

Audited Financial Statements of

School District No. 50 (Haida Gwaii)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 50 (Haida Gwaii)

June 30, 2022

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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, 2022 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, 2022 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 13, 2022

Carlyle Shepherd : Co.

School District No. 50 (Haida Gwaii)

MANAGEMENT REPORT

Version: 2750-2004-9022

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)



September 14, 2022

Signature of the Chairperson of the Board of Education

Date Signed



September 14, 2022

Signature of the Superintendent

Date Signed



September 14, 2022

Signature of the Secretary Treasurer

Date Signed

School District No. 50 (Haida Gwaii)

Statement 1

Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual (Restated)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	3,385,089	4,201,266
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	182,000	99,291
Due from First Nations	570,510	28,777
Other (Note 3)	305,840	313,184
Total Financial Assets	4,443,439	4,642,518
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	1,055,739	1,456,142
Deferred Revenue (Note 5)	845,283	818,476
Deferred Capital Revenue (Note 6)	27,166,961	25,466,174
Employee Future Benefits (Note 7)	318,571	309,693
Total Liabilities	29,386,554	28,050,485
Net Debt	(24,943,115)	(23,407,967)
Non-Financial Assets		
Tangible Capital Assets (Note 8)	33,191,778	31,400,626
Prepaid Expenses	67,402	123,114
Other Assets		
Total Non-Financial Assets	33,259,180	31,523,740
Accumulated Surplus (Deficit)	8,316,065	8,115,773

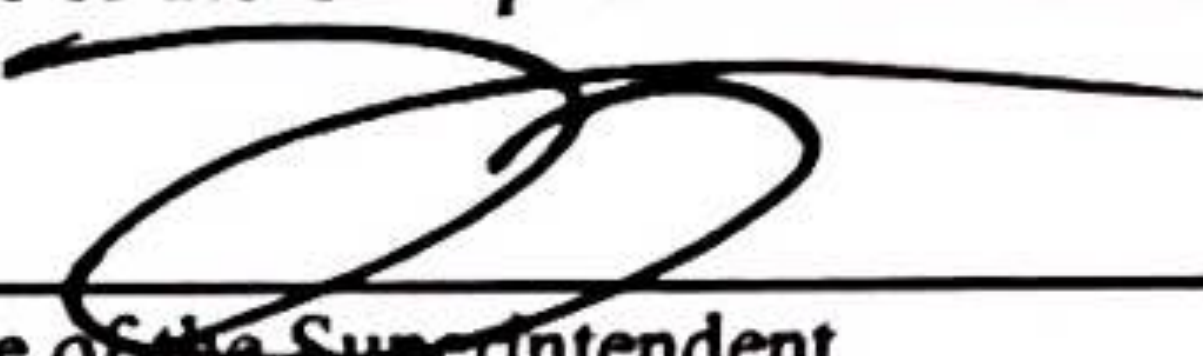
Approved by the Board



Signature of the Chairperson of the Board of Education

September 14, 2022

Date Signed



Signature of the Superintendent

September 14, 2022

Date Signed



Signature of the Secretary Treasurer

September 14, 2022

Date Signed

School District No. 50 (Haida Gwaii)

Statement 2

Statement of Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	8,685,086	8,507,350	8,746,646
Other	223,347	218,815	223,733
Other Revenue	4,205,742	4,374,131	4,378,994
Rentals and Leases	54,000	56,554	55,931
Investment Income	29,000	10,147	26,393
Amortization of Deferred Capital Revenue	1,096,125	1,087,302	1,054,734
Total Revenue	<u>14,293,300</u>	<u>14,254,299</u>	<u>14,486,431</u>
Expenses			
Instruction	9,816,299	9,363,886	9,518,799
District Administration	1,012,348	1,012,944	887,256
Operations and Maintenance	3,183,011	3,236,979	3,122,002
Transportation and Housing	692,378	440,198	389,196
Total Expense	<u>14,704,036</u>	<u>14,054,007</u>	<u>13,917,253</u>
Surplus (Deficit) for the year	<u>(410,736)</u>	<u>200,292</u>	<u>569,178</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		8,115,773	7,546,595
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>8,316,065</u></u>	<u><u>8,115,773</u></u>

School District No. 50 (Haida Gwaii)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Surplus (Deficit) for the year	(410,736)	200,292	569,178
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(6,309,089)	(3,038,089)	(1,323,731)
Amortization of Tangible Capital Assets	1,255,761	1,246,937	1,215,811
Total Effect of change in Tangible Capital Assets	(5,053,328)	(1,791,152)	(107,920)
Use of Prepaid Expenses		55,712	(54,225)
Total Effect of change in Other Non-Financial Assets	-	55,712	(54,225)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(5,464,064)</u>	(1,535,148)	407,033
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(1,535,148)	407,033
Net Debt, beginning of year		(23,407,967)	(23,815,000)
Net Debt, end of year		(24,943,115)	(23,407,967)

School District No. 50 (Haida Gwaii)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2022

	2022 Actual	2021 Actual (Restated)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	200,292	569,178
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(617,098)	557,573
Prepaid Expenses	55,712	(54,225)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(400,403)	469,959
Deferred Revenue	26,807	(63,510)
Employee Future Benefits	8,878	13,519
Amortization of Tangible Capital Assets	1,246,937	1,215,811
Amortization of Deferred Capital Revenue	(1,087,302)	(1,054,734)
Total Operating Transactions	(566,177)	1,653,571
Capital Transactions		
Tangible Capital Assets Purchased	(1,113,212)	(683,731)
Tangible Capital Assets -WIP Purchased	(1,924,877)	(640,000)
Total Capital Transactions	(3,038,089)	(1,323,731)
Financing Transactions		
Capital Revenue Received	2,788,089	1,323,731
Total Financing Transactions	2,788,089	1,323,731
Net Increase (Decrease) in Cash and Cash Equivalents	(816,177)	1,653,571
Cash and Cash Equivalents, beginning of year	4,201,266	2,547,695
Cash and Cash Equivalents, end of year	3,385,089	4,201,266
Cash and Cash Equivalents, end of year, is made up of:		
Cash	3,385,089	4,201,266
	3,385,089	4,201,266

SCHOOL DISTRICT NO. 50 (HAIDA GWAI)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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 GWAI)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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, 2021 – increase in annual surplus by \$282,177.

June 30, 2021 – increase in accumulated surplus and decrease in deferred contributions by \$25,458,769.

Year-ended June 30, 2022 – increase in annual surplus by \$1,700,787.

June 30, 2022 – increase in accumulated surplus and decrease in deferred contributions by \$27,159,556.

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).

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

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

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, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. 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.

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

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.

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.

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- 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 Note 14 – Internally Restricted Surplus).

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

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.

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

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

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which

case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2(a) for the impact of this policy on these financial statements.

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

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

SCHOOL DISTRICT NO. 50 (HAIDA GWAIH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

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, Vice-Principals, employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- 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 Indigenous 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.

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

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.

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.

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

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 [Consolidated] 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".

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.

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2022	2021
Payroll & Benefits Recoverable	\$ 13,375	\$ 8,779
Apartment Building		5,535
HGTA/BCTF	3,193	40,248
Secondment		44,515
Gwaii Trust	176,228	98,264
GST Rebate	88,419	85,017
Other	24,625	30,826
Total	<u>\$ 305,840</u>	<u>\$ 313,184</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2022	2021
Trade payables	\$ 269,056	\$ 580,970
Salaries and benefits payable	694,310	721,743
Accrued vacation pay	52,317	87,843
Other	40,056	65,586
	<u>\$1,055,739</u>	<u>\$1,456,142</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.

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 GWAI)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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.

	June 30, 2022	June 30, 2021
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	229,818	218,621
Service Cost	21,214	21,296
Interest Cost	6,112	5,280
Benefit Payments	(6,315)	(5,061)
Increase (Decrease) in obligation due to Plan Amendment	0	0
Actuarial (Gain) Loss	(11,111)	(10,318)
Accrued Benefit Obligation – March 31	<u>239,718</u>	<u>229,818</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	239,718	229,818
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(239,718)	(229,818)
Employer Contributions After Measurement Date	3,577	0
Benefits Expense After Measurement Date	(7,492)	(6,832)
Unamortized Net Actuarial (Gain) Loss	(74,939)	(73,043)
Accrued Benefit Asset (Liability) - June 30	<u>(318,571)</u>	<u>(309,693)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	309,693	296,174
Net Expense for Fiscal Year	18,770	18,580
Employer Contributions	(9,892)	(5,061)
Accrued Benefit Liability (Asset) - June 30	<u>318,571</u>	<u>309,693</u>
Components of Net Benefit Expense		
Service Cost	21,367	21,276
Interest Cost	6,619	5,488
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial (Gain)/Loss	(9,216)	(8,184)
Net Benefit Expense (Income)	<u>18,770</u>	<u>18,580</u>
Assumptions		
Discount Rate - April 1	2.50%	2.25%
Discount Rate - March 31	3.25%	2.50%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	9.8	10.0

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2022	Net Book Value 2021
Sites	\$ 2,756,297	\$ 2,756,297
Buildings	27,827,895	27,204,797
Buildings – work in progress	1,924,877	640,000
Furniture & Equipment	218,074	262,926
Vehicles	464,645	536,606
Total	\$33,191,778	\$31,400,626

June 30, 2022

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2022
Sites	\$ 2,756,297	\$	\$	\$	\$ 2,756,297
Buildings	49,095,574	1,113,212		640,000	50,848,786
Buildings – work in progress	640,000	1,924,877		(640,000)	1,924,877
Furniture & Equipment	456,122		(15,000)		441,122
Vehicles	734,026		(28,837)		705,189
Total	\$53,682,019	\$3,038,089	(\$43,837)	\$	\$56,676,271

	Opening Accumulated Amortization	Additions	Disposals	Total 2022
Sites	\$	\$	\$	\$
Buildings	21,890,777	1,130,114		23,020,891
Furniture & Equipment	193,196	44,862	(15,000)	223,058
Vehicles	197,420	71,961	(28,837)	240,544
Total	\$22,281,393	\$1,246,937	(\$43,837)	\$23,484,493

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
Total	\$52,373,288	\$1,323,731	\$(15,000)	\$	\$53,682,019

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 TANGIBLE CAPITAL ASSETS *(Continued)*

	Opening Accumulated Amortization	Additions	Disposals	Total 2021
Sites	\$	\$	\$	\$
Buildings	20,787,656	1,103,121		21,890,777
Furniture & Equipment	161,834	46,362	(15,000)	193,196
Vehicles	131,092	66,328		197,420
Total	\$21,080,582	\$1,215,811	\$(15,000)	\$22,281,393

- Buildings – work in progress having a value of \$1,924,877 (2021: \$640,000) 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, 2021, the Teachers' Pension Plan has about 50,000 active members and approximately 40,000 retired members. As of December 31, 2021, the Municipal Pension Plan has about 227,000 active members, including approximately 29,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2020, indicated a \$1,584 million surplus for basic pension benefits on a going concern basis.

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

The school district paid \$820,939 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$796,600).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. 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

SCHOOL DISTRICT NO. 50 (HAIDA GWAI)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 EMPLOYEE PENSION PLANS (Continued)

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 construction of tangible capital assets. 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.

Contractual obligations	2023	2024	2025	2026	2027	Thereafter
Land to Federal Government	\$ 7,304	\$ 7,304	\$ 7,304	\$7,304	\$7,304	\$7,304
Custodial	49,560	49,110	49,110	5,010		
Operating Leases	7,796	3,178				
Total	\$64,660	\$59,592	\$56,414	\$12,314	\$7,304	\$7,304

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 27, 2022.

NOTE 13 EXPENSE BY OBJECT

	2022	2021
Salaries and benefits	\$ 10,013,302	\$ 9,812,534
Services and supplies	2,793,768	2,888,908
Amortization	1,246,937	1,215,811
Other		
	<u>\$ 14,054,007</u>	<u>\$ 13,917,253</u>

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 14 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:	
<i>Targeted Funds Surplus</i>	\$122,467
<i>School Budgets, Farm to School</i>	57,653
<i>CF-Youth Wellness Worker</i>	38,985
<i>Early Career Mentorship</i>	5,943
Subtotal Internally Restricted	<u>\$225,048</u>
Unrestricted Operating Surplus - Contingency	<u>788,435</u>
Total Available for Future Operations	<u><u>\$ 1,013,483</u></u>

NOTE 15 ECONOMIC DEPENDENCE

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

NOTE 16 PRIOR PERIOD ADJUSTMENT

On May 28, 2021, the Office of the Comptroller General directed all school districts to apply the half-year rule method of amortization beginning in the fiscal year an asset is placed into service. This directive applies to both past and future purchases. Prior to this directive, the district did not recognize amortization in the first partial service year. The School District has made a retroactive adjustment to recognize amortization of all assets and deferred capital contributions beginning in the first service year. The impact of the prior period adjustment on the June 30, 2021 comparative amounts is as follows:

	<u>Increase (Decrease)</u>
Tangible Capital Assets	(\$618,184)
Deferred Capital Revenue	(537,641)
Accumulated Surplus (Deficit)	(80,543)
Amortization of Deferred Capital Revenue	13,190
Operations & Maintenance Expense – Asset amortization	13,190

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 17 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 2021 related to credit, market or liquidity risks.

SCHOOL DISTRICT NO. 50 (HAIDA GWAII)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 18 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 2021/22 fiscal year the amounts by band are indicated below:

		2022	2021
Band # 669	Old Massett	\$68,780	\$
Band # 670	Skidegate	21,163	38,107
Total		\$89,944	\$ 38,107

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.

School District No. 50 (Haida Gwaii)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2022

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual (Restated)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	754,132		7,361,641	8,115,773	7,627,139
Prior Period Adjustments					(80,544)
Accumulated Surplus (Deficit), beginning of year, as restated	754,132	-	7,361,641	8,115,773	7,546,595
Changes for the year					
Surplus (Deficit) for the year	359,927		(159,635)	200,292	569,178
Interfund Transfers					
Local Capital	(100,576)		100,576	-	
Net Changes for the year	259,351	-	(59,059)	200,292	569,178
Accumulated Surplus (Deficit), end of year - Statement 2	1,013,483	-	7,302,582	8,316,065	8,115,773

School District No. 50 (Haida Gwaii)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	7,131,841	7,096,974	7,017,970
Other	223,347	218,815	223,733
Other Revenue	3,905,742	3,976,251	4,201,730
Rentals and Leases	54,000	56,554	55,931
Investment Income	14,000	10,147	12,404
Total Revenue	11,328,930	11,358,741	11,511,768
Expenses			
Instruction	8,221,763	7,710,588	7,734,005
District Administration	1,012,348	1,012,944	887,256
Operations and Maintenance	1,891,149	1,942,668	1,855,277
Transportation and Housing	469,770	332,614	318,964
Total Expense	11,595,030	10,998,814	10,795,502
Operating Surplus (Deficit) for the year	(266,100)	359,927	716,266
Budgeted Appropriation (Retirement) of Surplus (Deficit)	266,100		
Net Transfers (to) from other funds			
Local Capital		(100,576)	(600,000)
Total Net Transfers	-	(100,576)	(600,000)
Total Operating Surplus (Deficit), for the year	-	259,351	116,266
Operating Surplus (Deficit), beginning of year		754,132	637,866
Operating Surplus (Deficit), end of year		1,013,483	754,132
Operating Surplus (Deficit), end of year			
Internally Restricted		225,048	215,720
Unrestricted		788,435	538,412
Total Operating Surplus (Deficit), end of year		1,013,483	754,132

School District No. 50 (Haida Gwaii)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	10,621,560	10,634,419	10,430,573
ISC/LEA Recovery	(3,795,742)	(3,844,097)	(3,905,507)
Other Ministry of Education and Child Care Grants			
Pay Equity	139,874	139,874	139,874
Funding for Graduated Adults		629	
Student Transportation Fund	149,851	149,851	149,851
Support Staff Benefits Grant	10,680	10,680	10,524
Teachers' Labour Settlement Funding			169,037
Early Career Mentorship Funding			15,000
FSA Scorer Grant	4,094	4,094	4,094
Early Learning Framework - ELF	1,524	1,524	1,524
Equity in Action Grant			3,000
District Entered			
District Entered			
Total Provincial Grants - Ministry of Education and Child Care	<u>7,131,841</u>	<u>7,096,974</u>	<u>7,017,970</u>
Provincial Grants - Other	<u>223,347</u>	<u>218,815</u>	<u>223,733</u>
Other Revenues			
Funding from First Nations	3,795,742	3,754,154	4,007,718
Miscellaneous			
Miscellaneous	110,000	222,097	194,012
Total Other Revenue	<u>3,905,742</u>	<u>3,976,251</u>	<u>4,201,730</u>
Rentals and Leases	<u>54,000</u>	<u>56,554</u>	<u>55,931</u>
Investment Income	<u>14,000</u>	<u>10,147</u>	<u>12,404</u>
Total Operating Revenue	<u><u>11,328,930</u></u>	<u><u>11,358,741</u></u>	<u><u>11,511,768</u></u>

School District No. 50 (Haida Gwaii)**Schedule 2B (Unaudited)**

Schedule of Operating Expense by Object

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Salaries			
Teachers	3,076,542	3,255,785	3,025,400
Principals and Vice Principals	940,548	928,605	1,004,238
Educational Assistants	650,704	536,079	487,523
Support Staff	1,485,628	1,466,788	1,536,215
Other Professionals	725,892	761,943	639,967
Substitutes	414,414	443,168	429,645
Total Salaries	7,293,728	7,392,368	7,122,988
Employee Benefits	1,714,531	1,592,468	1,609,717
Total Salaries and Benefits	9,008,259	8,984,836	8,732,705
Services and Supplies			
Services	644,798	594,160	539,725
Student Transportation	81,000	21,636	31,409
Professional Development and Travel	445,930	301,004	222,514
Rentals and Leases	21,483	13,911	21,471
Dues and Fees	13,795	11,696	12,702
Insurance	34,814	27,385	30,169
Supplies	757,549	354,231	529,824
Utilities	587,402	689,955	674,983
Total Services and Supplies	2,586,771	2,013,978	2,062,797
Total Operating Expense	11,595,030	10,998,814	10,795,502

School District No. 50 (Haida Gwaii)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	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	2,933,402	170,630	23,629	100,418		228,593	3,456,672
1.03 Career Programs	27,585						27,585
1.07 Library Services	30,125			36,417		601	67,143
1.08 Counselling	22,321			72,940			95,261
1.10 Special Education	168,723	28,115	512,450			90,070	799,358
1.30 English Language Learning	6,992						6,992
1.31 Indigenous Education	66,637			155,438		3,116	225,191
1.41 School Administration		702,443		282,908		21,087	1,006,438
Total Function 1	3,255,785	901,188	536,079	648,121	-	343,467	5,684,640
4 District Administration							
4.11 Educational Administration		27,417		5,906	168,708		202,031
4.40 School District Governance					70,995		70,995
4.41 Business Administration				46,644	364,296		410,940
Total Function 4	-	27,417	-	52,550	603,999	-	683,966
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				9,886	112,018		121,904
5.50 Maintenance Operations				601,628		84,677	686,305
5.52 Maintenance of Grounds				16,766		5,278	22,044
5.56 Utilities							-
Total Function 5	-	-	-	628,280	112,018	89,955	830,253
7 Transportation and Housing							
7.41 Transportation and Housing Administration					45,926		45,926
7.70 Student Transportation				137,336		9,746	147,082
7.73 Housing				501			501
Total Function 7	-	-	-	137,837	45,926	9,746	193,509
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	3,255,785	928,605	536,079	1,466,788	761,943	443,168	7,392,368

School District No. 50 (Haida Gwaii)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget	2021 Actual (Restated)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	3,456,672	781,626	4,238,298	524,568	4,762,866	4,813,045	4,710,924
1.03 Career Programs	27,585	6,492	34,077		34,077	37,474	72,390
1.07 Library Services	67,143	16,104	83,247	4,393	87,640	76,608	70,677
1.08 Counselling	95,261	24,177	119,438	4,322	123,760	172,001	209,735
1.10 Special Education	799,358	176,986	976,344	39,736	1,016,080	1,124,136	872,151
1.30 English Language Learning	6,992	1,575	8,567		8,567		
1.31 Indigenous Education	225,191	53,483	278,674	156,898	435,572	558,039	450,163
1.41 School Administration	1,006,438	213,470	1,219,908	22,118	1,242,026	1,440,460	1,347,965
Total Function 1	5,684,640	1,273,913	6,958,553	752,035	7,710,588	8,221,763	7,734,005
4 District Administration							
4.11 Educational Administration	202,031	36,753	238,784	11,835	250,619	269,962	229,828
4.40 School District Governance	70,995	5,207	76,202	51,546	127,748	135,606	100,521
4.41 Business Administration	410,940	72,067	483,007	151,570	634,577	606,780	556,907
Total Function 4	683,966	114,027	797,993	214,951	1,012,944	1,012,348	887,256
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	121,904	32,412	154,316	50,081	204,397	199,583	189,154
5.50 Maintenance Operations	686,305	134,751	821,056	198,896	1,019,952	1,109,537	1,088,950
5.52 Maintenance of Grounds	22,044	4,804	26,848	37,047	63,895	18,325	44,180
5.56 Utilities	-		-	654,424	654,424	563,704	532,993
Total Function 5	830,253	171,967	1,002,220	940,448	1,942,668	1,891,149	1,855,277
7 Transportation and Housing							
7.41 Transportation and Housing Administration	45,926	10,117	56,043		56,043	62,163	55,554
7.70 Student Transportation	147,082	22,337	169,419	99,494	268,913	396,565	257,036
7.73 Housing	501	107	608	7,050	7,658	11,042	6,374
Total Function 7	193,509	32,561	226,070	106,544	332,614	469,770	318,964
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	7,392,368	1,592,468	8,984,836	2,013,978	10,998,814	11,595,030	10,795,502

School District No. 50 (Haida Gwaii)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	1,553,245	1,410,376	1,728,676
Other Revenue	300,000	397,880	177,264
Total Revenue	<u>1,853,245</u>	<u>1,808,256</u>	<u>1,905,940</u>
Expenses			
Instruction	1,594,536	1,653,298	1,784,794
Operations and Maintenance	108,062	119,335	110,168
Transportation and Housing	150,647	35,623	10,978
Total Expense	<u>1,853,245</u>	<u>1,808,256</u>	<u>1,905,940</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>-</u></u>	<u><u>-</u></u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u><u>-</u></u>	<u><u>-</u></u>
Special Purpose Surplus (Deficit), end of year			
Related Entities		<u><u>-</u></u>	<u><u>-</u></u>
Total Special Purpose Surplus (Deficit), end of year		<u><u>-</u></u>	<u><u>-</u></u>

School District No. 50 (Haida Gwaii)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			3,390	421,949					
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	108,062	37,061			96,000	9,800	5,664	113,083	71,293
Other				390,691					
	108,062	37,061	-	390,691	96,000	9,800	5,664	113,083	71,293
Less: Allocated to Revenue	108,062	37,061	827	373,223	96,000	9,800	5,664	113,083	71,293
Recovered									
Deferred Revenue, end of year	-	-	2,563	439,417	-	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	108,062	37,061	827		96,000	9,800	5,664	113,083	71,293
Other Revenue				373,223					
	108,062	37,061	827	373,223	96,000	9,800	5,664	113,083	71,293
Expenses									
Salaries									
Teachers							3,414		
Educational Assistants		30,087						57,200	
Support Staff					74,544				
Other Professionals									57,679
Substitutes									
	-	30,087	-	-	74,544	-	3,414	57,200	57,679
Employee Benefits		6,974			14,456		750	13,883	13,036
Services and Supplies	108,062		827	373,223	7,000	9,800	1,500	42,000	578
	108,062	37,061	827	373,223	96,000	9,800	5,664	113,083	71,293
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 50 (Haida Gwaii)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	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 / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	Seamless Day Kindergarten	Second Count
Deferred Revenue, beginning of year	\$	\$ 7,793	\$ 126,285	\$ 34,685	\$ 10,962	\$	\$ 11,273	\$	\$ 202,139
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	694,012		24,362	134,657	11,250	25,758	50,000	50,000	21,163
Other									
	694,012	-	24,362	134,657	11,250	25,758	50,000	50,000	21,163
Less: Allocated to Revenue	694,012	-	35,623	169,342	9,118	20,727	11,273	28,491	24,657
Recovered		7,793							
Deferred Revenue, end of year	-	-	115,024	-	13,094	5,031	50,000	21,509	198,645
Revenues									
Provincial Grants - Ministry of Education and Child Care	694,012		35,623	169,342	9,118	20,727	11,273	28,491	24,657
Other Revenue									
	694,012	-	35,623	169,342	9,118	20,727	11,273	28,491	24,657
Expenses									
Salaries									
Teachers	566,241								
Educational Assistants				358					
Support Staff			18,249			2,971		17,529	
Other Professionals							1,769		
Substitutes				5,390	5,210			180	
	566,241	-	18,249	5,748	5,210	2,971	1,769	17,709	-
Employee Benefits	127,771		4,246	780	846	655	238	4,010	
Services and Supplies			13,128	162,814	3,062	17,101	9,266	6,772	24,657
	694,012	-	35,623	169,342	9,118	20,727	11,273	28,491	24,657
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, 2022

Schedule 3A (Unaudited)

	TOTAL
	\$
Deferred Revenue, beginning of year	818,476
Add: Restricted Grants	
Provincial Grants - Ministry of Education and Child Care	1,431,002
Other	411,854
	<u>1,842,856</u>
Less: Allocated to Revenue	1,808,256
Recovered	7,793
Deferred Revenue, end of year	<u><u>845,283</u></u>
Revenues	
Provincial Grants - Ministry of Education and Child Care	1,410,376
Other Revenue	397,880
	<u>1,808,256</u>
Expenses	
Salaries	
Teachers	569,655
Educational Assistants	87,645
Support Staff	113,293
Other Professionals	59,448
Substitutes	10,780
	<u>840,821</u>
Employee Benefits	187,645
Services and Supplies	779,790
	<u>1,808,256</u>
Net Revenue (Expense) before Interfund Transfers	<u>-</u>
Interfund Transfers	<u>-</u>
Net Revenue (Expense)	<u><u>-</u></u>

School District No. 50 (Haida Gwaii)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual			2021 Actual (Restated)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	15,000			-	13,989
Amortization of Deferred Capital Revenue	1,096,125	1,087,302		1,087,302	1,054,734
Total Revenue	1,111,125	1,087,302	-	1,087,302	1,068,723
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,183,800	1,174,976		1,174,976	1,156,557
Transportation and Housing	71,961	71,961		71,961	59,254
Total Expense	1,255,761	1,246,937	-	1,246,937	1,215,811
Capital Surplus (Deficit) for the year	(144,636)	(159,635)	-	(159,635)	(147,088)
Net Transfers (to) from other funds					
Local Capital			100,576	100,576	600,000
Total Net Transfers	-	-	100,576	100,576	600,000
Other Adjustments to Fund Balances					
Tangible Capital Assets WIP Purchased from Local Capital		250,000	(250,000)	-	
Total Other Adjustments to Fund Balances		250,000	(250,000)	-	
Total Capital Surplus (Deficit) for the year	(144,636)	90,365	(149,424)	(59,059)	452,912
Capital Surplus (Deficit), beginning of year		5,941,858	1,419,783	7,361,641	6,989,273
Prior Period Adjustments					
Half year Amortization Adjustment					(80,544)
Capital Surplus (Deficit), beginning of year, as restated		5,941,858	1,419,783	7,361,641	6,908,729
Capital Surplus (Deficit), end of year		6,032,223	1,270,359	7,302,582	7,361,641

School District No. 50 (Haida Gwaii)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	2,756,297	49,095,574	456,122	734,026			53,042,019
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,113,212					1,113,212
Deferred Capital Revenue - Other							-
Transferred from Work in Progress		640,000					640,000
	-	1,753,212	-	-	-	-	1,753,212
Decrease:							
Deemed Disposals			15,000	28,837			43,837
	-	-	15,000	28,837	-	-	43,837
Cost, end of year	2,756,297	50,848,786	441,122	705,189	-	-	54,751,394
Work in Progress, end of year		1,924,877					1,924,877
Cost and Work in Progress, end of year	2,756,297	52,773,663	441,122	705,189	-	-	56,676,271
Accumulated Amortization, beginning of year		21,332,092	170,395	160,722			21,663,209
Prior Period Adjustments							
To record half year rule amortization on PY additions		558,685	22,801	36,698			618,184
Accumulated Amortization, beginning of year, as restated		21,890,777	193,196	197,420	-	-	22,281,393
Changes for the Year							
Increase: Amortization for the Year		1,130,114	44,862	71,961			1,246,937
Decrease:							
Deemed Disposals			15,000	28,837			43,837
Written-off During Year							-
		-	15,000	28,837	-	-	43,837
Accumulated Amortization, end of year		23,020,891	223,058	240,544	-	-	23,484,493
Tangible Capital Assets - Net	2,756,297	29,752,772	218,064	464,645	-	-	33,191,778

School District No. 50 (Haida Gwaii)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2022

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	640,000				640,000
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	1,674,877				1,674,877
Local Capital	250,000				250,000
	<u>1,924,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,924,877</u>
Decrease:					
Transferred to Tangible Capital Assets	640,000				640,000
	<u>640,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>640,000</u>
Net Changes for the Year	<u>1,284,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,284,877</u>
Work in Progress, end of year	<u>1,924,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,924,877</u>

School District No. 50 (Haida Gwaii)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	22,915,958	92,848	2,347,604	25,356,410
Prior Period Adjustments				
To record half year rule amortization on PY additions	(489,174)	(6,562)	(41,905)	(537,641)
Deferred Capital Revenue, beginning of year, as restated	22,426,784	86,286	2,305,699	24,818,769
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,113,212			1,113,212
Transferred from Work in Progress	640,000			640,000
	1,753,212	-	-	1,753,212
Decrease:				
Amortization of Deferred Capital Revenue	990,334	13,125	83,843	1,087,302
	990,334	13,125	83,843	1,087,302
Net Changes for the Year	762,878	(13,125)	(83,843)	665,910
Deferred Capital Revenue, end of year	23,189,662	73,161	2,221,856	25,484,679
Work in Progress, beginning of year	640,000			640,000
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	1,674,877			1,674,877
	1,674,877	-	-	1,674,877
Decrease				
Transferred to Deferred Capital Revenue	640,000			640,000
	640,000	-	-	640,000
Net Changes for the Year	1,034,877	-	-	1,034,877
Work in Progress, end of year	1,674,877	-	-	1,674,877
Total Deferred Capital Revenue, end of year	24,864,539	73,161	2,221,856	27,159,556

School District No. 50 (Haida Gwaii)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	MECC 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 and Child Care	2,788,089					2,788,089
	2,788,089	-	-	-	-	2,788,089
Decrease:						
Transferred to DCR - Capital Additions	1,113,212					1,113,212
Transferred to DCR - Work in Progress	1,674,877					1,674,877
	2,788,089	-	-	-	-	2,788,089
Net Changes for the Year	-	-	-	-	-	-
Balance, end of year	-	7,405	-	-	-	7,405