

Audited Financial Statements of

School District No. 50 (Haida Gwaii)

June 30, 2017

School District No. 50 (Haida Gwaii)

June 30, 2017

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School District No. 50 (Haida Gwaii)

MANAGEMENT REPORT

Version: 9305-8559-6577

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 50 (Haida Gwaii) 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.

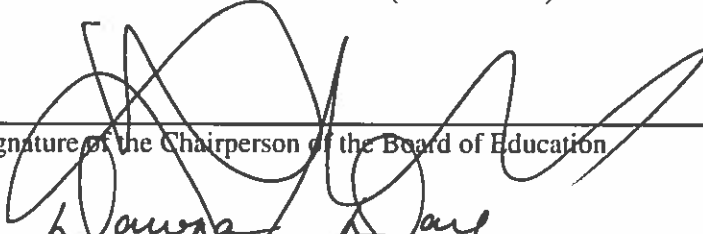


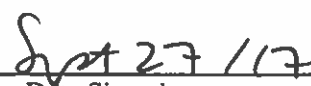

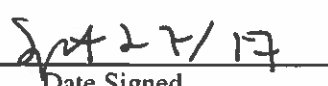
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 50 (Haida Gwaii) (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, McConnell Voelkl, 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. 50 (Haida Gwaii) 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. 50 (Haida Gwaii)

 _____ Signature of the Chairperson of the Board of Education	 _____ Date Signed
 _____ Signature of the Superintendent	 _____ Date Signed
 _____ Signature of the Secretary Treasurer	 _____ Date Signed



F.W. Voelkl, CPA, CA
C.M. Kelley, CPA, CA (Incorporated professional)



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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 50 (Haida Gwaii), and
To the Minister of Education, Province of British Columbia:

We have audited the accompanying financial statements of **SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**, which comprise the statement of financial position as at **JUNE 30, 2017**, the statement of operations, statement of changes in net financial assets (debt), statement of cash flows, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these 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.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the financial statements of the **SCHOOL DISTRICT NO. 50 (HAIDA GWAII)** as at and for the year ended **JUNE 30, 2017**, are prepared, in all material respects, in accordance with the financial reporting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of Matter:

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

McConnell, Voelkl

CHARTERED PROFESSIONAL ACCOUNTANTS

September 27, 2017
Hope, BC, Canada

School District No. 50 (Haida Gwaii)

Statement of Financial Position

As at June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	1,816,283	1,280,605
Accounts Receivable		
Due from LEA/Direct Funding	254,571	-
Other (Note 3)	273,047	163,468
Total Financial Assets	<u>2,343,901</u>	<u>1,444,073</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	936,035	644,522
Deferred Revenue (Note 5)	469,929	471,628
Deferred Capital Revenue (Note 6)	22,792,620	18,952,799
Employee Future Benefits (Note 7)	249,595	228,183
Total Liabilities	<u>24,448,179</u>	<u>20,297,132</u>
Net Financial Assets (Debt)	<u>(22,104,278)</u>	<u>(18,853,059)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 8)	29,391,564	25,659,472
Prepaid Expenses	99,186	178,942
Total Non-Financial Assets	<u>29,490,750</u>	<u>25,838,414</u>
Accumulated Surplus (Deficit)	<u>7,386,472</u>	<u>6,985,355</u>

Contractual Obligations and Contingencies (Note 11)

Approved by the Board

Signature of the Chairperson of the Board of Education

[Signature]
Sept 27/17
Date Signed

Signature of the Superintendent

[Signature]
Sept 27/17
Date Signed

Signature of the Secretary/Treasurer

[Signature]
Sept 27/17
Date Signed

School District No. 50 (Haida Gwaii)

Statement 2

Statement of Operations
Year Ended June 30, 2017

	2017 Budget (Note 12)	2017 Actual	2016 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	6,562,693	7,040,780	6,346,511
Other		7,000	90,000
Other Revenue	4,390,280	4,523,833	4,828,224
Rentals and Leases	45,316	45,610	70,521
Investment Income	14,734	27,571	34,927
Amortization of Deferred Capital Revenue	900,293	746,899	811,854
District portion of proceeds on Disposal		195,451	
Total Revenue	<u>11,913,316</u>	<u>12,587,144</u>	<u>12,182,037</u>
Expenses			
Instruction	7,807,538	8,221,196	8,490,271
District Administration	684,752	711,599	672,208
Operations and Maintenance	2,660,723	2,671,498	2,535,100
Transportation and Housing	626,810	581,734	599,284
Total Expense	<u>11,779,823</u>	<u>12,186,027</u>	<u>12,296,863</u>
Surplus (Deficit) for the year	<u>133,493</u>	<u>401,117</u>	<u>(114,826)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		6,985,355	7,100,181
Accumulated Surplus (Deficit) from Operations, end of year		<u>7,386,472</u>	<u>6,985,355</u>

School District No. 50 (Haida Gwaii)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2017

	2017 Budget (Note 12)	2017 Actual	2016 Actual
	\$	\$	\$
Surplus (Deficit) for the year	133,493	401,117	(114,826)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets		(4,632,385)	(578,241)
Amortization of Tangible Capital Assets	746,899	900,293	887,822
Total Effect of change in Tangible Capital Assets	746,899	(3,732,092)	309,581
Use of Prepaid Expenses		79,756	(113,759)
Total Effect of change in Other Non-Financial Assets	-	79,756	(113,759)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	880,392	(3,251,219)	80,996
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		(3,251,219)	80,996
Net Financial Assets (Debt), beginning of year		(18,853,059)	(18,934,055)
Net Financial Assets (Debt), end of year		(22,104,278)	(18,853,059)

School District No. 50 (Haida Gwaii)

Statement of Cash Flows
Year Ended June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	401,117	(114,826)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(365,243)	(683)
Prepaid Expenses	79,756	(113,760)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	286,826	(161,698)
Deferred Revenue	(1,699)	(23,810)
Employee Future Benefits	21,412	27,602
Other Liabilities	5,780	(19,419)
Loss (Gain) on Disposal of Tangible Capital Assets	(195,451)	
Amortization of Tangible Capital Assets	900,293	887,822
Amortization of Deferred Capital Revenue	(746,899)	(811,854)
Total Operating Transactions	<u>385,892</u>	<u>(330,626)</u>
Capital Transactions		
Tangible Capital Assets Purchased	(2,036,652)	(525,866)
Tangible Capital Assets - WIP Purchased	(2,530,000)	(52,375)
District Portion of Proceeds on Disposal	195,451	
Tangible Capital Assets Purchased - Other Provincial Capital	(65,733)	
Total Capital Transactions	<u>(4,436,934)</u>	<u>(578,241)</u>
Financing Transactions		
Capital Revenue Received	4,586,720	578,241
Total Financing Transactions	<u>4,586,720</u>	<u>578,241</u>
Net Increase (Decrease) in Cash and Cash Equivalents	535,678	(330,626)
Cash and Cash Equivalents, beginning of year	<u>1,280,605</u>	<u>1,611,231</u>
Cash and Cash Equivalents, end of year	<u>1,816,283</u>	<u>1,280,605</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	1,816,283	1,280,605
	<u>1,816,283</u>	<u>1,280,605</u>
Supplementary Cash Flow Information		



**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017**

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on 04/01/1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 50 (Haida Gwaii)", and operates as "School District No. 50 (Haida Gwaii)." 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. 50 (Haida Gwaii) 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 3(e) and 3(m)

In March 2011, PSAB. 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 3(e) and 3(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. As a result, revenue recognized in the statement of operations and certain related deferred revenues and deferred capital contributions would be recorded differently under Canadian public sector accounting standards.



**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2016 – decrease annual surplus by \$233,613

June 30, 2016 – increase in accumulated surplus and decrease in deferred contributions by \$18,952,799

Year-ended June 30, 2017 – decrease in in annual surplus by \$3,839,821

June 30, 2017 – increase in accumulated surplus and decrease in deferred contributions by \$22,792,620

b) Cash and Cash Equivalents

Cash and cash equivalents include 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) 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.

e) 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 3 (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 3 (a) for the impact of this policy on these financial statements.



SCHOOL DISTRICT NO. 50 (HAIDA GWAI)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

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

f) 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, 2016 for use at June 30, 2016. 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.

g) 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.



SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

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

h) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School district:
 - is directly responsible; or
 - accepts responsibility; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

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.



SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Buildings that are demolished or destroyed are written-off.
- 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

Prepaid expenses are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

School District Software	22,873
Computer Equipment	38,286
Classroom Equipment	20,946
Travel	2,997
Dues and Fees	7,125
Sk'aadga Naay Elementary Lease	6,959
Total	99,186



**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017**

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

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 12 – Internally Restricted Surplus).

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 3 (a) for the impact of this policy on these financial statements.



**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017**

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

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.

n) Expenditures

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

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. Principal's salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.



**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017**

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, bank overdraft, accounts payable and accrued liabilities and other 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 investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

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

p) Measurement Uncertainty

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



SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2017	2016
Payroll & Benefits Recoverable	9,368	10,627
Apartment Building	19,905	24,375
HGTA/BCTF	9,720	9,741
Chief Matthews Bussing	4,305	5,160
Gwaii Trust: Food & Bursary Program	50,226	29,039
School Supplies	2,527	1,059
GST Rebate	157,118	55,100
Other	19,878	28,367
Total Accounts Receivable	273,047	163,468



SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2017	2016
Trade payables	298,749	22,567
Salaries and benefits payable	587,727	577,917
Accrued Vacation Pay	46,104	40,324
Other	3,455	3,714
Total	936,035	644,522

NOTE 5 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 6 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. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 7 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.

	2017	2016
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	207,807	211,421
Service Cost	19,003	21,817
Interest Cost	5,528	5,159
Benefit Payments Increase (Decrease) in obligation due to Plan Amendment	(2,280)	(717)
Actuarial (Gain) Loss	(13,536)	(29,873)
Accrued Benefit Obligation – March 31	216,522	207,807
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	216,522	207,807
Market Value of Plan Assets – March 31	0	0
Funded Status – Surplus (Deficit)	(216,522)	(207,807)
Employer Contributions After Measurement Date	(6,297)	(6,133)
Unamortized Net Actuarial (Gain) Loss	(26,776)	(14,243)
Accrued Benefit Asset (Liability) – June 30	(249,595)	(228,183)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	228,183	200,581
Recognize Non-Vested Benefits – April 1 – June 30, 2017	0	0
Accrued Benefit Liability – July 1 (restated)	228,183	200,581
Net expense for Fiscal Year	23,692	28,319
Employer Contributions	(2,280)	(717)
Accrued Benefit Liability – June 30	249,595	228,183



SCHOOL DISTRICT NO. 50 (HAIDA GWAI)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 7 EMPLOYEE FUTURE BENEFITS *(Continued)*

	2017	2016
Components of Net Benefit Expense		
Service Costs April 1 – March 31, 2018	18,939	19,003
Service Costs April 1 – March 31, 2019	19,412	19,479
Interest Costs April 1 – March 31, 2018	6,248	5,528
Interest Costs April 1 – March 31, 2019	6,453	5,805
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial (Gain)/Loss	(2,344)	(1,003)
Net Benefit Expense	23,013	23,716

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

	2017	2016
Discount Rate – April 1	2.5%	2.25%
Discount Rate – March 31	2.75%	2.50%
Long Term Salary Growth – April 1	2.5% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.5% + seniority	2.50% + seniority
EARSL – March 31	10.1	10.1



SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 8 TANGIBLE CAPITAL ASSETS

Net Book Value

Cost:	Net Book Value 2017	Net Book Value 2016
Sites	2,756,297	2,756,297
Buildings	23,841,632	22,674,622
Buildings – Work In Progress	2,530,000	52,375
Furniture & equipment	187,556	120,388
Vehicles	76,079	55,790
Total	29,391,564	25,659,472

June 30, 2017

Cost:	Opening Cost	Additions	Disposals	Total 2017
Sites	2,756,297			2,756,297
Buildings	39,395,890	1,990,987	16,300	41,370,577
Buildings – Work In Progress		2,530,000		2,530,000
Furniture & equipment	148,889	82,057		230,946
Vehicles	90,523	29,341	21,287	98,577
Total	42,391,599	4,632,386	37,585	46,986,397

June 30, 2017

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Total 2016
Sites				
Buildings	16,668,893	876,352	16,300	17,528,945
Furniture & equipment	28,501	14,889		43,390
Vehicles	34,733	9,052	21,287	22,498
Total	16,732,127	900,293	37,585	17,594,833



SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 8 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2016

Cost:	Opening Cost	Additions	Disposals	Total 2016
Sites	2,756,297			2,756,297
Buildings	38,886,540	456,975		39,343,515
Buildings – Work In Progress		52,375		52,375
Furniture & equipment	130,891	68,891	50,893	148,889
Vehicles	107,282		16,759	90,523
Total	41,881,010	578,241	67,652	42,391,599

June 30, 2016

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Total 2016
Sites				
Buildings	15,800,391	868,502		16,668,893
Furniture & equipment	70,802	8,592	50,893	44,387
Vehicles	40,764	10,728	16,759	34,733
Total	15,911,957	887,822	67,652	16,732,127

NOTE 9 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 represent plan members and employers and are responsible for managing the pension plans including investing assets and administering benefits. The pension plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2013, the Teachers' Pension Plan has about 45,000 active members and approximately 33,000 retired members. As at December 31, 2013 the Municipal Pension Plan has about 182,000 active members, of which approximately 24,000 are 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 any amortization of any funding deficit.



SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 9 EMPLOYEE PENSION PLANS *(Continued)*

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2011 indicated an \$855 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2014 with results available in 2015. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Defined contribution plan accounting is applied to the plan as the plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual entities participating in the plan.

The School District No 50 (Haida Gwaii) paid \$785,030 for employer contributions to these plans in the year ended June 30, 2017.

NOTE 10 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 11 CONTRACTUAL OBLIGATIONS

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

During the 1998 fiscal year, the board entered into a 49 year lease for the new Skidegate Elementary School expiring February 28, 2047. The Annual lease payments are \$4,800, adjusted annually by changes in the Consumer Price Index, plus \$16,000 for the provision of water, sewer, and other services. The service costs are subject to review every 5 years.

	2015	2016	2017	2018	2019	Thereafter
Land to federal Government	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500
Financial	\$24,000					
Custodial	\$68,460	\$68,460				
Operating Leases	\$44,600	\$45,709	\$36,550	\$24,528	9,629	



SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017

NOTE 12 BUDGET FIGURES

Budget figures included in the financial statements are not audited. The Board approved the budget through the adoption of an amended annual budget on February 28, 2017.

NOTE 13 EXPENSE BY OBJECT

	2017	2016
Salaries and Benefits	7,736,063	8,029,333
Services and Supplies	2,384,233	2,267,665
Amortization	900,293	887,822
Other	1,165,438	1,112,043
Total	12,186,027	12,296,863

NOTE 14 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board	0
Unrestricted Operating Surplus (Deficit)	350,672
Total Available for Future Operations	350,672

NOTE 15 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 16 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.



**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017**

NOTE 16 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.

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 that have a maturity date of no more than 3 years.

c) Liquidity risk

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

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

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

NOTE 17 EARLY LEAVERS FUND

In 2016, as part of the negotiations for the Local Education Agreement with local aboriginal bands the District has agreed to report the amount of the "Early Leavers Fund" by Band. For the 2016/17 fiscal year the amounts by band are indicated below:

Band #670	Skidegate	38,312
Band #669	Old Massett	24,197
Total		62,509



**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR-ENDED JUNE 30, 2017**

NOTE 17 EARLY LEAVERS FUND *(Continued)*

These funds represent accumulated contributions from governments for eligible students who left early from a school year. Under the Local Education Agreement these contributions have been identified and reserved for expenditure on eligible students who are registered in jointly agreed future educational programs developed to provide education and in school training to such early retirees.

School District No. 50 (Haida Gwaii)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2017

	Operating Fund	Special Purpose Fund	Capital Fund	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	1,711		6,983,644	6,985,355	7,100,181
Changes for the year					
Surplus (Deficit) for the year	348,961		52,156	401,117	(114,826)
Net Changes for the year	<u>348,961</u>	<u>-</u>	<u>52,156</u>	<u>401,117</u>	<u>(114,826)</u>
Accumulated Surplus (Deficit), end of year - Statement 2	<u>350,672</u>	<u>-</u>	<u>7,035,800</u>	<u>7,386,472</u>	<u>6,985,355</u>

School District No. 50 (Haida Gwaii)

Schedule of Operating Operations

Year Ended June 30, 2017

Schedule 2 (Unaudited)

	2017 Budget (Note 12)	2017 Actual	2016 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	5,951,675	6,381,661	5,819,480
Other		7,000	90,000
Other Revenue	4,080,181	4,017,514	4,243,212
Rentals and Leases	45,316	45,610	70,521
Investment Income	14,734	17,472	16,387
Total Revenue	10,091,906	10,469,257	10,239,600
Expenses			
Instruction	7,016,307	7,147,355	7,437,453
District Administration	684,752	711,599	672,208
Operations and Maintenance	1,764,037	1,679,608	1,588,053
Transportation and Housing	626,810	581,734	599,284
Total Expense	10,091,906	10,120,296	10,296,998
Operating Surplus (Deficit) for the year	-	348,961	(57,398)
Total Operating Surplus (Deficit), for the year	-	348,961	(57,398)
Operating Surplus (Deficit), beginning of year		1,711	59,109
Operating Surplus (Deficit), end of year		350,672	1,711
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 14)		-	
Unrestricted		350,672	1,711
Total Operating Surplus (Deficit), end of year		350,672	1,711

School District No. 50 (Haida Gwaii)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2017

	2017 Budget (Note 12)	2017 Actual	2016 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	9,712,608	10,094,075	9,780,609
INAC/LEA Recovery	(4,130,010)	(4,130,010)	(4,130,010)
Other Ministry of Education Grants			
Pay Equity	139,874	139,874	139,874
Funding for Graduated Adults	856	856	
Transportation Supplement	149,851	149,851	
Economic Stability Dividend		2,808	4,033
Return of Administrative Savings	50,678	50,678	
Carbon Tax Grant		15,461	16,526
Student Learning Grant		26,156	
FSA		4,094	4,348
Curriculum Implementation			4,100
Holdback Distribution	14,909	14,909	
Additional Supplement Distribution	12,909	12,909	
Total Provincial Grants - Ministry of Education	5,951,675	6,381,661	5,819,480
Provincial Grants - Other		7,000	90,000
Other Revenues			
LEA/Direct Funding from First Nations	4,028,181	3,781,046	4,086,769
Miscellaneous			
Other			156,443
Miscellaneous	52,000	236,468	
Total Other Revenue	4,080,181	4,017,514	4,243,212
Rentals and Leases	45,316	45,610	70,521
Investment Income	14,734	17,472	16,387
Total Operating Revenue	10,091,906	10,469,257	10,239,600

School District No. 50 (Haida Gwaii)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2017

	2017 Budget (Note 12)	2017 Actual	2016 Actual
	\$	\$	\$
Salaries			
Teachers	3,155,638	3,138,810	3,260,496
Principals and Vice Principals	780,990	778,401	851,689
Educational Assistants	510,227	515,822	513,662
Support Staff	1,073,176	1,100,149	1,108,333
Other Professionals	402,405	371,070	376,044
Substitutes	341,651	393,349	310,639
Total Salaries	6,264,087	6,297,601	6,420,863
Employee Benefits	1,476,620	1,438,462	1,608,470
Total Salaries and Benefits	7,740,707	7,736,063	8,029,333
Services and Supplies			
Services	499,159	496,868	573,661
Student Transportation	571,138	515,448	505,356
Professional Development and Travel	226,084	292,058	217,484
Rentals and Leases	23,575	16,674	23,897
Dues and Fees	13,657	11,393	9,911
Insurance	23,712	33,262	23,427
Supplies	439,249	480,923	422,705
Utilities	554,625	537,607	491,224
Total Services and Supplies	2,351,199	2,384,233	2,267,665
Total Operating Expense	10,091,906	10,120,296	10,296,998

School District No. 50 (Haida Gwaii)

Operating Expense by Function, Program and Object
Year Ended June 30, 2017

	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	2,634,128	171,437	147,034			236,805	3,189,404
1.03 Career Programs	58,074						58,074
1.07 Library Services	13,097	9,170		33,596		1,427	57,290
1.08 Counselling	57,169						57,169
1.10 Special Education	230,553	21,277	368,788			59,599	680,217
1.30 English Language Learning	42,810						42,810
1.31 Aboriginal Education	102,979	576,517		129,122	7,084		239,185
1.41 School Administration		778,401	515,822	263,806	20,561		860,884
Total Function 1	3,138,810	778,401	515,822	426,524	-	325,476	5,185,033
4 District Administration							
4.11 Educational Administration					135,195		135,195
4.40 School District Governance				53,867			53,867
4.41 Business Administration				38,349	191,427		229,776
Total Function 4	-	-	-	92,216	326,622	-	418,838
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				12,130	32,145		44,275
5.50 Maintenance Operations				556,600		63,400	620,000
5.52 Maintenance of Grounds				10,823		2,599	13,422
5.56 Utilities							
Total Function 5	-	-	-	579,553	32,145	65,999	677,697
7 Transportation and Housing							
7.41 Transportation and Housing Administration					12,303		12,303
7.70 Student Transportation						1,096	1,096
7.73 Housing				1,856		778	2,634
Total Function 7	-	-	-	1,856	12,303	1,874	16,033
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	3,138,810	778,401	515,822	1,100,149	371,070	393,349	6,297,601

School District No. 50 (Haida Gwaii)

Operating Expense by Function, Program and Object
Year Ended June 30, 2017

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2017 Actual	2017 Budget	2016 Actual
	\$	\$	\$	\$	\$	(Note 12)	\$
1 Instruction							
1.02 Regular Instruction	3,189,404	794,059	3,983,463	560,880	4,544,343	4,318,180	4,555,622
1.03 Career Programs	58,074	13,592	71,666		71,666	71,602	43,539
1.07 Library Services	57,290	12,513	69,803	5,679	75,482	90,524	83,816
1.08 Counselling	57,169	11,894	69,063	4,135	73,198	92,985	10,490
1.10 Special Education	680,217	116,173	796,390	74,458	870,848	947,099	928,690
1.30 English Language Learning	42,810	9,522	52,332		52,332	52,804	52,640
1.31 Aboriginal Education	239,185	55,804	294,989	72,380	367,369	366,865	451,300
1.41 School Administration	860,884	189,503	1,050,387	41,730	1,092,117	1,076,248	1,311,356
Total Function 1	5,185,033	1,203,060	6,388,093	759,262	7,147,355	7,016,307	7,437,453
4 District Administration							
4.11 Educational Administration	135,195	34,645	169,840	44,950	214,790	201,668	216,894
4.40 School District Governance	53,867	984	54,851	51,520	106,371	108,039	89,558
4.41 Business Administration	229,776	60,852	290,628	99,810	390,438	375,045	365,756
Total Function 4	418,838	96,481	515,319	196,280	711,599	684,752	672,208
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	44,275	12,263	56,538	54,348	110,886	133,566	68,899
5.50 Maintenance Operations	620,900	120,901	740,901	233,903	974,804	1,038,967	1,010,855
5.52 Maintenance of Grounds	13,422	2,334	15,756	25,942	41,698	28,582	21,380
5.56 Utilities	-	-	-	552,220	552,220	562,922	486,919
Total Function 5	677,697	135,498	813,195	866,413	1,679,608	1,764,037	1,588,053
7 Transportation and Housing							
7.41 Transportation and Housing Administration	12,303	2,829	15,132		15,132	15,318	17,154
7.70 Student Transportation	1,096	169	1,265	551,749	553,014	575,993	563,714
7.73 Housing	2,634	425	3,059	10,529	13,588	35,499	18,416
Total Function 7	16,033	3,423	19,456	562,278	581,734	626,810	599,284
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	6,297,601	1,438,462	7,736,063	2,384,233	10,120,296	10,091,906	10,296,998

School District No. 50 (Haida Gwaii)

Schedule of Special Purpose Operations

Year Ended June 30, 2017

Schedule 3 (Unaudited)

	2017 Budget (Note 12)	2017 Actual	2016 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	611,018	659,119	527,031
Other Revenue	300,000	506,319	585,012
Total Revenue	<u>911,018</u>	<u>1,165,438</u>	<u>1,112,043</u>
Expenses			
Instruction	791,231	1,073,841	1,052,818
Operations and Maintenance	119,787	91,597	59,225
Total Expense	<u>911,018</u>	<u>1,165,438</u>	<u>1,112,043</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</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. 50 (Haida Gwaii)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2017

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			5,197	25,000	271,048				
Add: Restricted Grants									
Provincial Grants - Ministry of Education	91,597	202,391			446,922	96,736	9,800	43,912	106,471
Federal Grants									
Other									
Less: Allocated to Revenue	91,597	202,391	-	-	446,922	96,736	9,800	43,912	106,471
Deferred Revenue, end of year	91,597	202,391	5,197	25,000	408,930	96,736	9,800	43,912	106,471
Revenues									
Provincial Grants - Ministry of Education	91,597	202,391			408,930	96,736	9,800	43,912	106,471
Other Revenue									
Expenses									
Salaries									
Teachers									
Educational Assistants			105,858			65,006		14,740	55,025
Support Staff			38,282					14,215	
Substitutes									
Employee Benefits		144,140				72,041		28,955	55,025
Services and Supplies	91,597	36,016			408,930	16,968		6,601	12,446
		22,235				7,727	9,800	8,356	39,000
	91,597	202,391			408,930	96,736	9,800	43,912	106,471
Net Revenue (Expense) before Interfund Transfers									
Interfund Transfers									
Net Revenue (Expense)									

School District No. 50 (Haida Gwaii)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2017

	Coding and Curriculum Implementation	Priority Measures	Second Count	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year			168,383	471,628
Add: Restricted Grants				
Provincial Grants - Ministry of Education	32,126	98,793		681,826
Federal Grants			34,991	446,922
Other				34,991
Less: Allocated to Revenue	32,126	98,793	34,991	1,163,739
Deferred Revenue, end of year	9,419	98,793	97,389	1,165,438
	<u>22,707</u>	<u>-</u>	<u>105,985</u>	<u>469,929</u>
Revenues				
Provincial Grants - Ministry of Education	9,419	98,793	97,389	659,119
Other Revenue	9,419	98,793	97,389	506,319
Expenses				
Salaries		79,397	48,896	248,891
Teachers				107,522
Educational Assistants				65,006
Support Staff				9,019
Substitutes	1,984			
Employee Benefits	1,984	79,397	48,896	430,438
Services and Supplies	258	19,396	9,486	101,171
	<u>7,177</u>	<u>39,007</u>	<u>39,007</u>	<u>633,829</u>
	9,419	98,793	97,389	1,165,438
Net Revenue (Expense) before Interfund Transfers	-	-	-	-
Interfund Transfers	-	-	-	-
Net Revenue (Expense)	-	-	-	-

School District No. 50 (Haida Gwaii)

Schedule of Capital Operations

Year Ended June 30, 2017

Schedule 4 (Unaudited)

	2017 Budget (Note 12)	2017 Actual			2016 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Other Revenue	10,099			-	
Investment Income			10,099	10,099	18,540
Amortization of Deferred Capital Revenue	900,293	746,899		746,899	811,854
District Portion of Proceeds on Disposal			195,451	195,451	
Total Revenue	910,392	746,899	205,550	952,449	830,394
Expenses					
Operations and Maintenance	30,000			-	
Amortization of Tangible Capital Assets					
Operations and Maintenance	746,899	900,293		900,293	887,822
Total Expense	776,899	900,293	-	900,293	887,822
Capital Surplus (Deficit) for the year	133,493	(153,394)	205,550	52,156	(57,428)
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		45,665	(45,665)	-	
Capital Assets Purchased from Local Capital		-		-	
Total Other Adjustments to Fund Balances		45,665	(45,665)	-	
Total Capital Surplus (Deficit) for the year	133,493	(107,729)	159,885	52,156	(57,428)
Capital Surplus (Deficit), beginning of year		6,714,079	269,565	6,983,644	7,041,072
Capital Surplus (Deficit), end of year		6,606,350	429,450	7,035,800	6,983,644

School District No. 50 (Haida Gwaii)

Tangible Capital Assets
Year Ended June 30, 2017

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	2,756,297	39,395,890	148,889	90,523	-	-	42,391,599
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,990,987					1,990,987
Local Capital			16,325	29,340			45,665
Other Provincial Capital - YTCEP			65,733				65,733
Transferred from Work in Progress		2,530,000					2,530,000
Decrease:							
Disposed of		16,300					16,300
Deemed Disposals			(2)	21,287			21,285
Cost, end of year							
Work in Progress, end of year		16,300	(2)	21,287			37,585
Cost and Work in Progress, end of year	2,756,297	43,900,577	230,949	98,576			46,986,399
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		16,668,893	28,501	34,733			16,732,127
Decrease:							
Disposed of		876,352	14,889	9,052			900,293
Deemed Disposals		16,300	(2)	21,287			16,300
Accumulated Amortization, end of year		17,528,945	43,392	22,498			17,594,835
Tangible Capital Assets - Net	2,756,297	26,371,632	187,557	76,078			29,391,564

School District No. 50 (Haida Gwaii)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2017

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year					-
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	2,530,000				2,530,000
	<u>2,530,000</u>	-	-	-	<u>2,530,000</u>
Decrease:					
Transferred to Tangible Capital Assets	2,530,000				2,530,000
	<u>2,530,000</u>	-	-	-	<u>2,530,000</u>
Net Changes for the Year	-	-	-	-	-
Work in Progress, end of year	-	-	-	-	-

School District No. 50 (Haida Gwaii)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2017

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	16,178,575		2,766,819	18,945,394
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,990,987			1,990,987
Transferred from Work in Progress	2,530,000			2,530,000
Transferred from Deferred Contributions - Other Provincial Capital		65,733		65,733
	4,520,987	65,733	-	4,586,720
Decrease:				
Amortization of Deferred Capital Revenue	663,056		83,843	746,899
	663,056	-	83,843	746,899
Net Changes for the Year	3,857,931	65,733	(83,843)	3,839,821
Deferred Capital Revenue, end of year	20,036,506	65,733	2,682,976	22,785,215
Work in Progress, beginning of year				-
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	2,530,000			2,530,000
District Entered		65,733		65,733
	2,530,000	65,733	-	2,595,733
Decrease				
Transferred to Deferred Capital Revenue	2,530,000			2,530,000
District Entered		65,733		65,733
	2,530,000	65,733	-	2,595,733
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	20,036,506	65,733	2,682,976	22,785,215

School District No. 50 (Haida Gwaii)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2017

	Bylaw Capital	MED Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year		7,405				7,405
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	4,520,987		65,733			4,520,987
Provincial Grants - Other					65,733	65,733
Other Provincial Capital- YTCEP Grant	4,520,987		65,733			4,586,720
Decrease:						
Transferred to DCR - Capital Additions	1,990,987					1,990,987
Transferred to DCR - Work in Progress	2,530,000					2,530,000
Transferred to DCC - Other Provincial Capital - YTCEP	4,520,987		65,733			4,586,720
Net Changes for the Year						
		7,405				7,405
Balance, end of year						7,405