

Audited Financial Statements of

School District No. 37 (Delta)

And Independent Auditors' Report thereon

June 30, 2023

School District No. 37 (Delta)

June 30, 2023

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School District No. 37 (Delta)

MANAGEMENT REPORT

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 37 (Delta) have been prepared by management in accordance with Canadian public sector accounting standards and provincial reporting legislation and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 37 (Delta) (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 external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 37 (Delta) and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 37 (Delta)

Val Windsor	September 26, 2023
Signature of the Chairperson of the Board of Education	Date Signed
Doug Sheppard	September 26, 2023
Signature of the Superintendent	Date Signed
Nicola Christ	September 26, 2023
Signature of the Secretary Treasurer	Date Signed



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Independent Auditor's Report

**To the Board of Education of School District No. 37 (Delta) and
the Minister of Education and Child Care, Province of British Columbia**

Opinion

We have audited the financial statements of School District No. 37 (Delta) (the "School District"), which comprise the statement of financial position as at June 30, 2023, and the statements of operations, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2023, and its results of operations, its changes of net debt and its cash flows for the year then ended in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the "Act").

Basis for Opinion

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared in order for the School District to meet the reporting requirements of the Act referred to above. Our opinion is not modified in respect of this matter.

Unaudited Information

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 23.1 of the Budget 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 District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the School District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

September 26, 2023

School District No. 37 (Delta)

Statement 1

Statement of Financial Position

As at June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	54,292,204	50,614,072
Accounts Receivable		
Due from Province - Ministry of Education and Child Care (Note 13)	340,105	577,978
Due from Province - Other (Note 13)	18,925	38,297
Due from First Nations Other (Note 3)	273,838	278,146
	1,728,713	1,197,510
Total Financial Assets	56,653,785	52,706,003
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Other (Note 13)	51	19
Other (Note 4)	21,763,323	19,659,590
Unearned Revenue (Note 5)	8,456,975	8,273,262
Deferred Revenue (Note 6)	3,461,315	2,823,102
Deferred Capital Revenue (Note 7)	105,074,962	105,325,074
Employee Future Benefits (Note 8)	4,868,946	4,669,003
Asset Retirement Obligation (Note 17)	7,573,331	7,573,331
Capital Lease Obligations (Note 9)	3,526,839	3,940,828
Other Liabilities	1,459,871	1,428,407
Total Liabilities	156,185,613	153,692,616
Net Debt	(99,531,828)	(100,986,613)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	137,601,016	138,714,826
Prepaid Expenses	495,962	364,994
Supplies Inventory	45,448	38,774
Total Non-Financial Assets	138,142,426	139,118,594
Accumulated Surplus (Deficit)	38,610,598	38,131,981
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	38,610,598	38,131,981
Accumulated Remeasurement Gains (Losses)		
	38,610,598	38,131,981

Contractual Obligations (Note 14)

Contingent Liabilities (Note 15)

Approved by the Board

Val Windsor	Original document signed	September 26, 2023
Signature of the Chairperson of the Board of Education		Date Signed
Doug Sheppard	Original document signed	September 26, 2023
Signature of the Superintendent		Date Signed
Nicola Christ	Original document signed	September 26, 2023
Signature of the Secretary Treasurer		Date Signed

School District No. 37 (Delta)

Statement 2

Statement of Operations
Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	184,865,847	184,330,865	171,962,910
Other	859,953	1,112,986	1,042,133
Federal Grants	1,171,442	1,267,173	1,214,995
Tuition (Note 5)	9,489,572	9,838,406	8,935,565
Other Revenue	7,622,572	8,475,981	7,580,901
Rentals and Leases	752,375	764,046	640,505
Investment Income	1,475,812	1,671,456	448,449
Gain (Loss) on Disposal of Tangible Capital Assets			303,608
Amortization of Deferred Capital Revenue	4,564,702	4,571,579	4,483,065
Total Revenue	210,802,275	212,032,492	196,612,131
Expenses (Note 18)			
Instruction	177,660,942	177,036,923	166,763,440
District Administration	6,010,573	6,157,269	6,098,703
Operations and Maintenance	27,078,908	27,096,677	26,906,907
Transportation and Housing	1,086,559	1,109,093	1,145,103
Debt Services	163,128	153,913	174,448
Total Expense	212,000,110	211,553,875	201,088,601
Surplus (Deficit) for the year	(1,197,835)	478,617	(4,476,470)
Accumulated Surplus (Deficit) from Operations, beginning of year		38,131,981	42,608,451
Accumulated Surplus (Deficit) from Operations, end of year		38,610,598	38,131,981

School District No. 37 (Delta)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Surplus (Deficit) for the year	(1,197,835)	478,617	(4,476,470)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(6,262,350)	(6,054,395)	(6,548,446)
Amortization of Tangible Capital Assets	7,090,835	7,168,205	7,030,557
Total Effect of change in Tangible Capital Assets	828,485	1,113,810	482,111
Acquisition of Prepaid Expenses		(1,224,110)	(929,514)
Use of Prepaid Expenses		1,093,142	1,151,254
Acquisition of Supplies Inventory		(42,970)	(37,860)
Use of Supplies Inventory		36,296	27,847
Total Effect of change in Other Non-Financial Assets	-	(137,642)	211,727
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(369,350)	1,454,785	(3,782,632)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		1,454,785	(3,782,632)
Net Debt, beginning of year		(100,986,613)	(97,203,981)
Net Debt, end of year		(99,531,828)	(100,986,613)

School District No. 37 (Delta)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	478,617	(4,476,470)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(269,650)	(619,283)
Supplies Inventories	(6,674)	(10,013)
Prepaid Expenses	(130,968)	221,740
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	2,103,765	5,159,849
Unearned Revenue	183,713	1,608,706
Deferred Revenue	638,213	(1,682,045)
Employee Future Benefits	199,943	3,256
Other Liabilities	31,464	(54,878)
Amortization of Tangible Capital Assets	7,168,205	7,030,557
Amortization of Deferred Capital Revenue	(4,571,579)	(4,483,065)
Total Operating Transactions	5,825,049	2,698,354
Capital Transactions		
Tangible Capital Assets Purchased	(247,855)	(388,266)
Tangible Capital Assets -WIP Purchased	(5,806,540)	(6,160,180)
Total Capital Transactions	(6,054,395)	(6,548,446)
Financing Transactions		
Capital Revenue Received	4,321,467	4,124,390
Capital Lease Principal Repayment	(413,989)	(438,823)
Total Financing Transactions	3,907,478	3,685,567
Net Increase (Decrease) in Cash and Cash Equivalents	3,678,132	(164,525)
Cash and Cash Equivalents, beginning of year	50,614,072	50,778,597
Cash and Cash Equivalents, end of year	54,292,204	50,614,072
Cash and Cash Equivalents, end of year, is made up of:		
Cash	54,292,204	50,614,072
	54,292,204	50,614,072

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 37 (Delta)", and operates as "School District No. 37 (Delta)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 37 (Delta) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the School District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(f) and 2(n).

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

As noted in notes 2(f) and 2(n), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

a) Basis of Accounting *(Continued)*

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

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

Year-ended June 30, 2022 – decrease in annual surplus by \$182,872

June 30, 2022 – increase in accumulated surplus and decrease in deferred contributions by \$103,750,727

Year-ended June 30, 2023 – decrease in annual surplus by \$276,450

June 30, 2023 – increase in accumulated surplus and decrease in deferred contributions by \$103,474,277

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Portfolio Investments

The School District does not currently have investments in term deposits that have a maturity of greater than 3 months at the time of acquisition.

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

e) Unearned Revenue

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

f) Deferred Revenue and Deferred Capital Revenue

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

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

g) Employee Future Benefits

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

The most recent valuation of the obligation was performed at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

g) Employee Future Benefits *(Continued)*

The School district and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

h) Asset Retirement Obligations

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

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

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see note 2 i). Assumptions used in the calculations are reviewed annually.

i) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.



SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

i) Tangible Capital Assets *(Continued)*

- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

j) Capital Leases

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

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

k) Prepaid Expenses

The following items are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from them.

- Insurance for fleet vehicles
- Annual software support agreements
- Prepaid memberships, subscriptions, and registration fees
- Prepaid utility costs

l) Supplies Inventory

Supplies inventory held for consumption or use include materials and supplies for facility use and are recorded at the lower of historical cost and replacement cost.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

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

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 12 – Interfund Transfers and Note 19 – Internally Restricted Surplus).

n) Revenue Recognition

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

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

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

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

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

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

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

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

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

n) Revenue Recognition *(Continued)*

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.

o) Expenditures

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

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 Indigenous education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

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, accounts payable and accrued liabilities, and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon



**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

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

p) Financial Instruments *(Continued)*

initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

q) Measurement Uncertainty

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

r) Future Changes in Accounting Policies

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

Revenue from transactions with performance obligations should be recognized when (or as) the school district satisfies a performance obligation by providing the promised goods or services to a payor.

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

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

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



SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2023	2022
Trade Accounts Receivable	\$ 606,412	\$ 401,935
Due from Federal Government	592,026	534,902
Other	530,275	260,673
	<u>\$ 1,728,713</u>	<u>\$ 1,197,510</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2023	2022
Payroll deductions payable	\$ 9,043,035	\$ 7,987,005
Wages payable	6,439,027	6,073,044
International Education payables	4,517,549	3,819,595
Trade payables	1,387,933	1,403,366
Other	375,779	376,580
	<u>\$ 21,763,323</u>	<u>\$ 19,659,590</u>

NOTE 5 UNEARNED REVENUE

	2023	2022
Balance, beginning of year	\$ 8,273,262	\$ 6,664,556
Changes for the year:		
Increase:		
Tuition fees	9,976,747	10,480,661
Rental/Lease of facilities	764,046	626,705
Other	71,812	77,410
	<u>10,812,605</u>	<u>11,184,776</u>
Decrease:		
Tuition fees	(9,838,406)	(8,935,565)
Rental/Lease of facilities	(764,046)	(626,705)
Other	(26,440)	(13,800)
	<u>183,713</u>	<u>1,608,706</u>
Net changes for the year	183,713	1,608,706
Balance, end of year	<u>\$ 8,456,975</u>	<u>\$ 8,273,262</u>

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 6 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.

	<u>2023</u>	<u>2022</u>
Deferred Revenue, beginning of year	\$ 2,823,102	\$ 4,505,147
Changes for the year:		
Increase:		
Provincial Grants - Ministry of Education	20,380,182	17,037,382
Provincial Grants - Other	176,136	257,517
Federal Grants	22,500	-
Other	1,921,805	1,260,908
Investment Income	48,521	10,006
	<u>22,549,144</u>	<u>18,565,813</u>
Decrease:		
Transfer to Revenue	(20,753,248)	(18,599,482)
Recovered	(664,303)	(972,177)
Transfer for Capital Additions	(492,218)	(674,650)
Other	(1,162)	(1,549)
	<u>(21,910,931)</u>	<u>(20,247,858)</u>
Net changes for the year	<u>638,213</u>	<u>(1,682,045)</u>
Balance, end of year	<u>\$ 3,461,315</u>	<u>\$ 2,823,102</u>

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 7 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.

	Deferred Capital 2023	Unspent Deferred Capital 2023	Total Deferred Capital Revenue 2023
Balance, beginning of year	\$ 103,750,727	\$ 1,574,347	\$ 105,325,074
Changes for the year:			
Increase:			
Transfer from unspent	4,295,129	-	4,295,129
Provincial Grants received	-	3,947,258	3,947,258
Non-Provincial Grants received	-	313,978	313,978
Investment Income	-	60,231	60,231
	<u>4,295,129</u>	<u>4,321,467</u>	<u>8,616,596</u>
Decrease:			
Amortization of Deferred Capital Revenue	(4,571,579)	-	(4,571,579)
Transfer to Deferred Capital Revenue	-	(4,295,129)	(4,295,129)
Net changes for the year	<u>(276,450)</u>	<u>26,338</u>	<u>(250,112)</u>
Balance, end of year	<u>\$ 103,474,277</u>	<u>\$ 1,600,685</u>	<u>\$ 105,074,962</u>



SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 8 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.

	2023	2022
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 4,177,699	\$ 3,937,554
Service Cost	420,040	375,374
Interest Cost	140,756	102,451
Benefit Payments	(318,569)	(415,782)
Actuarial (Gain) Loss	(246,621)	178,102
Accrued Benefit Obligation – March 31	<u>\$ 4,173,305</u>	<u>\$ 4,177,699</u>

Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 4,173,305	\$ 4,177,699
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(4,173,305)	(4,177,699)
Employer Contributions After Measurement Date	9,825	65,652
Benefits Expense After Measurement Date	(147,110)	(140,199)
Unamortized Net Actuarial (Gain) Loss	(558,356)	(416,757)
Accrued Benefit Asset (Liability) – June 30	<u>\$ (4,868,946)</u>	<u>\$ (4,669,003)</u>

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 4,669,003	\$ 4,665,746
Net expense for Fiscal Year	462,685	423,783
Employer Contributions	(262,742)	(420,526)
Accrued Benefit Liability – June 30	<u>\$ 4,868,946</u>	<u>\$ 4,669,003</u>

Components of Net Benefit Expense		
Service Cost	\$ 418,308	\$ 386,541
Interest Cost	149,398	112,027
Amortization of Net Actuarial (Gain)/Loss	(105,021)	(74,785)
Net Benefit Expense (Income)	<u>\$ 462,685</u>	<u>\$ 423,783</u>

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

Discount Rate – April 1	3.25%	2.50%
Discount Rate – March 31	4.00%	3.25%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	10.1	10.1



**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 9 CAPITAL LEASE OBLIGATIONS

The School District has a lease (with a remaining term of ten years) for a thermal energy plant. This lease has a buyout option based on the market value at the end of the agreement. The lease bears an interest rate averaging 4.10% with average monthly principal and interest payments of \$35,875.

Repayments are due as follows:

2024	\$ 430,505
2025	430,505
2026	430,505
2027	430,505
2028	430,505
Thereafter	<u>2,152,521</u>
Total minimum lease payments	<u>\$ 4,305,046</u>
Less amounts representing interest	<u>(778,207)</u>
Present value of net minimum capital lease payments	<u><u>\$ 3,526,839</u></u>

Total interest on the lease for the year was \$153,913 (2022: \$174,448).

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2023	Net Book Value 2022 (restated Note 21)
	\$	\$
Sites	10,714,525	10,714,525
Buildings	116,984,033	117,206,188
Buildings - Capital Lease	2,875,816	3,169,269
Buildings - Work in Progress	185,333	450,052
Furniture & Equipment	2,562,325	2,390,341
Furniture & Equipment - Capital Lease	360,868	500,743
Furniture & Equipment - Work in Progress	-	-
Vehicles	740,462	950,196
Vehicles - Capital Lease	-	208
Computer Software	268,662	105,622
Computer Software - Work in Progress	-	222,156
Computer Equipment	2,881,448	2,474,405
Computer Equipment - Work in Progress	27,544	531,121
TOTAL	<u>137,601,016</u>	<u>138,714,826</u>



SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2023

COST	Balance at July 01, 2022 (restated)	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2023
	\$	\$	\$	\$	\$
Sites	10,714,525				10,714,525
Buildings	252,012,846			4,827,012	256,839,858
Buildings - Capital Lease	5,869,062				5,869,062
Buildings - Work in Progress	450,052	4,562,293		(4,827,012)	185,333
Furniture & Equipment	4,687,379	247,855	(274,897)	412,120	5,072,457
Furniture & Equipment - Capital Lease	1,992,227		(1,186,959)		805,268
Furniture & Equipment - Work in Progress	-	412,120		(412,120)	-
Vehicles	2,144,249		(93,814)		2,050,435
Vehicles - Capital Lease	4,153		(4,153)		-
Computer Software	226,190		(73,747)	223,226	375,669
Computer Software - Work in Progress	222,156	1,070		(223,226)	-
Computer Hardware	4,458,660		(976,052)	1,334,634	4,817,242
Computer Hardware - Work in Progress	531,121	831,057		(1,334,634)	27,544
TOTAL	283,312,620	6,054,395	(2,609,622)	-	286,757,393

Amortization	Balance at July 1, 2022 (restated)	Additions	Disposals	Balance at June 30, 2023
	\$	\$	\$	\$
Buildings	134,806,658	5,049,167		139,855,825
Buildings - Capital Lease	2,699,793	293,453		2,993,246
Furniture & Equipment	2,297,038	487,991	(274,897)	2,510,132
Furniture & Equipment - Capital Lease	1,491,484	139,875	(1,186,959)	444,400
Vehicles	1,194,053	209,734	(93,814)	1,309,973
Vehicles - Capital Lease	3,945	208	(4,153)	-
Computer Software	120,568	60,186	(73,747)	107,007
Computer Hardware	1,984,255	927,591	(976,052)	1,935,794
TOTAL	144,597,794	7,168,205	(2,609,622)	149,156,377



**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2022

COST	Balance at July 1, 2021	ARO (see Note 21)	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2022 (restated see (Note 21))
	\$	\$	\$	\$	\$	\$
Sites	10,714,525					10,714,525
Buildings	240,022,642	7,573,331			4,416,873	252,012,846
Buildings - Capital Lease	5,869,062					5,869,062
Buildings - Work in Progress	179,715		4,687,210		(4,416,873)	450,052
Furniture & Equipment	4,727,877		162,803	(211,655)	8,354	4,687,379
Furniture & Equipment - Capital Lease	2,021,356			(29,129)		1,992,227
Furniture & Equipment - Work in Progress	-		8,354		(8,354)	-
Vehicles	2,104,063		163,787	(123,601)		2,144,249
Vehicles - Capital Lease	4,153					4,153
Computer Software	389,629			(169,911)	6,472	226,190
Computer Software - Work in Progress	170,644		57,984		(6,472)	222,156
Computer Hardware	3,809,583		61,676	(292,387)	879,788	4,458,660
Computer Hardware - Work in Progress	4,277		1,406,632		(879,788)	531,121
TOTAL	270,017,526	7,573,331	6,548,446	(826,683)	-	283,312,620

Amortization	Balance at July 1, 2021	ARO (see Note 21)	Additions	Disposals	Balance at June 30, 2022 (restated see (Note 21))
	\$	\$	\$	\$	\$
Buildings	122,275,390	7,567,173	4,964,095		134,806,658
Buildings - Capital Lease	2,406,340		293,453		2,699,793
Furniture & Equipment	2,037,930		470,763	(211,655)	2,297,038
Furniture & Equipment - Capital Lease	1,319,934		200,679	(29,129)	1,491,484
Vehicles	1,105,238		212,416	(123,601)	1,194,053
Vehicles - Capital Lease	3,530		415		3,945
Computer Software	228,897		61,582	(169,911)	120,568
Computer Hardware	1,449,817		826,825	(292,387)	1,984,255
TOTAL	130,827,076	7,567,173	7,030,228	(826,683)	144,597,794

- Contributed tangible capital assets

Additions to buildings and furniture include the following contributed tangible capital assets:

	2023	2022
PAC & Municipality Funded Structures	\$ 247,120	\$ 51,576

- Work in progress having a value of \$212,877 (2022: \$1,203,329) have not been amortized. Amortization of these assets will commence when the asset is put into service.



**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 11 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, 2022, the Teachers' Pension Plan has about 51,000 active members and approximately 41,000 retired members. As of December 31, 2022, the Municipal Pension Plan has about 240,000 active members, including approximately 30,000 from school districts.

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

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The school district paid \$14,945,612 for employer contributions to the plans for the year ended June 30, 2023 (2022: \$14,346,241).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2024, with results available in 2025.

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
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2023, were as follows:

- **Capital Lease Principal:** A transfer to the Capital Fund of \$413,667 consisting of \$412,531 from the Operating Fund and \$1,136 from Special Purpose Funds covered the 2022-23 short-term principal portion of the School District's capital leases.
- **Capital Lease Interest:** A transfer in the amount of \$153,913 consisting of \$153,887 from the Operating Fund and \$26 from Special Purpose Funds to the Capital Fund was made for the payment of capital lease interest.
- **Purchase of Capital Assets:** Transfers in the amount of \$247,855 consisting of \$222,679 from the Operating Fund and \$25,176 from Special Purpose Funds were made to the Capital Fund for the purchase of capital items, including equipment and furniture.
- **Capital Projects:** Transfers in the amount of \$1,207,803 consisting of \$740,761 from the Operating Fund and \$467,042 from Special Purpose Funds were made to the Capital Fund. These funds paid for buildings, computer hardware, software, furniture and equipment.

NOTE 13 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 14 CONTRACTUAL OBLIGATIONS

The School District has a commitment of \$2,011,310 for Ministry funded capital projects, including a playground project, and roofing and HVAC upgrades over the next 12 months.

NOTE 15 CONTINGENT LIABILITIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provisions have been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 16 BUDGET FIGURES

The School District has elected to present the amended annual budget in the financial statements as it reflects a budget based on funding as a result of final enrollment numbers versus estimated annual projections. The amended annual budget was approved by the Board of Education on February 21, 2023. The original annual budget was approved by the Board of Education on June 7, 2022 and is shown below for comparative purposes.

	<u>2023</u> <u>ORIGINAL</u> <u>BUDGET</u>	<u>2023</u> <u>ADJUSTMENTS</u>	<u>2023</u> <u>AMENDED</u> <u>BUDGET</u>
REVENUES			
Provincial Grants			
Provincial Grants - Ministry of Education	\$ 168,360,867	\$ 16,504,980	\$ 184,865,847
Provincial Grants - Other	865,039	(5,086)	859,953
Federal Grants	1,171,442	-	1,171,442
Tuition	8,531,024	958,548	9,489,572
Other Revenue	6,832,020	790,552	7,622,572
Rentals and Leases	752,375	-	752,375
Investment Income	355,900	1,119,912	1,475,812
Amortization of Deferred Capital Revenue	4,578,026	(13,324)	4,564,702
Total Revenue	<u>191,446,693</u>	<u>19,355,582</u>	<u>210,802,275</u>
EXPENSES			
Instruction	162,471,617	15,189,325	177,660,942
District Administration	5,751,217	259,356	6,010,573
Operations and Maintenance	26,249,092	829,816	27,078,908
Transportation and Housing	1,066,372	20,187	1,086,559
Debt Services	161,297	1,831	163,128
Total Expense	<u>195,699,595</u>	<u>16,300,515</u>	<u>212,000,110</u>
Surplus (Deficit) for the year	<u>\$ (4,252,902)</u>	<u>\$ 3,055,067</u>	<u>\$ (1,197,835)</u>

NOTE 17 ASSET RETIREMENT OBLIGATION

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022 (see Note 21 – Prior Period Adjustment – Change in Accounting Policy). The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.



**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 17 ASSET RETIREMENT OBLIGATION *(Continued)*

Asset Retirement Obligation, July 1, 2022 (see Note 21)	\$ 7,573,331
Settlements during the year	-
Asset Retirement Obligation, closing balance, June 30, 2023	<u>\$ 7,573,331</u>

NOTE 18 EXPENSE BY OBJECT

	2023	2022 (restated)
Salaries and benefits	\$ 180,930,427	\$ 175,346,890
Services and supplies	23,301,330	18,536,706
Amortization	7,168,205	7,030,557
Interest	153,913	174,448
	<u>\$ 211,553,875</u>	<u>\$ 201,088,601</u>

NOTE 19 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:

Constraints on Funds		
• Contractual Obligations	\$ 423,610	
• Donor Named Funds	46,674	
• School Generated Funds (Note 6)	2,117,510	
• Other Externally Targeted Funds	<u>566,297</u>	3,154,091
Anticipated Unusual Expenses		
• Staffing Contingencies	1,400,000	
• Additional Sick Leave Provision	400,000	
• Insurance Deductible	<u>10,000</u>	1,810,000
Operations Spanning Multiple Years		
• School Funds	1,886,919	
• Education Programs	2,257,212	
• Business Projects and Initiatives	350,000	
• Technology, Utilities, Equipment and Capital	<u>4,642,665</u>	9,136,796
Subtotal Internally Restricted		\$ 14,100,887
Unrestricted Operating Surplus		<u>1,057,454</u>
Total Available for Future Operations		<u>\$ 15,158,341</u>

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 20 ECONOMIC DEPENDENCE

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

NOTE 21 PRIOR PERIOD ADJUSTMENT – CHANGE IN ACCOUNTING POLICY

On July 1, 2022 the School District adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations. This new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of certain tangible capital assets such as asbestos removal in buildings that will undergo major renovation or demolition in the future (see Note 17). This standard was adopted using the modified retroactive approach.

On July 1, 2022 the School District recognized an asset retirement obligation relating to several owned buildings that contain asbestos and other hazardous materials. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The associated costs have been reported as an increase to the carrying value of the associated tangible capital assets. Accumulated amortization has been recorded from the later of, the date of acquisition of the related asset or April 1, 1988 (effective date of the *Hazardous Waste Regulation (April 1, 1988) – Part 6 – Management of Specific Hazardous Wastes*).

The impact of the prior period adjustment on the June 30, 2022 comparative amounts is as follows:

	Increase (Decrease)
Asset Retirement Obligation (liability)	\$ 7,573,331
Tangible Capital Assets – cost	7,573,331
Tangible Capital Assets – accumulated amortization	7,567,173
Operations & Maintenance Expense – Asset amortization (2022)	329
Accumulated Surplus – Invested in Capital Assets	(7,567,173)

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 22 RISK MANAGEMENT

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

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

a) Credit risk:

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, amounts receivable and investments.

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

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

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 the Province's Central Deposit Program that have a maturity date of no more than 3 years.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

NOTE 22 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 have been no changes to risk exposure from 2022 related to credit, market or liquidity risks.

NOTE 23 SUPPLEMENTARY CASH FLOW INFORMATION

	2023				2022
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Interest Received	\$ 1,389,150	\$ 40,421	\$ 113,130	\$ 1,542,701	\$ 416,910
Interest Paid - Capital Lease	\$ -	-	153,913	\$ 153,913	\$ 174,448

School District No. 37 (Delta)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2023

	Operating Fund	Special Purpose Fund	Capital Fund	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	14,065,553		24,066,428	38,131,981	50,175,295
Prior Period Adjustments					(7,566,844)
Accumulated Surplus (Deficit), beginning of year, as restated	14,065,553	-	24,066,428	38,131,981	42,608,451
Changes for the year					
Surplus (Deficit) for the year	2,622,646	493,380	(2,637,409)	478,617	(4,476,470)
Interfund Transfers					
Tangible Capital Assets Purchased	(222,679)	(25,176)	247,855	-	-
Tangible Capital Assets - Work in Progress	(740,761)	(467,042)	1,207,803	-	-
Other	(566,418)	(1,162)	567,580	-	-
Net Changes for the year	1,092,788	-	(614,171)	478,617	(4,476,470)
Accumulated Surplus (Deficit), end of year - Statement 2	15,158,341	-	23,452,257	38,610,598	38,131,981

School District No. 37 (Delta)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	164,134,193	165,224,805	155,981,150
Other	669,539	866,920	775,969
Federal Grants	1,171,442	1,267,173	1,214,995
Tuition	9,489,572	9,838,406	8,935,565
Other Revenue	4,741,577	6,624,026	6,490,423
Rentals and Leases	752,375	764,046	640,505
Investment Income	1,370,312	1,515,779	411,739
Total Revenue	182,329,010	186,101,155	174,450,346
Expenses			
Instruction	155,599,254	157,617,750	151,553,065
District Administration	5,438,146	5,571,702	5,451,543
Operations and Maintenance	19,025,112	19,179,964	19,062,482
Transportation and Housing	1,086,559	1,109,093	1,145,103
Total Expense	181,149,071	183,478,509	177,212,193
Operating Surplus (Deficit) for the year	1,179,939	2,622,646	(2,761,847)
Budgeted Appropriation (Retirement) of Surplus (Deficit)	863,056		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(133,220)	(222,679)	(305,868)
Tangible Capital Assets - Work in Progress	(994,445)	(740,761)	(1,267,735)
Local Capital	(303,608)		
Other	(611,722)	(566,418)	(611,723)
Total Net Transfers	(2,042,995)	(1,529,858)	(2,185,326)
Total Operating Surplus (Deficit), for the year	-	1,092,788	(4,947,173)
Operating Surplus (Deficit), beginning of year		14,065,553	19,012,726
Operating Surplus (Deficit), end of year		15,158,341	14,065,553
Operating Surplus (Deficit), end of year			
Internally Restricted		14,100,887	13,048,750
Unrestricted		1,057,454	1,016,803
Total Operating Surplus (Deficit), end of year		15,158,341	14,065,553

School District No. 37 (Delta)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	155,860,378	156,539,106	153,563,545
ISC/LEA Recovery	(370,861)	(365,117)	(370,861)
Other Ministry of Education and Child Care Grants			
Pay Equity	2,171,545	2,171,545	2,171,545
Funding for Graduated Adults	230,400	289,226	337,011
Student Transportation Fund	41,933	41,933	41,933
Support Staff Benefits Grant	15,693	194,845	190,742
FSA Scorer Grant		17,193	18,693
Early Learning Framework (ELF) Implementation		2,403	3,542
Labour Settlement Funding	6,160,105	6,308,671	
Equity Scan Implementation	25,000	25,000	25,000
Total Provincial Grants - Ministry of Education and Child Care	164,134,193	165,224,805	155,981,150
Provincial Grants - Other	669,539	866,920	775,969
Federal Grants	1,171,442	1,267,173	1,214,995
Tuition			
Summer School Fees	179,000	114,710	84,990
Continuing Education	702,380	536,624	482,320
International and Out of Province Students	8,427,892	8,852,852	8,033,439
Academy and IB Tuition Fees	180,300	334,220	334,816
Total Tuition	9,489,572	9,838,406	8,935,565
Other Revenues			
Other School District/Education Authorities	40,000	130,265	64,688
Funding from First Nations	356,190	365,117	370,861
Miscellaneous			
Instructional Cafeteria	330,000	380,661	285,525
Municipal Grant - Crossing Guards	114,960	114,963	111,126
Admin Fees	43,500	61,675	58,675
Teacher Training	201,205	252,653	148,652
International & Academies - Other	477,744	974,138	715,319
Miscellaneous	427,978	773,981	701,444
School Generated Funds	2,750,000	3,570,573	4,034,133
Total Other Revenue	4,741,577	6,624,026	6,490,423
Rentals and Leases	752,375	764,046	640,505
Investment Income	1,370,312	1,515,779	411,739
Total Operating Revenue	182,329,010	186,101,155	174,450,346

School District No. 37 (Delta)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Salaries			
Teachers	84,117,363	84,456,150	83,147,504
Principals and Vice Principals	10,093,079	10,050,604	9,567,434
Educational Assistants	12,356,270	12,745,885	13,277,696
Support Staff	13,416,895	13,438,424	13,637,849
Other Professionals	4,574,880	4,605,312	4,433,951
Substitutes	5,873,734	6,461,551	5,556,940
Total Salaries	130,432,221	131,757,926	129,621,374
Employee Benefits	32,944,334	33,625,437	32,158,902
Total Salaries and Benefits	163,376,555	165,383,363	161,780,276
Services and Supplies			
Services	4,332,989	4,718,448	4,296,398
Student Transportation	1,348,137	1,069,957	1,084,569
Professional Development and Travel	641,585	609,279	469,659
Rentals and Leases	182,162	48,873	46,172
Dues and Fees	140,100	181,157	201,050
Insurance	326,001	342,011	316,001
Supplies	8,279,814	8,313,670	6,312,346
Utilities	2,521,728	2,811,751	2,705,722
Total Services and Supplies	17,772,516	18,095,146	15,431,917
Total Operating Expense	181,149,071	183,478,509	177,212,193

School District No. 37 (Delta)

Operating Expense by Function, Program and Object
Year Ended June 30, 2023

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	58,924,059	1,381,670	542,327	61,384		3,529,771	64,439,211
1.03 Career Programs	785,336		228,079	25,300		24,872	1,063,587
1.07 Library Services	2,159,326	20,940		72,339		120,809	2,373,414
1.08 Counselling	3,358,791					9,146	3,367,937
1.10 Special Education	13,861,162	606,694	10,962,179	99,017	183,204	1,535,104	27,247,360
1.30 English Language Learning	2,254,705	177,279	252,471			65,555	2,750,010
1.31 Indigenous Education	419,711	71,070	164,320	76	67,488	20,340	743,005
1.41 School Administration		6,938,117			7,041	238,658	10,207,538
1.60 Summer School	279,916		13,579	4,358			297,853
1.61 Continuing Education	505,487	291,009		238,691	100,451	37,641	1,173,279
1.62 International and Out of Province Students	1,317,670	510,741	79,405	616,352	187,618	47,031	2,758,817
1.64 Other	585,138	9,424	503,525	260,238	15,417	117,818	1,491,560
Total Function 1	84,451,301	10,006,944	12,745,885	4,401,477	561,219	5,746,745	117,913,571
4 District Administration							
4.11 Educational Administration				59,875	917,507	158	977,540
4.40 School District Governance					221,217		221,217
4.41 Business Administration				910,134	1,792,151	26,938	2,729,223
Total Function 4	-	-	-	970,009	2,930,875	27,096	3,927,980
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration		43,660		443,372	1,003,909	21,254	1,512,195
5.50 Maintenance Operations	4,849			7,007,222	86,231	492,674	7,590,976
5.52 Maintenance of Grounds				616,344		95,807	712,151
5.56 Utilities							-
Total Function 5	4,849	43,660	-	8,066,938	1,090,140	609,735	9,815,322
7 Transportation and Housing							
7.41 Transportation and Housing Administration					23,078		23,078
7.70 Student Transportation						77,975	77,975
Total Function 7	-	-	-	-	23,078	77,975	101,053
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	84,456,150	10,050,604	12,745,885	13,438,424	4,605,312	6,461,551	131,757,926

School District No. 37 (Delta)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2023 Actual	2023 Budget	2022 Actual (Restated - Note 21)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	64,439,211	16,649,193	81,088,404	5,995,644	87,084,048	85,081,001	82,744,052
1.03 Career Programs	1,063,587	282,047	1,345,634	23,588	1,369,222	1,464,435	1,369,941
1.07 Library Services	2,373,414	581,302	2,954,716	78,749	3,033,465	3,052,583	2,909,295
1.08 Counselling	3,367,937	793,266	4,161,203	3,830	4,165,033	4,274,789	4,192,856
1.10 Special Education	27,247,360	6,953,568	34,200,928	877,328	35,078,256	34,835,814	35,765,510
1.30 English Language Learning	2,750,010	697,928	3,447,938	9,912	3,457,850	3,534,354	3,420,447
1.31 Indigenous Education	743,005	189,008	932,013	165,386	1,097,399	1,252,258	1,190,754
1.41 School Administration	10,207,538	2,529,491	12,737,029	147,733	12,884,762	12,587,683	11,842,178
1.60 Summer School	297,853	47,985	345,838	5,623	351,461	396,927	233,319
1.61 Continuing Education	1,173,279	290,261	1,463,540	131,584	1,595,124	1,529,597	1,485,334
1.62 International and Out of Province Students	2,758,817	700,874	3,459,691	1,367,154	4,826,845	4,938,496	3,843,241
1.64 Other	1,491,560	344,403	1,835,963	838,322	2,674,285	2,651,317	2,556,138
Total Function 1	117,913,571	30,059,326	147,972,897	9,644,853	157,617,750	155,599,254	151,553,065
4 District Administration							
4.11 Educational Administration	977,540	223,481	1,201,021	114,216	1,315,237	1,250,037	1,265,175
4.40 School District Governance	221,217	12,401	233,618	142,880	376,498	341,868	326,634
4.41 Business Administration	2,729,223	649,641	3,378,864	501,103	3,879,967	3,846,241	3,859,734
Total Function 4	3,927,980	885,523	4,813,503	758,199	5,571,702	5,438,146	5,451,543
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,512,195	365,320	1,877,515	620,115	2,497,630	2,501,819	2,555,518
5.50 Maintenance Operations	7,590,976	2,141,917	9,732,893	2,753,997	12,486,890	12,701,899	12,532,976
5.52 Maintenance of Grounds	712,151	163,098	875,249	296,939	1,172,188	1,079,486	1,079,799
5.56 Utilities	-	-	-	3,023,256	3,023,256	2,741,908	2,894,189
Total Function 5	9,815,322	2,670,335	12,485,657	6,694,307	19,179,964	19,025,112	19,062,482
7 Transportation and Housing							
7.41 Transportation and Housing Administration	23,078	4,456	27,534		27,534	27,877	27,259
7.70 Student Transportation	77,975	5,797	83,772	997,787	1,081,559	1,058,682	1,117,844
Total Function 7	101,053	10,253	111,306	997,787	1,109,093	1,086,559	1,145,103
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	131,757,926	33,625,437	165,383,363	18,095,146	183,478,509	181,149,071	177,212,193

School District No. 37 (Delta)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	20,731,654	19,106,060	15,981,760
Other	190,414	246,066	266,164
Other Revenue	2,880,995	1,851,955	1,090,478
Investment Income	25,500	42,547	9,200
Total Revenue	23,828,563	21,246,628	17,347,602
Expenses			
Instruction	22,061,688	19,419,173	15,210,375
District Administration	572,427	585,567	647,160
Operations and Maintenance	962,961	748,508	813,868
Total Expense	23,597,076	20,753,248	16,671,403
Special Purpose Surplus (Deficit) for the year	231,487	493,380	676,199
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(25,176)	(61,676)
Tangible Capital Assets - Work in Progress	(231,487)	(467,042)	(612,974)
Other		(1,162)	(1,549)
Total Net Transfers	(231,487)	(493,380)	(676,199)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2023

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Federal Grants
Other
Investment Income

Less: Allocated to Revenue

Recovered

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other Revenue
Investment Income

Expenses

Salaries
Teachers
Principals and Vice Principals
Educational Assistants
Support Staff
Other Professionals
Substitutes

Employee Benefits
Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased
Tangible Capital Assets - Work in Progress
Other

Net Revenue (Expense)

Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
\$	\$	\$	\$	\$	\$	\$	\$	\$
615,060	535,942	283,353	867,429	224,000	31,225	489,657	114,355	796,382
12,813	290	30,400	1,530,245				4,055	
627,873	536,232	43,152	1,530,245	224,000	58,800	489,657	620,342	796,382
627,873	536,232	49,185	1,490,170	224,000	55,665	450,216	604,741	796,382
-	-	277,320	907,504	-	34,360	39,441	129,956	-
615,060	535,942			224,000	55,665	450,216	602,095	796,382
12,813	290	39,529	1,490,170				2,646	
627,873	536,232	49,185	1,490,170	224,000	55,665	450,216	604,741	796,382
24,458	413,713			151,114	772	148,408		336,300
						16,798	408,915	72,696
						2,807	48,172	
22,926				15,346	4,981	18,097	231	203,544
47,384	413,713	-	-	166,460	5,753	204,204	457,318	612,540
12,225	122,519			57,540	1,011	44,195	120,625	154,189
440,308		49,185	1,490,170		48,901	170,982	26,798	29,653
499,917	536,232	49,185	1,490,170	224,000	55,665	419,381	604,741	796,382
127,956	-	-	-	-	-	30,835	-	-
(127,956)						(30,835)		
(127,956)	-	-	-	-	-	(30,835)	-	-
-	-	-	-	-	-	-	-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2023

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Federal Grants
Other
Investment Income

Less: Allocated to Revenue
Recovered

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other Revenue
Investment Income

Expenses

Salaries
Teachers
Principals and Vice Principals
Educational Assistants
Support Staff
Other Professionals
Substitutes

Employee Benefits
Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased
Tangible Capital Assets - Work in Progress
Other

Net Revenue (Expense)

Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Mental Health in Schools	Changing Results for Young Children	Safe Return to School / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Student & Family Affordability
\$	\$	\$	\$	\$	\$	\$	\$	\$
664,303	664,303	12,506	4,897	79,077	231,487		43,205	
9,987,572	1,615,034	51,000	11,250			55,400	28,000	1,509,498
9,987,572	1,615,034	51,000	11,250	-	-	67,292	28,000	1,509,498
9,263,835	1,042,904	16,546	14,005	79,077	231,487	40,372	17,068	1,382,667
664,303	664,303							
723,737	572,130	46,960	2,142	-	-	26,920	54,137	126,831
9,263,835	1,042,904	16,546	14,005	79,077	231,487	40,372	17,068	1,382,667
7,394,333	322,866							
	79,641	240		60,576		26,988		
						1,099		
	32,095		11,959			1,482		
7,394,333	434,602	240	11,959	60,576	-	29,569	-	-
1,869,502	205,604	19	1,562	18,501		6,869		
	300,758	16,287	484			3,934	17,068	1,382,667
9,263,835	940,964	16,546	14,005	79,077	-	40,372	17,068	1,382,667
-	101,940	-	-	-	231,487	-	-	-
	(25,176)				(231,487)			
	(76,764)							
-	(101,940)	-	-	-	(231,487)	-	-	-
-	-	-	-	-	-	-	-	-

Schedule 3A (Unaudited)

School District No. 37 (Delta)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual			2022 Actual (Restated - Note 21)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	80,000		113,130	113,130	27,510
Gain (Loss) on Disposal of Tangible Capital Assets				-	303,608
Amortization of Deferred Capital Revenue	4,564,702	4,571,579		4,571,579	4,483,065
Total Revenue	4,644,702	4,571,579	113,130	4,684,709	4,814,183
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,090,835	7,168,205		7,168,205	7,030,557
Debt Services					
Capital Lease Interest	163,128		153,913	153,913	174,448
Total Expense	7,253,963	7,168,205	153,913	7,322,118	7,205,005
Capital Surplus (Deficit) for the year	(2,609,261)	(2,596,626)	(40,783)	(2,637,409)	(2,390,822)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	133,220	247,855		247,855	367,544
Tangible Capital Assets - Work in Progress	1,225,932	1,207,803		1,207,803	1,880,709
Local Capital	303,608			-	
Capital Lease Payment	611,722		567,580	567,580	613,272
Total Net Transfers	2,274,482	1,455,658	567,580	2,023,238	2,861,525
Other Adjustments to Fund Balances					
Tangible Capital Assets WIP Purchased from Local Capital		303,608	(303,608)	-	
Principal Payment					
Capital Lease		413,989	(413,989)	-	
Total Other Adjustments to Fund Balances		717,597	(717,597)	-	
Total Capital Surplus (Deficit) for the year	(334,779)	(423,371)	(190,800)	(614,171)	470,703
Capital Surplus (Deficit), beginning of year		23,449,941	616,487	24,066,428	31,162,569
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(7,566,844)
Capital Surplus (Deficit), beginning of year, as restated		23,449,941	616,487	24,066,428	23,595,725
Capital Surplus (Deficit), end of year		23,026,570	425,687	23,452,257	24,066,428

School District No. 37 (Delta)

Tangible Capital Assets
Year Ended June 30, 2023

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,714,525	250,308,577	6,679,606	2,148,402	226,190	4,458,660	274,535,960
Prior Period Adjustments							
To Recognize Asset Retirement Obligation							
Cost, beginning of year, as restated	10,714,525	257,881,908	6,679,606	2,148,402	226,190	4,458,660	282,109,291
		7,573,331					7,573,331
Changes for the Year							
Increase:							
Purchases from:							
Operating Fund			222,679				222,679
Special Purpose Funds			25,176				25,176
Transferred from Work in Progress		4,827,012	412,120		223,226	1,334,634	6,796,992
	-	4,827,012	659,975	-	223,226	1,334,634	7,044,847
Decrease:							
Deemed Disposals			1,461,856	97,967	73,747	976,052	2,609,622
	-	-	1,461,856	97,967	73,747	976,052	2,609,622
Cost, end of year	10,714,525	262,708,920	5,877,725	2,050,435	375,669	4,817,242	286,544,516
Work in Progress, end of year		185,333				27,544	212,877
Cost and Work in Progress, end of year	10,714,525	262,894,253	5,877,725	2,050,435	375,669	4,844,786	286,757,393
Accumulated Amortization, beginning of year							
Prior Period Adjustments							
To Recognize Asset Retirement Obligation							
Accumulated Amortization, beginning of year, as restated							
Changes for the Year							
Increase: Amortization for the Year							
Decrease:							
Deemed Disposals		5,342,620	627,866	209,942	60,186	927,591	7,168,205
			1,461,856	97,967	73,747	976,052	2,609,622
	-	-	1,461,856	97,967	73,747	976,052	2,609,622
Accumulated Amortization, end of year	142,849,071	2,954,532	1,309,973	1,309,973	107,007	1,935,794	149,156,377
Tangible Capital Assets - Net	10,714,525	120,045,182	2,923,193	740,462	268,662	2,908,992	137,601,016

School District No. 37 (Delta)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2023

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	450,052		222,156	531,121	1,203,329
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	3,816,151	165,000			3,981,151
Deferred Capital Revenue - Other	15,000	247,120		51,858	313,978
Operating Fund	68,091		1,070	671,600	740,761
Special Purpose Funds	359,443			107,599	467,042
Local Capital	303,608				303,608
	<u>4,562,293</u>	<u>412,120</u>	<u>1,070</u>	<u>831,057</u>	<u>5,806,540</u>
Decrease:					
Transferred to Tangible Capital Assets	4,827,012	412,120	223,226	1,334,634	6,796,992
	<u>4,827,012</u>	<u>412,120</u>	<u>223,226</u>	<u>1,334,634</u>	<u>6,796,992</u>
Net Changes for the Year	<u>(264,719)</u>	<u>-</u>	<u>(222,156)</u>	<u>(503,577)</u>	<u>(990,452)</u>
Work in Progress, end of year	<u>185,333</u>	<u>-</u>	<u>-</u>	<u>27,544</u>	<u>212,877</u>

School District No. 37 (Delta)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	100,338,865	1,824,310	1,299,146	103,462,321
Changes for the Year				
Increase:				
Transferred from Work in Progress	4,084,228		313,978	4,398,206
	4,084,228	-	313,978	4,398,206
Decrease:				
Amortization of Deferred Capital Revenue	4,315,698	87,882	167,999	4,571,579
	4,315,698	87,882	167,999	4,571,579
Net Changes for the Year	(231,470)	(87,882)	145,979	(173,373)
Deferred Capital Revenue, end of year	100,107,395	1,736,428	1,445,125	103,288,948
Work in Progress, beginning of year	288,406			288,406
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	3,981,151		313,978	4,295,129
	3,981,151	-	313,978	4,295,129
Decrease				
Transferred to Deferred Capital Revenue	4,084,228		313,978	4,398,206
	4,084,228	-	313,978	4,398,206
Net Changes for the Year	(103,077)	-	-	(103,077)
Work in Progress, end of year	185,329	-	-	185,329
Total Deferred Capital Revenue, end of year	100,292,724	1,736,428	1,445,125	103,474,277

School District No. 37 (Delta)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2023

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	72,971	1,501,376				1,574,347
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	3,947,258					3,947,258
Investment Income		60,231				60,231
Work in Progress Donated by other external Non-Provincial Organization					313,978	313,978
	3,947,258	60,231	-	-	313,978	4,321,467
Decrease:						
Transferred to DCR - Work in Progress	3,981,151				313,978	4,295,129
	3,981,151	-	-	-	313,978	4,295,129
Net Changes for the Year	(33,893)	60,231	-	-	-	26,338
Balance, end of year	39,078	1,561,607	-	-	-	1,600,685