
	\$ 51,282,538	\$ 47,416,074

NOTE 18 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:	
School Surpluses	\$ 1,790,382
Appropriated for 2021/22 Year	1,761,223
Appropriated for Subsequent Years	267,000
Contractual Obligations	183,613
District Programs	791,116
Ministry Holdback Allocation – COVID-19 Recovery	130,035
Subtotal Internally Restricted	\$ 4,923,369
Unrestricted Operating Surplus (Deficit)	2,425,281
Total Available for Future Operations	\$ 7,348,650

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 19 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 21 COVID-19 PANDEMIC

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

NOTE 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 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, accounts 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.

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 the Provincial Treasury's Central Deposit Program, GICs and term deposits.

SCHOOL DISTRICT NO. 46 (SUNSHINE COAST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 22 RISK MANAGEMENT *(Continued)*

- b) 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 Provincial Treasury's Central Deposit Program, GICs and term deposits that have a maturity date of no more than 3 years.

- c) 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.

School District No. 46 (Sunshine Coast)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2021

	Operating Fund	Special Purpose Fund	Capital Fund	2021 Actual	2020 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	7,544,307		7,006,651	14,550,958	13,082,090
Changes for the year					
Surplus (Deficit) for the year	54,531	249,516	(459,698)	(155,651)	1,468,868
Interfund Transfers					
Tangible Capital Assets Purchased	(111,132)	(249,516)	360,648	-	
Other	(139,056)		139,056	-	
Net Changes for the year	(195,657)	-	40,006	(155,651)	1,468,868
Accumulated Surplus (Deficit), end of year - Statement 2	7,348,650	-	7,046,657	14,395,307	14,550,958

School District No. 46 (Sunshine Coast)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	41,272,606	41,498,477	40,843,057
Other	13,200	14,200	30,000
Tuition	18,700	33,825	81,085
Other Revenue	767,805	819,682	775,651
Rentals and Leases	70,000	50,694	73,557
Investment Income	125,000	140,398	204,557
Total Revenue	42,267,311	42,557,276	42,007,907
Expenses			
Instruction	38,214,632	34,480,728	32,508,963
District Administration	2,389,039	2,340,736	2,165,388
Operations and Maintenance	4,839,325	4,489,327	4,352,003
Transportation and Housing	1,440,060	1,191,954	1,049,305
Total Expense	46,883,056	42,502,745	40,075,659
Operating Surplus (Deficit) for the year	(4,615,745)	54,531	1,932,248
Budgeted Appropriation (Retirement) of Surplus (Deficit)	4,615,745		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(111,132)	(18,505)
Other		(139,056)	(142,839)
Total Net Transfers	-	(250,188)	(161,344)
Total Operating Surplus (Deficit), for the year	-	(195,657)	1,770,904
Operating Surplus (Deficit), beginning of year		7,544,307	5,773,403
Operating Surplus (Deficit), end of year		7,348,650	7,544,307
Operating Surplus (Deficit), end of year			
Internally Restricted		4,923,369	4,421,084
Unrestricted		2,425,281	3,123,223
Total Operating Surplus (Deficit), end of year		7,348,650	7,544,307

School District No. 46 (Sunshine Coast)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	39,355,946	39,577,817	39,038,470
Other Ministry of Education Grants			
Pay Equity	510,381	510,381	510,381
Funding for Graduated Adults	5,426	6,935	9,846
Student Transportation Fund	380,465	380,465	380,465
Carbon Tax Grant			20,415
Employer Health Tax Grant			310,235
Support Staff Wage Increase Funding			176,932
Teachers' Labour Settlement Funding	934,351	934,351	385,785
Early Career Mentorship Funding	75,000	75,000	
FSA Scorer Grant	8,696	8,187	8,187
ELF	2,341	2,341	2,341
Equity In Action		3,000	
Total Provincial Grants - Ministry of Education	41,272,606	41,498,477	40,843,057
Provincial Grants - Other	13,200	14,200	30,000
Tuition			
International and Out of Province Students	18,700	33,825	81,085
Total Tuition	18,700	33,825	81,085
Other Revenues			
Other School District/Education Authorities	618,750	634,596	632,489
Miscellaneous			
Miscellaneous	149,055	185,086	143,162
Total Other Revenue	767,805	819,682	775,651
Rentals and Leases	70,000	50,694	73,557
Investment Income	125,000	140,398	204,557
Total Operating Revenue	42,267,311	42,557,276	42,007,907

School District No. 46 (Sunshine Coast)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Salaries			
Teachers	16,186,694	15,962,460	15,439,822
Principals and Vice Principals	2,615,925	2,620,727	2,487,602
Educational Assistants	3,588,876	3,697,726	3,521,316
Support Staff	4,512,883	4,235,101	4,122,221
Other Professionals	1,375,600	1,438,026	1,330,928
Substitutes	2,671,292	1,938,701	1,583,138
Total Salaries	30,951,270	29,892,741	28,485,027
Employee Benefits	7,348,430	6,872,321	6,593,529
Total Salaries and Benefits	38,299,700	36,765,062	35,078,556
Services and Supplies			
Services	906,579	754,286	542,220
Student Transportation	1,365,712	1,133,825	983,191
Professional Development and Travel	240,300	108,481	124,820
Rentals and Leases	10,000	6,967	6,967
Dues and Fees	59,500	59,257	59,326
Insurance	88,000	85,759	81,373
Supplies	5,271,065	2,928,563	2,527,892
Utilities	642,200	660,545	671,314
Total Services and Supplies	8,583,356	5,737,683	4,997,103
Total Operating Expense	46,883,056	42,502,745	40,075,659

School District No. 46 (Sunshine Coast)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

	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	13,352,730	307,790		665,420		1,699,548	16,025,488
1.03 Career Programs	96,471			56,384		5,863	102,334
1.07 Library Services	107,600			165,405			163,984
1.08 Counseling	717,942			332,046	71,348	168,000	883,347
1.10 Special Education	1,153,978	264,050	3,558,308				5,547,730
1.30 English Language Learning	66,075			9,319		6,800	66,075
1.31 Indigenous Education	467,664	137,350	139,418	554,501			760,551
1.41 School Administration		1,756,805					2,311,306
1.62 International and Out of Province Students							
1.64 Other				41,494		52,056	93,550
Total Function 1	15,962,460	2,465,995	3,697,726	1,824,569	71,348	1,932,267	25,954,365
4 District Administration							
4.11 Educational Administration		154,732			318,122		472,854
4.40 School District Governance				130,739	139,695		139,695
4.41 Business Administration				130,739	695,758	6,434	832,931
Total Function 4	-	154,732	-	130,739	1,153,575	6,434	1,445,480
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				49,950	186,525		236,475
5.50 Maintenance Operations				2,105,147			2,105,147
5.52 Maintenance of Grounds				115,396			115,396
5.56 Utilities							
Total Function 5	-	-	-	2,270,493	186,525	-	2,457,018
7 Transportation and Housing							
7.41 Transportation and Housing Administration				9,300	26,578		26,578
7.70 Student Transportation				9,300			9,300
Total Function 7	-	-	-	9,300	26,578	-	35,878
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	15,962,460	2,620,727	3,697,726	4,235,101	1,438,026	1,938,701	29,892,741

School District No. 46 (Sunshine Coast)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	16,025,488	3,530,423	19,555,911	1,694,292	21,250,203	23,620,261	20,016,605
1.03 Career Programs	102,334	21,204	123,538	9,258	132,796	297,308	141,381
1.07 Library Services	163,984	37,969	201,953	57,393	259,346	348,740	216,953
1.08 Counselling	883,347	220,713	1,104,060		1,104,060	1,237,671	939,908
1.10 Special Education	5,547,730	1,453,000	7,000,730	502,096	7,502,826	8,072,832	7,215,259
1.30 English Language Learning	66,075	1,318	67,393	18,689	86,082	272,048	100,326
1.31 Indigenous Education	760,551	177,420	937,971	87,385	1,025,356	1,436,450	937,551
1.41 School Administration	2,311,306	543,029	2,854,335	65,954	2,920,289	2,754,417	2,805,638
1.62 International and Out of Province Students	-	-	-	10,210	10,210	10,000	4,136
1.64 Other	93,550	9,182	102,732	86,828	189,560	164,905	131,206
Total Function 1	25,954,365	5,994,258	31,948,623	2,532,105	34,480,728	38,214,632	32,508,963
4 District Administration							
4.11 Educational Administration	472,854	97,927	570,781	8,962	579,743	599,833	578,301
4.40 School District Governance	139,695	1,654	141,349	106,469	247,818	287,895	204,115
4.41 Business Administration	832,931	209,439	1,042,370	470,805	1,513,175	1,501,311	1,382,972
Total Function 4	1,445,480	309,020	1,754,500	586,236	2,340,736	2,389,039	2,165,388
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	236,475	52,248	288,723	98,721	387,444	369,782	362,975
5.50 Maintenance Operations	2,105,147	482,273	2,587,420	666,903	3,254,323	3,616,640	3,193,140
5.52 Maintenance of Grounds	115,396	27,832	143,228	63,288	206,516	210,703	192,769
5.56 Utilities	-	-	-	641,044	641,044	642,200	603,119
Total Function 5	2,457,018	562,353	3,019,371	1,469,956	4,489,327	4,839,325	4,352,003
7 Transportation and Housing							
7.41 Transportation and Housing Administration	26,578	4,897	31,475		31,475	29,536	28,092
7.70 Student Transportation	9,300	1,793	11,093	1,149,386	1,160,479	1,410,524	1,021,213
Total Function 7	35,878	6,690	42,568	1,149,386	1,191,954	1,440,060	1,049,305
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	29,892,741	6,872,321	36,765,062	5,737,683	42,502,745	46,883,056	40,075,659

School District No. 46 (Sunshine Coast)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	5,778,114	5,851,044	4,119,842
Other Revenue	1,065,861	913,822	987,435
Investment Income	7,000	7,761	11,313
Total Revenue	<u>6,850,975</u>	<u>6,772,627</u>	<u>5,118,590</u>
Expenses			
Instruction	6,474,387	5,921,335	4,923,165
Operations and Maintenance	376,588	601,776	195,425
Total Expense	<u>6,850,975</u>	<u>6,523,111</u>	<u>5,118,590</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>249,516</u>	<u>-</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(249,516)	
Total Net Transfers	<u>-</u>	<u>(249,516)</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 46 (Sunshine Coast)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2021

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	169,844		15,481	578,865	580,617		7,714	15,755	
Add: Restricted Grants									
Provincial Grants - Ministry of Education	196,588	142,594				192,000	22,050	15,765	509,458
Other				177,754	390,531				
Investment Income				7,761					
	196,588	142,594	-	185,515	390,531	192,000	22,050	15,765	509,458
Less: Allocated to Revenue	223,773	142,594	15,481	131,100	414,967	192,000	10,108	25,642	509,458
Deferred Revenue, end of year	142,659	-	-	633,280	556,181	-	19,656	5,878	-
Revenues									
Provincial Grants - Ministry of Education	223,773	142,594	15,481			192,000	10,108	25,642	509,458
Other Revenue				123,339	414,967				
Investment Income				7,761					
	223,773	142,594	15,481	131,100	414,967	192,000	10,108	25,642	509,458
Expenses									
Salaries									
Teachers									
Principals and Vice Principals									76,809
Educational Assistants		109,688				147,692			120,689
Support Staff	135,276								
Other Professionals									
Substitutes									
	135,276	109,688	-	-	-	147,692	-	-	197,498
Employee Benefits	32,821	32,906				44,308			64,960
Services and Supplies	55,676		15,481	131,100	414,967		10,108	25,642	247,000
	223,773	142,594	15,481	131,100	414,967	192,000	10,108	25,642	509,458
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 46 (Sunshine Coast)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2021

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Mental Health in Schools	Changing Results for Young Children	Safe Return to School Grant	Federal Safe Return to Class Fund	Misc Other Grants	Seamless Day Grant
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year				17,334	12,873			181,260	
Add: Restricted Grants									
Provincial Grants - Ministry of Education	193,196	2,883,378	50,018	55,000	25,000	286,313	1,214,959		46,000
Other								349,099	
Investment Income									
	193,196	2,883,378	50,018	55,000	25,000	286,313	1,214,959	349,099	46,000
Less: Allocated to Revenue	193,196	2,883,378	50,018	71,870	17,263	286,313	1,214,959	375,516	14,991
Deferred Revenue, end of year	-	-	-	464	20,610	-	-	154,843	31,009
Revenues									
Provincial Grants - Ministry of Education	193,196	2,883,378	50,018	71,870	17,263	286,313	1,214,959		14,991
Other Revenue								375,516	
Investment Income									
	193,196	2,883,378	50,018	71,870	17,263	286,313	1,214,959	375,516	14,991
Expenses									
Salaries									
Teachers		2,306,703					103,350		
Principals and Vice Principals									
Educational Assistants									11,531
Support Staff	85,773						144,000		
Other Professionals	10,753					116,372			
Substitutes	58,031		40,015				30,247		
	154,557	2,306,703	40,015	-	-	116,372	277,597	-	11,531
Employee Benefits	38,639	576,675	10,003				29,093		3,460
Services and Supplies				71,870	17,263	140,848	597,635	375,516	
	193,196	2,883,378	50,018	71,870	17,263	286,313	965,443	375,516	14,991
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	249,516	-	-
Interfund Transfers									
Tangible Capital Assets Purchased							(249,516)		
	-	-	-	-	-	-	(249,516)	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 46 (Sunshine Coast)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2021

Schedule 3A (Unaudited)

	<u>TOTAL</u>
	\$
Deferred Revenue, beginning of year	1,579,743
Add: Restricted Grants	
Provincial Grants - Ministry of Education	5,832,319
Other	917,384
Investment Income	7,761
	<u>6,757,464</u>
Less: Allocated to Revenue	<u>6,772,627</u>
Deferred Revenue, end of year	<u><u>1,564,580</u></u>
Revenues	
Provincial Grants - Ministry of Education	5,851,044
Other Revenue	913,822
Investment Income	7,761
	<u>6,772,627</u>
Expenses	
Salaries	
Teachers	2,410,053
Principals and Vice Principals	76,809
Educational Assistants	389,600
Support Staff	481,421
Other Professionals	10,753
Substitutes	128,293
	<u>3,496,929</u>
Employee Benefits	923,076
Services and Supplies	2,103,106
	<u>6,523,111</u>
Net Revenue (Expense) before Interfund Transfers	<u>249,516</u>
Interfund Transfers	
Tangible Capital Assets Purchased	<u>(249,516)</u>
	<u>(249,516)</u>
Net Revenue (Expense)	<u><u>-</u></u>

School District No. 46 (Sunshine Coast)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual			2020 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Amortization of Deferred Capital Revenue	1,796,984	1,796,984		1,796,984	1,758,445
Total Revenue	<u>1,796,984</u>	<u>1,796,984</u>	-	<u>1,796,984</u>	<u>1,758,445</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,170,738	2,170,738		2,170,738	2,126,077
Transportation and Housing	82,498	82,498		82,498	83,567
Debt Services					
Capital Loan Interest			3,446	3,446	12,181
Total Expense	<u>2,253,236</u>	<u>2,253,236</u>	<u>3,446</u>	<u>2,256,682</u>	<u>2,221,825</u>
Capital Surplus (Deficit) for the year	<u>(456,252)</u>	<u>(456,252)</u>	<u>(3,446)</u>	<u>(459,698)</u>	<u>(463,380)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		360,648		360,648	18,505
Capital Loan Payment			139,056	139,056	142,839
Total Net Transfers	<u>-</u>	<u>360,648</u>	<u>139,056</u>	<u>499,704</u>	<u>161,344</u>
Other Adjustments to Fund Balances					
Principal Payment					
Capital Loan		135,610	(135,610)	-	
Total Other Adjustments to Fund Balances		<u>135,610</u>	<u>(135,610)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>(456,252)</u>	<u>40,006</u>	<u>-</u>	<u>40,006</u>	<u>(302,036)</u>
Capital Surplus (Deficit), beginning of year		<u>7,006,651</u>		<u>7,006,651</u>	<u>7,308,687</u>
Capital Surplus (Deficit), end of year		<u>7,046,657</u>	<u>-</u>	<u>7,046,657</u>	<u>7,006,651</u>

School District No. 46 (Sunshine Coast)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2021

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	3,051,972	87,542,004	1,482,668	824,977	25,134	653,681	93,580,436
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		874,766					874,766
Deferred Capital Revenue - Other			22,526				22,526
Operating Fund				111,132			111,132
Special Purpose Funds		169,773	79,743				249,516
Transferred from Work in Progress		725,000					725,000
	-	1,769,539	102,269	111,132	-	-	1,982,940
Decrease:							
Deemed Disposals			43,695		9,773	167,079	220,547
	-	-	43,695	-	9,773	167,079	220,547
Cost, end of year	3,051,972	89,311,543	1,541,242	936,109	15,361	486,602	95,342,829
Work in Progress, end of year		8,980,429					8,980,429
Cost and Work in Progress, end of year	3,051,972	98,291,972	1,541,242	936,109	15,361	486,602	104,323,258
Accumulated Amortization, beginning of year		42,517,265	581,488	334,209	17,036	242,980	43,692,978
Changes for the Year							
Increase: Amortization for the Year		1,886,708	148,267	82,498	5,027	130,736	2,253,236
Decrease:							
Deemed Disposals			43,695		9,773	167,079	220,547
			43,695		9,773	167,079	220,547
Accumulated Amortization, end of year		44,403,973	686,060	416,707	12,290	206,637	45,725,667
Tangible Capital Assets - Net	3,051,972	53,887,999	855,182	519,402	3,071	279,965	58,597,591

School District No. 46 (Sunshine Coast)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress
 Year Ended June 30, 2021

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
Work in Progress, beginning of year	\$ 454,589	\$	\$	\$	\$ 454,589
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	6,756,579				6,756,579
Deferred Capital Revenue - Other	2,494,261				2,494,261
	<u>9,250,840</u>	-	-	-	<u>9,250,840</u>
Decrease:					
Transferred to Tangible Capital Assets	725,000				725,000
	<u>725,000</u>	-	-	-	<u>725,000</u>
Net Changes for the Year	<u>8,525,840</u>	-	-	-	<u>8,525,840</u>
Work in Progress, end of year	<u>8,980,429</u>	-	-	-	<u>8,980,429</u>

School District No. 46 (Sunshine Coast)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	42,274,543	167,614		42,442,157
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	874,766	22,526		897,292
Transferred from Work in Progress	725,000			725,000
	<u>1,599,766</u>	<u>22,526</u>	<u>-</u>	<u>1,622,292</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,778,001	18,983		1,796,984
	<u>1,778,001</u>	<u>18,983</u>	<u>-</u>	<u>1,796,984</u>
Net Changes for the Year	<u>(178,235)</u>	<u>3,543</u>	<u>-</u>	<u>(174,692)</u>
Deferred Capital Revenue, end of year	<u>42,096,308</u>	<u>171,157</u>	<u>-</u>	<u>42,267,465</u>
Work in Progress, beginning of year	427,494	27,095		454,589
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	6,756,579	2,494,261		9,250,840
	<u>6,756,579</u>	<u>2,494,261</u>	<u>-</u>	<u>9,250,840</u>
Decrease				
Transferred to Deferred Capital Revenue	725,000			725,000
	<u>725,000</u>	<u>-</u>	<u>-</u>	<u>725,000</u>
Net Changes for the Year	<u>6,031,579</u>	<u>2,494,261</u>	<u>-</u>	<u>8,525,840</u>
Work in Progress, end of year	<u>6,459,073</u>	<u>2,521,356</u>	<u>-</u>	<u>8,980,429</u>
Total Deferred Capital Revenue, end of year	<u>48,555,381</u>	<u>2,692,513</u>	<u>-</u>	<u>51,247,894</u>

School District No. 46 (Sunshine Coast)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2021

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year		33,119	1,726,456			1,759,575
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	7,631,345					7,631,345
Provincial Grants - Other			790,331			790,331
	7,631,345	-	790,331	-	-	8,421,676
Decrease:						
Transferred to DCR - Capital Additions	874,766		22,526			897,292
Transferred to DCR - Work in Progress	6,756,579		2,494,261			9,250,840
	7,631,345	-	2,516,787	-	-	10,148,132
Net Changes for the Year	-	-	(1,726,456)	-	-	(1,726,456)
Balance, end of year	-	33,119	-	-	-	33,119