

Audited Financial Statements of

**School District No. 87 (Stikine)**

And Independent Auditors' Report thereon

June 30, 2021

# School District No. 87 (Stikine)

June 30, 2021

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# School District No. 87 (Stikine)

## MANAGEMENT REPORT

Version: 5117-4371-2389

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 87 (Stikine) 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. 87 (Stikine) (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. 87 (Stikine) 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. 87 (Stikine)

 _____ Signature of the Chairperson of the Board of Education	09-22-21 _____ Date Signed
 _____ Signature of the Superintendent	09-22-21 _____ Date Signed
 _____ Signature of the Secretary Treasurer	09/22/21 _____ Date Signed

## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Education – School District No. 87 (Stikine) and the Minister of Education**

### **Opinion**

We have audited the financial statements of School District No. 87 (Stikine) 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 21, 2021




*Carlyle Shepherd & Co.*

# School District No. 87 (Stikine)

Statement of Financial Position  
As at June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	8,407,744	8,171,348
Accounts Receivable		
Due from Province - Ministry of Education	408,633	
Due from First Nations	250,226	578,430
Other (Note 3)	312,834	173,402
<b>Total Financial Assets</b>	<u>9,379,437</u>	<u>8,923,180</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	685,279	573,210
Deferred Revenue (Note 5)	911,437	544,724
Deferred Capital Revenue (Note 6)	7,956,289	7,644,132
Employee Future Benefits (Note 7)	15,668	14,546
<b>Total Liabilities</b>	<u>9,568,673</u>	<u>8,776,612</u>
<b>Net Debt</b>	<u>(189,236)</u>	<u>146,568</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 8)	12,289,642	11,390,579
Prepaid Expenses	157,119	35,636
<b>Total Non-Financial Assets</b>	<u>12,446,761</u>	<u>11,426,215</u>
<b>Accumulated Surplus (Deficit)</b>	<u>12,257,525</u>	<u>11,572,783</u>

Approved by the Board

	09/28/21
Signature of the Chairperson of the Board of Education	Date Signed
	09/29/21
Signature of the Superintendent	Date Signed
	09/22/21
Signature of the Secretary Treasurer	Date Signed

# School District No. 87 (Stikine)

Statement 2

Statement of Operations  
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	6,639,687	6,386,810	5,594,139
Other Revenue	966,821	788,340	938,233
Rentals and Leases	152,000	170,438	171,549
Investment Income	60,000	85,058	155,420
Amortization of Deferred Capital Revenue	418,593	422,593	415,710
<b>Total Revenue</b>	<u>8,237,101</u>	<u>7,853,239</u>	<u>7,275,051</u>
<b>Expenses</b>			
Instruction	6,009,380	4,165,497	4,005,426
District Administration	697,762	710,990	716,057
Operations and Maintenance	1,699,783	1,517,717	1,520,065
Transportation and Housing	613,171	774,293	474,355
<b>Total Expense</b>	<u>9,020,096</u>	<u>7,168,497</u>	<u>6,715,903</u>
<b>Surplus (Deficit) for the year</b>	<u>(782,995)</u>	<u>684,742</u>	<u>559,148</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<u>11,572,783</u>	<u>11,013,635</u>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u>12,257,525</u></u>	<u><u>11,572,783</u></u>

# School District No. 87 (Stikine)

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>	<u>(782,995)</u>	<u>684,742</u>	<u>559,148</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(741,483)	(1,396,329)	(877,242)
Amortization of Tangible Capital Assets	497,266	497,266	464,165
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(244,217)</u>	<u>(899,063)</u>	<u>(413,077)</u>
Acquisition of Prepaid Expenses		(121,483)	
Use of Prepaid Expenses			248
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>(121,483)</u>	<u>248</u>
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<u>(1,027,212)</u>	<u>(335,804)</u>	<u>146,319</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<u>(335,804)</u>	<u>146,319</u>
<b>Net Debt, beginning of year</b>		<u>146,568</u>	<u>249</u>
<b>Net Debt, end of year</b>		<u>(189,236)</u>	<u>146,568</u>



**School District No. 87 (Stikine)**

Statement 5

Statement of Cash Flows  
Year Ended June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	684,742	559,148
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(219,861)	(426,953)
Prepaid Expenses	(121,483)	248
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	112,069	(71,902)
Deferred Revenue	366,713	292,805
Employee Future Benefits	1,122	452
Amortization of Tangible Capital Assets	497,266	464,165
Amortization of Deferred Capital Revenue	(422,593)	(415,710)
<b>Total Operating Transactions</b>	<u>897,975</u>	<u>402,253</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(1,396,329)	(877,242)
<b>Total Capital Transactions</b>	<u>(1,396,329)</u>	<u>(877,242)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	734,750	870,000
<b>Total Financing Transactions</b>	<u>734,750</u>	<u>870,000</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>236,396</b>	<b>395,011</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<u>8,171,348</u>	<u>7,776,337</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>8,407,744</u>	<u>8,171,348</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	8,407,744	8,171,348
	<u>8,407,744</u>	<u>8,171,348</u>

**SCHOOL DISTRICT No. 87 (STIKINE)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

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**NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on January 1, 1966, 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. 87 (Stikine)", and operates as "School District No. 87 (Stikine)." 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. 87 (Stikine) is exempt from federal and provincial corporate income taxes.

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

**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(d) and 2(k).

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(d) and 2(k), 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:

**SCHOOL DISTRICT No. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

a) Basis of Accounting (cont'd)

- 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.

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

- i. Year-ended June 30, 2020 – increase/(decrease) in annual surplus by \$121,385
- ii. June 30, 2020 – increase in accumulated surplus and decrease in deferred contributions by \$7,284,835
- iii. Year-ended June 30, 2021 – increase/(decrease)in annual surplus by \$412,157
- iv. June 30, 2021 – increase in accumulated surplus and decrease in deferred contributions by \$7,696,992

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) 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 (k).

**SCHOOL DISTRICT No. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

d) Deferred Revenue and Deferred Capital Revenue (cont'd)

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.

e) 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.

f) 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. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

f) Asset Retirement Obligations (cont'd)

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.

g) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Hardware	5 years

**SCHOOL DISTRICT No. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

h) Operating Leases

Operating lease payments are charged to expenses as incurred.

i) Prepaid Expenses

Computer software maintenance costs are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) 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 10 – Interfund Transfers and Note 15 – Internally Restricted Surplus).

k) 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

**SCHOOL DISTRICT No. 87 (STIKINE)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

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

**k) Revenue Recognition (cont'd)**

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.

**l) 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.

**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.

**SCHOOL DISTRICT No. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

m) 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.

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

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

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

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

n) Measurement Uncertainty

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



**SCHOOL DISTRICT No. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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

o) 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".

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. 87 (STIKINE)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

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**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2021	2020
Due from Stikine Teachers Association	57,900	\$        0
Other	254,934	173,402
	<b>\$   312,834</b>	<b>\$   173,402</b>

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

	2021	2020
Trade payables	\$   206,299	\$   131,357
Salaries and benefits payable	254,777	212,209
Accrued vacation pay	80,591	136,670
Other	143,612	92,974
	<b>\$   685,279</b>	<b>\$   573,210</b>

**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. 87 (STIKINE)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**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.

	2021	2020
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 10,948	\$ 10,116
Service Cost	1,985	1,873
Interest Cost	280	280
Benefit Payments	(872)	(1,436)
Actuarial (Gain) Loss	(346)	115
Accrued Benefit Obligation – March 31	\$ 11,995	\$ 10,948

<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$ 11,995	\$ 10,948
Market Value of Plan Assets – March 31	0	0
Funded Status – Surplus (Deficit)	(11,995)	(10,948)
Benefits Expense After Measurement Date	(576)	(566)
Unamortized Net Actuarial (Gain) Loss	(3,097)	(3,032)
Accrued Benefit Asset (Liability) – June 30	\$ (15,668)	\$ (14,546)

<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability – July 1	\$ 14,546	\$ 14,094
Net expense for Fiscal Year	1,993	1,888
Employer Contributions	(872)	(1,436)
Accrued Benefit Liability – June 30	\$ 15,668	\$ 14,546

<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 1,981	\$ 1,901
Interest Cost	294	280
Amortization of Net Actuarial (Gain)/Loss	(282)	(293)
Net Benefit Expense (Income)	\$ 1,993	\$ 1,888

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

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% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	10.2	10.2

**SCHOOL DISTRICT No. 87 (STIKINE)  
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	\$ 1,772,818	\$ 1,772,818
Buildings	9,508,624	9,095,945
Furniture & Equipment	333,226	345,747
Vehicles	164,327	143,059
Computer Hardware	510,647	32,960
<b>Total</b>	<b>\$12,289,642</b>	<b>\$11,390,579</b>

**June 30, 2021**

	Opening Cost	Additions	Disposals	Total 2021
Sites	\$ 1,772,818	\$ 0	\$ 0	\$ 1,772,818
Buildings	25,782,989	834,750	0	26,617,739
Furniture & Equipment	404,239	27,853	0	432,092
Vehicles	237,850	45,053	0	282,903
Computer Hardware	54,931	488,673	0	543,604
<b>Total</b>	<b>\$ 28,252,827</b>	<b>\$ 1,396,329</b>	<b>\$ 0</b>	<b>\$ 29,649,156</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2021
Sites	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	16,687,044	422,071	0	17,109,115
Furniture & Equipment	58,442	40,424	0	98,866
Vehicles	94,791	23,785	0	118,576
Computer Hardware	21,971	10,986	0	32,957
<b>Total</b>	<b>\$ 16,862,248</b>	<b>\$ 497,266</b>	<b>\$ 0</b>	<b>\$ 17,359,514</b>

**June 30, 2020**

	Opening Cost	Additions	Disposals	Total 2020
Sites	\$ 1,763,718	\$ 9,100	\$ 0	\$ 1,772,818
Buildings	25,109,339	673,650	0	25,782,989
Furniture & Equipment	209,747	194,492	0	404,239
Vehicles	277,388	0	39,538	237,850
Computer Hardware	62,637	0	7,706	54,931
<b>Total</b>	<b>\$ 27,422,829</b>	<b>\$ 877,242</b>	<b>\$ 47,244</b>	<b>\$ 28,252,827</b>

**SCHOOL DISTRICT No. 87 (STIKINE)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

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

**June 30, 2020**

	Opening Accumulated Amortization	Additions	Disposals	Total 2020
Sites	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	16,272,320	414,724	0	16,687,044
Furniture & Equipment	49,267	9,175	0	58,442
Vehicles	106,590	27,739	39,538	94,791
Computer Hardware	17,150	12,527	7,706	21,971
<b>Total</b>	<b>\$16,445,327</b>	<b>\$ 464,165</b>	<b>\$ 47,244</b>	<b>\$16,862,248</b>

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

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis.

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

The school district paid \$347,446 for employer contributions to the plans for the year ended June 30, 2021 (2020: \$306,846).

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

**SCHOOL DISTRICT No. 87 (STIKINE)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

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

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 INTERFUND TRANSFERS**

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

- Transfer to the Capital Fund from the Special Purposes Fund for capital asset purchases of \$167,999.
- Transfer to the Capital Fund from the Operating Fund for capital asset purchases of \$320,673.

**NOTE 11 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 12 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.

<u>Contractual obligations</u>	2022	2023	2024	2025	Thereafter
Propane Contract	\$ 165,000	\$	\$	\$	\$
Busing Contracts	520,000				
	<u>\$ 685,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

**SCHOOL DISTRICT No. 87 (STIKINE)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**NOTE 13 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 4, 2021.

**NOTE 14 EXPENSE BY OBJECT**

	2021	2020
Salaries and benefits	\$ 4,473,099	\$ 4,226,074
Services and supplies	2,198,132	2,025,664
Amortization	497,266	464,165
	\$ 7,168,497	\$ 6,715,903

**NOTE 15 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND**

Internally Restricted (appropriated) by Board for:		
Indigenous Education Targeted Funding	\$ 93,413	
School Supplies Budgets	330,944	
White Fleet Renewal/Replacement	52,000	
Housing Improvements	500,000	
Photocopier Fleet Refresh	50,000	
3-Nations Funding Agreement Implementation	120,000	
Curriculum Supplies and Resources	100,000	
Classroom, Office, and Multi-Purpose Room furniture	100,000	
Cultural Gentrification of All Schools	50,000	
Outdoor Culture Spaces/Camps	100,000	
Mentorship, Training, and Professional Development	100,000	
Itinerant Supports: School Psychologies	70,000	
Staff Wellness	50,000	
Learning Resources/Universal Assessment Kits	65,000	
Subtotal Internally Restricted		\$ 1,781,357
Unrestricted Operating Surplus (Deficit)		2,410,190
Total Available for Future Operations		\$ 4,191,547

**NOTE 16 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.

**SCHOOL DISTRICT No. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**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.

b) Market risk:

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk.

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.



**SCHOOL DISTRICT No. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

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**NOTE 17    RISK MANAGEMENT** *(Continued)*

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. 87 (Stikine)

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	3,945,610		7,627,173	11,572,783	11,013,635
Changes for the year					
Surplus (Deficit) for the year	566,611	167,999	(49,868)	684,742	559,148
Interfund Transfers					
Tangible Capital Assets Purchased	(320,674)	(167,999)	488,673	-	
Net Changes for the year	245,937	-	438,805	684,742	559,148
Accumulated Surplus (Deficit), end of year - Statement 2	4,191,547	-	8,065,978	12,257,525	11,572,783

# School District No. 87 (Stikine)

Schedule 2

Schedule of Operating Operations  
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	5,104,178	5,293,929	4,707,188
Other Revenue	916,821	773,021	924,785
Rentals and Leases	152,000	170,438	171,549
Investment Income	60,000	60,253	88,359
<b>Total Revenue</b>	<b>6,232,999</b>	<b>6,297,641</b>	<b>5,891,881</b>
<b>Expenses</b>			
Instruction	4,501,825	3,292,800	3,162,998
District Administration	697,762	710,990	716,057
Operations and Maintenance	1,197,992	1,015,926	1,052,022
Transportation and Housing	613,171	711,314	474,355
<b>Total Expense</b>	<b>7,010,750</b>	<b>5,731,030</b>	<b>5,405,432</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(777,751)</b>	<b>566,611</b>	<b>486,449</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>777,751</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(320,674)	(194,492)
<b>Total Net Transfers</b>	<b>-</b>	<b>(320,674)</b>	<b>(194,492)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>245,937</b>	<b>291,957</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>3,945,610</b>	<b>3,653,653</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>4,191,547</b>	<b>3,945,610</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 15)		1,781,357	2,565,732
Unrestricted		2,410,190	1,379,878
<b>Total Operating Surplus (Deficit), end of year</b>		<b>4,191,547</b>	<b>3,945,610</b>

# School District No. 87 (Stikine)

Schedule 2A

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	5,749,204	5,778,730	5,334,933
ISC/LEA Recovery	(913,321)	(760,891)	(913,311)
Other Ministry of Education Grants			
Pay Equity	124,935	124,935	124,935
Student Transportation Fund	51,181	51,181	51,181
Carbon Tax Grant			9,549
Employer Health Tax Grant			38,177
Support Staff Benefits Grant		2,520	2,125
Support Staff Wage Increase Funding			25,668
Teachers' Labour Settlement Funding	82,179	82,179	33,931
Early Career Mentorship Funding	10,000	10,000	
FSA Scorer Grant		4,094	
Early Learning Framework		1,181	
<b>Total Provincial Grants - Ministry of Education</b>	<b>5,104,178</b>	<b>5,293,929</b>	<b>4,707,188</b>
<b>Other Revenues</b>			
Funding from First Nations	913,321	760,891	913,311
Miscellaneous			
ArtStarts Grant	3,500	7,000	6,000
Miscellaneous		130	5,474
Sale of Assets		5,000	
<b>Total Other Revenue</b>	<b>916,821</b>	<b>773,021</b>	<b>924,785</b>
<b>Rentals and Leases</b>	<b>152,000</b>	<b>170,438</b>	<b>171,549</b>
<b>Investment Income</b>	<b>60,000</b>	<b>60,253</b>	<b>88,359</b>
<b>Total Operating Revenue</b>	<b>6,232,999</b>	<b>6,297,641</b>	<b>5,891,881</b>

**School District No. 87 (Stikine)**

Schedule 2B

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

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	1,511,131	1,200,226	1,198,014
Principals and Vice Principals	608,678	613,730	569,885
Educational Assistants	151,233	93,709	110,412
Support Staff	634,811	545,378	534,678
Other Professionals	449,301	502,645	398,360
Substitutes	163,385	230,309	213,822
<b>Total Salaries</b>	<b>3,518,539</b>	<b>3,185,997</b>	<b>3,025,171</b>
<b>Employee Benefits</b>	<b>801,622</b>	<b>653,925</b>	<b>638,929</b>
<b>Total Salaries and Benefits</b>	<b>4,320,161</b>	<b>3,839,922</b>	<b>3,664,100</b>
<b>Services and Supplies</b>			
Services	512,495	571,797	507,778
Student Transportation	513,820	358,375	338,993
Professional Development and Travel	266,627	152,945	255,467
Rentals and Leases		25,665	
Dues and Fees	11,900	10,498	8,461
Insurance	30,750	6,341	22,585
Supplies	1,115,397	544,007	404,307
Utilities	239,600	221,480	203,741
<b>Total Services and Supplies</b>	<b>2,690,589</b>	<b>1,891,108</b>	<b>1,741,332</b>
<b>Total Operating Expense</b>	<b>7,010,750</b>	<b>5,731,030</b>	<b>5,405,432</b>

# School District No. 87 (Stikine)

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	1,155,997	400,205			11,752	175,939	1,743,893
1.07 Library Services	20,104		640				20,744
1.10 Special Education			72,362		54,460	5,900	132,722
1.31 Indigenous Education	24,125		20,707			816	45,648
1.41 School Administration		213,525				598	290,601
1.60 Summer School							-
1.64 Other							-
<b>Total Function 1</b>	<b>1,200,226</b>	<b>613,730</b>	<b>93,709</b>	<b>76,478</b>	<b>66,212</b>	<b>183,253</b>	<b>2,233,608</b>
<b>4 District Administration</b>							
4.11 Educational Administration					165,166		165,166
4.40 School District Governance					46,592		46,592
4.41 Business Administration				15,438	148,476		163,914
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,438</b>	<b>360,234</b>	<b>-</b>	<b>375,672</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration					52,758	46,727	99,485
5.50 Maintenance Operations				426,587			426,587
5.52 Maintenance of Grounds							
5.56 Utilities							
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>426,587</b>	<b>52,758</b>	<b>46,727</b>	<b>526,072</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation							
7.73 Housing				26,875	23,441	329	50,645
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,875</b>	<b>23,441</b>	<b>329</b>	<b>50,645</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>1,200,226</b>	<b>613,730</b>	<b>93,709</b>	<b>545,378</b>	<b>502,645</b>	<b>230,309</b>	<b>3,185,997</b>

**School District No. 87 (Stikine)**  
 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	1,743,893	320,304	2,064,197	523,118	2,587,315	3,548,166	2,407,932
1.07 Library Services	20,744	4,107	24,851	1,672	26,523	24,783	24,277
1.10 Special Education	132,722	33,473	166,195	8,433	174,628	188,576	161,099
1.31 Indigenous Education	45,648	9,108	54,756	60,328	115,084	320,484	195,940
1.41 School Administration	290,601	61,223	351,824	36,827	388,651	414,816	371,114
1.60 Summer School	-	-	-	133	133	-	-
1.64 Other	-	-	-	466	466	5,000	2,636
<b>Total Function 1</b>	<b>2,233,608</b>	<b>428,215</b>	<b>2,661,823</b>	<b>630,977</b>	<b>3,292,800</b>	<b>4,501,825</b>	<b>3,162,998</b>
<b>4 District Administration</b>							
4.11 Educational Administration	165,166	47,969	213,135	6,352	219,487	158,285	188,342
4.40 School District Governance	46,592	2,121	48,713	23,111	71,824	144,903	105,660
4.41 Business Administration	163,914	62,609	226,523	193,156	419,679	394,574	422,055
<b>Total Function 4</b>	<b>375,672</b>	<b>112,699</b>	<b>488,371</b>	<b>222,619</b>	<b>710,990</b>	<b>697,762</b>	<b>716,057</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	52,758	7,758	60,516	15,121	75,637	93,232	53,960
5.50 Maintenance Operations	473,314	97,167	570,481	121,445	691,926	853,760	780,766
5.52 Maintenance of Grounds	-	-	-	50,734	50,734	25,000	39,188
5.56 Utilities	-	104,925	630,997	197,629	197,629	226,000	178,108
<b>Total Function 5</b>	<b>526,072</b>	<b>104,925</b>	<b>630,997</b>	<b>384,929</b>	<b>1,015,926</b>	<b>1,197,992</b>	<b>1,052,022</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation	-	-	-	358,375	358,375	514,820	338,993
7.73 Housing	50,645	8,086	58,731	294,208	352,939	98,351	135,362
<b>Total Function 7</b>	<b>50,645</b>	<b>8,086</b>	<b>58,731</b>	<b>652,583</b>	<b>711,314</b>	<b>613,171</b>	<b>474,355</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>3,185,997</b>	<b>653,925</b>	<b>3,839,922</b>	<b>1,891,108</b>	<b>5,731,030</b>	<b>7,010,750</b>	<b>5,405,432</b>

# School District No. 87 (Stikine)

## Schedule of Special Purpose Operations

Year Ended June 30, 2021

Schedule 3

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	1,535,509	1,092,881	886,951
Other Revenue	50,000	15,319	13,448
Investment Income			870
<b>Total Revenue</b>	<b>1,585,509</b>	<b>1,108,200</b>	<b>901,269</b>
<b>Expenses</b>			
Instruction	1,507,555	872,697	842,428
Operations and Maintenance	4,525	4,525	3,878
Transportation and Housing		62,979	
<b>Total Expense</b>	<b>1,512,080</b>	<b>940,201</b>	<b>846,306</b>
<b>Special Purpose Surplus (Deficit) for the year</b>	<b>73,429</b>	<b>167,999</b>	<b>54,963</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(73,429)	(167,999)	(54,963)
<b>Total Net Transfers</b>	<b>(73,429)</b>	<b>(167,999)</b>	<b>(54,963)</b>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<b>-</b>	<b>-</b>



**School District No. 87 (Stikine)**

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

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	17,203	-	116,972	2,856	15,147	-	285,733	-	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education	60,751	20,705		-	9,800		566,271	6,285	379,600
Other Investment Income	119		11,324						
Less: Allocated to Revenue	60,870	20,705	11,324	-	9,800	-	566,271	6,285	379,600
Deferred Revenue, end of year	4,525	13,429	15,319	-	2,491	-	269,321	6,285	379,600
	73,548	7,276	112,977	2,856	22,456	-	582,683	-	-
Revenues									
Provincial Grants - Ministry of Education	4,525	13,429	15,319	-	2,491	-	269,321	6,285	379,600
Other Revenue	4,525	13,429	15,319	-	2,491	-	269,321	6,285	379,600
Expenses									
Salaries									
Teachers									
Educational Assistants		10,369					83,005		288,496
Support Staff							21,095		
Substitutes							38,430	4,362	
Employee Benefits		10,369					142,530	4,362	288,496
Services and Supplies	4,525	3,060	15,319	-	2,491	-	30,916	873	91,104
	4,525	13,429	15,319	-	2,491	-	95,875	1,050	
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	269,321	6,285	379,600
Interfund Transfers									
Tangible Capital Assets Purchased									
Net Revenue (Expense)									

**School District No. 87 (Stikine)**  
 Changes in Special Purpose Funds and Expense by Object  
 Year Ended June 30, 2021

	First Nation Student Transportation	Mental Health in Schools	Safe Return to School Grant	Federal Safe Return to Class Fund	TOTAL
<b>Deferred Revenue, beginning of year</b>	\$ 74,313	\$ 32,500	\$ -	\$ -	\$ 544,724
<b>Add: Restricted Grants</b>					
Provincial Grants - Ministry of Education	11,983	57,000	21,075	330,000	1,463,470
Other Investment Income					11,324
					119
<b>Less: Allocated to Revenue</b>	11,983	57,000	21,075	330,000	1,474,913
<b>Deferred Revenue, end of year</b>	62,979	3,176	21,075	330,000	1,108,200
	33,317	86,324	-	-	911,437
<b>Revenues</b>	62,979	3,176	21,075	330,000	1,092,881
Provincial Grants - Ministry of Education					15,319
Other Revenue	62,979	3,176	21,075	330,000	1,108,200
<b>Expenses</b>					
Salaries					
Teachers				8,770	297,266
Educational Assistants			10,000		93,374
Support Staff				24,735	55,830
Substitutes				6,518	49,310
Employee Benefits			10,000	40,023	495,780
Services and Supplies	62,979	3,176	1,660	9,784	137,397
	62,979	3,176	9,415	112,194	307,034
			21,075	162,001	940,201
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	167,999	167,999
<b>Interfund Transfers</b>					
Tangible Capital Assets Purchased				(167,999)	(167,999)
<b>Net Revenue (Expense)</b>	-	-	-	-	-

# School District No. 87 (Stikine)

## 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>					
Investment Income			24,805	24,805	66,191
Amortization of Deferred Capital Revenue	418,593	422,593		422,593	415,710
<b>Total Revenue</b>	<b>418,593</b>	<b>422,593</b>	<b>24,805</b>	<b>447,398</b>	<b>481,901</b>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	497,266	497,266		497,266	464,165
<b>Total Expense</b>	<b>497,266</b>	<b>497,266</b>	<b>-</b>	<b>497,266</b>	<b>464,165</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(78,673)</b>	<b>(74,673)</b>	<b>24,805</b>	<b>(49,868)</b>	<b>17,736</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	73,429	488,673		488,673	249,455
<b>Total Net Transfers</b>	<b>73,429</b>	<b>488,673</b>	<b>-</b>	<b>488,673</b>	<b>249,455</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		72,906	(72,906)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>72,906</b>	<b>(72,906)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(5,244)</b>	<b>486,906</b>	<b>(48,101)</b>	<b>438,805</b>	<b>267,191</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>4,105,745</b>	<b>3,521,428</b>	<b>7,627,173</b>	<b>7,359,982</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>4,592,651</b>	<b>3,473,327</b>	<b>8,065,978</b>	<b>7,627,173</b>

# School District No. 87 (Stikine)

Tangible Capital Assets

Year Ended June 30, 2021

Schedule 4A

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	1,772,818	25,782,989	404,239	237,850	-	54,931	28,252,827
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		734,750					734,750
Deferred Capital Revenue - Other		100,000					100,000
Operating Fund						320,674	320,674
Special Purpose Funds						167,999	167,999
Local Capital			27,853	45,053			72,906
Cost, end of year	-	834,750	27,853	45,053	-	488,673	1,396,329
Work in Progress, end of year	1,772,818	26,617,739	432,092	282,903	-	543,604	29,649,156
Cost and Work in Progress, end of year	1,772,818	26,617,739	432,092	282,903	-	543,604	29,649,156
Accumulated Amortization, beginning of year		16,687,044	58,442	94,791		21,971	16,862,248
Changes for the Year							
Increase: Amortization for the Year		422,071	40,424	23,785		10,986	497,266
Accumulated Amortization, end of year		17,109,115	98,866	118,576		32,957	17,359,514
Tangible Capital Assets - Net	1,772,818	9,508,624	333,226	164,327	-	510,647	12,289,642

**School District No. 87 (Stikine)**

Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	7,163,286	121,549		7,284,835
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	734,750	100,000		834,750
	<u>734,750</u>	<u>100,000</u>	<u>-</u>	<u>834,750</u>
Decrease:				
Amortization of Deferred Capital Revenue	418,593	4,000		422,593
	<u>418,593</u>	<u>4,000</u>	<u>-</u>	<u>422,593</u>
<b>Net Changes for the Year</b>	<u>316,157</u>	<u>96,000</u>	<u>-</u>	<u>412,157</u>
<b>Deferred Capital Revenue, end of year</b>	<u>7,479,443</u>	<u>217,549</u>	<u>-</u>	<u>7,696,992</u>
<b>Work in Progress, beginning of year</b>				-
<b>Changes for the Year</b>				
<b>Net Changes for the Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Work in Progress, end of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>7,479,443</u>	<u>217,549</u>	<u>-</u>	<u>7,696,992</u>

**School District No. 87 (Stikine)**  
**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	-	332,905	26,392	-	-	359,297
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	734,750					734,750
Decrease:						
Transferred to DCIR - Capital Additions	734,750	100,000				834,750
	734,750	100,000				834,750
Net Changes for the Year	-	(100,000)				(100,000)
Balance, end of year	-	232,905	26,392			259,297