

Audited Financial Statements of

# **School District No. 51 (Boundary)**

And Independent Auditors' Report thereon

June 30, 2020

# School District No. 51 (Boundary)

June 30, 2020

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# School District No. 51 (Boundary)

## MANAGEMENT REPORT

Version: 7436-6690-4707

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

The accompanying financial statements of School District No. 51 (Boundary) 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. 51 (Boundary) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 51 (Boundary) 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. 51 (Boundary)

**ORIGINAL SIGNATURES ON FILE**

Signature of the Chairperson of the Board of Education

Date Signed

**ORIGINAL SIGNATURES ON FILE**

Signature of the Superintendent

Date Signed

**ORIGINAL SIGNATURES ON FILE**

Signature of the Secretary Treasurer

Date Signed

## Independent auditor's report

To the Board of Education of  
School District No. 51 (Boundary) and the Ministry of Education

Grant Thornton LLP  
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### Opinion

We have audited the financial statements of School District No. 51 (Boundary) ("the District"), which comprise the statement of financial position as at June 30, 2020, and the statements of operations, change in net financial assets (debt) and cash flow 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 No. 51 (Boundary) as at June 30, 2020, and its results of operations, its changes in its net debt, and its 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 ("Section 23.1").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

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

### Other Matter – Supplemental information

We draw attention to the fact that the supplementary information included in Schedules 1 through 4 do not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

### Responsibilities of Management and Those Charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 23.1, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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

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

#### **Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 judgment and maintain professional skepticism throughout the audit. We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Kelowna, Canada  
September 15, 2020

Chartered Professional Accountants

# School District No. 51 (Boundary)

## Statement of Financial Position

As at June 30, 2020

Statement 1

	2020 Actual \$	2019 Actual \$
<b>Financial Assets</b>		
Cash and Cash Equivalents (Note 3)	3,910,865	3,589,109
Accounts Receivable		
Due from Province - Ministry of Education	588,459	245,835
Other (Note 4)	219,707	106,086
Portfolio Investments (Note 5)	9,240	
<b>Total Financial Assets</b>	<b>4,728,271</b>	<b>3,941,030</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 6)	1,655,699	1,225,983
Deferred Revenue (Note 7)	327,669	328,647
Deferred Capital Revenue (Note 8)	16,482,338	13,826,910
Employee Future Benefits (Note 9)	430,019	416,462
Capital Lease Obligations (Note 10)	142,833	174,931
<b>Total Liabilities</b>	<b>19,038,558</b>	<b>15,972,933</b>
<b>Net Debt</b>	<b>(14,310,287)</b>	<b>(12,031,903)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	23,699,012	21,410,367
Prepaid Expenses	4,459	
<b>Total Non-Financial Assets</b>	<b>23,703,471</b>	<b>21,410,367</b>
<b>Accumulated Surplus (Deficit)</b>	<b>9,393,184</b>	<b>9,378,464</b>

Contractual Obligations (Note 16)

Contingent Liabilities (Note 18)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

**ORIGINAL SIGNATURES ON FILE**

Signature of the Superintendent

Date Signed

**ORIGINAL SIGNATURES ON FILE**

Signature of the Secretary Treasurer

Date Signed

**School District No. 51 (Boundary)**

Statement of Operations  
Year Ended June 30, 2020

Statement 2

	2020 Budget \$	2020 Actual \$	2019 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	18,443,221	18,989,122	18,046,496
Other	48,221	152,544	176,117
Tuition	12,150	8,100	9,717
Other Revenue	416,500	378,928	463,754
Rentals and Leases	60,737	63,163	75,955
Investment Income	71,335	75,215	82,620
Gain (Loss) on Disposal of Tangible Capital Assets		70,000	
Amortization of Deferred Capital Revenue	830,697	833,639	794,462
<b>Total Revenue</b>	<b>19,882,861</b>	<b>20,570,711</b>	<b>19,649,121</b>
<b>Expenses (Note 19)</b>			
Instruction	14,463,150	14,937,913	14,208,137
District Administration	941,870	921,746	992,989
Operations and Maintenance	4,043,822	3,788,256	3,674,630
Transportation and Housing	732,562	907,174	916,136
Debt Services	1,070	902	1,067
<b>Total Expense</b>	<b>20,182,474</b>	<b>20,555,991</b>	<b>19,792,959</b>
<b>Surplus (Deficit) for the year</b>	<b>(299,613)</b>	<b>14,720</b>	<b>(143,838)</b>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>9,378,464</b>	<b>9,522,302</b>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>9,393,184</b>	<b>9,378,464</b>

**School District No. 51 (Boundary)**

Statement 4

Statement of Changes in Net Debt  
Year Ended June 30, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Surplus (Deficit) for the year	(299,613)	14,720	(143,838)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(100,000)	(3,671,598)	(1,685,880)
Amortization of Tangible Capital Assets	1,374,740	1,382,953	1,332,020
Total Effect of change in Tangible Capital Assets	1,274,740	(2,288,645)	(353,860)
Acquisition of Prepaid Expenses		(4,459)	
Total Effect of change in Other Non-Financial Assets	-	(4,459)	-
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	975,127	(2,278,384)	(497,698)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(2,278,384)	(497,698)
Net Debt, beginning of year		(12,031,903)	(11,534,205)
Net Debt, end of year		(14,310,287)	(12,031,903)



**School District No. 51 (Boundary)**

Statement 5

Statement of Cash Flows

Year Ended June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	14,720	(143,838)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(456,245)	(55,559)
Prepaid Expenses	(4,459)	-
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	429,716	(27,898)
Unearned Revenue	-	(2,430)
Deferred Revenue	(978)	(69,093)
Employee Future Benefits	13,557	(4,179)
Loss (Gain) on Disposal of Tangible Capital Assets	(70,000)	-
Amortization of Tangible Capital Assets	1,382,953	1,332,020
Amortization of Deferred Capital Revenue	(833,639)	(794,462)
<b>Total Operating Transactions</b>	<b>475,625</b>	<b>234,561</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(3,090,691)	(1,685,880)
Tangible Capital Assets -WIP Purchased	(510,907)	-
<b>Total Capital Transactions</b>	<b>(3,601,598)</b>	<b>(1,685,880)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	3,489,067	1,346,729
Capital Lease Payments	(32,098)	(31,933)
<b>Total Financing Transactions</b>	<b>3,456,969</b>	<b>1,314,796</b>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	(9,240)	-
<b>Total Investing Transactions</b>	<b>(9,240)</b>	<b>-</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>321,756</b>	<b>(136,523)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>3,589,109</b>	<b>3,725,632</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>3,910,865</b>	<b>3,589,109</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	3,799,152	3,479,070
Cash Equivalents	111,713	110,039
	<b>3,910,865</b>	<b>3,589,109</b>

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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**NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on December 2, 1996 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. 51 (Boundary)", and operates as "School District No. 51 (Boundary)." 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. 51 (Boundary) 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 with new health and safety guidelines. As of September 2020, the Province of BC directed schools to welcome students back to classrooms under Stage 2 of the provincial K-12 Restart Plan, with a focus on maximizing in class instruction for all students. Thee 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(f) and 2(n).

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

As noted in Notes 2(f) and 2(n), 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.

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

a) Basis of Accounting (cont'd)

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.

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

Year-ended June 30, 2019 – increase in annual surplus by \$625,227

June 30, 2019 – increase in accumulated surplus and decrease in deferred contributions by \$13,691,150

Year-ended June 30, 2020 – increase in annual surplus by \$2,556,205

June 30, 2020 – increase in accumulated surplus and decrease in deferred contributions by \$16,247,355

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Portfolio Investments

The School District has investments in a term deposit. Term deposits not quoted in an active market are reported at cost or amortized cost.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations.



**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the courses, services, or products are provided.

f) Deferred Revenue and Deferred Capital Revenue

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

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

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime 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.

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

g) Employee Future Benefits (cont'd)

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.

h) Asset Retirement Obligations

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

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

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

i) 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.



**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

j) **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 Software	5 years
Computer Hardware	5 years

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

k) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

l) Prepaid Expenses

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

m) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 14 – Interfund Transfers and Note 20 – Internally Restricted Surplus).

n) 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

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

n) Revenue Recognition (cont'd)

- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

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

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

n) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Interest expense includes interest paid on capital lease and is included in debt services.

Categories of Salaries

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.



**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

n) Expenditures (cont'd)

- 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, and accounts payable and accrued 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 and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

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

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

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, 2021. 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 pending approval in the Fall of 2020. 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. 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.



**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

q) Future Changes in Accounting Policies (cont'd)

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

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

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

**NOTE 3 CASH AND CASH EQUIVALENTS**

Included in cash and cash equivalents are funds in the amount of \$434,144 (2019 – \$469,897), restricted and paid out to teachers who contribute to and take part in the District's self-funded summer saving plan.

**NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2020	2019
Other		
GST – Public Service Bodies rebate	89,423	57,438
City of Grand Forks	46,472	-
BCTF receivable	3,251	3,291
BDTA receivable	43,694	26,655
Miscellaneous receivables	29,924	10,705
School-based funds	6,943	7,997
	<u>\$ 219,707</u>	<u>\$ 106,086</u>

**NOTE 5 PORTFOLIO INVESTMENTS**

	2020	2019
Investments in the cost and amortized cost category:		
Term deposit, interest rate 1.5%	\$ 9,240	\$ -
	<u>\$ 9,240</u>	<u>\$ -</u>

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**NOTE 6      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER**

	2020	2019
Trade payables	\$ 1,016,304	\$ 541,495
Salaries and benefits payable	132,096	152,343
Accrued vacation pay	80,022	62,247
Teacher 12-month pay accrual	427,277	469,897
	<u>\$ 1,655,699</u>	<u>\$ 1,225,983</u>

**NOTE 7      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.

	2020	2019
Balance, beginning of year	\$ 328,647	\$ 397,740
Add: Restricted grants	1,840,996	1,849,345
Less: Allocated to revenue	<u>(1,841,974)</u>	<u>(1,918,438)</u>
Balance, end of year	<u>\$ 327,669</u>	<u>\$ 328,647</u>

**NOTE 8      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.

	2020	2019
Balance, beginning of year	\$ 13,826,910	\$ 13,274,643
Add: Contributions received in the year	3,489,067	1,346,729
Less: Amortization of deferred capital revenue	<u>(833,639)</u>	<u>(794,462)</u>
Balance, end of year	<u>\$ 16,482,338</u>	<u>\$ 13,826,910</u>

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**NOTE 9      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.

	2020	2019
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 454,292	\$ 424,701
Service Cost	37,479	37,516
Interest Cost	11,433	11,938
Benefit Payments	(38,313)	(62,191)
Increase (Decrease) in obligation due to Plan Amendment	-	31
Actuarial (Gain) Loss	(22,525)	42,297
Accrued Benefit Obligation – March 31	<u>\$ 442,366</u>	<u>\$ 454,292</u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$ 442,366	\$ 454,292
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(442,366)	(454,292)
Employer Contributions After Measurement Date	20,771	5,505
Benefits Expense After Measurement Date	(12,478)	(12,228)
Unamortized Net Actuarial (Gain) Loss	4,054	44,553
Accrued Benefit Asset (Liability) – June 30	<u>\$ (430,019)</u>	<u>\$ (416,462)</u>
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability – July 1	\$ 416,462	\$ 420,641
Net expense for Fiscal Year	67,136	63,093
Employer Contributions	(53,579)	(67,272)
Accrued Benefit Liability – June 30	<u>\$ 430,019</u>	<u>\$ 416,462</u>

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**NOTE 9      EMPLOYEE FUTURE BENEFITS** *(Continued)*

	2020	2019
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 37,995	\$ 37,507
Interest Cost	11,167	11,812
Immediate Recognition of Plan Amendment	-	31
Amortization of Net Actuarial Loss	17,974	13,744
Net Benefit Expense	<u>\$ 67,136</u>	<u>\$ 63,094</u>

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

Discount Rate – April 1	2.50%	2.75%
Discount Rate – March 31	2.25%	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	10.0	10.0

**NOTE 10      CAPITAL LEASE OBLIGATIONS**

The School District has entered into a fifteen-year capital lease for land and building in Grand Forks, BC. The lease expires on November 1, 2024, at which point the School District has an option to purchase the property for \$1.

Repayments are due as follows:

2021	\$ 33,000
2022	33,000
2023	33,000
2024	45,800
Total minimum lease payments	<u>\$ 144,800</u>
Less amounts representing interest at 0.516%	(1,967)
Present value of net minimum capital lease payments	<u>\$ 142,833</u>

Total interest on leases for the year was \$902 (2019 - \$1,067).



**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**NOTE 11 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value 2020	Net Book Value 2019
Sites	\$ 2,129,384	\$ 2,059,384
Buildings	18,767,959	16,745,350
Buildings – work in progress	510,907	-
Furniture & Equipment	708,369	719,200
Vehicles	914,288	1,087,662
Computer Software	28,846	36,058
Computer Hardware	639,259	762,713
<b>Total</b>	<b>\$ 23,699,012</b>	<b>\$ 21,410,367</b>

**June 30, 2020**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2020
Sites	\$ 2,059,384	\$ 70,000	\$ -	\$ -	\$ 2,129,384
Buildings	39,210,359	2,834,499	-	-	42,044,858
Buildings – work in progress	-	510,907	-	-	510,907
Furniture & Equipment	1,597,816	148,951	(213,222)	-	1,533,545
Vehicles	1,733,735	-	-	-	1,733,735
Computer Software	36,058	-	-	-	36,058
Computer Hardware	1,153,479	107,241	(98,200)	-	1,162,520
<b>Total</b>	<b>\$ 45,790,831</b>	<b>\$ 3,671,598</b>	<b>\$ (311,422)</b>	<b>\$ -</b>	<b>\$ 49,151,007</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2020
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	22,465,009	811,890	-	23,276,899
Furniture & Equipment	878,616	159,782	(213,222)	825,176
Vehicles	646,073	173,374	-	819,447
Computer Software	-	7,212	-	7,212
Computer Hardware	390,766	230,695	(98,200)	523,261
<b>Total</b>	<b>\$ 24,380,464</b>	<b>\$ 1,382,953</b>	<b>(311,422)</b>	<b>\$ 25,451,995</b>



**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**NOTE 11 TANGIBLE CAPITAL ASSETS (Continued)**

**June 30, 2019**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2019
Sites	\$2,059,384	\$ -	\$ -	\$ -	\$2,059,384
Buildings	38,007,944	1,173,467	-	28,948	39,210,359
Buildings – work in progress	28,948	-	-	(28,948)	-
Furniture & Equipment	1,627,029	55,187	(84,400)	-	1,597,816
Vehicles	1,611,858	261,491	(139,614)	-	1,733,735
Computer Software	38,436	36,058	(38,436)	-	36,058
Computer Hardware	1,067,223	159,677	(73,421)	-	1,153,479
<b>Total</b>	<b>\$44,440,822</b>	<b>\$1,685,880</b>	<b>\$(335,871)</b>	<b>\$ -</b>	<b>\$45,790,831</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2019
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	21,678,010	786,999	-	22,465,009
Furniture & Equipment	800,313	162,703	(84,400)	878,616
Vehicles	624,501	161,186	(139,614)	646,073
Computer Software	30,748	7,688	(38,436)	-
Computer Hardware	250,743	213,444	(73,421)	390,766
<b>Total</b>	<b>\$ 23,384,315</b>	<b>\$ 1,332,020</b>	<b>\$ (335,871)</b>	<b>\$ 24,380,464</b>

- Included in sites are assets held under capital lease with a cost of \$184,053 (2019 - \$184,053). Included in buildings are assets held under capital lease with a cost of \$335,939 (2019 - \$335,939) and accumulated amortization of \$92,383 (2019 - \$83,985).
- Buildings – work in progress having a value of \$510,907 (2019 - \$) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**NOTE 12 DISPOSAL OF SITES**

The School District disposed of 1.75 acres of vacant land at Seabrook Road in Grand Forks, BC in August 2019. The land was originally acquired by the School District in 1947 for \$1 and was disposed of as part of a land exchange transaction in which the School District acquired 1.25 acres of vacant land adjacent to John H. Hutton Elementary for the future development of a parking lot.

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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**NOTE 13      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, 2018, the Teachers' Pension Plan has about 48,000 active members and approximately 38,000 retired members. As of December 31, 2018, the Municipal Pension Plan has about 205,000 active members, including approximately 26,000 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. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account.

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

The school district paid \$1,313,799 for employer contributions to the plans for the year ended June 30, 2020 (2019 - \$1,287,529)

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

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

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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**NOTE 14 INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2020, were as follows:

- Operating funds transferred to local capital - \$158,000 (2019 - \$158,000)
- Tangible capital assets purchased from special purpose funds - \$80,172 (2019 - \$53,276)
- Tangible capital assets purchased from operating funds - \$99,216 (2019 - \$115,400)

**NOTE 15 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 16 CONTRACTUAL OBLIGATIONS**

The School District has entered into a multiple-year contract for 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.

Contractual obligations	2021	2022	2023	2024	2025	Thereafter
Building Envelope project	\$ 303,600					
	\$ 303,600	\$	\$	\$	\$	\$



**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**NOTE 17 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an annual budget bylaw on June 11, 2019. While PSAS require the presentation of the originally planned budget, an amended budget based on more accurate enrollment numbers was approved by the Board and filed with the Ministry of Education on February 11, 2020. Significant changes between the original and amended budget are as follows:

	Original Budget	Amended Budget	Change
Revenue			
Provincial Grants MoE	\$ 18,443,221	\$ 18,786,936	\$ 343,715
Amortization of deferred capital revenue	830,697	830,697	-
Other	608,943	743,874	134,931
	<u>\$ 19,882,861</u>	<u>\$ 20,361,507</u>	<u>\$ 478,646</u>
Expenses			
Instruction	\$ 14,463,150	\$ 15,250,009	\$ 786,859
District Administration	941,870	917,019	(24,851)
Operations and Maintenance	4,043,822	3,912,645	(131,177)
Transportation and Housing	732,562	936,910	204,348
Debt services	1,070	902	(168)
	<u>\$ 20,182,474</u>	<u>\$ 21,017,485</u>	<u>\$ 835,011</u>

**NOTE 18 ASSET RETIREMENT OBLIGATION**

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As at June 30, 2020, the liability is not reasonably determinable.

**NOTE 19 EXPENSE BY OBJECT**

	2020	2019
Salaries and benefits	\$ 16,360,411	\$ 15,335,504
Services and supplies	2,811,725	3,124,368
Interest	902	1,067
Amortization	1,382,953	1,332,020
	<u>\$ 20,555,991</u>	<u>\$ 19,792,959</u>

**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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**NOTE 20      INTERNALLY RESTRICTED SURPLUS – OPERATING FUND**

	2020	2019
Internally restricted (appropriated) by Board for:		
Schools and other programs	\$ 153,339	\$ 120,514
Tennis court reserve	43,246	43,962
Playground equipment, Beaverdell Elementary	5,000	5,000
Speech services	2,359	2,359
Auditorium Trust	16,715	14,373
Professional development funds	117,178	79,681
Community Network	30,719	25,591
2019/2020 budget appropriation as transfer to Local Capital	-	300,000
Contingency reserve at 3% of average operating expenditures	510,076	494,951
Subtotal internally restricted	874,132	1,086,431
Unrestricted operating surplus	73,868	22,673
Total available for future operations	\$ 948,000	\$ 1,109,104

**NOTE 21      ECONOMIC DEPENDENCE**

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

**NOTE 22      RISK MANAGEMENT**

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

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.



**SCHOOL DISTRICT NO. 51 (BOUNDARY)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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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.

**NOTE 22     RISK MANAGEMENT** *(Continued)*

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in term deposits.

b) **Market risk:**

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits that have a maturity date of no more than 3 years.

c) **Liquidity risk**

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2019 related to credit, market or liquidity risks.

**NOTE 23     COMPARATIVE FIGURES**

Comparative figures have been adjusted to conform to changes in the current year presentation.

## School District No. 51 (Boundary)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2020

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	1,109,104		8,269,360	9,378,464	9,522,302
Changes for the year					
Surplus (Deficit) for the year	396,112	80,172	(461,564)	14,720	(143,838)
Interfund Transfers					
Tangible Capital Assets Purchased	(99,216)	(80,172)	179,388	-	
Local Capital	(425,000)		425,000	-	
Other	(33,000)		33,000	-	
Net Changes for the year	(161,104)	-	175,824	14,720	(143,838)
Accumulated Surplus (Deficit), end of year - Statement 2	948,000	-	8,445,184	9,393,184	9,378,464

**School District No. 51 (Boundary)**

Schedule 2 (Unaudited)

## Schedule of Operating Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	17,124,951	17,550,310	16,612,329
Other	48,221	49,258	49,258
Tuition	12,150	8,100	9,717
Other Revenue	76,500	79,756	107,736
Rentals and Leases	60,737	63,163	75,955
Investment Income	58,835	55,859	66,623
<b>Total Revenue</b>	<b>17,381,394</b>	<b>17,806,446</b>	<b>16,921,618</b>
<b>Expenses</b>			
Instruction	12,918,229	13,211,616	12,404,443
District Administration	941,870	921,746	992,989
Operations and Maintenance	2,555,733	2,543,172	2,417,905
Transportation and Housing	732,562	733,800	779,373
<b>Total Expense</b>	<b>17,148,394</b>	<b>17,410,334</b>	<b>16,594,710</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>233,000</b>	<b>396,112</b>	<b>326,908</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(75,000)	(99,216)	(115,400)
Local Capital	(125,000)	(425,000)	(125,000)
Other	(33,000)	(33,000)	(33,000)
<b>Total Net Transfers</b>	<b>(233,000)</b>	<b>(557,216)</b>	<b>(273,400)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>(161,104)</b>	<b>53,508</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>1,109,104</b>	<b>1,055,596</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>948,000</b>	<b>1,109,104</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 20)		863,507	1,086,431
Unrestricted		84,493	22,673
<b>Total Operating Surplus (Deficit), end of year</b>		<b>948,000</b>	<b>1,109,104</b>



**School District No. 51 (Boundary)**

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	16,665,137	16,860,056	16,175,105
Other Ministry of Education Grants			
Pay Equity	105,245	105,245	105,245
Transportation Supplement	153,588	153,588	153,588
Economic Stability Dividend			14,324
Carbon Tax Grant	22,000	27,646	27,646
Employer Health Tax Grant	125,073	125,073	38,007
Strategic Priorities - Mental Health Grant			37,000
Support Staff Wage Increase Funding		59,019	
Teachers' Labour Settlement Funding		153,487	
PLN Revenue	53,908	53,908	53,908
FSA		7,506	7,506
Early Learning Framework Implementation		1,782	
Equity Scan Implementation		3,000	
<b>Total Provincial Grants - Ministry of Education</b>	<b>17,124,951</b>	<b>17,550,310</b>	<b>16,612,329</b>
<b>Provincial Grants - Other</b>	<b>48,221</b>	<b>49,258</b>	<b>49,258</b>
<b>Tuition</b>			
International and Out of Province Students	12,150	8,100	9,717
<b>Total Tuition</b>	<b>12,150</b>	<b>8,100</b>	<b>9,717</b>
<b>Other Revenues</b>			
Miscellaneous			
ArtStarts	6,000	6,000	6,000
Miscellaneous	10,500	3,775	17,236
City of Grand Forks	60,000	60,000	80,000
United Way			4,500
BestBuy Grant		9,981	
<b>Total Other Revenue</b>	<b>76,500</b>	<b>79,756</b>	<b>107,736</b>
<b>Rentals and Leases</b>	<b>60,737</b>	<b>63,163</b>	<b>75,955</b>
<b>Investment Income</b>	<b>58,835</b>	<b>55,859</b>	<b>66,623</b>
<b>Total Operating Revenue</b>	<b>17,381,394</b>	<b>17,806,446</b>	<b>16,921,618</b>

**School District No. 51 (Boundary)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	5,864,342	6,257,566	5,808,068
Principals and Vice Principals	1,196,777	1,232,557	1,238,195
Educational Assistants	1,523,912	1,341,374	1,147,643
Support Staff	1,976,320	2,280,117	2,178,483
Other Professionals	540,381	718,131	598,495
Substitutes	504,570	538,754	583,749
<b>Total Salaries</b>	<b>11,606,302</b>	<b>12,368,499</b>	<b>11,554,633</b>
<b>Employee Benefits</b>	<b>2,894,556</b>	<b>2,897,038</b>	<b>2,623,773</b>
<b>Total Salaries and Benefits</b>	<b>14,500,858</b>	<b>15,265,537</b>	<b>14,178,406</b>
<b>Services and Supplies</b>			
Services	673,955	544,353	598,474
Student Transportation	135,492	99,844	126,919
Professional Development and Travel	273,223	224,193	304,243
Rentals and Leases	33,528		
Dues and Fees	68,940	72,138	54,192
Insurance	59,400	52,603	51,302
Supplies	931,498	736,555	847,348
Utilities	471,500	415,111	433,826
<b>Total Services and Supplies</b>	<b>2,647,536</b>	<b>2,144,797</b>	<b>2,416,304</b>
<b>Total Operating Expense</b>	<b>17,148,394</b>	<b>17,410,334</b>	<b>16,594,710</b>

**School District No. 51 (Boundary)**

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	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	5,172,228	176,749		69,154		466,461	5,884,592
1.03 Career Programs	12,638						12,638
1.07 Library Services	85,682			29,226		3,504	118,412
1.08 Counselling	97,160						97,160
1.10 Special Education	709,027	182,863	1,211,056	151,927	48,877	54,503	2,358,253
1.31 Indigenous Education	180,831		130,318				311,149
1.41 School Administration		829,063		364,339		10,583	1,203,985
1.64 Other							-
<b>Total Function 1</b>	<b>6,257,566</b>	<b>1,188,675</b>	<b>1,341,374</b>	<b>614,646</b>	<b>48,877</b>	<b>535,051</b>	<b>9,986,189</b>
<b>4 District Administration</b>							
4.11 Educational Administration		43,882		50,800	171,442		266,124
4.40 School District Governance					89,616		89,616
4.41 Business Administration				139,251	116,556		255,807
<b>Total Function 4</b>	<b>-</b>	<b>43,882</b>	<b>-</b>	<b>190,051</b>	<b>377,614</b>	<b>-</b>	<b>611,547</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				21,907	82,540		104,447
5.50 Maintenance Operations				1,000,616	138,483		1,139,099
5.52 Maintenance of Grounds				90,944			90,944
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,113,467</b>	<b>221,023</b>	<b>-</b>	<b>1,334,490</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				14,067	70,617		84,684
7.70 Student Transportation				347,886		3,703	351,589
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>361,953</b>	<b>70,617</b>	<b>3,703</b>	<b>436,273</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>6,257,566</b>	<b>1,232,557</b>	<b>1,341,374</b>	<b>2,280,117</b>	<b>718,131</b>	<b>538,754</b>	<b>12,368,499</b>



**School District No. 51 (Boundary)**

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	5,884,592	1,398,501	7,283,093	589,068	7,872,161	7,672,128	7,384,035
1.03 Career Programs	12,638	2,985	15,623	1,668	17,291		2,725
1.07 Library Services	118,412	26,795	145,207	14,956	160,163	165,926	152,655
1.08 Counselling	97,160	22,194	119,354		119,354	119,120	115,541
1.10 Special Education	2,358,253	587,350	2,945,603	84,006	3,029,609	2,953,985	2,665,373
1.31 Indigenous Education	311,149	77,851	389,000	92,746	481,746	501,700	503,537
1.41 School Administration	1,203,985	263,394	1,467,379	54,802	1,522,181	1,496,970	1,576,327
1.64 Other	-	-	-	9,111	9,111	8,400	4,250
<b>Total Function 1</b>	<b>9,986,189</b>	<b>2,379,070</b>	<b>12,365,259</b>	<b>846,357</b>	<b>13,211,616</b>	<b>12,918,229</b>	<b>12,404,443</b>
<b>4 District Administration</b>							
4.11 Educational Administration	266,124	50,937	317,061	18,282	335,343	318,327	347,769
4.40 School District Governance	89,616	5,118	94,734	35,274	130,008	139,341	149,588
4.41 Business Administration	255,807	53,015	308,822	147,573	456,395	484,202	495,632
<b>Total Function 4</b>	<b>611,547</b>	<b>109,070</b>	<b>720,617</b>	<b>201,129</b>	<b>921,746</b>	<b>941,870</b>	<b>992,989</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	104,447	19,973	124,420	26,234	150,654	134,325	117,923
5.50 Maintenance Operations	1,139,099	259,453	1,398,552	385,907	1,784,459	1,030,807	1,706,386
5.52 Maintenance of Grounds	90,944	20,053	110,997	36,732	147,729	849,643	103,883
5.56 Utilities	-	-	-	460,330	460,330	540,958	489,713
<b>Total Function 5</b>	<b>1,334,490</b>	<b>299,479</b>	<b>1,633,969</b>	<b>909,203</b>	<b>2,543,172</b>	<b>2,555,733</b>	<b>2,417,905</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	84,684	18,061	102,745	348	103,093	86,243	80,540
7.70 Student Transportation	351,589	91,358	442,947	187,760	630,707	646,319	698,833
<b>Total Function 7</b>	<b>436,273</b>	<b>109,419</b>	<b>545,692</b>	<b>188,108</b>	<b>733,800</b>	<b>732,562</b>	<b>779,373</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>12,368,499</b>	<b>2,897,038</b>	<b>15,265,537</b>	<b>2,144,797</b>	<b>17,410,334</b>	<b>17,148,394</b>	<b>16,594,710</b>

**School District No. 51 (Boundary)**

Schedule 3 (Unaudited)

## Schedule of Special Purpose Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	1,318,270	1,438,812	1,434,167
Other		103,286	126,859
Other Revenue	340,000	299,172	356,018
Investment Income		704	1,394
<b>Total Revenue</b>	<u>1,658,270</u>	<u>1,841,974</u>	<u>1,918,438</u>
<b>Expenses</b>			
Instruction	1,544,921	1,726,297	1,803,694
Operations and Maintenance	113,349	35,505	61,468
<b>Total Expense</b>	<u>1,658,270</u>	<u>1,761,802</u>	<u>1,865,162</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>80,172</u>	<u>53,276</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(80,172)	(53,276)
<b>Total Net Transfers</b>	<u>-</u>	<u>(80,172)</u>	<u>(53,276)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>-</u>	<u>-</u>

# School District No. 51 (Boundary)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2020

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	1,647		472	308,866	-	-	1,144		
Add: Restricted Grants									
Provincial Grants - Ministry of Education	113,350	62,554			128,632	19,989	8,743	140,845	28,155
Provincial Grants - Other				308,641					
Other									
Investment Income	704								
	114,054	62,554	-	308,641	128,632	19,989	8,743	140,845	28,155
Less: Allocated to Revenue	115,677	62,554	472	299,172	128,000	19,600	2,665	140,845	28,155
Deferred Revenue, end of year	24	-	-	318,335	632	389	7,222	-	-
Revenues									
Provincial Grants - Ministry of Education	114,973	62,554	472		128,000	19,600	2,665	140,845	28,155
Provincial Grants - Other				299,172					
Other Revenue									
Investment Income	704								
	115,677	62,554	472	299,172	128,000	19,600	2,665	140,845	28,155
Expenses									
Salaries									
Teachers									
Educational Assistants		48,967						83,249	
Support Staff							1,739		19,611
Substitutes									
	-	48,967	-	-	-	-	1,739	83,249	19,611
Employee Benefits		13,587					408	23,927	4,544
Services and Supplies	35,505		472	299,172	128,000	19,600	518	33,669	4,000
	35,505	62,554	472	299,172	128,000	19,600	2,665	140,845	28,155
Net Revenue (Expense) before Interfund Transfers	80,172	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(80,172)								
	(80,172)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-



**School District No. 51 (Boundary)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2020

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Mental Health in Schools	Changing Results for Young Children	Health Coordinator	DASH BC	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year					7,038	9,480	328,647
Add: Restricted Grants							
Provincial Grants - Ministry of Education	868,274	32,244	32,500	9,489			1,444,775
Provincial Grants - Other					27,000	59,876	86,876
Other							308,641
Investment Income							704
	868,274	32,244	32,500	9,489	27,000	59,876	1,840,996
Less: Allocated to Revenue	868,274	32,244	31,859	9,171	34,038	69,248	1,841,974
Deferred Revenue, end of year	-	-	641	318	-	108	327,669
Revenues							
Provincial Grants - Ministry of Education	868,274	32,244	31,859	9,171			1,438,812
Provincial Grants - Other					34,038	69,248	103,286
Other Revenue							299,172
Investment Income							704
	868,274	32,244	31,859	9,171	34,038	69,248	1,841,974
Expenses							
Salaries							
Teachers	692,270			1,771			694,041
Educational Assistants			1,490				50,457
Support Staff							83,249
Substitutes		7,391			30,657		59,398
	692,270	7,391	1,490	1,771	30,657	-	887,145
Employee Benefits	176,004	1,579	142	416	2,856		223,463
Services and Supplies		23,274	30,227	6,984	525	69,248	651,194
	868,274	32,244	31,859	9,171	34,038	69,248	1,761,802
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	80,172
Interfund Transfers							(80,172)
Tangible Capital Assets Purchased	-	-	-	-	-	-	(80,172)
Net Revenue (Expense)	-	-	-	-	-	-	-

**School District No. 51 (Boundary)**

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual			2019 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Investment Income	12,500		18,652	18,652	14,603
Gain (Loss) on Disposal of Tangible Capital Assets		70,000		70,000	
Amortization of Deferred Capital Revenue	830,697	833,639		833,639	794,462
<b>Total Revenue</b>	<b>843,197</b>	<b>903,639</b>	<b>18,652</b>	<b>922,291</b>	<b>809,065</b>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,374,740	1,209,579		1,209,579	1,195,257
Transportation and Housing		173,374		173,374	136,763
Debt Services					
Capital Lease Interest	1,070		902	902	1,067
<b>Total Expense</b>	<b>1,375,810</b>	<b>1,382,953</b>	<b>902</b>	<b>1,383,855</b>	<b>1,333,087</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(532,613)</b>	<b>(479,314)</b>	<b>17,750</b>	<b>(461,564)</b>	<b>(524,022)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	75,000	179,388		179,388	168,676
Local Capital	125,000		425,000	425,000	125,000
Capital Lease Payment	33,000		33,000	33,000	33,000
<b>Total Net Transfers</b>	<b>233,000</b>	<b>179,388</b>	<b>458,000</b>	<b>637,388</b>	<b>326,676</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		51,976	(51,976)	-	
Principal Payment					
Capital Lease		32,098	(32,098)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>84,074</b>	<b>(84,074)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(299,613)</b>	<b>(215,852)</b>	<b>391,676</b>	<b>175,824</b>	<b>(197,346)</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>7,570,179</b>	<b>699,181</b>	<b>8,269,360</b>	<b>8,466,706</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>7,354,327</b>	<b>1,090,857</b>	<b>8,445,184</b>	<b>8,269,360</b>

# School District No. 51 (Boundary)

Tangible Capital Assets

Year Ended June 30, 2020

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	2,059,384	39,210,359	1,597,816	1,733,735	36,058	1,153,479	45,790,831
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,754,327	105,000				2,859,327
Operating Fund			43,951			55,265	99,216
Special Purpose Funds		80,172					80,172
Local Capital						51,976	51,976
Land acquired via land exchange	70,000						70,000
	70,000	2,834,499	148,951	-	-	107,241	3,160,691
Decrease:							
Deemed Disposals			213,222			98,200	311,422
	-	-	213,222	-	-	98,200	311,422
Cost, end of year	2,129,384	42,044,858	1,533,545	1,733,735	36,058	1,162,520	48,640,100
Work in Progress, end of year		510,907					510,907
Cost and Work in Progress, end of year	2,129,384	42,555,765	1,533,545	1,733,735	36,058	1,162,520	49,151,007
<b>Accumulated Amortization, beginning of year</b>		22,465,009	878,616	646,073	-	390,766	24,380,464
<b>Changes for the Year</b>							
Increase: Amortization for the Year		811,890	159,782	173,374	7,212	230,695	1,382,953
Decrease:							
Deemed Disposals			213,222			98,200	311,422
		-	213,222	-	-	98,200	311,422
Accumulated Amortization, end of year		23,276,899	825,176	819,447	7,212	523,261	25,451,995
<b>Tangible Capital Assets - Net</b>	<b>2,129,384</b>	<b>19,278,866</b>	<b>708,369</b>	<b>914,288</b>	<b>28,846</b>	<b>639,259</b>	<b>23,699,012</b>



**School District No. 51 (Boundary)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year					-
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	510,907				510,907
	510,907	-	-	-	510,907
Net Changes for the Year	510,907	-	-	-	510,907
Work in Progress, end of year	510,907	-	-	-	510,907

**School District No. 51 (Boundary)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	13,514,036	111,909	65,205	13,691,150
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,859,327			2,859,327
	2,859,327	-	-	2,859,327
Decrease:				
Amortization of Deferred Capital Revenue	809,559	12,243	11,837	833,639
	809,559	12,243	11,837	833,639
Net Changes for the Year	2,049,768	(12,243)	(11,837)	2,025,688
Deferred Capital Revenue, end of year	15,563,804	99,666	53,368	15,716,838
Work in Progress, beginning of year				-
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	510,907			510,907
	510,907	-	-	510,907
Net Changes for the Year	510,907	-	-	510,907
Work in Progress, end of year	510,907	-	-	510,907
Total Deferred Capital Revenue, end of year	16,074,711	99,666	53,368	16,227,745

**School District No. 51 (Boundary)**

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	135,760	-	-	-	135,760
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	3,485,416					3,485,416
Investment Income		3,651				3,651
	3,485,416	3,651	-	-	-	3,489,067
Decrease:						
Transferred to DCR - Capital Additions	2,859,327					2,859,327
Transferred to DCR - Work in Progress	510,907					510,907
	3,370,234	-	-	-	-	3,370,234
<b>Net Changes for the Year</b>	115,182	3,651	-	-	-	118,833
<b>Balance, end of year</b>	<b>115,182</b>	<b>139,411</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>254,593</b>