

Audited Financial Statements of

School District No. 75 (Mission)

And Independent Auditors' Report thereon

June 30, 2023

School District No. 75 (Mission)

June 30, 2023

Table of Contents

Management Report	1
Independent Auditors' Report	2-5
Statement of Financial Position - Statement 1	6
Statement of Operations - Statement 2	7
Statement of Changes in Net Debt - Statement 4	8
Statement of Cash Flows - Statement 5	9
Notes to the Financial Statements	10-29
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	30
Schedule of Operating Operations - Schedule 2 (Unaudited)	31
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	32
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	33
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	34
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	36
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	37
Schedule of Capital Operations - Schedule 4 (Unaudited)	40
Schedule 4A - Tangible Capital Assets (Unaudited)	41
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	42
Schedule 4C - Deferred Capital Revenue (Unaudited)	43
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	44

School District No. 75 (Mission)

MANAGEMENT REPORT

Version: 1082-9336-7354

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 75 (Mission) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

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

The Board of Education of School District No. 75 (Mission) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, KPMG 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. 75 (Mission) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 75 (Mission)

Original signed by S. Carter	September 26, 2023
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by A. Wilson	September 27, 2023
Signature of the Superintendent	Date Signed
Original signed by C. Becker	September 26, 2023
Signature of the Secretary Treasurer	Date Signed



KPMG LLP
32575 Simon Ave
Abbotsford, BC V2T 4W6
Canada
Telephone (604) 854-2200
Fax (604) 853-2756

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 75 (Mission), and
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 75 (Mission), (the "Entity"), which comprise:

- the statement of financial position as at June 30, 2023
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2023 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Financial Reporting Framework

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

Our opinion is not modified in respect of this matter.



Emphasis of Matter – Comparative Information

We draw attention to Note 23 to the financial statements which explains that certain comparative information presented for the year ended June 30, 2022 has been restated. Note 23 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended June 30, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended June 30, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

Other Information

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

- Information, other than the financial statements and auditor's report thereon, included in the Financial Statement Discussion and Analysis document
- Unaudited Schedules 1-4 attached to the audited financial statements

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

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

We obtained the information, other than the financial statements and auditor's report thereon, included in the Financial Statement Discussion and Analysis document and the Unaudited Schedules 1-4 attached to the audited financial statements as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

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



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

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

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 the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Entity to cease to continue as a going concern.



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

KPMG LLP

Chartered Professional Accountants

Abbotsford, Canada
September 12, 2023

School District No. 75 (Mission)

Statement of Financial Position

As at June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 23)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	19,290,311	18,453,512
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	1,512,711	253,632
Due from First Nations	126,894	168,482
Other (Note 3)	807,564	767,745
Total Financial Assets	21,737,480	19,643,371
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	9,813,992	8,429,797
Unearned Revenue (Note 5)	1,544,586	1,678,895
Deferred Revenue (Note 6)	1,941,848	1,724,916
Deferred Capital Revenue (Note 7)	50,572,719	50,050,601
Employee Future Benefits (Note 8)	1,170,378	1,100,566
Asset Retirement Obligation (Note 9)	4,738,468	4,738,468
Debt (Note 10)	997,213	168,505
Total Liabilities	70,779,204	67,891,748
Net Debt	(49,041,724)	(48,248,377)
Non-Financial Assets		
Tangible Capital Assets (Note 12)	74,899,728	74,718,026
Prepaid Expenses	273,461	347,250
Total Non-Financial Assets	75,173,189	75,065,276
Accumulated Surplus (Deficit) (Note 21)	26,131,465	26,816,899
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	26,131,465	26,816,899
Accumulated Remeasurement Gains (Losses)	26,131,465	26,816,899

Contractual Rights (Note 17)

Contingent Liabilities (Note 18)

Approved by the Board

Original signed by S. Carter	September 26, 2023
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by A. Wilson	September 27, 2023
Signature of the Superintendent	Date Signed
Original signed by C. Becker	September 26, 2023
Signature of the Secretary Treasurer	Date Signed

School District No. 75 (Mission)

Statement of Operations
Year Ended June 30, 2023

	2023 Budget (Note 19)	2023 Actual	2022 Actual (Restated - Note 23)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	82,288,378	83,258,986	77,749,327
Other	516,497	410,542	532,738
Tuition	2,282,000	2,323,048	2,300,936
Other Revenue	2,134,700	2,811,013	1,633,483
Rentals and Leases	213,590	203,688	216,477
Investment Income	500,000	600,217	114,553
Gain (Loss) on Disposal of Tangible Capital Assets (Note 13)	174,818	131,398	
Amortization of Deferred Capital Revenue	3,042,025	3,123,694	3,018,809
Total Revenue	<u>91,152,008</u>	<u>92,862,586</u>	<u>85,566,323</u>
Expenses (Note 20)			
Instruction	75,314,855	74,999,585	66,589,678
District Administration	3,850,672	3,812,806	3,281,077
Operations and Maintenance	13,612,107	13,325,918	13,258,207
Transportation and Housing	1,296,982	1,385,112	1,326,266
Debt Services	30,645	24,599	1,210
Total Expense	<u>94,105,261</u>	<u>93,548,020</u>	<u>84,456,438</u>
Surplus (Deficit) for the year	<u>(2,953,253)</u>	<u>(685,434)</u>	<u>1,109,885</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		26,816,899	25,707,014
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>26,131,465</u></u>	<u>26,816,899</u>

School District No. 75 (Mission)

Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget (Note 19)	2023 Actual	2022 Actual (Restated - Note 23)
	\$	\$	\$
Surplus (Deficit) for the year	<u>(2,953,253)</u>	<u>(685,434)</u>	<u>1,109,885</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(3,110,000)	(4,527,444)	(2,666,524)
Amortization of Tangible Capital Assets	4,095,959	4,302,321	4,107,754
Net carrying value of Tangible Capital Assets disposed of (Note 13)		43,421	
Total Effect of change in Tangible Capital Assets	<u>985,959</u>	<u>(181,702)</u>	<u>1,441,230</u>
Acquisition of Prepaid Expenses	(200,000)	(273,461)	(347,250)
Use of Prepaid Expenses	200,000	347,250	229,116
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>73,789</u>	<u>(118,134)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(1,967,294)</u>	<u>(793,347)</u>	<u>2,432,981</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(793,347)</u>	<u>2,432,981</u>
Net Debt, beginning of year		<u>(48,248,377)</u>	<u>(50,681,358)</u>
Net Debt, end of year		<u>(49,041,724)</u>	<u>(48,248,377)</u>

School District No. 75 (Mission)

Statement of Cash Flows
Year Ended June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 23)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(685,434)	1,109,885
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,257,309)	287,674
Prepaid Expenses	73,789	(118,134)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,384,195	(5,724)
Unearned Revenue	(134,309)	473,161
Deferred Revenue	216,932	201,571
Employee Future Benefits	69,812	59,980
Loss (Gain) on Disposal of Tangible Capital Assets (Note 13)	(131,398)	
Amortization of Tangible Capital Assets	4,302,321	4,107,754
Amortization of Deferred Capital Revenue	(3,123,694)	(3,018,809)
Bylaw Capital Spend on Non-Capital Items	(79,312)	(194,936)
Total Operating Transactions	<u>635,593</u>	<u>2,902,422</u>
Capital Transactions		
Tangible Capital Assets Purchased	(3,246,233)	(1,132,412)
Tangible Capital Assets -WIP Purchased	(671,461)	(1,345,474)
District Portion of Proceeds on Disposal (Note 13)	174,818	
Tangible Capital Assets Purchased - Capital Loan	(609,750)	(188,638)
Total Capital Transactions	<u>(4,352,626)</u>	<u>(2,666,524)</u>
Financing Transactions		
Loan Proceeds	930,000	190,000
Loan Payments	(101,292)	(21,495)
Capital Revenue Received	3,725,124	2,227,487
Total Financing Transactions	<u>4,553,832</u>	<u>2,395,992</u>
Net Increase (Decrease) in Cash and Cash Equivalents	836,799	2,631,890
Cash and Cash Equivalents, beginning of year	<u>18,453,512</u>	<u>15,821,622</u>
Cash and Cash Equivalents, end of year	<u>19,290,311</u>	<u>18,453,512</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>19,290,311</u>	<u>18,453,512</u>
	<u>19,290,311</u>	<u>18,453,512</u>

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

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. 75 (Mission)", and operates as "School District No. 75 (Mission)". 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 (MECC). School District No. 75 (Mission) is exempt from federal and provincial corporate income taxes.

2. Summary of significant accounting policies

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

a) Basis of Accounting

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 with respect to the accounting for government transfers as set out in notes 2(e) and 2(m).

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 2(e) and 2(m), Section 23.1 of the *Budget Transparency and Accountability Act*, and its related regulations, require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

- 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.

b) Cash and cash equivalents

Cash and cash equivalents include cash deposits in the bank and deposits in the Provincial Ministry of Finance Central Deposit Program that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. 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.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

2. Summary of significant accounting policies (continued)

c) Accounts receivable

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

d) 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.

e) 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(m).

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.

f) 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.

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.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

2. Summary of significant accounting policies (continued)

g) Asset Retirement Obligations

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

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

The School District's asset retirement obligations include the removal of asbestos and other hazardous material in several of the buildings owned by the School District. The estimated 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.

h) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School District:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

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 tangible 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.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

2. Summary of significant accounting policies (continued)

i) Tangible capital assets (continued)

- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets, and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events indicate the need to revise. Estimated useful lives are 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, i.e. 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

Various instructional supplies, subscriptions, technology contracts, insurance, employee benefit payments and contracted services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods when the related benefits are expected.

l) 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 15 – Interfund transfers and note 21 – Accumulated surplus).

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

2. Summary of significant accounting policies (continued)

m) 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, and when 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 must 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.

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

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

n) Expenses

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

Categories of Salaries:

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

2. Summary of significant accounting policies (continued)

n) Expenses (continued)

Allocation of costs:

- Operating expenses are reported by function, program, and object. Whenever possible, expenses 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.

o) Financial instruments

A contract establishing a financial instrument creates, at its inception, rights, and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, long term debt and other liabilities.

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

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

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

2. Summary of significant accounting policies (continued)

p) Measurement uncertainty

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

q) Future changes in accounting policies

PS 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 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.

3. Accounts receivable – other

	2023	2022
Due from Federal Government	\$ 122,632	\$ 57,847
Benefit plans surplus	378,529	527,903
Other	306,403	181,995
Total accounts receivable - other	807,564	767,745

4. Accounts payable and accrued liabilities – other

	2023	2022
Trade payables	\$ 3,376,876	\$ 2,666,236
Salaries and benefits payable	5,665,264	5,043,559
Accrued vacation payable	771,852	720,002
Total accounts payable and accrued liabilities – other	\$ 9,813,992	\$ 8,429,797

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

5. Unearned revenue	2023	2022
Balance, beginning of year	\$ 1,678,895	\$ 1,205,734
Changes for the year:		
Increase:		
Tuition fees collected	1,537,986	1,669,295
Transportation fees	6,600	9,600
	<u>1,544,586</u>	<u>1,678,895</u>
Decrease:		
Tuition fees recognized as revenue	1,669,294	1,193,094
Transportation fees recognized as revenue	9,600	12,640
	<u>1,678,894</u>	<u>1,205,734</u>
Net change for the year	(134,308)	473,161
Balance, end of year	<u>\$ 1,554,586</u>	<u>\$ 1,678,895</u>
	2023	2022
Unearned revenue comprised of:		
Tuition Fees	1,537,986	1,669,295
Transportation Fees	6,600	9,600
	<u>\$ 1,544,586</u>	<u>\$ 1,678,895</u>

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.

	2023	2022
Balance, beginning of year	\$ 1,724,916	\$ 1,523,345
Changes for the year:		
Increase:		
Provincial grants – Ministry of Education and Child Care (MECC)	10,377,917	8,782,197
Provincial grants – Other Ministry	120,104	103,187
Other revenue	2,387,274	1,520,115
	<u>12,885,295</u>	<u>10,405,499</u>
Decrease:		
Allocated to revenue	(12,622,838)	(10,203,928)
Recovered	(45,525)	-
Net change for the year	216,932	201,571
Balance, end of year	<u>\$ 1,941,848</u>	<u>\$ 1,724,916</u>

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

6. Deferred revenue (continued)

	2023	2022
Deferred revenue comprised of:		
Provincial grants – MECC	\$ 578,196	\$ 254,443
Provincial grants – other	125,172	100,128
School generated funds	1,127,594	1,146,854
Other revenue	110,886	223,491
	<u>\$ 1,941,848</u>	<u>\$ 1,724,916</u>

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.

	2023	2022
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 46,904,584	\$ 49,446,934
Increases:		
Capital additions	3,485,785	476,459
Decreases:		
Amortization	(3,123,694)	(3,018,809)
Net change for the year	<u>362,091</u>	<u>(2,542,350)</u>
Balance, end of year	<u>\$ 47,266,675</u>	<u>\$ 46,904,584</u>

	2023	2022
Deferred capital revenue not subject to amortization		
Balance, beginning of year	1,490,683	172,976
Increases:		
Transfer from unspent - work in progress additions	520,821	1,317,707
Decreases:		
Transfer to deferred capital revenue	(1,414,473)	-
Net change for the year	<u>(893,652)</u>	<u>1,317,707</u>
Balance, end of year	<u>597,031</u>	<u>1,490,683</u>
Total deferred capital revenue, end of year	<u>\$ 47,863,706</u>	<u>\$ 48,395,267</u>

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

7. Deferred capital revenue (continued)

	2023	2022
Unspent deferred capital revenue		
Balance, beginning of year	\$ 1,655,334	\$ 1,416,949
Increases:		
Provincial grants – MECC	2,619,516	2,005,711
Other	581,153	221,776
Restricted proceeds from Cade Barr site disposal	524,455	-
Decreases:		
Transfer to deferred capital revenue subject to amortization	(2,071,312)	(476,459)
Transfer to deferred capital revenue - work in progress	(520,821)	(1,317,707)
Bylaw capital spent on non-capital items	(79,312)	(194,936)
Net change for the year	1,053,679	238,385
Balance, end of year	\$ 2,709,013	\$ 1,655,334
Total deferred capital revenue, end of year	\$ 50,572,719	\$ 50,050,601

8. Employee future benefits

Benefits include vested sick leave, accumulating non-vested sick leave, 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
Assumptions		
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
EARSLS - March 31	10.4	10.4
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 1,127,817	\$ 1,049,815
Service Cost	101,543	103,242
Interest Cost	37,020	27,605
Benefit Payments	(80,456)	(102,631)
Actuarial (Gain) Loss	(113,589)	49,786
Accrued Benefit Obligation – March 31	\$ 1,072,335	\$ 1,127,817

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

8. Employee future benefits (continued)

Accrued Benefit Obligation - March 31	\$ 1,072,335	\$ 1,127,817
Market Value of Plan Assets - March 31	0	0
Funded Status - Deficit	(1,072,335)	(1,127,817)
Employer Contributions After Measurement Date	14,875	21,653
Benefits Expense After Measurement Date	(35,889)	(34,641)
Unamortized Net Actuarial (Gain) Loss	(77,029)	40,239
Accrued Benefit Liability - June 30	<u>\$ (1,170,378)</u>	<u>\$ (1,100,566)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 1,100,566	\$ 1,040,585
Net Expense for Fiscal Year	143,490	157,985
Employer Contributions	(73,678)	(98,004)
Accrued Benefit Liability - June 30	<u>\$ 1,170,378</u>	<u>\$ 1,100,566</u>
Components of Net Benefit Expense		
Service Cost	\$ 100,818	\$ 102,817
Interest Cost	38,994	29,959
Amortization of Net Actuarial Loss	3,678	25,209
Net Benefit Expense	<u>\$ 143,490</u>	<u>\$ 157,985</u>

9. Asset retirement obligation

Legal obligations exist for the removal and disposal of asbestos and other hazardous materials within some School District owned buildings that will undergo major renovations or demolition in the future. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

	2023	2022 (Restated – Note 23)
Asset retirement obligation		
Balance, beginning of year	\$ 4,738,468	\$ 4,738,468
Settlements during the year	-	-
Balance, end of year	<u>\$ 4,738,468</u>	<u>\$ 4,738,468</u>

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

10. Debt

The following loans approved under Section 144 of the School Act are outstanding:

	2023	2022
Loan 1: Demand equipment financing loan of \$190,000, approved on October 12, 2021, borrowed on November 30, 2021, from the Municipal Finance Authority of BC, for a term of 5 years, bearing interest at a variable rate (5.06% as of June 30, 2023), repayable in blended monthly principal and interest payments of \$3,243, due November 30, 2026, unsecured. Principal and interest paid to date are \$54,041 and \$7,579 respectively.	\$ 135,959	\$ 168,505
Loan 2: Demand equipment financing loan of \$450,000, approved on May 19, 2022, borrowed on July 15, 2022, from the Municipal Finance Authority of BC, for a term of 5 years, bearing interest at a variable rate (5.06% as of June 30, 2023), repayable in blended monthly principal and interest payments of \$7,770, due July 31, 2027, unsecured. Principal and interest paid to date are \$68,746 and \$17,165 respectively.	381,254	-
Loan 3: Demand equipment financing loan of \$480,000, approved on March 2, 2023, borrowed on June 15, 2023, from the Municipal Finance Authority of BC, for a term of 5 years, bearing interest at a variable rate (5.06% as of June 30, 2023), repayable in blended monthly principal and interest payments of \$9,074, due June 30, 2028, unsecured. Principal and interest paid to date are \$ nil and \$1,065 respectively.	480,000	-
	<u>997,213</u>	<u>168,505</u>

Anticipated annual principal repayments over the next five years and thereafter are as follows:

2024	\$ 194,913
2025	205,131
2026	215,755
2027	221,223
2028	160,191
	<u>\$ 997,213</u>

The School District also has an approved line of credit of \$1.0 million with interest at the bank's prime rate minus 0.25%. As of June 30, 2023, the School District had \$ nil borrowings (2022: \$ nil) under this facility.

11. Capital lease obligations

The School District has an approved revolving term lease of \$750,000. As of June 30, 2023, the School District had \$ nil borrowings (2022: \$ nil) under this facility.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

12. Tangible capital assets

	2023	2022 (Restated – Note 23)
Net book value:		
Sites	\$ 10,510,959	\$ 10,512,959
Buildings	58,166,161	58,429,401
Buildings – work in progress	899,033	1,642,046
Furniture & equipment	1,598,499	1,567,417
Vehicles	1,921,653	1,586,789
Computer software	92,587	61,729
Computer hardware	1,710,836	917,685
Total net book value, tangible capital assets	\$ 74,899,728	\$ 74,718,026

Cost:	July 1, 2022	Additions	Disposals	June 30, 2023
Sites	\$ 10,512,959	\$ -	\$ (2,000)	\$ 10,510,959
Buildings	148,980,912	3,107,298	(107,624)	151,980,586
Furniture & equipment	2,690,484	309,819	(116,045)	2,884,258
Vehicles	2,486,851	613,059	(22,860)	3,077,050
Computer software	95,118	53,311	(19,021)	129,408
Computer hardware	1,833,265	1,186,970	(915,315)	2,104,920
Work in progress	1,642,046	671,461	(1,414,474)	899,033
Total cost	168,241,635	5,941,918	(2,597,339)	171,586,214
Accumulated amortization:				
Buildings	90,551,511	3,329,117	(66,203)	93,814,425
Furniture & equipment	1,123,067	278,737	(116,045)	1,285,759
Vehicles	900,062	278,195	(22,860)	1,155,397
Computer software	33,389	22,453	(19,021)	36,821
Computer hardware	915,580	393,819	(915,315)	394,084
Total amortization	93,523,609	4,302,321	(1,139,444)	96,686,486
Total net book value	\$ 74,718,026	\$ 1,639,597	\$ (1,457,895)	\$ 74,899,728

Cost:	July 1, 2021	Prior Period Adjustment (Note 23)	Additions	Disposals	June 30 2022 (Restated - Note 23)
Sites	\$ 10,512,959	\$ -	\$ -	\$ -	\$ 10,512,959
Buildings	144,242,444	4,738,468	-	-	148,980,912
Furniture & equipment	2,713,852	-	69,346	(92,714)	2,690,484
Vehicles	2,283,038	-	272,095	(68,282)	2,486,851
Computer software	33,458	-	61,660	-	95,118
Computer hardware	983,456	-	917,949	(68,140)	1,833,265
Work in progress	296,572	-	1,345,474	-	1,642,046
Total cost	161,065,779	4,738,468	2,666,524	(229,136)	168,241,635

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

12. Tangible capital assets (continued)

Accumulated amortization:	July 1, 2021	Prior Period Adjustment (Note 23)	Additions	Disposals	June 30 2022 (Restated – Note 23)
Buildings	82,547,439	4,708,785	3,295,287	-	90,551,511
Furniture & equipment	945,565	-	270,216	(92,714)	1,123,067
Vehicles	729,849	-	238,495	(68,282)	900,062
Computer software	20,531	-	12,858	-	33,389
Computer hardware	702,048	-	281,672	(68,140)	915,580
Total amortization	84,945,432	4,708,785	4,098,528	(229,136)	93,523,609
Total net book value	76,120,347	29,683	(1,432,004)	-	74,718,026

13. Disposal of sites and buildings

The Cade Barr school site and building located at 33447 Dewdney Trunk Road, Mission, BC, originally acquired in 1948, was disposed of in August 2022.

Gross sale proceeds: 699,273

Original cost:

Land	2,000
Buildings	66,203
Buildings - Preparation for sale	41,421
Total original cost	109,624

Net carrying value of tangible capital assets disposed of:

Land	2,000
Buildings - Preparation for sale	41,421
Net carrying value - assets disposed of	43,421

Allocation of sale proceeds:

Ministry portion of proceeds - Restricted capital (75%)	524,455
District portion of proceeds - Local capital (25%)	174,818
Total allocation of sale proceeds	699,273

Gain (Loss) on disposal of tangible capital assets:

Gross sale proceeds	699,273
Less: Original land cost	(2,000)
Less: Unamortized building cost (preparation for sale)	(41,421)
Less: Ministry restricted capital	(524,455)
Gain on disposal of tangible capital assets	131,398

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

14. 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 provided 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 at 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 the 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 \$6,234,053 for employer contributions to the plans for the year ended June 30, 2023 (2022: \$5,696,668).

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 No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

15. Interfund transfers

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

	2023	2022
Capital assets purchased from Operating Fund	\$ 181,177	\$ 110,331
Capital assets purchased from FN Student Transportation Fund	-	6,936
Capital assets purchased from Federal Safe Return to Class Fund	-	102,006
Local Capital allocation from Operating Fund	457,000	896,309
Local Capital allocation from Operating Fund for capital loan	125,891	22,705

16. 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.

17. Contractual rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of license to occupy agreements with various operators, and an operating cost sharing agreement with the University of the Fraser Valley. The following table summarizes the contractual rights of the School District for future assets:

	2024	2025	2026	2027
Future license revenue	\$ 200,650	\$ 67,980	\$ 55,200	\$ 9,900
Operating use agreement (Heritage Park Middle)	157,140	160,276	80,928	
	<u>357,790</u>	<u>228,256</u>	<u>136,128</u>	<u>9,900</u>

18. Contingent liabilities

Each year the School District is involved with several legal actions and arbitrations. Although the outcomes of these matters are not determinable at this time, management believes they will not have a material adverse effect on the School District's financial position or results of operations.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

19. Budget figures

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 21, 2023. The Board adopted a preliminary annual budget on June 21, 2022. The amended budget is used for comparison purposes as it is based on actual student enrolment. The following is a reconciliation of the two budgets:

Statement 2	2023 Amended	2023 Preliminary	Budget change
Revenue			
Provincial Grants			
Ministry of Education	\$ 82,288,378	\$ 77,701,224	\$ 4,587,154
Other	516,497	490,869	25,628
Tuition	2,282,000	2,538,000	(256,000)
Other Revenue	2,134,700	1,995,090	139,610
Rentals and Leases	213,590	213,590	-
Investment Income	500,000	100,000	400,000
Gain (Loss) on Equity Investment	-	-	-
Gain (Loss) on Disposal of Capital Assets	174,818	-	174,818
Amortization of Deferred Capital Revenue	3,042,025	3,042,025	-
Total Revenue	91,152,008	86,080,798	5,071,210
Expense			
Instruction	75,314,855	70,120,878	5,193,977
District administration	3,850,672	3,540,556	310,116
Operations and maintenance	13,612,107	13,235,709	376,398
Transportation and housing	1,296,982	1,231,226	65,756
Debt services	30,645	13,719	16,926
Total expense	94,105,261	88,142,088	5,963,173
Net revenue (expense)	(2,953,253)	(2,061,290)	(891,963)
Budgeted Allocation (Retirement) of Surplus (Deficit)	2,649,499	1,606,467	1,043,032
Budgeted surplus (deficit) for the year	\$ (303,754)	\$ (454,823)	\$ 151,069
Statement 4			
Deficit for the year	\$ (2,953,253)	\$ (2,061,290)	\$ (891,963)
Effect of change in tangible capital assets			
Acquisition of tangible capital assets			
From operating and special purpose funds			-
From Local capital	(675,000)	(675,000)	-
From deferred capital revenue	(2,435,000)	(2,435,000)	-
Total acquisition of tangible capital assets	(3,110,000)	(3,110,000)	-
Amortization of tangible capital assets	4,095,959	4,095,959	-
Total effect of change in tangible capital assets	985,959	985,959	-
Acquisitions of prepaid expenses	(200,000)	(200,000)	-
Use of prepaid expenses	200,000	200,000	-
	-	-	-
(Increase) decrease in net financial assets (debt)	\$ (1,967,294)	\$ (1,075,331)	\$ (891,963)

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

20. Expense by object

	2023	2022 (Restated – Note 23)
Salaries and benefits	\$ 78,065,880	\$ 71,090,787
Services and supplies	11,155,220	9,256,687
Interest	24,599	1,210
Amortization	4,302,321	4,107,754
Total expense by object	\$ 93,548,020	\$ 84,456,438

21. Accumulated surplus

	2023	2022 (Restated – Note 23)
Restricted operating surplus for:		
Schools and departments	\$ 255,959	\$ 303,324
Indigenous education – targeted	81,653	352,242
Teacher mentorship	134,233	140,000
Equity scan – video project	12,655	6,251
Equity scan	4,488	21,080
Integrated child and youth	357,388	-
Total restricted (appropriated) operating surplus	846,376	822,897
Unrestricted operating surplus	3,257,633	3,658,786
Total operating surplus available for future operations	4,104,009	4,481,683
Restricted local capital reserve available for capital projects	896,961	1,098,733
Invested in tangible capital assets	21,130,495	21,236,483
Total capital surplus	22,027,456	22,335,216
Total accumulated surplus	\$ 26,131,465	\$ 26,816,899

22. Economic dependence

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

23. 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 9). This standard was adopted using the modified retroactive approach, which results in the restatement of the comparative information as at, and for the year ended, June 30, 2022.

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

	As Previously Stated	June 30, 2022 Increase (Decrease)	As Restated
Asset retirement obligation (Statement 1)	\$ -	\$ 4,738,468	\$ 4,738,468
Tangible capital assets – Cost (Schedule 4A)	161,861,121	4,738,468	166,599,589
Tangible capital assets – Accumulated amortization (Schedule 4A)	88,814,824	4,708,785	93,523,609
Amortization expense – Operations and maintenance (Schedule 4)	4,098,528	9,226	4,107,754
Capital surplus, beginning of year (Schedule 4)	26,986,643	(4,699,559)	22,287,084
Capital surplus, end of year (Schedule 4)	27,044,001	(4,708,785)	22,335,216

24. 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 receivables 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 as they are placed in the Central Deposit Program with the Province and in recognized British Columbia institutions.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2023

24. Risk management (continued)

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 would be exposed to interest rate risk through investments and debt instruments that bear variable interest. It is management's opinion that the School District is not exposed to significant interest rate risk as their current holdings are limited to cash deposits in the Central Deposit Program with the Province and in recognized British Columbia institutions, and debt represents approximately 1% of total liabilities.

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.

School District No. 75 (Mission)

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 23)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	4,481,683		22,335,216	26,816,899	30,406,573
Prior Period Adjustments					(4,699,559)
Accumulated Surplus (Deficit), beginning of year, as restated	4,481,683	-	22,335,216	26,816,899	25,707,014
Changes for the year					
Surplus (Deficit) for the year	386,394		(1,071,828)	(685,434)	1,109,885
Interfund Transfers					
Tangible Capital Assets Purchased	(181,177)		181,177	-	
Local Capital	(457,000)		457,000	-	
Other	(125,891)		125,891	-	
Net Changes for the year	(377,674)	-	(307,760)	(685,434)	1,109,885
Accumulated Surplus (Deficit), end of year - Statement 2	4,104,009	-	22,027,456	26,131,465	26,816,899

School District No. 75 (Mission)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget (Note 19) \$	2023 Actual \$	2022 Actual (Restated - Note 23) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	71,938,085	73,159,535	68,747,077
Other	306,065	315,481	450,725
Tuition	2,282,000	2,323,048	2,300,936
Other Revenue	255,000	303,375	318,882
Rentals and Leases	213,590	203,688	216,477
Investment Income	500,000	600,217	114,553
Total Revenue	<u>75,494,740</u>	<u>76,905,344</u>	<u>72,148,650</u>
Expenses			
Instruction	63,561,362	62,945,566	57,199,272
District Administration	3,689,512	3,753,868	3,144,359
Operations and Maintenance	9,028,478	8,438,946	8,390,021
Transportation and Housing	1,258,880	1,380,570	1,323,900
Total Expense	<u>77,538,232</u>	<u>76,518,950</u>	<u>70,057,552</u>
Operating Surplus (Deficit) for the year	<u>(2,043,492)</u>	<u>386,394</u>	<u>2,091,098</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>2,649,499</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(181,177)	(110,331)
Local Capital	(445,000)	(457,000)	(896,309)
Other	(161,007)	(125,891)	(22,705)
Total Net Transfers	<u>(606,007)</u>	<u>(764,068)</u>	<u>(1,029,345)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(377,674)</u>	<u>1,061,753</u>
Operating Surplus (Deficit), beginning of year		4,481,683	3,419,930
Operating Surplus (Deficit), end of year		<u>4,104,009</u>	<u>4,481,683</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 21)		846,376	822,897
Unrestricted		3,257,633	3,658,786
Total Operating Surplus (Deficit), end of year		<u>4,104,009</u>	<u>4,481,683</u>

School District No. 75 (Mission)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget (Note 19) \$	2023 Actual \$	2022 Actual (Restated - Note 23) \$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	68,501,085	69,282,965	67,997,526
ISC/LEA Recovery	(225,000)	(240,713)	(265,080)
Other Ministry of Education and Child Care Grants			
Pay Equity	725,901	725,901	725,901
Funding for Graduated Adults		10,688	11,946
Student Transportation Fund	188,900	188,900	188,900
Support Staff Benefits Grant	55,180	55,076	53,613
FSA Scorer Grant	13,000	14,464	12,964
Early Learning Framework (ELF) Implementation	952	952	2,486
Labour Settlement Funding	2,678,067	2,749,033	
Equity Scan Grant		2,381	
Equity Scan Video Project		12,500	
Integrated Child and Youth Funding		357,388	
Extreme Weather Grant			18,821
Total Provincial Grants - Ministry of Education and Child Care	71,938,085	73,159,535	68,747,077
Provincial Grants - Other	306,065	315,481	450,725
Tuition			
Continuing Education	180,000	200,938	398,275
International and Out of Province Students	2,102,000	2,122,110	1,900,411
Summit Distance Learning			2,250
Total Tuition	2,282,000	2,323,048	2,300,936
Other Revenues			
Funding from First Nations	225,000	240,713	265,080
Miscellaneous			
Transportation Fees		15,950	17,950
Pay for Service - Riverside	5,000	9,748	8,727
Other Revenues	25,000	36,964	27,125
Total Other Revenue	255,000	303,375	318,882
Rentals and Leases	213,590	203,688	216,477
Investment Income	500,000	600,217	114,553
Total Operating Revenue	75,494,740	76,905,344	72,148,650

School District No. 75 (Mission)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2023

	2023 Budget (Note 19)	2023 Actual	2022 Actual (Restated - Note 23)
	\$	\$	\$
Salaries			
Teachers	30,340,131	30,159,972	27,790,165
Principals and Vice Principals	4,698,600	4,720,860	4,539,492
Educational Assistants	7,542,400	7,324,169	6,610,320
Support Staff	8,383,640	8,110,579	7,692,997
Other Professionals	2,366,974	2,431,140	2,008,315
Substitutes	3,225,000	3,558,874	2,754,260
Total Salaries	56,556,745	56,305,594	51,395,549
Employee Benefits	13,292,213	13,462,529	11,971,982
Total Salaries and Benefits	69,848,958	69,768,123	63,367,531
Services and Supplies			
Services	2,363,923	2,306,280	2,009,021
Student Transportation	19,000	15,224	11,389
Professional Development and Travel	774,798	534,807	520,203
Rentals and Leases	11,500	10,132	153,949
Dues and Fees	91,100	90,936	86,897
Insurance	188,000	171,268	127,053
Supplies	2,843,953	2,354,328	2,423,260
Utilities	1,397,000	1,267,852	1,358,249
Total Services and Supplies	7,689,274	6,750,827	6,690,021
Total Operating Expense	77,538,232	76,518,950	70,057,552

School District No. 75 (Mission)

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	24,567,849	332,989	52,843	422,955		2,137,689	27,514,325
1.03 Career Programs	435,672			382,191		44,083	861,946
1.07 Library Services	1,287,819					22,531	1,310,350
1.08 Counselling	1,369,470						1,369,470
1.10 Special Education	1,943,520	143,437	6,047,258	860,003		843,461	9,837,679
1.30 English Language Learning	109,723	14,733	124,997			1,268	250,721
1.31 Indigenous Education	413,281	143,437	1,061,782	41,181		1,797	1,661,478
1.41 School Administration		3,897,943		1,256,154	70,680	131,186	5,355,963
1.60 Summer School	32,638	1,000					33,638
1.62 International and Out of Province Students		132,546	37,289	104,899	73,189	1,420	349,343
1.64 Other							-
Total Function 1	30,159,972	4,666,085	7,324,169	3,067,383	143,869	3,183,435	48,544,913
4 District Administration							
4.11 Educational Administration		54,775		142,642	718,776		916,193
4.40 School District Governance					92,347		92,347
4.41 Business Administration				453,300	1,021,072	26,537	1,500,909
Total Function 4	-	54,775	-	595,942	1,832,195	26,537	2,509,449
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				92,684	362,587	44,876	500,147
5.50 Maintenance Operations				3,333,541		242,203	3,575,744
5.52 Maintenance of Grounds				316,621		9,713	326,334
5.56 Utilities							-
Total Function 5	-	-	-	3,742,846	362,587	296,792	4,402,225
7 Transportation and Housing							
7.41 Transportation and Housing Administration				44,500	92,489		136,989
7.70 Student Transportation				659,908		52,110	712,018
Total Function 7	-	-	-	704,408	92,489	52,110	849,007
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	30,159,972	4,720,860	7,324,169	8,110,579	2,431,140	3,558,874	56,305,594

School District No. 75 (Mission)

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 (Note 19)	2022 Actual (Restated - Note 23)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	27,514,325	6,527,290	34,041,615	1,139,075	35,180,690	36,423,675	32,264,678
1.03 Career Programs	861,946	211,790	1,073,736	192,622	1,266,358	1,475,510	1,302,490
1.07 Library Services	1,310,350	306,407	1,616,757	40,563	1,657,320	1,493,700	1,523,877
1.08 Counselling	1,369,470	314,430	1,683,900	3,538	1,687,438	1,518,130	1,482,076
1.10 Special Education	9,837,679	2,513,664	12,351,343	193,232	12,544,575	12,370,598	11,098,121
1.30 English Language Learning	250,721	68,543	319,264	4,155	323,419	365,740	331,223
1.31 Indigenous Education	1,661,478	410,075	2,071,553	311,330	2,382,883	2,468,972	1,889,057
1.41 School Administration	5,355,963	1,230,850	6,586,813	252,565	6,839,378	6,326,737	6,362,752
1.60 Summer School	33,638	6,237	39,875		39,875	32,750	54,998
1.62 International and Out of Province Students	349,343	85,931	435,274	588,356	1,023,630	1,085,550	869,652
1.64 Other	-	-	-	-	-	-	20,348
Total Function 1	48,544,913	11,675,217	60,220,130	2,725,436	62,945,566	63,561,362	57,199,272
4 District Administration							
4.11 Educational Administration	916,193	194,543	1,110,736	177,708	1,288,444	1,290,990	1,009,023
4.40 School District Governance	92,347	14,210	106,557	68,822	175,379	181,767	156,520
4.41 Business Administration	1,500,909	327,125	1,828,034	462,011	2,290,045	2,216,755	1,978,816
Total Function 4	2,509,449	535,878	3,045,327	708,541	3,753,868	3,689,512	3,144,359
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	500,147	101,736	601,883	215,363	817,246	868,870	675,950
5.50 Maintenance Operations	3,575,744	870,216	4,445,960	1,270,783	5,716,743	6,182,108	5,744,128
5.52 Maintenance of Grounds	326,334	70,317	396,651	240,454	637,105	580,500	611,694
5.56 Utilities	-	-	-	1,267,852	1,267,852	1,397,000	1,358,249
Total Function 5	4,402,225	1,042,269	5,444,494	2,994,452	8,438,946	9,028,478	8,390,021
7 Transportation and Housing							
7.41 Transportation and Housing Administration	136,989	34,668	171,657	3,529	175,186	178,230	155,007
7.70 Student Transportation	712,018	174,497	886,515	318,869	1,205,384	1,080,650	1,168,893
Total Function 7	849,007	209,165	1,058,172	322,398	1,380,570	1,258,880	1,323,900
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	56,305,594	13,462,529	69,768,123	6,750,827	76,518,950	77,538,232	70,057,552

School District No. 75 (Mission)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

Schedule 3 (Unaudited)

	2023 Budget (Note 19) \$	2023 Actual \$	2022 Actual (Restated - Note 23) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	10,350,293	10,020,139	8,807,314
Other	210,432	95,061	82,013
Other Revenue	1,879,700	2,507,638	1,314,601
Total Revenue	<u>12,440,425</u>	<u>12,622,838</u>	<u>10,203,928</u>
Expenses			
Instruction	11,753,493	12,054,019	9,390,406
District Administration	161,160	58,938	136,718
Operations and Maintenance	487,670	505,339	565,496
Transportation and Housing	38,102	4,542	2,366
Total Expense	<u>12,440,425</u>	<u>12,622,838</u>	<u>10,094,986</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>108,942</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased			(108,942)
Total Net Transfers	<u>-</u>	<u>-</u>	<u>(108,942)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 75 (Mission)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			193,591	1,146,854	29,519	8,234	15,075		
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	249,559	244,357			160,000	31,850	380,310	425,014	268,897
Provincial Grants - Other									
Other			1,200	2,366,274					
	249,559	244,357	1,200	2,366,274	160,000	31,850	380,310	425,014	268,897
Less: Allocated to Revenue	249,559	244,357	95,340	2,385,534	168,958	33,478	331,380	425,014	268,897
Recovered			11,500						
Deferred Revenue, end of year	-	-	87,951	1,127,594	20,561	6,606	64,005	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	249,559	244,357			168,958	33,478	331,380	425,014	268,897
Provincial Grants - Other									
Other Revenue			95,340	2,385,534					
	249,559	244,357	95,340	2,385,534	168,958	33,478	331,380	425,014	268,897
Expenses									
Salaries									
Teachers						17,954	11,254	18,062	
Principals and Vice Principals							25,173		
Educational Assistants		196,056					125,974	313,430	
Support Staff	38,843				110,220				91,364
Substitutes					4,141	423	6,950		128,165
	38,843	196,056	-	-	114,361	18,377	169,351	331,492	219,529
Employee Benefits	9,711	48,301			27,112	4,877	44,890	81,716	40,998
Services and Supplies	201,005		95,340	2,385,534	27,485	10,224	117,139	11,806	8,370
	249,559	244,357	95,340	2,385,534	168,958	33,478	331,380	425,014	268,897
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 75 (Mission)

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

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Federal Safe Return to Class / Ventilation Fund	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	34,025		23,751		20,028	123,811			
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	6,600,851	1,055,664	14,351	52,000	11,250		689,814	19,000	175,000
Provincial Grants - Other									
Other									
	6,600,851	1,055,664	14,351	52,000	11,250	-	689,814	19,000	175,000
Less: Allocated to Revenue	6,600,851	1,055,664	4,542	52,000	3,141	42,468	436,497	985	102,348
Recovered	34,025								
Deferred Revenue, end of year	-	-	33,560	-	28,137	81,343	253,317	18,015	72,652
Revenues									
Provincial Grants - Ministry of Education and Child Care	6,600,851	1,055,664	4,542	52,000	3,141	42,468	436,497	985	102,348
Provincial Grants - Other									
Other Revenue									
	6,600,851	1,055,664	4,542	52,000	3,141	42,468	436,497	985	102,348
Expenses									
Salaries									
Teachers	5,329,258	103,142							
Principals and Vice Principals									81,563
Educational Assistants									
Support Staff							27,333		
Substitutes					746				
	5,329,258	103,142	-	-	746	-	27,333	-	81,563
Employee Benefits	1,271,593	21,724			160		8,452		20,441
Services and Supplies		930,798	4,542	52,000	2,235	42,468	400,712	985	344
	6,600,851	1,055,664	4,542	52,000	3,141	42,468	436,497	985	102,348
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 75 (Mission)

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

	BEST	MCFD Early Years	MCFD Middle Years	Heritage Park Day Care	PSB Mentorship	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	20,000	59,499	40,629	9,900		1,724,916
Add: Restricted Grants						
Provincial Grants - Ministry of Education and Child Care						10,377,917
Provincial Grants - Other		90,058	19,546		10,500	120,104
Other				19,800		2,387,274
	-	90,058	19,546	19,800	10,500	12,885,295
Less: Allocated to Revenue	-	84,799	-	26,764	10,262	12,622,838
Recovered						45,525
Deferred Revenue, end of year	20,000	64,758	60,175	2,936	238	1,941,848
Revenues						
Provincial Grants - Ministry of Education and Child Care						10,020,139
Provincial Grants - Other		84,799			10,262	95,061
Other Revenue				26,764		2,507,638
	-	84,799	-	26,764	10,262	12,622,838
Expenses						
Salaries						
Teachers						5,479,670
Principals and Vice Principals						106,736
Educational Assistants						635,460
Support Staff		62,523		4,630		334,913
Substitutes		2,366				142,791
	-	64,889	-	4,630	-	6,699,570
Employee Benefits		18,133		79		1,598,187
Services and Supplies		1,777		22,055	10,262	4,325,081
	-	84,799	-	26,764	10,262	12,622,838
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 75 (Mission)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2023

	2023	2023 Actual			2022
	Budget (Note 19)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Restated - Note 23)
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care		79,312		79,312	194,936
Gain (Loss) on Disposal of Tangible Capital Assets	174,818	131,398		131,398	
Amortization of Deferred Capital Revenue	3,042,025	3,123,694		3,123,694	3,018,809
Total Revenue	3,216,843	3,334,404	-	3,334,404	3,213,745
Expenses					
Operations and Maintenance		79,312		79,312	194,936
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,095,959	4,302,321		4,302,321	4,107,754
Debt Services					
Capital Loan Interest	30,645		24,599	24,599	1,210
Total Expense	4,126,604	4,381,633	24,599	4,406,232	4,303,900
Capital Surplus (Deficit) for the year	(909,761)	(1,047,229)	(24,599)	(1,071,828)	(1,090,155)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		181,177		181,177	219,273
Local Capital	445,000		457,000	457,000	896,309
Capital Loan Payment	161,007		125,891	125,891	22,705
Total Net Transfers	606,007	181,177	582,891	764,068	1,138,287
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(174,818)	174,818	-	
Tangible Capital Assets Purchased from Local Capital		993,744	(993,744)	-	
Tangible Capital Assets WIP Purchased from Local Capital		150,640	(150,640)	-	
Principal Payment					
Capital Loan		101,292	(101,292)	-	
Capital Loan Funding		(310,794)	310,794	-	
Total Other Adjustments to Fund Balances		760,064	(760,064)	-	
Total Capital Surplus (Deficit) for the year	(303,754)	(105,988)	(201,772)	(307,760)	48,132
Capital Surplus (Deficit), beginning of year		21,236,483	1,098,733	22,335,216	26,986,643
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(4,699,559)
Capital Surplus (Deficit), beginning of year, as restated		21,236,483	1,098,733	22,335,216	22,287,084
Capital Surplus (Deficit), end of year		21,130,495	896,961	22,027,456	22,335,216

School District No. 75 (Mission)

Tangible Capital Assets
Year Ended June 30, 2023

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,512,959	144,242,444	2,690,484	2,486,851	95,118	1,833,265	161,861,121
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		4,738,468					4,738,468
Cost, beginning of year, as restated	10,512,959	148,980,912	2,690,484	2,486,851	95,118	1,833,265	166,599,589
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,235,976		437,967		362,049	2,035,992
Deferred Capital Revenue - Other			20,320			15,000	35,320
Operating Fund		41,420	72,873			66,884	181,177
Local Capital		415,428	216,626	175,092	53,311	133,287	993,744
Purchases from Capital Loan						609,750	609,750
Transferred from Work in Progress		1,414,474					1,414,474
	-	3,107,298	309,819	613,059	53,311	1,186,970	5,270,457
Decrease:							
Disposed of	2,000	107,624					109,624
Deemed Disposals			116,045	22,860	19,021	915,315	1,073,241
	2,000	107,624	116,045	22,860	19,021	915,315	1,182,865
Cost, end of year	10,510,959	151,980,586	2,884,258	3,077,050	129,408	2,104,920	170,687,181
Work in Progress, end of year		899,033					899,033
Cost and Work in Progress, end of year	10,510,959	152,879,619	2,884,258	3,077,050	129,408	2,104,920	171,586,214
Accumulated Amortization, beginning of year		85,842,726	1,123,067	900,062	33,389	915,580	88,814,824
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		4,708,785					4,708,785
Accumulated Amortization, beginning of year, as restated		90,551,511	1,123,067	900,062	33,389	915,580	93,523,609
Changes for the Year							
Increase: Amortization for the Year		3,329,117	278,737	278,195	22,453	393,819	4,302,321
Decrease:							
Disposed of		66,203					66,203
Deemed Disposals			116,045	22,860	19,021	915,315	1,073,241
		66,203	116,045	22,860	19,021	915,315	1,139,444
Accumulated Amortization, end of year		93,814,425	1,285,759	1,155,397	36,821	394,084	96,686,486
Tangible Capital Assets - Net	10,510,959	59,065,194	1,598,499	1,921,653	92,587	1,710,836	74,899,728

School District No. 75 (Mission)

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	1,642,046				1,642,046
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	520,821				520,821
Local Capital	150,640				150,640
	671,461	-	-	-	671,461
Decrease:					
Transferred to Tangible Capital Assets	1,414,474				1,414,474
	1,414,474	-	-	-	1,414,474
Net Changes for the Year	(743,013)	-	-	-	(743,013)
Work in Progress, end of year	899,033	-	-	-	899,033

School District No. 75 (Mission)

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	46,586,700	174,867	143,017	46,904,584
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,035,992		35,320	2,071,312
Transferred from Work in Progress	1,414,473			1,414,473
	<u>3,450,465</u>	-	35,320	3,485,785
Decrease:				
Amortization of Deferred Capital Revenue	3,071,510	28,772	23,412	3,123,694
	<u>3,071,510</u>	<u>28,772</u>	<u>23,412</u>	3,123,694
Net Changes for the Year	<u>378,955</u>	<u>(28,772)</u>	<u>11,908</u>	362,091
Deferred Capital Revenue, end of year	<u>46,965,655</u>	<u>146,095</u>	<u>154,925</u>	47,266,675
Work in Progress, beginning of year	1,490,683			1,490,683
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	520,821			520,821
	<u>520,821</u>	-	-	520,821
Decrease				
Transferred to Deferred Capital Revenue	1,414,473			1,414,473
	<u>1,414,473</u>	-	-	1,414,473
Net Changes for the Year	<u>(893,652)</u>	-	-	(893,652)
Work in Progress, end of year	<u>597,031</u>	-	-	597,031
Total Deferred Capital Revenue, end of year	<u>47,562,686</u>	<u>146,095</u>	<u>154,925</u>	47,863,706

School District No. 75 (Mission)

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	\$ 16,609	\$	\$	\$ 1,636,676	\$ 2,049	\$ 1,655,334
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	2,619,516					2,619,516
Other				546,153	35,000	581,153
MECC Restricted Portion of Proceeds on Disposal		524,455				524,455
	<u>2,619,516</u>	<u>524,455</u>	<u>-</u>	<u>546,153</u>	<u>35,000</u>	<u>3,725,124</u>
Decrease:						
Transferred to DCR - Capital Additions	2,035,992				35,320	2,071,312
Transferred to DCR - Work in Progress	520,821					520,821
AFG Spend on Non-Capital Items	79,312					79,312
	<u>2,636,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,320</u>	<u>2,671,445</u>
Net Changes for the Year	<u>(16,609)</u>	<u>524,455</u>	<u>-</u>	<u>546,153</u>	<u>(320)</u>	<u>1,053,679</u>
Balance, end of year	<u>-</u>	<u>524,455</u>	<u>-</u>	<u>2,182,829</u>	<u>1,729</u>	<u>2,709,013</u>