



Meadowridge School Society
Financial Statements
June 30, 2021



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Meadowridge School Society
Financial Statements
June 30, 2021

Meadowridge School Society

Contents

For the year ended June 30, 2021

	<i>Page</i>
Management's Responsibility	
Independent Auditors' Report	
Financial Statements	
Statement of Financial Position.....	1
Statement of Operations.....	2
Statement of Changes in Net Assets.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements	5
Schedules	
Schedule 1 - Schedule of Meadowridge School Society Expenses.....	13

Management's Responsibility

To the Members of Meadowridge School Society:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Governors is composed entirely of members who are neither management nor employees of the Society. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Society's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

September 29, 2021

"Scott Banack" Signed
CEO, Headmaster

"Julie Bournival" Signed
Director of Finance

To the Members of Meadowridge School Society:

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Meadowridge School Society (the "Society"), which comprise the statement of financial position as at June 30, 2021, and the statements of operations, changes in net assets, cash flows and the supporting schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, Meadowridge School Society derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Meadowridge School Society and we were not able to determine whether as at or for the year ended June 30, 2021, any adjustments might be necessary to donation revenues and excess of revenue over expenses, assets and net assets. Our audit opinion on the financial statements for the year ended June 30, 2020 was also qualified accordingly because of the possible effects of this limitation in scope.

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 Society 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 qualified opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 Society'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 Society'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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Maple Ridge, British Columbia

September 29, 2021

MNP LLP

Chartered Professional Accountants

Meadowridge School Society

Statement of Financial Position

As at June 30, 2021

	<i>Education</i>	<i>Capital</i>	<i>2021</i>	<i>2020</i>
Assets				
Current				
Cash	10,110,618	699,507	10,810,125	7,826,568
Term deposits and GIC's (Note 3)	-	5,323,591	5,323,591	2,348,363
Tuition fees receivable (Note 4)	44,619	-	44,619	261,925
Government remittances receivable	83,960	-	83,960	137,940
Other accounts receivable	28,149	-	28,149	30,149
Inventory	321,704	-	321,704	289,329
Prepaid expenses	529,806	-	529,806	187,811
Investments (Note 5)	-	5,105,367	5,105,367	3,610,360
	11,118,856	11,128,465	22,247,321	14,692,445
Capital assets (Note 6)	-	27,594,408	27,594,408	28,655,006
Loan receivable (Note 7)	400,000	-	400,000	-
Long-term deposits	16,968	-	16,968	14,369
	11,535,824	38,722,873	50,258,697	43,361,820
Liabilities				
Current				
Bank indebtedness (Note 8)	11,013	-	11,013	-
Accounts payable and accruals	607,754	397,351	1,005,105	1,188,962
Unearned tuition revenue (Note 9)	10,522,724	-	10,522,724	6,061,269
Government remittances payable	1,748	-	1,748	6,802
Current portion of term loans due on demand (Note 10)	-	565,240	565,240	391,094
	11,143,239	962,591	12,105,830	7,648,127
Term loans due on demand (Note 10)	-	14,452,537	14,452,537	15,117,478
Educational Investment Fund deposits (Note 11)	-	5,442,000	5,442,000	5,159,148
	11,143,239	20,857,128	32,000,367	27,924,753
Deferred contributions (Note 12)	-	651,595	651,595	459,333
	11,143,239	21,508,723	32,651,962	28,384,086
Net Assets	392,585	17,214,150	17,606,735	14,977,734
	11,535,824	38,722,873	50,258,697	43,361,820

Approved on behalf of the Board

"Lance Leger" Signed
Board Chair

"Craig Gunning" Signed
Treasurer

The accompanying notes are an integral part of these financial statements

Meadowridge School Society
Statement of Operations
For the year ended June 30, 2021

	<i>Education</i>	<i>Capital</i>	2021	2020
Revenues				
Tuition fees <i>(Note 13)</i>	14,812,339	-	14,812,339	14,879,010
Government grants <i>(Note 14)</i>	2,145,737	-	2,145,737	1,951,061
Field-trip revenue	68,761	-	68,761	331,916
Program revenue	336,666	-	336,666	325,892
Registration and assessments	385,000	-	385,000	458,800
	17,748,503	-	17,748,503	17,946,679
Expenses				
Instructional <i>(Schedule 1)</i>	8,758,720	-	8,758,720	8,604,288
Administration <i>(Schedule 1)</i>	3,537,742	-	3,537,742	3,944,134
Operating <i>(Schedule 1)</i>	1,484,611	2,014,146	3,498,757	3,409,611
	13,781,073	2,014,146	15,795,219	15,958,033
Excess of revenues over expenses from operations	3,967,430	(2,014,146)	1,953,284	1,988,646
Other revenues (expenses)				
Amortization of deferred contributions	-	80,400	80,400	70,964
Loss on disposal of capital assets	-	(43,850)	(43,850)	(125,362)
Investment income, net	-	137,151	137,151	118,799
Gain on sale of investments	-	32,110	32,110	-
Unrealized gain on investments	-	445,019	445,019	-
Auxiliary services	(241,612)	-	(241,612)	(118,604)
Donations <i>(Note 15)</i>	16,004	185,195	201,199	374,092
Gala fundraiser <i>(Note 16)</i>	-	-	-	(2,957)
Golf tournament fundraiser <i>(Note 17)</i>	-	-	-	(238)
Rentals	65,300	-	65,300	74,489
	(160,308)	836,025	675,717	391,183
Excess of revenues over expenses	3,807,122	(1,178,121)	2,629,001	2,379,829

The accompanying notes are an integral part of these financial statements

Meadowridge School Society
Statement of Changes in Net Assets

For the year ended June 30, 2021

	<i>Education</i>	<i>Capital</i>	2021	<i>2020</i>
Net assets, beginning of year	910,178	14,067,556	14,977,734	12,597,905
Excess of revenues over expenses	3,807,122	(1,178,121)	2,629,001	2,379,829
Interfund transfers	(4,324,715)	4,324,715	-	-
Net assets, end of year	392,585	17,214,150	17,606,735	14,977,734

The accompanying notes are an integral part of these financial statements

Meadowridge School Society
Statement of Cash Flows
For the year ended June 30, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Excess of revenues over expenses	2,629,001	2,379,829
Amortization	1,376,386	1,333,672
Amortization of deferred capital contributions recognized in revenue	(80,400)	(70,964)
Loss on disposal of capital assets	43,850	125,362
Gain on sale of investments	(32,110)	-
Unrealized gain on investments	(445,019)	-
	3,491,708	3,767,899
Changes in working capital accounts		
Tuition fees receivable	217,306	(43,269)
Government remittances receivable	53,980	53,147
Other accounts receivable	2,000	4,626
Inventory	(32,375)	52,311
Prepaid expenses	(341,995)	163,668
Accounts payable and accruals	(183,861)	(294,149)
Government remittances payable	(5,054)	(70)
Unearned tuition revenue	4,461,455	(3,780,262)
	7,663,164	(76,099)
Financing activities		
Advances of bank indebtedness	11,013	-
Repayments of bank indebtedness	-	(85,242)
Advances of term loans due on demand	-	2,583,966
Repayment of term loans due on demand	(490,794)	(370,495)
Deferred contributions received	272,662	164,690
Educational Investment Fund deposits received	1,028,852	545,037
Educational Investment Fund deposits reimbursed	(746,000)	(699,500)
Payments of long-term deposits	(2,599)	(5,816)
Advance of loan receivable	(400,000)	-
	(326,866)	2,132,640
Investing activities		
Purchase of term deposits and GIC's	(5,000,000)	(2,321,863)
Proceeds on disposal of term deposits and GIC's	2,024,772	203,393
Purchase of capital assets	(387,003)	(2,009,983)
Proceeds on disposal of capital assets	27,365	-
Net purchase of investments	(1,017,875)	(526,550)
	(4,352,741)	(4,655,003)
Increase (decrease) in cash resources	2,983,557	(2,598,462)
Cash resources, beginning of year	7,826,568	10,425,030
Cash resources, end of year	10,810,125	7,826,568

The accompanying notes are an integral part of these financial statements

1. Purpose of the Organization

Meadowridge School Society (the "Society") is a provincial society operating a school that is non-denominational, co-educational and available to all members of the community. Meadowridge School Society is incorporated under the Society Act (British Columbia) as a not-for-profit organization, is a registered charity under the Canadian Income Tax Act (the "Act") and, as such, is exempt from income taxes. In order to maintain its status as a registered not-for-profit organization under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

Impacts of COVID-19

Subsequent to year-end, the global outbreak of COVID-19 (coronavirus) continued, which has had a significant impact on organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. These restrictions resulted in a reduction to the Society's revenue from field trips. The Society responded by hiring additional on call teachers and custodial staff, implementing new technology for distance learning, investing in air circulation systems, subsidizing school buses and purchasing various personal protective equipment such as a thermal camera, deep cleaning machines and shields in student changing rooms. In management's opinion, enrolment will be consistent with the previous year.

At this time, it is unknown the extent of the full impact the COVID-19 outbreak may have on the Society as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Fund accounting

The Society follows the deferral method of accounting for contributions and reports using fund accounting, and maintains the following funds:

- Education - The Education fund accounts for the Society's curriculum program delivery and administrative activities related to student education.
- Capital - The Capital fund reports the assets, liabilities, revenues and expenses related to the Society's capital and investment assets.

Revenue recognition

The Society uses the deferral method of accounting for contributions and reports on a fund accounting basis.

- Revenue from tuition fees is recognized as earned over the school year. Tuition fees received in advance for the subsequent school year are recorded as unearned tuition revenue in the current year.
- Revenue from government grants is recognized over a ten-month period commencing September 1st of each school year. The grant is for operating expenses of the school and is equal to 35% of the local public school district per student operating costs. Only full time equivalent Canadian and Permanent Resident students from grades kindergarten to grade 12 are eligible for government funding. Kindergarten to grade 12 full time equivalent students having a parent with a valid Canadian Work Permit are also eligible for funding.
- Field trip, program, registration and assessment, and fundraising revenue is recognized when the service is rendered.

2. Significant accounting policies *(Continued from previous page)*

- Contributions restricted for the purchase of capital assets are amortized into revenue at a rate corresponding with the amortization rate for the related capital asset.
- Investment income is recognized as revenue when earned.
- Rental income is recognized, pursuant to rental agreements, when occupancy occurs.

Revenues are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

The cost of inventories recognized as an expense and included in other revenues (expenses) - auxiliary services amounted to \$163,521 (2020 - \$143,450).

Investments

Investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Changes in fair value are recorded immediately in the excess of revenues over expenses.

Investment fees included in other revenues (expenses) - investment income amounted to \$59,834 (2020 - \$45,905).

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the following methods at rates/terms intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate/Term
Buildings	declining balance	4 %
Computer equipment	straight-line	3 years
Equipment and furniture	straight-line	5 years
Fencing and lights	straight-line	25 years
Irrigation system	straight-line	25 years
Landscaping	straight-line	40 years
Playground structure	declining balance	4 %
Portables	declining balance	10 %
Vehicles	declining balance	30 %

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Tuition fees receivable and other accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the periods in which they become known.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The Society recognizes its financial instruments when the Society becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with the CPA Canada Handbook Section 3840 Related Party Transactions.

At initial recognition, the Society may irrevocably elect to subsequently measure any financial instrument at fair value. The Society has not made such an election during the year.

The Society subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by quoted market prices. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

Financial asset impairment

The Society assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenues over expenses in the year the reversal occurs.

Contributed services

Volunteers contribute an unknown number of hours per year to assist the Society in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Meadowridge School Society
Notes to the Financial Statements
For the year ended June 30, 2021

3. Term deposits and GIC's

	2021	2020
Cashable GIC maturing October 2021, interest at 2.52%, redeemable without penalty.	305,302	305,323
Cashable GIC maturing July 2021, interest at 0.75%, redeemable without penalty.	5,018,289	-
Term deposit matured June 2021	-	26,500
GIC matured January 2021	-	2,016,540
	5,323,591	2,348,363

4. Tuition fees receivable

	2021	2020
Tuition fees receivable	114,955	320,220
Allowance for doubtful accounts	(70,336)	(58,295)
	44,619	261,925

5. Investments

	2021	2020
BMO Harris Private Investment account		
Fixed income bonds - cost \$1,618,799	1,636,457	2,301,177
Equity stocks - cost \$2,322,647	2,873,367	1,309,183
Other investments - cost \$573,007	595,543	-
	5,105,367	3,610,360

Fixed income bonds with various interest rates ranging from 0.75% to 3.66% and various maturity dates.

Meadowridge School Society
Notes to the Financial Statements
For the year ended June 30, 2021

6. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2021 Net book value</i>	<i>2020 Net book value</i>
Land	3,396,831	-	3,396,831	3,396,831
Buildings	30,730,591	10,026,533	20,704,058	21,537,649
Computer equipment	805,681	749,176	56,505	96,142
Equipment and furniture	2,947,026	2,151,047	795,979	820,989
Fencing and lights	482,347	191,377	290,970	294,347
Irrigation system	268,924	133,308	135,616	146,373
Landscaping	1,822,539	514,777	1,307,762	1,352,640
Playground structure	425,039	167,761	257,278	267,998
Portables	1,002,086	418,480	583,606	648,452
Vehicles	199,996	134,193	65,803	93,585
	42,081,060	14,486,652	27,594,408	28,655,006

7. Loan receivable

Loan receivable consists of funds advanced to an employee of the Society. The loan is non-interest bearing, secured by an underlying property and repayable in minimum monthly installments of \$500 commencing in July 2021. The loan is set to mature in June 2026.

8. Bank indebtedness

Bank indebtedness includes a Bank of Montreal demand revolving loan in the amount of \$11,013 (2020 - \$nil), bearing interest at Bank of Montreal prime lending rate plus 0.25% per annum. Assets pledged as collateral and financial covenants are described in Note 10. Maximum amount approved \$3,500,000.

9. Unearned tuition revenue

Tuition fees received in advance for the subsequent school year are recorded as unearned tuition revenue in the current year. Tuition fees received in advance are \$10,522,724 (2020 - \$6,061,269). Prior year unearned tuition revenue is recognized as earned over the current school year.

Meadowridge School Society
Notes to the Financial Statements
For the year ended June 30, 2021

10. Term loans due on demand

	2021	2020
Bank of Montreal - Facility 2 - Non-revolving demand loan bearing interest at 4.50% per annum amortized over 20 years; repayable in monthly blended payments of \$74,589. The loan is due for renewal April 1, 2024.	10,968,658	11,355,081
Bank of Montreal - Fixed rate term loan bearing interest at 3.07% per annum, repayable in monthly blended payments of \$23,181. The loan is due for renewal October 1, 2025.	4,049,119	4,153,491
Current portion	(565,240)	(391,094)
	14,452,537	15,117,478

Canadian accounting standards for not-for-profit organizations require that loans that the lender can require to be repaid on demand be classified as current liabilities.

Management does not believe that the demand features of the demand loans will be exercised in the current period. Therefore, assuming payment of the demand loans is not demanded, and assuming term loans subject to refinancing are renewed under similar terms, regular principal payments required on all demand loans for the next five years are due as follows:

2022	565,240
2023	588,897
2024	613,569
2025	639,300
2026	666,136
	3,073,142

Term loans due on demand are subject to certain financial covenants with respect to debt service coverage and leverage ratios. As at June 30, 2021, the Society is in compliance with all such covenants. It is management's opinion that the Society is likely to remain in compliance with all long-term debt covenants throughout the next 12 months.

Term loans due on demand are secured by a first charge over the Society's land and buildings in the amount of \$25,000,000, a general security agreement over all the assets of the Society, subrogation agreement with respect to Educational Investment Fund deposits, and assignment of insurance coverage.

11. Educational Investment Fund deposits

The deposits represent the sum of Education Investment Fund deposits from families with children currently enrolled in Meadowridge School. These deposits are non-interest bearing loans that are repaid to a family within 30-days upon receiving written notice from a parent confirming that the family no longer has any children enrolled in Meadowridge School.

The total amount of deposits will fluctuate from year-to-year as new families enroll at the school, families leave or families have their youngest child graduate. The fluctuation in the number of families does not necessarily correlate with the fluctuation in the actual student enrolment as some families have one child compared to others with two or more children. During the year there were new deposits of \$1,028,852 (2020 - \$545,037), deposits were repaid in the amount of \$746,000 (2020 - \$699,500) of which \$78,000 was donated back to the school (2020 - \$67,500).

Meadowridge School Society
Notes to the Financial Statements
For the year ended June 30, 2021

12. Deferred contributions

Deferred contributions related to capital assets represents the funded portion of capital assets that will be recognized as revenue in future periods and matched against the applicable amortization charged in that period. The changes in the deferred contributions balance for the year are as follows:

	2021	2020
	<i>Capital fund</i>	<i>Capital fund</i>
Balance, beginning of the year	459,333	365,607
Contributions received	272,662	164,690
Amount recognized as revenue	(80,400)	(70,964)
	651,595	459,333

13. Tuition fees

The Society reports tuition fees on a net basis as follows:

	2021	2020
Gross tuition fees	15,981,623	15,853,030
Less: Discounts, bursaries and scholarships	(1,169,284)	(974,020)
	14,812,339	14,879,010

14. Government grants

The Society operates under the terms of the Independent School Act and is entitled to receive annual government grants. The majority of grant revenue consists of an operating grant equal to 35% of the local school district's per-student grant amount for each eligible student enrolled.

Grant revenue can only be used to pay for operating expenses and may not exceed the operating costs of the School.

15. Donations

During the year, the Society received donations to be used by the School. Donations have been reported net of expenditures for school programs and activities:

	2021	2020
Education Fund:		
Donation revenue	21,204	63,467
Expenditures: Student awards	(5,200)	(5,200)
Net Education Fund Donations	16,004	58,267
Capital Fund:		
Donation revenue	320,080	396,695
Expenditures: Educational, outreach and other	(134,885)	(80,870)
Net Capital Fund Donations	185,195	315,825
	201,199	374,092

Meadowridge School Society
Notes to the Financial Statements
For the year ended June 30, 2021

16. Gala Fundraiser

	2021	2020
Capital fund:		
Expenditures	-	(2,957)
	-	(2,957)

The School did not hold a Gala Fundraiser in 2020-2021 due to the global outbreak of COVID-19. It has not been determined whether the event will resume in 2021-2022.

17. Golf Tournament Fundraiser

	2021	2020
Capital fund:		
Expenditures	-	(238)
	-	(238)

The School did not hold a Golf Tournament Fundraiser in 2020-2021 due to the global outbreak of COVID-19. It has not been determined whether the event will resume in 2021-2022.

18. Society remunerations

In accordance with British Columbia's Societies Act, the Society is required to disclose any remuneration paid to directors as well as remuneration paid to employees or contractors in excess of \$75,000.

For the year ended June 30, 2021, the top ten remunerated employees and contractors earning more than \$75,000 annually were paid \$1,724,329.

19. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Meadowridge School Society
Schedule 1 - Schedule of Meadowridge School Society Expenses
For the year ended June 30, 2021

	2021	2020
Expenses		
Instructional		
Casual wages	12,136	43,060
Contract services	42,204	52,385
Field-trip expenses	49,898	283,723
Program expenses	444,185	506,061
Teachers' salaries and benefits	8,146,734	7,629,662
Teachers' training and development	63,563	89,397
	8,758,720	8,604,288
Administration		
Bad debt	12,031	34,054
Bank charges	219,654	120,120
Board of Governors	38,762	48,493
Consulting fees	25,783	109,230
Dues and subscriptions	103,822	97,085
Entertainment and staff room	20,412	49,510
Marketing and advancement	148,023	146,747
Office	78,802	137,926
Professional fees	62,629	54,897
Technological support	335,729	448,342
Telephone	33,694	36,411
Training and education	20,358	29,158
Travel	-	712
Wages and benefits	2,438,043	2,631,449
	3,537,742	3,944,134
Operating		
Amortization	1,376,386	1,333,672
Insurance	139,949	126,123
Interest on term loans due on demand	637,760	667,572
Janitorial	58,103	36,341
Repairs and maintenance	1,092,257	1,059,570
Utilities	194,302	186,333
	3,498,757	3,409,611
	15,795,219	15,958,033