

Audited Financial Statements of

# **School District No. 50 (Haida Gwaii)**

And Independent Auditors' Report thereon

June 30, 2021

# School District No. 50 (Haida Gwaii)

June 30, 2021

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# School District No. 50 (Haida Gwaii)

## MANAGEMENT REPORT

Version: 9625-8879-6896

### 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 quarterly basis and externally audited financial statements yearly.

The external auditors, Carlyle Shepherd & Co, 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)



October 5, 2021

Signature of the Chairperson of the Board of Education

Date Signed



October 5, 2021

Signature of the Superintendent

Date Signed



October 5, 2021

Signature of the Secretary Treasurer

Date Signed

**INDEPENDENT AUDITOR'S REPORT**

**To the Board of Education – School District No. 50 (Haida Gwaii) and the Minister of Education**

**Opinion**

We have audited the financial statements of School District No. 50 (Haida Gwaii) which comprise the statement of financial position as at June 30, 2021 and the statements of operations, changes in net debt and 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 School District as at June 30, 2021 and the results of its operations and cash flows for the year then ended in accordance with 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. We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian 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 judgement and maintain professional skepticism throughout the audit.

**Responsibilities of Management and the Board for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the School District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless conditions exist that do not allow for the going concern basis to be used.

The Board is responsible for overseeing the School District's financial reporting process.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the School District taken as a whole. The current year's supplementary information included in Schedules 1 to 4D is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole.

Terrace, BC  
September 28, 2021

*Carlyle Shepherd & co.*

# School District No. 50 (Haida Gwaii)


Statement 1

## Statement of Financial Position

As at June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	4,201,266	2,547,695
Accounts Receivable		
Due from Province - Ministry of Education	99,291	
Due from First Nations	28,777	731,830
Other (Note 3)	313,184	266,995
<b>Total Financial Assets</b>	<b>4,642,518</b>	<b>3,546,520</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	1,456,142	986,183
Deferred Revenue (Note 5)	818,476	881,986
Deferred Capital Revenue (Note 6)	26,003,815	25,721,628
Employee Future Benefits (Note 7)	309,693	296,174
<b>Total Liabilities</b>	<b>28,588,126</b>	<b>27,885,971</b>
<b>Net Debt</b>	<b>(23,945,608)</b>	<b>(24,339,451)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 8)	32,018,810	31,897,701
Prepaid Expenses	123,114	68,889
<b>Total Non-Financial Assets</b>	<b>32,141,924</b>	<b>31,966,590</b>
<b>Accumulated Surplus (Deficit)</b>	<b>8,196,316</b>	<b>7,627,139</b>

Approved by the Board

  
\_\_\_\_\_  
Signature of the Chairperson of the Board of Education


October 5, 2021

\_\_\_\_\_  
Date Signed

  
\_\_\_\_\_  
Signature of the Superintendent

October 5, 2021

\_\_\_\_\_  
Date Signed

  
\_\_\_\_\_  
Signature of the Secretary Treasurer

October 5, 2021

\_\_\_\_\_  
Date Signed

# School District No. 50 (Haida Gwaii)

Statement 2

Statement of Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	8,206,884	8,746,646	7,557,970
Other	223,347	223,733	99,247
Other Revenue	7,531,821	4,378,994	4,706,496
Rentals and Leases	52,221	55,931	54,688
Investment Income	25,988	26,393	34,678
Amortization of Deferred Capital Revenue	1,041,544	1,041,544	987,979
<b>Total Revenue</b>	<u>17,081,805</u>	<u>14,473,241</u>	<u>13,441,058</u>
<b>Expenses</b>			
Instruction	10,098,655	9,518,799	8,690,107
District Administration	952,976	887,256	1,214,236
Operations and Maintenance	3,108,567	3,108,813	3,049,598
Transportation and Housing	614,966	389,196	401,650
<b>Total Expense</b>	<u>14,775,164</u>	<u>13,904,064</u>	<u>13,355,591</u>
<b>Surplus (Deficit) for the year</b>	<u>2,306,641</u>	<u>569,177</u>	<u>85,467</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		7,627,139	7,541,672
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u>8,196,316</u>	<u>7,627,139</u>

# School District No. 50 (Haida Gwaii)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	2,306,641	569,177	85,467
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets		(1,323,731)	(1,119,634)
Amortization of Tangible Capital Assets	1,202,622	1,202,622	1,149,057
<b>Total Effect of change in Tangible Capital Assets</b>	1,202,622	(121,109)	29,423
Use of Prepaid Expenses		(54,225)	40,431
<b>Total Effect of change in Other Non-Financial Assets</b>	-	(54,225)	40,431
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	3,509,263	393,843	155,321
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		393,843	155,321
<b>Net Debt, beginning of year</b>		(24,339,451)	(24,494,772)
<b>Net Debt, end of year</b>		(23,945,608)	(24,339,451)



# School District No. 50 (Haida Gwaii)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	569,177	85,467
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	557,573	(666,425)
Prepaid Expenses	(54,225)	40,431
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	469,959	(6,926)
Deferred Revenue	(63,510)	256,385
Employee Future Benefits	13,519	12,069
Amortization of Tangible Capital Assets	1,202,622	1,149,057
Amortization of Deferred Capital Revenue	(1,041,544)	(987,979)
<b>Total Operating Transactions</b>	<b>1,653,571</b>	<b>(117,921)</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(683,731)	(969,634)
Tangible Capital Assets -WIP Purchased	(640,000)	(150,000)
<b>Total Capital Transactions</b>	<b>(1,323,731)</b>	<b>(1,119,634)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	1,323,731	582,248
<b>Total Financing Transactions</b>	<b>1,323,731</b>	<b>582,248</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,653,571</b>	<b>(655,307)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>2,547,695</b>	<b>3,203,002</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>4,201,266</b>	<b>2,547,695</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	4,201,266	2,547,695
	<b>4,201,266</b>	<b>2,547,695</b>

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on April 1, 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 four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 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 2(e) 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(e) 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 that:

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

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**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, 2020 – increase in annual surplus by \$131,655

June 30, 2020 – increase in accumulated surplus and decrease in deferred contributions by \$25,714,233

Year-ended June 30, 2021 – increase in annual surplus by \$282,177

June 30, 2021 – increase in accumulated surplus and decrease in deferred contributions by \$25,996,410.

b) Cash and Cash Equivalents

Cash and cash equivalents include bank accounts and Central Deposit funds 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 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.

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**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 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.

g) Asset Retirement Obligations

A liability is recognized when, as at the financial reporting date:

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

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

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**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 a site is not in productive use and all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School District:
  - is directly responsible; or
  - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

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

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.

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

- Works of art, historic assets and other intangible assets *(list any that are significant)* are not recorded as assets in these financial statements.
- 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

j) Operating Leases

Operating lease payments are accounted for as operating leases and the related payments are charged to expenses as incurred.

k) Prepaid Expenses

Prepaid expenses are association membership renewals, software license fees, hardware and contract costs and are 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 Notes 14 Internally Restricted Surplus).

m) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

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

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

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.

n) Expenditures

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

Categories of Salaries

- Principals, and Vice-Principals 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.

**SCHOOL DISTRICT NO. 50 (HAIDA GWAI)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

Allocation of Costs

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

o) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long term debt 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. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

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



**SCHOOL DISTRICT NO. 50 (HAIDA GWAIH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

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.

q) Future Changes in Accounting Policies

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

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

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

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

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

**SCHOOL DISTRICT NO. 50 (HAIDA GWAI)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

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

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

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

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

**NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2021	2020
Payroll & Benefits Recoverable	\$ 8,779	\$ 6,129
Apartment Building	5,535	9,225
HGTA/BCTF	40,248	15,061
Secondment	44,515	22,592
Gwaii Trust	98,264	137,616
GST Rebate	85,017	56,520
Other	30,826	19,852
Total	\$ 313,184	\$266,995

**NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER**

	2021	2020
Trade payables	\$ 580,970	\$ 241,409
Salaries and benefits payable	721,743	611,987
Accrued vacation pay	87,843	59,633
Other	65,586	73,154
	<u>\$ 1,456,142</u>	<u>\$ 986,183</u>

**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.

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**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.

**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.

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

	<u><b>2021</b></u>	<u><b>2020</b></u>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation - April 1	218,621	199,493
Service Cost	21,296	20,192
Interest Cost	5,280	5,353
Benefit Payments	-5,061	-8,411
Increase (Decrease) in obligation due to plan amendment	0	0
Actuarial (Gain)/Loss	<u>-10,318</u>	<u>1,994</u>
Accrued Benefit Obligation - March 31	<u><u>229,818</u></u>	<u><u>218,621</u></u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	229,818	218,621
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus (Deficit)	(229,818)	(218,621)
Employer Contributions After Measurement Date	0	0
Benefit Expense After Measurement Date	-6,832	-6,644
Unamortized Net Actuarial (Gain)/Loss	<u>-73,043</u>	<u>-70,909</u>
Accrued Benefit (Liability) Asset - June 30	<u><u>-309,693</u></u>	<u><u>-296,174</u></u>
<b>Reconciliation of Change in Accrued Benefit Liability (Asset)</b>		
Accrued Benefit Liability (Asset) - July 1	296,174	284,105
Net Expense for Fiscal Year	18,580	17,420
Employer Contributions	<u>-5,061</u>	<u>-5,350</u>
Accrued Benefit Liability (Asset) - June 30	<u><u>309,693</u></u>	<u><u>296,174</u></u>
<b>Components of Net Benefit Expense</b>		
Service Cost	21,276	20,468
Interest Cost	5,488	5,335
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial (Gain)/Loss	<u>-8,184</u>	<u>-8,383</u>
Net Benefit Expense (Income)	<u><u>18,580</u></u>	<u><u>17,420</u></u>
<b>Assumptions</b>		
Discount Rate - April 1	2.25%	2.50%
Discount Rate - March 31	2.50%	2.25%
Long Term Salary Growth - April 1	2.50%	+seniority 2.50%
Long Term Salary Growth - March 31	2.50%	+seniority 2.50%
EARSL - March 31	10.0	10.0

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 8 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value 2021	Net Book Value 2020
Sites	\$ 2,756,297	\$ 2,756,297
Buildings	27,763,482	28,167,489
Buildings – work in progress	640,000	150,000
Furniture & Equipment	285,727	332,840
Vehicles	573,304	491,075
<b>Total</b>	<b>\$32,018,810</b>	<b>\$31,897,701</b>

**June 30, 2021**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2021
Sites	\$ 2,756,297	\$	\$	\$	\$2,756,297
Buildings	48,403,326	542,248		150,000	49,095,574
Buildings – work in progress	150,000	640,000		(150,000)	640,000
Furniture & Equipment	471,122		(15,000)		456,122
Vehicles	592,543	141,483			734,026
<b>Total</b>	<b>\$52,373,288</b>	<b>\$1,323,731</b>	<b>\$(15,000)</b>	<b>\$ 0</b>	<b>\$53,682,019</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2021
Sites	\$	\$	\$	\$
Buildings	20,235,837	1,096,255		21,332,092
Furniture & Equipment	138,282	47,113	(15,000)	170,395
Vehicles	101,468	59,254		160,722
<b>Total</b>	<b>\$20,475,587</b>	<b>\$1,202,622</b>	<b>\$(15,000)</b>	<b>\$21,663,209</b>

**SCHOOL DISTRICT NO. 50 (HAIDA GWAI)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 8 TANGIBLE CAPITAL ASSETS** *(Continued)*

**June 30, 2020**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2020
Sites	\$ 2,756,297	\$	\$	\$	\$ 2,756,297
Buildings	46,201,243	948,762		1,253,321	48,403,326
Buildings – work in progress	1,253,321	150,000		(1,253,321)	150,000
Furniture & Equipment	450,250	20,872			471,122
Vehicles	592,543				592,543
<b>Total</b>	<b>\$51,253,654</b>	<b>\$1,119,634</b>	<b>\$</b>	<b>\$0</b>	<b>\$52,373,288</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2020
Sites	\$	\$	\$	\$
Buildings	19,191,060	1,044,777		20,235,837
Furniture & Equipment	93,256	45,026		138,282
Vehicles	42,214	59,254		101,468
<b>Total</b>	<b>\$19,326,530</b>	<b>\$1,149,057</b>	<b>\$</b>	<b>\$20,475,587</b>

- Buildings – work in progress having a value of \$640,000 (2020: \$150,000) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**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, 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, 2019, the Teachers' Pension Plan has about 49,000 active members and approximately 39,000 retired members. As of December 31, 2019, the Municipal Pension Plan has about 213,000 active members, including approximately 27,000 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.

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**NOTE 9**      **EMPLOYEE PENSION PLANS** *(Continued)*

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account.

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

The school district paid \$793,600 for employer contributions to the plans for the year ended June 30, 2021 (2020: \$738,425)

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

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

**NOTE 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 five years.

**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 11 CONTRACTUAL OBLIGATIONS** *(Continued)*

Contractual obligations	2022	2023	2024	2025	2026	Thereafter
Land to Federal Government	\$ 7,144	\$ 7,144	\$7,144	\$7,144	\$7,144	\$7,144
Custodial	45,976	5,460				
Operating Leases	21,133	7,796	3,178			
Total	\$74,253	\$20,400	\$10,322	\$7,144	\$7,144	\$7,144

**NOTE 12 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 28, 2021.

**NOTE 13 EXPENSE BY OBJECT**

	2021	2020
Salaries and benefits	\$ 9,812,534	\$ 9,423,303
Services and supplies	2,888,908	2,783,231
Amortization	1,202,622	1,149,057
Other		
	\$13,904,064	\$13,355,591

**NOTE 14 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND**

Internally Restricted (appropriated) by Board for:	
<i>Targeted Funds Surplus</i>	\$ 102,625
<i>Op Grant Holdback Allocation</i>	\$ 34,317
<i>NDIT, School Budgets, Farm to School</i>	\$ 36,559
<i>CF-Youth Wellness Worker</i>	\$ 27,219
<i>Early Career Mentorship</i>	\$ 15,000
Subtotal Internally Restricted	\$ 215,720
Unrestricted Operating Surplus (Deficit)	538,412
Total Available for Future Operations	\$ 754,132



**SCHOOL DISTRICT NO. 50 (HAIDA GWAII)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**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 debtor. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash 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.

**c) Liquidity risk:**

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2020 related to credit, market or liquidity risks.

**SCHOOL DISTRICT NO. 50 (HAIDA GWAI)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**NOTE 17     EARLY LEAVERS FUND**

In 2017, as part of the negotiations for the Local Education Agreement with local indigenous bands the District has agreed to report the amount of the “Early Leavers Fund” by Band. For the 2020/21 fiscal year the amounts by band are indicated below:

		2021	2020
Band # 669	Old Massett	\$     0	\$ 50,276
Band # 670	Skidegate	38,107	12,569
<b>Total</b>		<u>\$ 38,107</u>	<u>\$ 62,845</u>

These funds represent contributions from governments for eligible students who left early from a school year. Under the Old Massett 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. Under the Skidegate Local Education Agreement these contributions will be returned to the Skidegate Band for future educational programs.

**NOTE 18     IMPACT OF COVID-19 OUTBREAK**

The ongoing impact of the COVID-19 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 District is not practicable at this time.

# School District No. 50 (Haida Gwaii)

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	637,866		6,989,273	7,627,139	7,541,672
Changes for the year					
Surplus (Deficit) for the year	716,266		(147,089)	569,177	85,467
Interfund Transfers					
Local Capital	(600,000)		600,000	-	
Net Changes for the year	116,266	-	452,911	569,177	85,467
Accumulated Surplus (Deficit), end of year - Statement 2	754,132	-	7,442,184	8,196,316	7,627,139

# School District No. 50 (Haida Gwaii)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	6,484,836	7,017,970	6,306,280
Other	223,347	223,733	99,247
Other Revenue	4,603,090	4,201,730	4,344,618
Rentals and Leases	52,221	55,931	54,688
Investment Income	12,000	12,404	20,690
<b>Total Revenue</b>	<b>11,375,494</b>	<b>11,511,768</b>	<b>10,825,523</b>
<b>Expenses</b>			
Instruction	8,124,829	7,734,005	7,186,929
District Administration	952,976	887,256	1,214,236
Operations and Maintenance	1,854,809	1,855,277	1,849,405
Transportation and Housing	442,880	318,964	342,396
<b>Total Expense</b>	<b>11,375,494</b>	<b>10,795,502</b>	<b>10,592,966</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>-</b>	<b>716,266</b>	<b>232,557</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>250,000</b>		
<b>Net Transfers (to) from other funds</b>			
Local Capital	(250,000)	(600,000)	
<b>Total Net Transfers</b>	<b>(250,000)</b>	<b>(600,000)</b>	<b>-</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>116,266</b>	<b>232,557</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>637,866</b>	<b>405,309</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>754,132</b>	<b>637,866</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		215,720	221,906
Unrestricted		538,412	415,960
<b>Total Operating Surplus (Deficit), end of year</b>		<b>754,132</b>	<b>637,866</b>

# School District No. 50 (Haida Gwaii)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	10,350,374	<b>10,430,573</b>	9,794,915
ISC/LEA Recovery	(4,358,442)	<b>(3,905,507)</b>	(4,004,798)
Other Ministry of Education Grants			
Pay Equity	139,874	<b>139,874</b>	139,874
Funding for Graduated Adults			596
Student Transportation Fund	149,851	<b>149,851</b>	149,851
Carbon Tax Grant			16,975
Employer Health Tax Grant			71,501
Support Staff Benefits Grant	10,524		6,908
Support Staff Wage Increase Funding			54,571
Teachers' Labour Settlement Funding	169,037	<b>169,037</b>	69,794
Early Career Mentorship Funding	15,000	<b>15,000</b>	
FSA Scorer Grant	4,094	<b>4,094</b>	4,094
ERASE Digital Threat Training Catering			475
Early Learning Framework - ELF	1,524	<b>1,524</b>	1,524
Equity in Action Grant	3,000	<b>3,000</b>	
2014 Agreement CarryOver		<b>5,332</b>	
2019 PFA Benefits Agreement		<b>5,192</b>	
<b>Total Provincial Grants - Ministry of Education</b>	<b>6,484,836</b>	<b>7,017,970</b>	6,306,280
<b>Provincial Grants - Other</b>	<b>223,347</b>	<b>223,733</b>	99,247
<b>Other Revenues</b>			
Funding from First Nations	4,499,590	<b>4,007,718</b>	3,971,830
Miscellaneous			
Miscellaneous	103,500	<b>194,012</b>	372,788
<b>Total Other Revenue</b>	<b>4,603,090</b>	<b>4,201,730</b>	4,344,618
<b>Rentals and Leases</b>	<b>52,221</b>	<b>55,931</b>	54,688
<b>Investment Income</b>	<b>12,000</b>	<b>12,404</b>	20,690
<b>Total Operating Revenue</b>	<b>11,375,494</b>	<b>11,511,768</b>	10,825,523

**School District No. 50 (Haida Gwaii)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	3,075,825	<b>3,025,400</b>	2,566,420
Principals and Vice Principals	989,173	<b>1,004,238</b>	1,106,349
Educational Assistants	464,498	<b>487,523</b>	435,394
Support Staff	1,479,019	<b>1,536,215</b>	1,488,761
Other Professionals	682,900	<b>639,967</b>	848,827
Substitutes	414,414	<b>429,645</b>	373,804
<b>Total Salaries</b>	<b>7,105,829</b>	<b>7,122,988</b>	<b>6,819,555</b>
<b>Employee Benefits</b>	1,695,678	<b>1,609,717</b>	1,474,683
<b>Total Salaries and Benefits</b>	<b>8,801,507</b>	<b>8,732,705</b>	<b>8,294,238</b>
<b>Services and Supplies</b>			
Services	680,259	<b>539,725</b>	536,084
Student Transportation	81,000	<b>31,409</b>	47,337
Professional Development and Travel	471,570	<b>222,514</b>	366,415
Rentals and Leases	21,483	<b>21,471</b>	21,037
Dues and Fees	13,295	<b>12,702</b>	8,755
Insurance	34,814	<b>30,169</b>	26,195
Supplies	723,695	<b>529,824</b>	733,763
Utilities	547,871	<b>674,983</b>	559,142
<b>Total Services and Supplies</b>	<b>2,573,987</b>	<b>2,062,797</b>	<b>2,298,728</b>
<b>Total Operating Expense</b>	<b>11,375,494</b>	<b>10,795,502</b>	<b>10,592,966</b>

# School District No. 50 (Haida Gwaii)

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
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	2,700,382	196,689	34,040	102,749		219,072	3,252,932
1.03 Career Programs	59,462						59,462
1.07 Library Services	18,573			32,131		1,738	52,442
1.08 Counselling	65,302			103,347			168,649
1.10 Special Education	91,276	27,739	453,483			83,201	655,699
1.31 Indigenous Education	90,405			133,967		19,479	243,851
1.41 School Administration		779,810		287,851		17,014	1,084,675
<b>Total Function 1</b>	<b>3,025,400</b>	<b>1,004,238</b>	<b>487,523</b>	<b>660,045</b>	<b>-</b>	<b>340,504</b>	<b>5,517,710</b>
<b>4 District Administration</b>							
4.11 Educational Administration				2,668	168,707		171,375
4.40 School District Governance				69,603			69,603
4.41 Business Administration				37,909	315,621		353,530
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>110,180</b>	<b>484,328</b>	<b>-</b>	<b>594,508</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				10,471	110,157		120,628
5.50 Maintenance Operations				614,371		83,158	697,529
5.52 Maintenance of Grounds				16,373		334	16,707
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>641,215</b>	<b>110,157</b>	<b>83,492</b>	<b>834,864</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration					45,482		45,482
7.70 Student Transportation				124,741		5,649	130,390
7.73 Housing				34			34
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>124,775</b>	<b>45,482</b>	<b>5,649</b>	<b>175,906</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>3,025,400</b>	<b>1,004,238</b>	<b>487,523</b>	<b>1,536,215</b>	<b>639,967</b>	<b>429,645</b>	<b>7,122,988</b>

# School District No. 50 (Haida Gwaii)

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
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	3,252,932	741,646	3,994,578	716,346	4,710,924	4,921,405	4,611,243
1.03 Career Programs	59,462	12,928	72,390		72,390	72,500	78,660
1.07 Library Services	52,442	13,160	65,602	5,075	70,677	77,549	51,196
1.08 Counselling	168,649	36,143	204,792	4,943	209,735	211,090	89,173
1.10 Special Education	655,699	150,910	806,609	65,542	872,151	882,206	833,623
1.31 Indigenous Education	243,851	56,593	300,444	149,719	450,163	552,787	298,163
1.41 School Administration	1,084,675	231,756	1,316,431	31,534	1,347,965	1,407,292	1,224,871
<b>Total Function 1</b>	<b>5,517,710</b>	<b>1,243,136</b>	<b>6,760,846</b>	<b>973,159</b>	<b>7,734,005</b>	<b>8,124,829</b>	<b>7,186,929</b>
<b>4 District Administration</b>							
4.11 Educational Administration	171,375	41,243	212,618	17,210	229,828	250,214	313,810
4.40 School District Governance	69,603	4,948	74,551	25,970	100,521	130,802	145,983
4.41 Business Administration	353,530	90,943	444,473	112,434	556,907	571,960	754,443
<b>Total Function 4</b>	<b>594,508</b>	<b>137,134</b>	<b>731,642</b>	<b>155,614</b>	<b>887,256</b>	<b>952,976</b>	<b>1,214,236</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	120,628	29,857	150,485	38,669	189,154	194,829	176,529
5.50 Maintenance Operations	697,529	163,562	861,091	227,859	1,088,950	1,071,487	1,021,780
5.52 Maintenance of Grounds	16,707	3,450	20,157	24,023	44,180	24,789	89,274
5.56 Utilities	-	-	-	532,993	532,993	563,704	561,822
<b>Total Function 5</b>	<b>834,864</b>	<b>196,869</b>	<b>1,031,733</b>	<b>823,544</b>	<b>1,855,277</b>	<b>1,854,809</b>	<b>1,849,405</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	45,482	10,072	55,554		55,554	60,583	40,082
7.70 Student Transportation	130,390	22,501	152,891	104,145	257,036	364,676	291,466
7.73 Housing	34	5	39	6,335	6,374	17,621	10,848
<b>Total Function 7</b>	<b>175,906</b>	<b>32,578</b>	<b>208,484</b>	<b>110,480</b>	<b>318,964</b>	<b>442,880</b>	<b>342,396</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>7,122,988</b>	<b>1,609,717</b>	<b>8,732,705</b>	<b>2,062,797</b>	<b>10,795,502</b>	<b>11,375,494</b>	<b>10,592,966</b>



# School District No. 50 (Haida Gwaii)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	1,722,048	<b>1,728,676</b>	1,251,690
Other Revenue	475,000	<b>177,264</b>	361,878
<b>Total Revenue</b>	<u>2,197,048</u>	<u><b>1,905,940</b></u>	<u>1,613,568</u>
<b>Expenses</b>			
Instruction	1,973,826	<b>1,784,794</b>	1,503,178
Operations and Maintenance	110,390	<b>110,168</b>	110,390
Transportation and Housing	112,832	<b>10,978</b>	
<b>Total Expense</b>	<u>2,197,048</u>	<u><b>1,905,940</b></u>	<u>1,613,568</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u><u>-</u></u>	<u><u>-</u></u>

# School District No. 50 (Haida Gwaii)

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

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>			3,390	361,191					
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	110,168	37,630			96,000	9,800	17,139	111,611	71,293
Other				238,022					
	110,168	37,630	-	238,022	96,000	9,800	17,139	111,611	71,293
<b>Less:</b> Allocated to Revenue	110,168	37,630		177,264	96,000	9,800	17,139	111,611	71,293
<b>Deferred Revenue, end of year</b>	-	-	<b>3,390</b>	<b>421,949</b>	-	-	-	-	-
<b>Revenues</b>									
Provincial Grants - Ministry of Education	110,168	37,630			96,000	9,800	17,139	111,611	71,293
Other Revenue				177,264					
	110,168	37,630	-	177,264	96,000	9,800	17,139	111,611	71,293
<b>Expenses</b>									
Salaries									
Teachers							12,195		
Educational Assistants		30,655						56,874	
Support Staff					72,200				
Other Professionals									57,996
Substitutes					1,065				
	-	30,655	-	-	73,265	-	12,195	56,874	57,996
Employee Benefits		6,975			15,735		2,944	12,737	13,297
Services and Supplies	110,168			177,264	7,000	9,800	2,000	42,000	
	110,168	37,630	-	177,264	96,000	9,800	17,139	111,611	71,293
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 50 (Haida Gwaii)

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

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Safe Return to School Grant	Federal Safe Return to Class Fund	Second Count	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>			112,832	28,741	9,761			366,071	881,986
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	666,642	7,793	24,431	57,000	11,250	51,093	332,558		1,604,408
Other									238,022
	666,642	7,793	24,431	57,000	11,250	51,093	332,558	-	1,842,430
<b>Less:</b> Allocated to Revenue	666,642	-	10,978	51,056	10,049	51,093	321,285	163,932	1,905,940
<b>Deferred Revenue, end of year</b>	-	7,793	126,285	34,685	10,962	-	11,273	202,139	818,476
<b>Revenues</b>									
Provincial Grants - Ministry of Education	666,642		10,978	51,056	10,049	51,093	321,285	163,932	1,728,676
Other Revenue									177,264
	666,642	-	10,978	51,056	10,049	51,093	321,285	163,932	1,905,940
<b>Expenses</b>									
Salaries									
Teachers	550,151						13,318		575,664
Educational Assistants				683					88,212
Support Staff			4,631	362		22,919	49,537		149,649
Other Professionals									57,996
Substitutes			206	9,985	6,648	536	208		18,648
	550,151	-	4,837	11,030	6,648	23,455	63,063	-	890,169
Employee Benefits	116,491		1,279	1,531	1,131	3,476	14,064		189,660
Services and Supplies			4,862	38,495	2,270	24,162	244,158	163,932	826,111
	666,642	-	10,978	51,056	10,049	51,093	321,285	163,932	1,905,940
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

**School District No. 50 (Haida Gwaii)**

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	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Other Revenue	2,453,731			-	
Investment Income	13,988		13,989	13,989	13,988
Amortization of Deferred Capital Revenue	1,041,544	1,041,544		1,041,544	987,979
<b>Total Revenue</b>	<b>3,509,263</b>	<b>1,041,544</b>	<b>13,989</b>	<b>1,055,533</b>	<b>1,001,967</b>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,143,368	1,143,368		1,143,368	1,089,803
Transportation and Housing	59,254	59,254		59,254	59,254
<b>Total Expense</b>	<b>1,202,622</b>	<b>1,202,622</b>	<b>-</b>	<b>1,202,622</b>	<b>1,149,057</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>2,306,641</b>	<b>(161,078)</b>	<b>13,989</b>	<b>(147,089)</b>	<b>(147,090)</b>
<b>Net Transfers (to) from other funds</b>					
Local Capital	250,000		600,000	600,000	
<b>Total Net Transfers</b>	<b>250,000</b>	<b>-</b>	<b>600,000</b>	<b>600,000</b>	<b>-</b>
<b>Total Capital Surplus (Deficit) for the year</b>	<b>2,556,641</b>	<b>(161,078)</b>	<b>613,989</b>	<b>452,911</b>	<b>(147,090)</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>6,183,479</b>	<b>805,794</b>	<b>6,989,273</b>	<b>7,136,363</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>6,022,401</b>	<b>1,419,783</b>	<b>7,442,184</b>	<b>6,989,273</b>

# School District No. 50 (Haida Gwaii)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2021

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	2,756,297	48,403,326	471,122	592,543			<b>52,223,288</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		542,248		141,483			<b>683,731</b>
Transferred from Work in Progress		150,000					<b>150,000</b>
	-	692,248	-	141,483	-	-	<b>833,731</b>
Decrease:							
Deemed Disposals			15,000				<b>15,000</b>
	-	-	15,000	-	-	-	<b>15,000</b>
<b>Cost, end of year</b>	2,756,297	49,095,574	456,122	734,026	-	-	<b>53,042,019</b>
<b>Work in Progress, end of year</b>		640,000					<b>640,000</b>
<b>Cost and Work in Progress, end of year</b>	2,756,297	49,735,574	456,122	734,026	-	-	<b>53,682,019</b>
<b>Accumulated Amortization, beginning of year</b>		20,235,837	138,282	101,468			<b>20,475,587</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		1,096,255	47,113	59,254			<b>1,202,622</b>
Decrease:							
Deemed Disposals			15,000				<b>15,000</b>
		-	15,000	-	-	-	<b>15,000</b>
<b>Accumulated Amortization, end of year</b>		21,332,092	170,395	160,722	-	-	<b>21,663,209</b>
<b>Tangible Capital Assets - Net</b>	<b>2,756,297</b>	<b>28,403,482</b>	<b>285,727</b>	<b>573,304</b>	<b>-</b>	<b>-</b>	<b>32,018,810</b>

**School District No. 50 (Haida Gwaii)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2021

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	150,000				<b>150,000</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	640,000				<b>640,000</b>
	640,000	-	-	-	<b>640,000</b>
Decrease:					
Transferred to Tangible Capital Assets	150,000				<b>150,000</b>
	150,000	-	-	-	<b>150,000</b>
<b>Net Changes for the Year</b>	490,000	-	-	-	<b>490,000</b>
<b>Work in Progress, end of year</b>	<b>640,000</b>	-	-	-	<b>640,000</b>

**School District No. 50 (Haida Gwaii)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2021

	<b>Bylaw Capital</b>	<b>Other Provincial</b>	<b>Other Capital</b>	<b>Total Capital</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Deferred Capital Revenue, beginning of year</b>	23,026,803	105,973	2,431,447	<b>25,564,223</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	683,731			<b>683,731</b>
Transferred from Work in Progress	150,000			<b>150,000</b>
	<u>833,731</u>	<u>-</u>	<u>-</u>	<u><b>833,731</b></u>
Decrease:				
Amortization of Deferred Capital Revenue	944,576	13,125	83,843	<b>1,041,544</b>
	<u>944,576</u>	<u>13,125</u>	<u>83,843</u>	<u><b>1,041,544</b></u>
<b>Net Changes for the Year</b>	<u>(110,845)</u>	<u>(13,125)</u>	<u>(83,843)</u>	<u><b>(207,813)</b></u>
<b>Deferred Capital Revenue, end of year</b>	<u>22,915,958</u>	<u>92,848</u>	<u>2,347,604</u>	<u><b>25,356,410</b></u>
 <b>Work in Progress, beginning of year</b>	 150,000			 <b>150,000</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	640,000			<b>640,000</b>
	<u>640,000</u>	<u>-</u>	<u>-</u>	<u><b>640,000</b></u>
Decrease				
Transferred to Deferred Capital Revenue	150,000			<b>150,000</b>
	<u>150,000</u>	<u>-</u>	<u>-</u>	<u><b>150,000</b></u>
<b>Net Changes for the Year</b>	<u>490,000</u>	<u>-</u>	<u>-</u>	<u><b>490,000</b></u>
<b>Work in Progress, end of year</b>	<u>640,000</u>	<u>-</u>	<u>-</u>	<u><b>640,000</b></u>
 <b>Total Deferred Capital Revenue, end of year</b>	 <u><u>23,555,958</u></u>	 <u><u>92,848</u></u>	 <u><u>2,347,604</u></u>	 <u><u><b>25,996,410</b></u></u>

# School District No. 50 (Haida Gwaii)

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		7,405				7,405
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,323,731					1,323,731
	1,323,731	-	-	-	-	1,323,731
Decrease:						
Transferred to DCR - Capital Additions	683,731					683,731
Transferred to DCR - Work in Progress	640,000					640,000
	1,323,731	-	-	-	-	1,323,731
Net Changes for the Year	-	-	-	-	-	-
Balance, end of year	-	7,405	-	-	-	7,405