

Consolidated Audited Financial Statements of

**School District No. 63 (Saanich)**

June 30, 2019

# School District No. 63 (Saanich)

June 30, 2019

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# School District No. 63 (Saanich)

## MANAGEMENT REPORT

Version: 5166-4420-2438

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

The accompanying consolidated financial statements of School District No. 63 (Saanich) 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 consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.




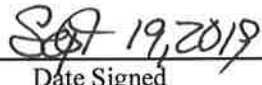

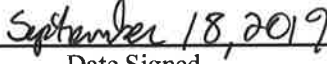
The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 63 (Saanich) (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 consolidated financial statements on a monthly basis and externally audited consolidated financial statements yearly.

The external auditors, KPMG, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of School District No. 63 (Saanich) 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 consolidated financial statements.

On behalf of School District No. 63 (Saanich)

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



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St. Andrew's Square II  
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Victoria BC V8W 3Y7  
Canada  
Telephone 250-480-3500  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 63 (Saanich), and  
To the Minister of Education, Province of British Columbia

### **Opinion**

We have audited the consolidated financial statements of School District No. 63 (Saanich) (the Entity), which comprise:

- the consolidated statement of financial position as at June 30, 2019
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets (debt) for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements of the Entity as at and for the year ended June 30, 2019 are prepared, in all material respects, in accordance with the financial reporting provisions of 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. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity 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 – Financial Reporting Framework**

We draw attention to note 2 to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



### ***Other Information***

Management is responsible for the other information. Other information comprises:

- Information, other than the financial statements and the auditors' report thereon, included in the Financial statement discussion and analysis document
- Unaudited Schedules 1-4 attached to the audited financial statements

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Information, other than the financial statements and the auditors' report thereon, included in the Financial Statement Discussion and Analysis and unaudited schedules as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

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

In preparing the financial statements, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants

Victoria, Canada  
September 18, 2019

# School District No. 63 (Saanich)

## Consolidated Statement of Financial Position

As at June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	20,739,191	19,411,629
Accounts Receivable		
Due from Province - Ministry of Education	1,918,031	494,338
Due from Province - Other	108,168	49,181
Due from LEA Funding	953,430	1,180,420
Other (Note 3)	1,363,115	950,189
Portfolio Investments (Note 4)	203,884	199,630
<b>Total Financial Assets</b>	<b>25,285,819</b>	<b>22,285,387</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	9,258,250	7,017,477
Unearned Revenue (Note 6)	5,205,571	5,000,399
Deferred Revenue (Note 7)	1,683,968	1,676,342
Deferred Capital Revenue (Note 8)	119,848,134	117,438,282
Employee Future Benefits (Note 9)	3,617,482	3,474,852
<b>Total Liabilities</b>	<b>139,613,405</b>	<b>134,607,352</b>
<b>Net Financial Assets (Debt)</b>	<b>(114,327,586)</b>	<b>(112,321,965)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 10)	146,812,713	144,773,288
Prepaid Expenses	254,260	125,521
<b>Total Non-Financial Assets</b>	<b>147,066,973</b>	<b>144,898,809</b>
<b>Accumulated Surplus (Deficit) (Note 11)</b>	<b>32,739,387</b>	<b>32,576,844</b>

Contractual Obligations (Note 12)


Contractual Rights (Note 13)

Contingent Liabilities (Note 14)

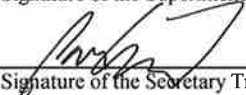
Approved by the Board

  
Signature of the Chairperson of the Board of Education

Sep 19/2019  
Date Signed

  
Signature of the Superintendent

SEP 19, 2019  
Date Signed

  
Signature of the Secretary Treasurer

September 18, 2019  
Date Signed

# School District No. 63 (Saanich)

Consolidated Statement of Operations

Year Ended June 30, 2019

Statement 2

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	74,490,569	75,611,927	71,911,397
Other	40,800	133,450	170,100
Federal Grants			4,711
Tuition	4,718,400	4,705,976	4,513,142
Other Revenue	9,952,945	10,395,519	10,575,122
Rentals and Leases	380,000	373,872	303,662
Investment Income	198,600	426,733	250,960
Amortization of Deferred Capital Revenue	4,370,869	4,416,838	4,285,166
<b>Total Revenue</b>	<b>94,152,183</b>	<b>96,064,315</b>	<b>92,014,260</b>
<b>Expenses (Note 16)</b>			
Instruction	78,457,258	76,434,373	72,765,262
District Administration	3,029,931	3,214,590	2,822,598
Operations and Maintenance	14,821,443	14,638,226	13,369,967
Transportation and Housing	1,557,170	1,614,583	1,518,641
<b>Total Expense</b>	<b>97,865,802</b>	<b>95,901,772</b>	<b>90,476,468</b>
<b>Surplus (Deficit) for the year</b>	<b>(3,713,619)</b>	<b>162,543</b>	<b>1,537,792</b>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>32,576,844</b>	31,039,052
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>32,739,387</b>	<b>32,576,844</b>



# School District No. 63 (Saanich)

## Consolidated Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2019

	2019 Budget (Note 15) \$	2019 Actual \$	2018 Actual \$
<b>Surplus (Deficit) for the year</b>	(3,713,619)	<b>162,543</b>	1,537,792
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(3,931,958)	<b>(8,008,922)</b>	(4,733,789)
Amortization of Tangible Capital Assets	5,867,687	<b>5,969,497</b>	5,756,767
<b>Total Effect of change in Tangible Capital Assets</b>	1,935,729	<b>(2,039,425)</b>	1,022,978
Acquisition of Prepaid Expenses	-	<b>(254,260)</b>	(125,521)
Use of Prepaid Expenses	-	<b>125,521</b>	77,198
<b>Total Effect of change in Other Non-Financial Assets</b>	-	<b>(128,739)</b>	(48,323)
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(1,777,890)</u>	<b>(2,005,621)</b>	2,512,447
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<b>(2,005,621)</b>	2,512,447
<b>Net Financial Assets (Debt), beginning of year</b>		<b>(112,321,965)</b>	(114,834,412)
<b>Net Financial Assets (Debt), end of year</b>		<b>(114,327,586)</b>	<b>(112,321,965)</b>

# School District No. 63 (Saanich)

## Consolidated Statement of Cash Flows

Year Ended June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	162,543	1,537,792
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,668,616)	2,291,063
Prepaid Expenses	(128,739)	(48,323)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	2,240,773	(7,545)
Unearned Revenue	205,172	(285,102)
Deferred Revenue	7,626	124,242
Employee Future Benefits	142,630	268,892
Amortization of Tangible Capital Assets	5,969,497	5,756,767
Amortization of Deferred Capital Revenue	(4,416,838)	(4,285,166)
<b>Total Operating Transactions</b>	<b>2,514,048</b>	<b>5,352,620</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(2,531,489)	(2,361,524)
Tangible Capital Assets -WIP Purchased	(5,477,433)	(2,372,265)
<b>Total Capital Transactions</b>	<b>(8,008,922)</b>	<b>(4,733,789)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	6,826,690	3,133,612
<b>Total Financing Transactions</b>	<b>6,826,690</b>	<b>3,133,612</b>
<b>Investing Transactions</b>		
Proceeds on Disposal of Portfolio Investments	(4,254)	(4,066)
<b>Total Investing Transactions</b>	<b>(4,254)</b>	<b>(4,066)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,327,562</b>	<b>3,748,377</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>19,411,629</b>	<b>15,663,252</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>20,739,191</b>	<b>19,411,629</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	12,393,749	11,301,452
Cash Equivalents	8,345,442	8,110,177
	<b>20,739,191</b>	<b>19,411,629</b>

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**NOTE 1            AUTHORITY AND PURPOSE**

The school district 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. 63 (Saanich)", and operates as "School District No. 63 (Saanich)". A board of education ("Board") is elected for a four-year term and 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. 63 (Saanich) is exempt from federal and provincial corporate income taxes.

**NOTE 2            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the school district are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the school district are as follows:

a) Basis of Accounting

The consolidated financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The *Budget Transparency and Accountability Act* requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 required all tax supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia taxpayer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires 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.

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

b) Basis of Consolidation

These consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities. School District No. 63 Business Company is 100 percent owned by the School District. The transactions of the Business Company are accounted for using the consolidation method. Inter-departmental transactions and organizational transactions have been eliminated.

c) 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.

d) Accounts Receivable

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

e) Portfolio Investments

The school district has investments in GICs with terms to maturity of greater than one year. GICs are reported at cost.

f) 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.

g) Deferred 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).

h) Deferred Capital Revenue

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.

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

i) 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 prorated 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 (EARS�) 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.

j) 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 remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

k) 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 consolidated 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 consolidated 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

l) Prepaid Expenses

Amounts for insurance and other services 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 Note 11 – Accumulated Surplus).

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

n) Revenue Recognition

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

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

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

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

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

The accounting treatment for restricted contributions that are government transfers 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.

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

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

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

o) Expenditures

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

Categories of Salaries

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. 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.

p) 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. 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.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the consolidated 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. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

q) Measurement Uncertainty

Preparation of consolidated 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 consolidated 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.

r) Comparative Figures

Certain comparative figures presented in the financial statements have been reclassified to conform to the financial statement presentation adopted in the current year.

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	June 30, 2019	June 30, 2018
	\$	\$
Due from Federal Government	165,730	90,845
Other	150,587	89,581
BCPSEA and PEBT benefit surplus	1,046,798	769,763
	1,363,115	950,189

**NOTE 4      PORTFOLIO INVESTMENTS**

	June 30, 2019	June 30, 2018
Investments measured at cost:	\$	\$
GIC's	203,884	199,630
	203,884	199,630

**NOTE 5      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER**

	June 30, 2019	June 30, 2018
	\$	\$
Trade payables	2,181,402	1,374,162
Salaries and benefits payable	6,718,027	5,327,928
Accrued vacation pay	358,821	315,387
	9,258,250	7,017,477

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 6            UNEARNED REVENUE**

	June 30, 2019	June 30, 2018
	\$	\$
Balance, beginning of year	5,000,399	5,285,501
Changes for the year:		
Increase:		
Tuition fees collected	3,438,591	3,230,617
Homestay fees collected	1,766,981	1,755,734
Lease fees collected	-	16,448
	5,205,572	5,002,799
Decrease:		
Tuition fees recognized as revenue	(3,230,617)	(3,341,971)
Homestay fees recognized as revenue	(1,755,734)	(1,945,930)
Lease fees recognized as revenue	(14,049)	-
	205,172	(285,102)
Net changes for the year	205,172	(285,102)
Balance, end of year	5,205,571	5,000,399

**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.

	June 30, 2019	June 30, 2018
	\$	\$
Balance, beginning of year	1,676,342	1,552,100
Changes for the year:		
Increase:		
Provincial Grants	9,132,886	7,341,002
Other	3,967,481	3,880,104
Investment Income	36,804	28,688
	13,137,171	11,249,794
Decrease:		
Transfers to Revenue	(12,927,176)	(11,125,552)
17/18 Adjustments Deducted by MOE	(202,369)	-
Net changes for the year	7,626	124,242
Balance, end of year	1,683,968	1,676,342

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**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.

	June 30, 2019	June 30, 2018
Balance, deferred capital revenue, subject to amortization, beginning of year	\$ 115,826,575	\$ 111,456,991
Changes for the year:		
Increase:		
Capital Additions	1,914,181	1,215,769
Transfer from work in progress	602,075	7,438,981
Decrease:		
Amortization	(4,416,838)	(4,285,166)
Net changes for the year	(1,900,582)	4,369,584
Balance, deferred capital revenue, subject to amortization, end of year	113,925,993	115,826,575
Balance, deferred capital revenue, not subject to amortization, beginning of year	582,660	5,649,376
Transfer from unspent deferred capital revenue – work in progress	5,477,433	2,372,265
Transfer completed projects to deferred capital revenue	(602,075)	(7,438,981)
Balance, deferred capital revenue not subject to amortization, end of year	5,458,018	582,660
Balance, unspent deferred capital revenue, beginning of year	1,029,047	1,483,469
Changes for the year:		
Increase:		
Provincial Grants, Ministry of Education	5,170,476	2,423,754
Provincial Grants, Other	196,913	193,770
Investment income	17,500	21,750
Receivable from Ministry of Education – COA Draws	1,441,801	494,338
Decrease:		
Transferred to DCR – Capital Additions	(1,914,181)	(1,215,769)
Transferred to DCR – Work in Progress	(5,477,433)	(2,372,265)
Net changes for the year	(564,924)	(454,422)
Balance, unspent deferred capital revenue, end of year	464,123	1,029,047
Balance, end of year	119,848,134	117,438,282

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**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.

	June 30, 2019	June 30, 2018
<b>Reconciliation of Accrued Benefit Obligation</b>		
	\$	\$
Accrued Benefit Obligation – April 1	4,310,285	4,244,454
Service Cost	325,444	291,279
Interest Cost	121,816	119,627
Benefit Payments	(436,800)	(304,056)
Increase in Obligation Due to Plan Amendment	50,172	-
Actuarial Loss (Gain)	40,337	(41,019)
	4,411,254	4,310,285
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	4,411,254	4,310,285
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	(4,411,254)	(4,310,285)
Employer Contributions After Measurement Date	190,024	133,010
Benefits Expense After Measurement Date	(115,888)	(111,815)
Unamortized Net Actuarial Gain	719,636	814,238
	(3,617,482)	(3,474,852)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability – July 1	3,474,852	3,205,960
Net expense for Fiscal Year	636,444	558,995
Employer Contributions	(493,814)	(290,103)
	3,617,482	3,474,852
<b>Components of Net Benefit Expense</b>		
	\$	\$
Service Cost	331,732	299,820
Interest Cost	119,601	120,175
Immediate Recognition of Plan Amendment	50,172	-
Amortization of Net Actuarial (Gain)/Loss	134,939	139,000
Net Benefit Expense (Income)	636,444	558,995

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

The significant actuarial assumptions adopted for measuring the school district's accrued benefit obligations are:

	June 30, 2019	June 30, 2018
Discount Rate – April 1	2.75%	2.75%
Discount Rate – March 31	2.50%	2.75%
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	10.5 years	10.1 years

**NOTE 10 TANGIBLE CAPITAL ASSETS**

Cost:	Balance at July 1, 2018	Additions	Disposals	Transfers	Balance at June 30, 2019
	\$	\$	\$	\$	\$
Sites	6,088,418	-	-	-	6,088,418
Buildings	209,508,036	902,233	-	271,690	210,681,959
Work in progress	582,660	5,477,433	-	(602,075)	5,458,018
Furniture & Equipment	5,023,623	1,260,445	600,821	330,385	6,013,632
Vehicles	2,095,266	85,999	398,450	-	1,782,815
Computer Software	240,462	35,461	-	-	275,923
Computer Hardware	1,448,795	247,351	424,363	-	1,271,783
<b>Total</b>	<b>224,987,260</b>	<b>8,008,922</b>	<b>1,423,634</b>	<b>-</b>	<b>231,572,548</b>

Accumulated Amortization:	Balance at July 1, 2018	Additions	Disposals	Transfers	Balance at June 30, 2019
	\$	\$	\$	\$	\$
Sites	-	-	-	-	-
Buildings	75,781,332	4,919,756	-	-	80,701,088
Furniture & Equipment	2,670,167	502,363	600,821	-	2,571,709
Vehicles	1,089,481	209,527	398,450	-	900,558
Computer Software	103,691	48,092	-	-	151,783
Computer Hardware	569,301	289,759	424,363	-	434,697
<b>Total</b>	<b>80,213,972</b>	<b>5,969,497</b>	<b>1,423,634</b>	<b>-</b>	<b>84,759,835</b>

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 10 TANGIBLE CAPITAL ASSETS (continued)**

Cost:	Balance at July 1, 2017	Additions	Disposals	Transfers	Balance at June 30, 2018
	\$	\$	\$	\$	\$
Sites	6,088,418	-	-	-	6,088,418
Buildings	200,709,281	1,336,601	-	7,462,154	209,508,036
Work in progress	5,672,549	2,372,265	-	(7,462,154)	582,660
Furniture & Equipment	5,321,616	509,270	(807,263)	-	5,023,623
Vehicles	2,339,258	40,380	(284,372)	-	2,095,266
Computer Software	188,177	52,285	-	-	240,462
Computer Hardware	1,209,815	422,988	(184,008)	-	1,448,795
<b>Total</b>	<b>221,529,114</b>	<b>4,733,789</b>	<b>(1,275,643)</b>	<b>-</b>	<b>224,987,260</b>

Accumulated Amortization:	Balance at July 1, 2017	Additions	Disposals	Transfers	Balance at June 30, 2018
	\$	\$	\$	\$	\$
Sites	-	-	-	-	-
Buildings	71,070,251	4,711,081	-	-	75,781,332
Furniture & Equipment	2,945,268	532,162	(807,263)	-	2,670,167
Vehicles	1,139,927	233,926	(284,372)	-	1,089,481
Computer Software	66,056	37,635	-	-	103,691
Computer Hardware	511,346	241,963	(184,008)	-	569,301
<b>Total</b>	<b>75,732,848</b>	<b>5,756,767</b>	<b>(1,275,643)</b>	<b>-</b>	<b>80,213,972</b>

**Net Book Value:**

	Net Book Value June 30, 2019	Net Book Value June 30, 2018
	\$	\$
Sites	6,088,418	6,088,418
Buildings	129,980,871	133,726,704
Work in Progress	5,458,018	582,660
Furniture & Equipment	3,441,923	2,353,456
Vehicles	882,257	1,005,785
Computer Software	124,140	136,771
Computer Hardware	837,086	879,494
<b>Total</b>	<b>146,812,713</b>	<b>144,773,288</b>

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**NOTE 11 ACCUMULATED SURPLUS**

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	June 30, 2019	June 30, 2018
	\$	\$
Invested in tangible capital assets	27,433,511	28,368,862
Local capital surplus	65,323	9,991
Operating surplus	5,240,553	4,197,991
	32,739,387	32,576,844

Inter-fund transfers between the operating, special purpose and capital funds for the year ended June 30, 2019, were as follows:

- \$615,580 was transferred from the operating fund to the capital fund for the purchase of capital assets.
- \$57,060 was transferred from the operating fund to the local capital fund for future purchases of capital assets.
- \$6,947 was transferred from the operating fund to special purpose funds to fund additional expenditures from special purpose fund programs.

The operating surplus has been internally restricted (appropriated) by the Board for:

	June 30, 2019
	\$
School Activities	983,039
District Activities	1,717,364
Appropriated for 2019/20 Budget	840,150
Subtotal Internally Restricted	3,540,553
Unrestricted Operating Surplus	1,700,000
Total Available for Future Operations	5,240,553

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**NOTE 12      CONTRACTUAL OBLIGATIONS**

The school district has entered into contracts related to capital projects with a remaining cost of approximately \$3,797,580.

The school district has entered into a contract to purchase 1100 computers by September 2019 for a total of \$325,700.

The school district leases the Broadmead Learning Centre for an annual cost of \$93,288. This lease expires on June 30, 2020 and will be renegotiated at that time.

**NOTE 13      CONTRACTUAL RIGHTS**

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The school district's contractual rights arise because of contracts entered into for lease of surplus district properties. The following table summarizes the contractual rights of the school district for future assets:

\$						
Contractual Rights	2020	2021	2022	2023	2024	Thereafter
Leases of Property	442,562	322,953	322,943	112,263	110,943	99,603

**NOTE 14      CONTINGENT LIABILITIES**

The school district, in conducting its usual business activities, is involved in various legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material effect on the school district's financial position.

Certain schools in the school district contain asbestos. No amount has been recorded in these financial statements with regard to this potential liability since the fair value of future removal costs cannot be reasonably estimated due to unknown timelines.



**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 15      BUDGET FIGURES**

Budget figures included in the consolidated financial statements were approved by the Board through the adoption of an amended annual budget bylaw on February 20, 2019. The original annual budget was adopted on May 16, 2018. The original and amended budgets are presented below.

	<b>2019 Amended Annual Budget</b>	<b>2019 Annual Budget</b>
<b>Revenues</b>		
	\$	\$
Provincial Grants	74,531,369	70,324,134
Tuition	4,718,400	4,874,100
Other Revenue	9,952,945	9,830,618
Rentals and Leases	380,000	380,000
Investment Income	198,600	183,600
Amortization of Deferred Capital Revenue	4,370,869	4,370,869
<b>Total Revenue</b>	<b>94,152,183</b>	<b>89,963,321</b>
<b>Expenses</b>		
Instruction	78,457,258	73,025,366
District Administration	3,029,931	3,268,032
Operations and Maintenance	14,821,443	14,048,669
Transportation and Housing	1,557,170	1,526,953
<b>Total Expense</b>	<b>97,865,802</b>	<b>91,869,020</b>
<b>Net Revenue (Expense)</b>	<b>(3,713,619)</b>	<b>(1,905,699)</b>
<b>Budgeted Allocation of Surplus</b>	<b>2,991,551</b>	<b>808,631</b>
<b>Budgeted Surplus (Deficit) for the year</b>	<b>(722,068)</b>	<b>(1,097,068)</b>

**NOTE 16      EXPENSE BY OBJECT**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
	\$	\$
Salaries and benefits	75,390,045	70,694,888
Services and supplies	14,542,230	14,024,813
Amortization	5,969,497	5,756,767
	<b>95,901,772</b>	<b>90,476,468</b>

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**NOTE 17      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 46,000 active members and approximately 38,000 retired members. As of December 31, 2018, the Municipal Pension Plan has about 197,000 active members, including approximately 24,000 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, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

The school district paid \$6,523,579 for employer contributions to the plans for the year ended June 30, 2019 (2018: \$6,801,301)

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, 2018, with results available in 2019.

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. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**NOTE 18      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. Related parties also include key management personnel and close family members. 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 19      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 consolidated financial statements have been prepared on a going concern basis.

**NOTE 20      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 and cash equivalents, amounts receivable and investments.

The school district is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

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 guaranteed investment certificates.

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

**SCHOOL DISTRICT No. 63 (SAANICH)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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**NOTE 20      RISK MANAGEMENT (continued)**

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 has been no changes to risk exposures from 2018 related to credit, market or liquidity risks.

# School District No. 63 (Saanich)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2019

	Operating Fund	Special Purpose Fund	Capital Fund	2019 Actual	2018 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	4,197,991		28,378,853	<b>32,576,844</b>	31,039,052
<b>Changes for the year</b>					
Surplus (Deficit) for the year	1,722,149	(6,947)	(1,552,659)	<b>162,543</b>	1,537,792
Interfund Transfers					
Tangible Capital Assets Purchased	(615,580)		615,580	-	
Local Capital	(57,060)		57,060	-	
Other	(6,947)	6,947		-	
<b>Net Changes for the year</b>	<b>1,042,562</b>	<b>-</b>	<b>(880,019)</b>	<b>162,543</b>	<b>1,537,792</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>5,240,553</b>	<b>-</b>	<b>27,498,834</b>	<b>32,739,387</b>	<b>32,576,844</b>

# School District No. 63 (Saanich)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	65,787,225	66,545,112	64,735,258
Other	40,800	133,450	170,100
Federal Grants			4,711
Tuition	4,718,400	4,705,976	4,513,142
Other Revenue	6,537,299	6,571,962	6,630,160
Rentals and Leases	380,000	373,872	303,662
Investment Income	195,000	389,929	244,192
<b>Total Revenue</b>	<u>77,658,724</u>	<u>78,720,301</u>	<u>76,601,225</u>
<b>Expenses</b>			
Instruction	66,533,155	64,158,672	62,337,082
District Administration	2,977,418	2,861,982	2,590,627
Operations and Maintenance	8,858,724	8,572,441	7,518,168
Transportation and Housing	1,346,388	1,405,057	1,307,859
<b>Total Expense</b>	<u>79,715,685</u>	<u>76,998,152</u>	<u>73,753,736</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(2,056,961)</u>	<u>1,722,149</u>	<u>2,847,489</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>2,991,551</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(369,750)	(615,580)	(694,857)
Tangible Capital Assets - Work in Progress	(30,000)		
Local Capital		(57,060)	
Other	(159,840)	(6,947)	(50,849)
<b>Total Net Transfers</b>	<u>(559,590)</u>	<u>(679,587)</u>	<u>(745,706)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>375,000</u>	<u>1,042,562</u>	<u>2,101,783</u>
<b>Operating Surplus (Deficit), beginning of year</b>		4,197,991	2,096,208
<b>Operating Surplus (Deficit), end of year</b>		<u>5,240,553</u>	<u>4,197,991</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		3,540,553	2,991,551
Unrestricted		1,700,000	1,206,440
<b>Total Operating Surplus (Deficit), end of year</b>		<u>5,240,553</u>	<u>4,197,991</u>

# School District No. 63 (Saanich)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	68,220,560	68,251,286	66,347,331
ISC/LEA Recovery	(3,126,255)	(2,984,092)	(2,995,397)
Other Ministry of Education Grants			
Pay Equity	377,315	377,315	377,315
Funding for Graduated Adults	111,000	252,118	223,107
Transportation Supplement	280,000	280,000	280,000
Economic Stability Dividend		81,181	43,942
Return of Administrative Savings			296,726
Carbon Tax Grant	44,347	55,579	53,770
Employer Health Tax Grant		177,761	
Strategic Priorities - Mental Health Grant		33,000	
FSA Marking	13,769	12,964	12,964
Operating Grant Enrolment Adjustment	(133,511)		
Equity Scan and Access Grants		8,000	
Indigenous Language Teaching			10,000
School Seismic Upgrade Program Assessment Funding			85,500
<b>Total Provincial Grants - Ministry of Education</b>	<b>65,787,225</b>	<b>66,545,112</b>	<b>64,735,258</b>
<b>Provincial Grants - Other</b>	<b>40,800</b>	<b>133,450</b>	<b>170,100</b>
<b>Federal Grants</b>			<b>4,711</b>
<b>Tuition</b>			
International and Out of Province Students	4,718,400	4,705,976	4,513,142
<b>Total Tuition</b>	<b>4,718,400</b>	<b>4,705,976</b>	<b>4,513,142</b>
<b>Other Revenues</b>			
LEA Funding from First Nations	3,126,255	2,984,092	2,995,397
Miscellaneous			
Miscellaneous and School Generated	340,990	523,137	607,369
Cafeteria	68,000	158,687	158,222
Reading Recovery	75,954	81,854	75,954
Textbook Deposits and Distance Ed Fees	140,000	64,607	106,253
International and Out of Province Homestay Fees	2,751,100	2,739,356	2,646,011
Community Use	35,000	20,229	40,954
<b>Total Other Revenue</b>	<b>6,537,299</b>	<b>6,571,962</b>	<b>6,630,160</b>
<b>Rentals and Leases</b>	<b>380,000</b>	<b>373,872</b>	<b>303,662</b>
<b>Investment Income</b>	<b>195,000</b>	<b>389,929</b>	<b>244,192</b>
<b>Total Operating Revenue</b>	<b>77,658,724</b>	<b>78,720,301</b>	<b>76,601,225</b>

# School District No. 63 (Saanich)

Schedule 2B (Unaudited)

## Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget (Note 15) \$	2019 Actual \$	2018 Actual \$
<b>Salaries</b>			
Teachers	31,066,228	30,756,672	29,979,151
Principals and Vice Principals	4,230,236	4,396,163	4,260,487
Educational Assistants	4,741,171	4,519,962	4,528,519
Support Staff	7,846,015	8,259,295	7,690,052
Other Professionals	2,536,493	2,570,896	2,260,808
Substitutes	2,675,460	2,900,088	2,560,914
<b>Total Salaries</b>	<b>53,095,603</b>	<b>53,403,076</b>	<b>51,279,931</b>
<b>Employee Benefits</b>	<b>13,457,721</b>	<b>13,350,241</b>	<b>12,912,834</b>
<b>Total Salaries and Benefits</b>	<b>66,553,324</b>	<b>66,753,317</b>	<b>64,192,765</b>
<b>Services and Supplies</b>			
Services	5,289,908	4,696,799	4,340,177
Professional Development and Travel	854,868	671,213	624,639
Rentals and Leases	108,000	94,027	97,874
Dues and Fees	321,024	272,919	240,017
Insurance	168,900	168,378	166,092
Supplies	4,822,302	2,810,119	2,594,438
Utilities	1,597,359	1,531,380	1,497,734
<b>Total Services and Supplies</b>	<b>13,162,361</b>	<b>10,244,835</b>	<b>9,560,971</b>
<b>Total Operating Expense</b>	<b>79,715,685</b>	<b>76,998,152</b>	<b>73,753,736</b>



# School District No. 63 (Saanich)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	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	23,048,148	460,242	173,021	499,754		2,358,343	26,539,508
1.03 Career Programs	283,254		95,611	58,993		2,256	440,114
1.07 Library Services	650,760			308,954		17,684	977,398
1.08 Counselling	805,047	23,046					828,093
1.10 Special Education	3,808,341	249,569	3,973,281	174,320	642,966	247,685	9,096,162
1.30 English Language Learning	773,783						773,783
1.31 Aboriginal Education	289,192	129,576	278,049	30,640		18,159	745,616
1.41 School Administration		3,267,071		1,585,724		18,077	4,870,872
1.62 International and Out of Province Students	1,019,987	266,659		383,558		2,494	1,672,698
<b>Total Function 1</b>	<b>30,678,512</b>	<b>4,396,163</b>	<b>4,519,962</b>	<b>3,041,943</b>	<b>642,966</b>	<b>2,664,698</b>	<b>45,944,244</b>
<b>4 District Administration</b>							
4.11 Educational Administration				37,176	694,901	2,789	734,866
4.40 School District Governance					104,442		104,442
4.41 Business Administration				367,545	475,450	8,632	851,627
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>404,721</b>	<b>1,274,793</b>	<b>11,421</b>	<b>1,690,935</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	78,160			101,731	568,983	34,857	783,731
5.50 Maintenance Operations				3,582,663		93,245	3,675,908
5.52 Maintenance of Grounds				429,192			429,192
5.56 Utilities							-
<b>Total Function 5</b>	<b>78,160</b>	<b>-</b>	<b>-</b>	<b>4,113,586</b>	<b>568,983</b>	<b>128,102</b>	<b>4,888,831</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				51,638	84,154		135,792
7.70 Student Transportation				647,407		95,867	743,274
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>699,045</b>	<b>84,154</b>	<b>95,867</b>	<b>879,066</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>30,756,672</b>	<b>4,396,163</b>	<b>4,519,962</b>	<b>8,259,295</b>	<b>2,570,896</b>	<b>2,900,088</b>	<b>53,403,076</b>

**School District No. 63 (Saanich)**  
 Operating Expense by Function, Program and Object  
 Year Ended June 30, 2019

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Actual	2019 Budget (Note 15)	2018 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	26,539,508	6,534,527	33,074,035	2,210,761	35,284,796	37,878,610	35,894,134
1.03 Career Programs	440,114	113,388	553,502	298,719	852,221	1,028,648	800,728
1.07 Library Services	977,398	256,668	1,234,066	57,762	1,291,828	1,273,200	1,186,407
1.08 Counselling	828,093	202,959	1,031,052	169	1,031,221	1,072,837	1,056,269
1.10 Special Education	9,096,162	2,454,739	11,550,901	554,590	12,105,491	11,805,206	10,426,797
1.30 English Language Learning	773,783	190,245	964,028	4,554	968,582	982,766	759,123
1.31 Aboriginal Education	745,616	156,078	901,694	96,230	997,924	1,157,279	1,031,591
1.41 School Administration	4,870,872	1,134,447	6,005,319	110,937	6,116,256	5,866,157	5,738,754
1.62 International and Out of Province Students	1,672,698	416,482	2,089,180	3,421,173	5,510,353	5,468,452	5,443,279
<b>Total Function 1</b>	<b>45,944,244</b>	<b>11,459,533</b>	<b>57,403,777</b>	<b>6,754,895</b>	<b>64,158,672</b>	<b>66,533,155</b>	<b>62,337,082</b>
<b>4 District Administration</b>							
4.11 Educational Administration	734,866	145,989	880,855	90,019	970,874	993,560	842,426
4.40 School District Governance	104,442	4,006	108,448	110,762	219,210	271,451	138,070
4.41 Business Administration	851,627	319,617	1,171,244	500,654	1,671,898	1,712,407	1,610,131
<b>Total Function 4</b>	<b>1,690,935</b>	<b>469,612</b>	<b>2,160,547</b>	<b>701,435</b>	<b>2,861,982</b>	<b>2,977,418</b>	<b>2,590,627</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	783,731	153,880	937,611	305,424	1,243,035	1,397,016	871,651
5.50 Maintenance Operations	3,675,908	923,343	4,599,251	669,822	5,269,073	5,297,669	4,783,510
5.52 Maintenance of Grounds	429,192	120,359	549,551	206,089	755,640	739,458	585,688
5.56 Utilities	-	-	-	1,304,693	1,304,693	1,424,581	1,277,319
<b>Total Function 5</b>	<b>4,888,831</b>	<b>1,197,582</b>	<b>6,086,413</b>	<b>2,486,028</b>	<b>8,572,441</b>	<b>8,858,724</b>	<b>7,518,168</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	135,792	32,483	168,275	4,746	173,021	179,467	156,698
7.70 Student Transportation	743,274	191,031	934,305	297,731	1,232,036	1,166,921	1,151,161
<b>Total Function 7</b>	<b>879,066</b>	<b>223,514</b>	<b>1,102,580</b>	<b>302,477</b>	<b>1,405,057</b>	<b>1,346,388</b>	<b>1,307,859</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>53,403,076</b>	<b>13,350,241</b>	<b>66,753,317</b>	<b>10,244,835</b>	<b>76,998,152</b>	<b>79,715,685</b>	<b>73,753,736</b>

# School District No. 63 (Saanich)

Schedule 3 (Unaudited)

## Schedule of Special Purpose Operations

Year Ended June 30, 2019

	2019 Budget (Note 15)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	8,703,344	9,066,815	7,176,139
Other	-	-	-
Other Revenue	3,415,646	3,823,557	3,944,962
Investment Income	3,600	36,804	4,451
<b>Total Revenue</b>	<u>12,122,590</u>	<u>12,927,176</u>	<u>11,125,552</u>
<b>Expenses</b>			
Instruction	11,924,103	12,275,701	10,428,180
District Administration	52,513	352,608	231,971
Operations and Maintenance	305,814	305,814	305,814
<b>Total Expense</b>	<u>12,282,430</u>	<u>12,934,123</u>	<u>10,965,965</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>(159,840)</u>	<u>(6,947)</u>	<u>159,587</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased			(210,436)
Other	159,840	6,947	50,849
<b>Total Net Transfers</b>	<u>159,840</u>	<u>6,947</u>	<u>(159,587)</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. 63 (Saanich)**

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2019

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Coding and Curriculum Implementation	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>		45,042	16,206		41,969	1,329,480		3,371		8,820	29,085		64,871
<b>Add: Restricted Grants</b>													
Provincial Grants - Ministry of Education	305,814	261,083		78,714		3,888,767	96,000	19,600	222,038	395,617		952,000	5,662,824
Other				4,920		31,884							
Investment Income				83,634		3,920,651	96,000	19,600	222,038	395,617		952,000	5,662,824
<b>Less: Allocated to Revenue</b>	305,814	275,269	5,507	83,634		3,776,727	96,000	16,740	222,038	404,437	25,867	952,000	5,545,233
17/18 Adjustments deducted by Ministry of Education													64,871
<b>Deferred Revenue, end of year</b>	-	<b>30,856</b>	<b>10,699</b>	-	<b>41,969</b>	<b>1,473,404</b>	-	<b>6,231</b>	-	-	<b>3,218</b>	-	<b>117,591</b>
<b>Revenues</b>													
Provincial Grants - Ministry of Education	305,814	275,269	5,507	78,714		3,744,843	96,000	16,740	222,038	404,437	25,867	952,000	5,545,233
Other Revenue				4,920		31,884							
Investment Income				83,634		3,776,727	96,000	16,740	222,038	404,437	25,867	952,000	5,545,233
<b>Expenses</b>													
Salaries													
Teachers									28,376				4,401,678
Principals and Vice Principals										56,629		139,420	
Educational Assistants		220,296							74,933			191,321	
Support Staff	23,789						49,719			257,085		76,529	
Other Professionals												156,559	
Substitutes							1,621		34,555			194,501	
Employee Benefits	23,789	220,296					51,340		137,864	313,714		758,330	4,401,678
Services and Supplies	2,709	53,880					13,381		26,881	77,731		193,670	1,143,555
	279,316	1,093	5,507	83,634		3,776,727	38,226	16,740	57,293	12,992	25,867	952,000	5,545,233
	305,814	275,269	5,507	83,634		3,776,727	102,947	16,740	222,038	404,437	25,867	952,000	5,545,233
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	<b>(6,947)</b>	-	-	-	-	-	-
<b>Interfund Transfers</b>													
Other							6,947						
							6,947						
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-

**School District No. 63 (Saanich)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2019

Schedule 3A (Unaudited)

	Classroom Enhancement	
	Fund - Remedies	TOTAL
	\$	\$
Deferred Revenue, beginning of year	137,498	1,676,342
Add: Restricted Grants		
Provincial Grants - Ministry of Education	1,217,910	9,132,886
Other		3,967,481
Investment Income		36,804
	1,217,910	13,137,171
Less: Allocated to Revenue	1,217,910	12,927,176
17/18 Adjustments deducted by Ministry of Education	137,498	202,369
Deferred Revenue, end of year	-	1,683,968
Revenues		
Provincial Grants - Ministry of Education	1,217,910	9,066,815
Other Revenue		3,823,557
Investment Income		36,804
	1,217,910	12,927,176
Expenses		
Salaries		
Teachers	190,944	4,620,998
Principals and Vice Principals		196,049
Educational Assistants		486,550
Support Staff		407,122
Other Professionals		156,559
Substitutes	793,205	1,023,882
	984,149	6,891,160
Employee Benefits	233,761	1,745,568
Services and Supplies		4,297,395
	1,217,910	12,934,123
Net Revenue (Expense) before Interfund Transfers	-	(6,947)
Interfund Transfers		
Other		6,947
	-	6,947
Net Revenue (Expense)	-	-

# School District No. 63 (Saanich)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2019

	2019 Budget (Note 15) \$	2019 Actual			2018 Actual \$
		Invested in Tangible Capital Assets \$	Local Capital \$	Fund Balance \$	
<b>Revenues</b>					
Provincial Grants					
Ministry of Education				-	
Other				-	
Investment Income				-	2,317
Amortization of Deferred Capital Revenue	4,370,869	4,416,838		4,416,838	4,285,166
<b>Total Revenue</b>	<b>4,370,869</b>	<b>4,416,838</b>	<b>-</b>	<b>4,416,838</b>	<b>4,287,483</b>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	5,656,905	5,759,971		5,759,971	5,545,985
Transportation and Housing	210,782	209,526		209,526	210,782
<b>Total Expense</b>	<b>5,867,687</b>	<b>5,969,497</b>	<b>-</b>	<b>5,969,497</b>	<b>5,756,767</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(1,496,818)</b>	<b>(1,552,659)</b>	<b>-</b>	<b>(1,552,659)</b>	<b>(1,469,284)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	369,750	615,580		615,580	905,293
Local Capital	30,000		57,060	57,060	
<b>Total Net Transfers</b>	<b>399,750</b>	<b>615,580</b>	<b>57,060</b>	<b>672,640</b>	<b>905,293</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		1,728	(1,728)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>1,728</b>	<b>(1,728)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(1,097,068)</b>	<b>(935,351)</b>	<b>55,332</b>	<b>(880,019)</b>	<b>(563,991)</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>28,368,862</b>	<b>9,991</b>	<b>28,378,853</b>	<b>28,942,844</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>27,433,511</b>	<b>65,323</b>	<b>27,498,834</b>	<b>28,378,853</b>

# School District No. 63 (Saanich)

Tangible Capital Assets  
Year Ended June 30, 2019

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	6,088,418	209,508,036	5,023,623	2,095,266	240,462	1,448,795	224,404,600
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		818,629	875,791				1,694,420
Deferred Capital Revenue - Other		-	219,761				219,761
Operating Fund		83,604	163,165	85,999	35,461	247,351	615,580
Local Capital			1,728				1,728
Transferred from Work in Progress		271,690	330,385				602,075
	-	1,173,923	1,590,830	85,999	35,461	247,351	3,133,564
Decrease:							
Deemed Disposals			600,821	398,450		424,363	1,423,634
	-	-	600,821	398,450	-	424,363	1,423,634
<b>Cost, end of year</b>	6,088,418	210,681,959	6,013,632	1,782,815	275,923	1,271,783	226,114,530
<b>Work in Progress, end of year</b>		5,297,903	160,115				5,458,018
<b>Cost and Work in Progress, end of year</b>	6,088,418	215,979,862	6,173,747	1,782,815	275,923	1,271,783	231,572,548
<b>Accumulated Amortization, beginning of year</b>		75,781,332	2,670,167	1,089,481	103,691	569,301	80,213,972
<b>Changes for the Year</b>							
Increase: Amortization for the Year		4,919,756	502,363	209,527	48,092	289,759	5,969,497
Decrease:							
Deemed Disposals			600,821	398,450		424,363	1,423,634
		-	600,821	398,450	-	424,363	1,423,634
<b>Accumulated Amortization, end of year</b>		80,701,088	2,571,709	900,558	151,783	434,697	84,759,835
<b>Tangible Capital Assets - Net</b>	6,088,418	135,278,774	3,602,038	882,257	124,140	837,086	146,812,713

**School District No. 63 (Saanich)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2019

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	582,660	-			<b>582,660</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	4,406,494	160,115			<b>4,566,609</b>
Deferred Capital Revenue - Other	580,439	330,385			<b>910,824</b>
	<u>4,986,933</u>	<u>490,500</u>	-	-	<u><b>5,477,433</b></u>
Decrease:					
Transferred to Tangible Capital Assets	271,690	330,385			<b>602,075</b>
	<u>271,690</u>	<u>330,385</u>	-	-	<u><b>602,075</b></u>
<b>Net Changes for the Year</b>	<u>4,715,243</u>	<u>160,115</u>	-	-	<u><b>4,875,358</b></u>
<b>Work in Progress, end of year</b>	<u><b>5,297,903</b></u>	<u><b>160,115</b></u>	-	-	<u><b>5,458,018</b></u>



# School District No. 63 (Saanich)

Schedule 4C (Unaudited)

Deferred Capital Revenue  
Year Ended June 30, 2019

	Bylaw Capital \$	Other Provincial \$	Other Capital \$	Total Capital \$
<b>Deferred Capital Revenue, beginning of year</b>	107,111,225	7,998,907	716,443	115,826,575
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,694,420	219,761		1,914,181
Transferred from Work in Progress	22,625	579,450		602,075
	<u>1,717,045</u>	<u>799,211</u>	-	<u>2,516,256</u>
Decrease:				
Amortization of Deferred Capital Revenue	4,143,344	251,134	22,360	4,416,838
	<u>4,143,344</u>	<u>251,134</u>	<u>22,360</u>	<u>4,416,838</u>
<b>Net Changes for the Year</b>	<u>(2,426,299)</u>	<u>548,077</u>	<u>(22,360)</u>	<u>(1,900,582)</u>
<b>Deferred Capital Revenue, end of year</b>	<u>104,684,926</u>	<u>8,546,984</u>	<u>694,083</u>	<u>113,925,993</u>
<b>Work in Progress, beginning of year</b>				
	547,422	35,238		582,660
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	4,566,609	910,824		5,477,433
	<u>4,566,609</u>	<u>910,824</u>	-	<u>5,477,433</u>
Decrease				
Transferred to Deferred Capital Revenue	22,625	579,450		602,075
	<u>22,625</u>	<u>579,450</u>	-	<u>602,075</u>
<b>Net Changes for the Year</b>	<u>4,543,984</u>	<u>331,374</u>	-	<u>4,875,358</u>
<b>Work in Progress, end of year</b>	<u>5,091,406</u>	<u>366,612</u>	-	<u>5,458,018</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>109,776,332</u>	<u>8,913,596</u>	<u>694,083</u>	<u>119,384,011</u>

# School District No. 63 (Saanich)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue  
Year Ended June 30, 2019

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	226,406	646,000	153,097		3,544	1,029,047
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	6,612,277					6,612,277
Provincial Grants - Other			196,913			196,913
Investment Income		12,300	5,200			17,500
Transfer project surplus to MEd Restricted (from) Bylaw	(472,534)	472,534				-
	6,139,743	484,834	202,113	-	-	6,826,690
Decrease:						
Transferred to DCR - Capital Additions	1,694,420	-	219,761			1,914,181
Transferred to DCR - Work in Progress	4,566,609	910,824				5,477,433
	6,261,029	910,824	219,761	-	-	7,391,614
<b>Net Changes for the Year</b>	(121,286)	(425,990)	(17,648)	-	-	(564,924)
<b>Balance, end of year</b>	<b>105,120</b>	<b>220,010</b>	<b>135,449</b>	<b>-</b>	<b>3,544</b>	<b>464,123</b>