



Audited Financial Statements of
School District No. 36 (Surrey)
June 30, 2022

School District No. 36 (Surrey)

June 30, 2022

Table of Contents

Management Report	1
Independent Auditors' Report	2-4
Statement of Financial Position - Statement 1	5
Statement of Operations - Statement 2	6
Statement of Changes in Net Debt - Statement 4	7
Statement of Cash Flows - Statement 5	8
Notes to the Financial Statements	9-29
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)	42
Schedule 4A - Tangible Capital Assets (Unaudited)	43
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	44
Schedule 4C - Deferred Capital Revenue (Unaudited)	45
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	46

School District No. 36 (Surrey)

MANAGEMENT REPORT

Version: 7124-6378-4395

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 36 (Surrey) 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.


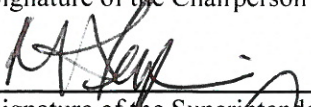
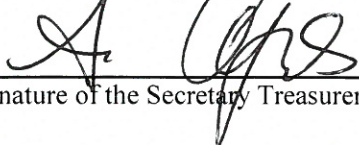
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 36 (Surrey) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 36 (Surrey) 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. 36 (Surrey)

	2022-09-14
Signature of the Chairperson of the Board of Education	Date Signed
	2022-09-14
Signature of the Superintendent	Date Signed
	2022-09-14
Signature of the Secretary Treasurer	Date Signed

Independent Auditor's Report

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To the Board of Education of School District No. 36 (Surrey) and
the Ministry of Education of the Province of British Columbia:

Opinion

We have audited the accompanying financial statements of School District No. 36 (Surrey) (the "School District"), which comprise the statement of financial position as at June 30, 2022, and the statements of operations, changes in net financial assets (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 financial statements of the School District for the year ended June 30, 2022 are prepared, in all material respects, in accordance with 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 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

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

Other matter – supplementary information

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

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Financial Report Discussion and Analysis for the year-ended June 30, 2022, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 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 School District's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the School District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School 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 School 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 School 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.

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.

Vancouver, Canada
September 14, 2022



Chartered Professional Accountants

School District No. 36 (Surrey)

Statement 1

Statement of Financial Position




As at June 30, 2022

	2022 Actual \$	2021 Actual \$
Financial Assets		
Cash and Cash Equivalents	170,451,709	170,209,473
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	10,043,095	11,548,075
Due from First Nations		84,483
Other (Note 4)	7,699,222	6,570,476
Land held for sale		2,200,000
Total Financial Assets	188,194,026	190,612,507
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	20,757,201	25,880,003
Unearned Revenue (Note 6)	11,428,990	9,220,572
Deferred Revenue (Note 7)	12,701,078	9,766,334
Deferred Capital Revenue (Note 8)	779,678,677	732,557,868
Employee Future Benefits (Note 9)	12,649,697	13,074,455
Other Liabilities (Note 10)	69,396,793	72,719,711
Total Liabilities	906,612,436	863,218,943
Net Debt	(718,418,410)	(672,606,436)
Non-Financial Assets		
Tangible Capital Assets (Note 12)	1,352,272,206	1,304,894,669
Prepaid Expenses	2,268,390	2,010,622
Total Non-Financial Assets	1,354,540,596	1,306,905,291
Accumulated Surplus (Deficit)	636,122,186	634,298,855

Contractual Obligations (Note 15, 16)

Contingent Liabilities (Note 17)

Approved by the Board

	2022-09-14
Signature of the Chairperson of the Board of Education	Date Signed
	2022-09-14
Signature of the Superintendent	Date Signed
	2022-09-14
Signature of the Secretary/Treasurer	Date Signed

School District No. 36 (Surrey)

Statement 2

Statement of Operations

Year Ended June 30, 2022

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	801,895,158	800,523,888	817,368,723
Other	708,068	1,278,406	1,131,668
Municipal Grants Spent on Sites			52
Federal Grants	2,886,328	2,787,204	2,886,515
Tuition	11,348,326	11,640,585	12,334,462
Other Revenue	13,272,295	17,062,611	10,677,684
Rentals and Leases	2,727,396	2,915,786	817,936
Investment Income	1,056,000	1,410,833	1,703,953
Gain (Loss) on Disposal of Tangible Capital Assets	27,933,827	27,933,827	63,500
Amortization of Deferred Capital Revenue	31,463,971	31,377,496	27,916,494
Total Revenue	893,291,369	896,930,636	874,900,987
Expenses			
Instruction	747,680,940	746,918,686	716,908,388
District Administration	19,686,519	16,530,056	15,336,142
Operations and Maintenance	131,894,136	124,355,346	125,789,164
Transportation and Housing	7,162,056	7,303,217	6,643,427
Total Expense	906,423,651	895,107,305	864,677,121
Surplus (Deficit) for the year	(13,132,282)	1,823,331	10,223,866
Accumulated Surplus (Deficit) from Operations, beginning of year		634,298,855	624,074,989
Accumulated Surplus (Deficit) from Operations, end of year		636,122,186	634,298,855

School District No. 36 (Surrey)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(13,132,282)</u>	<u>1,823,331</u>	<u>10,223,866</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(130,082,532)	(92,352,214)	(116,262,059)
Amortization of Tangible Capital Assets	44,995,665	44,974,677	41,480,840
Reclassification of land held for resale			2,200,000
Total Effect of change in Tangible Capital Assets	<u>(85,086,867)</u>	<u>(47,377,537)</u>	<u>(72,581,219)</u>
Acquisition of Prepaid Expenses		(2,268,390)	(2,010,622)
Use of Prepaid Expenses		2,010,622	1,864,969
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(257,768)</u>	<u>(145,653)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(98,219,149)</u>	<u>(45,811,974)</u>	<u>(62,503,006)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(45,811,974)</u>	<u>(62,503,006)</u>
Net Debt, beginning of year		<u>(672,606,436)</u>	<u>(610,103,430)</u>
Net Debt, end of year		<u><u>(718,418,410)</u></u>	<u><u>(672,606,436)</u></u>

School District No. 36 (Surrey)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2022

	2022 Actual \$	2021 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	1,823,331	10,223,866
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	460,717	3,045,098
Prepaid Expenses	(257,768)	(145,653)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(5,122,802)	(1,893,121)
Unearned Revenue	2,208,418	(4,062,351)
Deferred Revenue	2,934,744	(135,019)
Employee Future Benefits	(424,758)	(423,847)
Other Liabilities	(3,322,918)	4,119,024
Loss (Gain) on Disposal of Tangible Capital Assets	(27,933,827)	(63,500)
Amortization of Tangible Capital Assets	44,974,677	41,480,840
Amortization of Deferred Capital Revenue	(31,377,496)	(27,916,494)
Recognition of Deferred Capital Revenue Spent on Sites	395,594	(3,444,525)
Total Operating Transactions	(15,642,088)	20,784,318
Capital Transactions		
Tangible Capital Assets Purchased	(45,555,423)	(76,780,660)
Tangible Capital Assets -WIP Purchased	(46,796,791)	(39,481,399)
District Portion of Proceeds on Disposal	30,133,827	63,500
Total Capital Transactions	(62,218,387)	(116,198,559)
Financing Transactions		
Capital Revenue Received	78,888,938	94,512,269
Reclassified Prior Year Expenditures to Local Capital	(786,227)	
Total Financing Transactions	78,102,711	94,512,269
Net Increase (Decrease) in Cash and Cash Equivalents	242,236	(901,972)
Cash and Cash Equivalents, beginning of year	170,209,473	171,111,445
Cash and Cash Equivalents, end of year	170,451,709	170,209,473
Cash and Cash Equivalents, end of year, is made up of:		
Cash	170,451,709	170,209,473
	170,451,709	170,209,473

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 36 (Surrey)" and operates as "School District No. 36 (Surrey)". A board of education ("the Board") is elected for a four-year term and governs the School District. The School District provides educational programs to students enrolled in its schools in the cities of Surrey and White Rock and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 36 (Surrey) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all school districts followed a modified in-class instruction delivery model and adopted new health and safety guidelines for the fiscal year as needed.

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(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 Notes 2 (f) 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.

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

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

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

a) Basis of Accounting (cont'd)

Year-ended June 30, 2022 - increase in annual surplus by \$49,614,307.

June 30, 2022 - increase in accumulated surplus by \$775,282,079, a decrease in deferred revenue by \$6,823,860 and a decrease in deferred capital revenue by \$768,458,219.

Year-ended June 30, 2021 - increase in annual surplus by \$63,016,231.

June 30, 2021 - increase in accumulated surplus by \$725,667,772, a decrease in deferred revenue by \$4,322,529 and a decrease in deferred capital revenue by \$721,345,243.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand balances on deposit in financial institutions 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

Investments in GIC's, term deposits, bonds and other investments held by the School District that are not quoted in an active market are reported at cost or amortized cost.

As at June 30, 2022, the School District did not hold any investments in portfolio investments.

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 both government transfers and other 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. See Note 2(a) for the impact of this policy on these financial statements.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

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

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 (EARSL) 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.

h) Prepaid Expenses

Materials and supplies held in central stores for use within the School District are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit.

i) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 13 – Interfund Transfers and Note 20 – Internally Restricted – Operating Fund).

j) Liability for Contaminated Sites

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

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

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

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

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

k) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

l) 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.

m) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

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

m) Revenue Recognition (cont'd)

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

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

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

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

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

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

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

n) Expenditures

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

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) 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.

p) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities, and other liabilities. The School District does not have any derivatives.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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) Future Changes in Accounting Policies

PS 3280 Asset Retirement Obligations issued August 2018 establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective July 1, 2022. A liability will be 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.

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

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

A modified retroactive application has been recommended by Government. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue 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.

NOTE 3 ECONOMIC DEPENDENCE

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

NOTE 4 ACCOUNTS RECEIVABLE

	June 30, 2022	June 30, 2021
Due from Federal Government	\$ 1,786,863	\$ 2,092,006
Trade accounts receivable	683,287	676,344
Payroll accounts receivable	136,615	19,774
Other accounts receivable	1,035,066	725,067
Deposits	2,873,421	1,909,438
School site acquisition charges	1,183,970	1,147,847
	<u>\$ 7,699,222</u>	<u>\$ 6,570,476</u>

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 5 ACCOUNTS PAYABLE – OTHER

	June 30, 2022	June 30, 2021
Trade payables	\$ 12,536,035	\$ 17,099,719
Lien Holdbacks	8,046,783	8,618,151
Other	174,383	162,133
	\$ 20,757,201	\$ 25,880,003

NOTE 6 UNEARNED REVENUE

Unearned revenue as at June 30th, 2022

	Balance, June 30, 2021	Increases to Unearned Revenue	Revenue recognized in the period	Balance, June 30, 2022
	\$	\$	\$	\$
Tuition Fees	9,160,429	13,407,777	(11,640,585)	10,927,621
Rental/Lease of Facilities	60,143	3,357,012	(2,915,786)	501,369
Total	9,220,572	16,764,789	(14,556,371)	11,428,990

Unearned revenue as at June 30th, 2021

	Balance, June 30, 2020	Increases to Unearned Revenue	Revenue recognized in the period	Balance, June 30, 2021
	\$	\$	\$	\$
Tuition Fees	13,191,304	8,303,587	(12,334,462)	9,160,429
Rental/Lease of Facilities	91,619	786,460	(817,936)	60,143
Total	13,282,923	9,090,047	(13,152,398)	9,220,572

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 7 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled.

Deferred Revenue as at June 30th, 2022

	Balance, June 30, 2021	Contributions received	Revenue recognized in the period	Balance, June 30, 2022
	\$	\$	\$	\$
Provincial Grants - Ministry of Education	1,637,589	61,524,721	(59,251,829)	3,910,481
Provincial Grants - Other	726,265	742,368	(701,306)	767,327
Federal Grants	96,412	45,834	(39,269)	102,977
Other	7,306,068	13,814,953	(13,200,728)	7,920,293
Investment Income	-	13,016	(13,016)	-
Total	9,766,334	76,140,892	(73,206,148)	12,701,078

Deferred Revenue as at June 30th, 2021

	Balance, June 30, 2020	Contributions received	Revenue recognized in the period	Balance, June 30, 2021
	\$	\$	\$	\$
Provincial Grants - Ministry of Education	1,780,119	88,816,292	(88,958,822)	1,637,589
Provincial Grants - Other	757,165	707,868	(738,768)	726,265
Federal Grants	72,074	54,248	(29,910)	96,412
Other	7,291,995	9,022,819	(9,008,746)	7,306,068
Investment Income	-	7,371	(7,371)	-
Total	9,901,353	98,608,598	(98,743,617)	9,766,334

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 8 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	2022	2021
	\$	\$
Deferred Capital Revenue, (includes Work in progress), beginning of year, July 1st.	<u>732,557,868</u>	<u>669,406,618</u>
Increases:		
Provincial Grants - MOE	74,923,968	90,335,574
Provincial Grants - Other	-	1,341,885
Local Government Site Fees	3,082,135	2,550,208
Investment Income	96,608	75,815
Sales of Capital Assets	-	190,500
Other Revenue	-	18,287
	<u>78,102,711</u>	<u>94,512,269</u>
Decreases:		
Transfers to revenue - site purchases	(395,594)	3,444,525
Amortization of Deferred Capital Revenue	31,377,496	27,916,494
	<u>30,981,902</u>	<u>31,361,019</u>
Net Change for the year	47,120,809	63,151,250
Deferred Capital Revenue (includes Work in Progress), end of year, June 30th.	<u>779,678,677</u>	<u>732,557,868</u>

Work in progress amount as of June 30, 2022 was \$75,342,753 (June 30, 2021: \$51,556,231).

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 9 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	June 30, 2022	June 30, 2021
	\$	\$
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	12,153,175	13,110,227
Service Cost	761,320	762,994
Interest Cost	301,533	291,613
Benefit Payments	(1,517,801)	(1,490,638)
Increase (Decrease) in Obligation Due to Plan Amendment	-	-
Actuarial (Gain) Loss	1,322,944	(521,021)
Accrued Benefit Obligation – March 31	<u>13,021,171</u>	<u>12,153,175</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	13,021,171	12,153,175
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	<u>(13,021,171)</u>	<u>(12,153,175)</u>
Employer Contributions After Measurement Date	164,329	147,892
Benefits Expense After Measurement Date	(288,466)	(265,713)
Unamortized Net Actuarial (Gain) Loss	495,611	(803,459)
Accrued Benefit Asset (Liability) - June 30	<u>(12,649,697)</u>	<u>(13,074,455)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	13,074,455	13,498,302
Net Expense for Fiscal Year	1,109,478	1,115,847
Employer Contributions	(1,534,236)	(1,539,694)
Accrued Benefit Liability (Asset) - June 30	<u>12,649,697</u>	<u>13,074,455</u>
Components of Net Benefit Expense		
Service Cost	757,912	762,576
Interest Cost	327,693	294,093
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	23,873	59,178
Net Benefit Expense (Income)	<u>1,109,478</u>	<u>1,115,847</u>

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 9 EMPLOYEE FUTURE BENEFITS *(Continued)*

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

	2022	2021
Discount Rate – April 1	2.50%	2.25%
Discount Rate – March 31	3.25%	2.50%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	9.5 years	8.6 years

The impact of changes in assumptions between the March 31, 2022 measurement date and June 30, 2022, reporting date have been considered and are not material.

NOTE 10 OTHER LIABILITIES

Vacation pay and banked overtime are recognized as an expense at the time the entitlement is earned through service.

	June 30, 2022	June 30, 2021
	\$	\$
Salaries and Benefits Payable	60,301,354	63,299,930
Accrued Vacation Payable	9,095,439	9,419,781
	69,396,793	72,719,711

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

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 board of trustees for these plans, representing plan members and employers, are responsible for administering the 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. Defined contribution plan accounting is applied to the plans as the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, plan assets and cost to individual employers participating in the plans. The School District's employer contributions to these plans in the fiscal year ended June 30, 2022 were \$66,583,319, (2021: \$64,088,192).

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.

Teachers' Pension Plan

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 next valuation will be December 31, 2023.

As of December 31, 2021, The Teachers' Pension Plan has about 50,000 active members from school districts, and approximately 40,000 retired members from school districts.

Teacher Pension Plan is determined on a formula based on contribution rates as a percentage of salary. The following rates were used for 2022 and 2021 fiscal years.

For 2022	Employer
Flat percent of salary	11.30%
For 2021	Employer
Flat percent of salary	11.30%

(YMPE for 2021 set at \$61,600)

Municipal Pension Plan

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits and a balance of \$2,485 million in the rate stabilization account. The next valuation will be December 31, 2021, with results available in 2022.

As of December 31, 2021, The Municipal Pension Plan has about 227,000 active members, of which approximately 29,000 are from school districts.

Municipal Pension Plan is determined on a formula based on contribution rate of 9.31% of salary for 2022 (2021: 9.69%).

School District No. 36 (Surrey)
Notes to Financial Statements
Year Ended June 30, 2022

NOTE 12 TANGIBLE CAPITAL ASSETS

June 30, 2022	Land	Building	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	2022 Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
Beginning of year	399,572,799	1,426,963,404	59,442,570	9,795,085	1,440,791	21,976,281	1,919,190,930
Additions	790,322	77,731,115	10,045,879	976,116	-	2,808,782	92,352,214
Disposals	-	-	-	-	-	-	-
Deemed Disposals	-	-	(4,353,547)	(496,479)	(529,908)	(3,697,588)	(9,077,522)
Reclassification of Prior Year Site Costs to Buildings	(1,121,082)	1,121,082	-	-	-	-	-
Closing Balance	399,242,039	1,505,815,601	65,134,902	10,274,722	910,883	21,087,475	2,002,465,622
Accumulated Amortization							
Beginning Balance		575,537,986	22,539,958	4,173,294	1,018,143	11,026,880	614,296,261
Amortization		33,200,771	6,228,874	1,003,489	235,168	4,306,375	44,974,677
Disposals		-	-	-	-	-	-
Deemed Disposals		-	(4,353,547)	(496,479)	(529,908)	(3,697,588)	(9,077,522)
Closing Balance		608,738,757	24,415,285	4,680,304	723,403	11,635,667	650,193,416
Net Book Value	399,242,039	897,076,844	40,719,617	5,594,418	187,480	9,451,808	1,352,272,206

Cost at June 30, 2022, includes work in progress on Buildings for \$87,021,805 that is not being amortized. Amortization of these assets will commence when the asset is put into service.

School District No. 36 (Surrey)
Notes to Financial Statements
Year Ended June 30, 2022

NOTE 12 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2021	Land	Building	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	2021 Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
Beginning of year	396,550,455	1,330,954,198	53,165,045	9,848,708	2,282,812	20,889,998	1,813,691,216
Additions	5,222,344	96,009,206	10,603,139	245,778	-	4,181,592	116,262,059
Disposals	-	-	-	-	-	-	-
Deemed Disposals	-	-	(4,325,614)	(299,401)	(842,021)	(3,095,309)	(8,562,345)
Reclassification of land held for sale	(2,200,000)	-	-	-	-	-	(2,200,000)
Closing Balance	399,572,799	1,426,963,404	59,442,570	9,795,085	1,440,791	21,976,281	1,919,190,930
Accumulated Amortization							
Beginning Balance		545,328,682	21,235,191	3,490,529	1,487,803	9,835,561	581,377,766
Amortization		30,209,304	5,630,381	982,166	372,361	4,286,628	41,480,840
Disposals		-	-	-	-	-	-
Deemed Disposals		-	(4,325,614)	(299,401)	(842,021)	(3,095,309)	(8,562,345)
Closing Balance		575,537,986	22,539,958	4,173,294	1,018,143	11,026,880	614,296,261
Net Book Value	399,572,799	851,425,418	36,902,612	5,621,791	422,648	10,949,401	1,304,894,669

Cost at June 30, 2021, includes work in progress on Buildings for \$60,162,761 that is not being amortized. Amortization of these assets will commence when the asset is put into service.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 13 INTERFUND TRANSFERS

The School District manages their accounts using three different funds – operating, special purpose and capital. Transfers between funds during the current year are as follows:

- Transfers of \$3,552,867 (2021: \$3,991,305) from the operating fund and \$2,677,776 (2021: \$4,874,330) from the special purpose fund, totalling \$6,230,643 (2021: \$8,865,635) to the capital fund, were made to purchase various capital assets;
- Transfers of \$nil were made to the operating fund from the capital fund's local capital (2021: \$5,000,000). Prior year transfers related to the School District's use of and commitment to approved government capital projects, furniture and equipment, vehicles and other infrastructure upgrades.

NOTE 14 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 15 OPERATING LEASE OBLIGATIONS

The School District has operating lease agreements for facilities that require payments over the next five fiscal years ending June 30 as follows:

2023	\$805,699
2024	\$662,266
2025	\$532,694
2026	\$355,092
2027	\$48,000

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 16 CONTRACTUAL OBLIGATIONS

The School District has a total of \$59,071,632 (2021: \$69,479,265) of contractual obligations at year end related to the construction or renovation of buildings, which are funded from deferred capital revenues of Ministry of Education Bylaw capital, Restricted Capital, Land Capital, Local Capital Reserve funds and operating funds. Disclosure relates to the unperformed portion of the contracts.

Contractual Commitments:

Ta'Talu Elementary	\$ 31,346,029
Coyote Creek Elementary	3,573,000
KB Woodward Elementary	3,492,158
Regent Road Elementary	2,610,412
Sullivan Heights Secondary	2,016,101
Grandview Heights Elementary	1,808,197
White Rock Elementary	1,714,978
Morgan Elementary	1,620,386
South Newton Elementary	1,370,744
Semiahmoo Trail Elementary	909,343
Jessie Lee Elementary	890,563
South Meridian Elementary	831,868
District Facilities Centre	777,014
Betty Huff Elementary	760,293
Westerman Elementary	740,000
Sullivan Elementary	649,061
Erma Stephenson Elementary	562,998
Douglas Elementary	488,698
Grandview Heights Secondary	467,610
Mary Jane Shannon Elementary	408,548
Prince Charles Elementary	385,316
Holly Elementary	301,157
Beaver Creek Elementary	290,978
Queen Elizabeth Secondary	255,824
George Greenaway Elementary	182,507
Riverdale Elementary	172,828
AFG Functional Improvements	137,793
Sum of contractual commitments under \$100,000	307,226
Total Contractual Commitments	\$ 59,071,632

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 17 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. The resulting loss on the District, if any, will be recorded in the period in which it is determinable.

NOTE 18 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The value of the liability for asbestos removal or disposal will be recognized in the period in which a reasonable estimate of fair value can be made. As at June 30, 2022 the liability is not reasonably determinable.

NOTE 19 EXPENSE BY OBJECT

	2022	2021
Salaries and Benefits	\$ 773,104,675	\$ 752,276,574
Services and Supplies	77,027,953	70,919,707
Amortization	44,974,677	41,480,840
Total	\$ 895,107,305	\$ 864,677,121

NOTE 20 INTERNALLY RESTRICTED – OPERATING FUND

The School District attributes a portion of the accumulated surplus to an internal operating fund and internally restricts for 2022: \$23,393,762 (2021: \$35,363,626). The detail of the internal restricted items are as follows:

2021-2022 Operating Budget	\$ 16,723,432
Addressing Learning Impacts	2,449,146
Procurements Impacted by Global Supply Chain Shortages	823,541
Indigenous Learners Education Targeted Funds	866,827
Early Career Mentorship	859,289
Net School Operating Balance	665,714
SPVPA Professional Development	665,247
Learning Resources Balance	340,566
Total Internally Restricted Items	\$ 23,393,762

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 21 BUDGET FIGURES

Budget figures included in the financial statements are the School District's amended annual budget adopted by the Board of Education on February 9th, 2022 and reflect more current estimates on student full time equivalents, revenues and expenditures.

	Original Budget \$	Amended Budget \$	Change \$
Statement 2			
Revenue			
Provincial Grants			
Ministry of Education	791,570,942	801,895,158	10,324,216
Other	600,000	708,068	108,068
Municipal Grants Spent on Sites	-	-	-
Federal Grants	2,814,075	2,886,328	72,253
Tuition	9,374,700	11,348,326	1,973,626
Other Revenues	15,874,469	13,272,295	(2,602,174)
Rental and Leases	1,734,310	2,727,396	993,086
Investment Income	1,553,000	1,056,000	(497,000)
Gain on Disposal of Tangible Capital Assets	-	27,933,827	27,933,827
Amortization of Deferred Capital Revenue	29,740,913	31,463,971	1,723,058
Total Revenue	853,262,409	893,291,369	40,028,960
Expenses			
Instruction	729,917,668	747,680,940	17,763,272
District Administration	19,076,354	19,686,519	610,165
Operations and Maintenance	127,697,031	131,894,136	4,197,105
Transportation and Housing	7,173,490	7,162,056	(11,434)
Total Expense	883,864,543	906,423,651	22,559,108
Net Revenue (Expense)	(30,602,134)	(13,132,282)	17,469,852
Budgeted Allocation of Surplus (Deficit)	16,918,865	34,706,362	17,787,497
Budgeted Surplus (Deficit) for the Year	(13,683,269)	21,574,080	35,257,349
Statement 4			
Surplus (Deficit) for the year	(30,602,134)	(13,132,282)	17,469,852
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(102,175,122)	(130,082,532)	(27,907,410)
Amortization of Tangible Capital Assets	44,047,565	44,995,665	948,100
Net Carrying Value of Tangible Capital Assets Disposed of	-	-	-
Total Effects of change in Tangible Assets	(58,127,557)	(85,086,867)	(26,959,310)
(Increase) Decrease in Net Financial Assets (Debt)			
before Net Remeasurement Gains (Losses)	(88,729,691)	(98,219,149)	(9,489,458)

Statement 2

The significant changes between the original budget and amended were:

Revenues:

- Ministry of Education – Amended to reflect actual Operating grant adjustments of \$3.6 million due to higher student enrolment, and Special Purpose Funds of \$6.7 million, including Classroom Enhancement Fund Remedies of \$2.9 million and the Safe Return to School/Restart funding of \$1.8 million.
- Gain on Disposal of Tangible Capital Assets – Property sale completed in October 2021.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 21 BUDGET FIGURES *(Continued)*

Expenses:

- Instruction – Increased salary and benefit costs to support student growth, increased substitute costs due to absenteeism, increased supply allocations to schools, and increased salaries related to Classroom Enhancement Fund Remedies.
- Operations and Maintenance – costs related to Safe Return to School/Restart funding, and increase salary, benefit and utilities costs.

Statement 4

The significant changes between original budget and amended were:

- Revised forecast of Acquisition of Tangible Capital Assets.

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 borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

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

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. Currently, the School District does not hold any investments in portfolio investments. The School District is exposed to minimal interest rate risk through its cash and cash equivalents on deposit with financial institutions as some of the cash is interest bearing. The investment objectives are on protecting investments rather than the potential for superior returns. The School District has very low tolerance for risk with investments and prefers a low degree of price volatility.

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.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2022

NOTE 22 RISK MANAGEMENT *(Continued)*

Liquidity risk (cont'd)

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 2021 related to credit, market or liquidity risks.

NOTE 23 COMPARATIVE FIGURES

Certain comparative figures have been restated where necessary to conform with current period presentation.

School District No. 36 (Surrey)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2022

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	46,349,117		587,949,738	634,298,855	624,074,989
Changes for the year					
Surplus (Deficit) for the year	(15,334,177)	2,677,776	14,479,732	1,823,331	10,223,866
Interfund Transfers					
Tangible Capital Assets Purchased	(3,552,867)	(2,677,776)	6,230,643	-	
Net Changes for the year	(18,887,044)	-	20,710,375	1,823,331	10,223,866
Accumulated Surplus (Deficit), end of year - Statement 2	27,462,073	-	608,660,113	636,122,186	634,298,855

School District No. 36 (Surrey)

Schedule of Operating Operations

Year Ended June 30, 2022

Schedule 2 (Unaudited)

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	740,203,994	741,667,653	724,965,428
Other	383,700	577,100	392,900
Federal Grants	2,836,328	2,747,935	2,856,605
Tuition	11,348,326	11,640,585	12,334,462
Other Revenue	2,394,532	3,639,624	1,433,443
Rentals and Leases	2,617,396	2,797,586	817,936
Investment Income	1,000,000	1,199,596	1,513,369
Total Revenue	760,784,276	764,270,079	744,314,143
Expenses			
Instruction	681,899,808	677,390,952	635,545,253
District Administration	19,686,519	16,530,056	15,336,142
Operations and Maintenance	82,799,895	78,408,093	71,844,305
Transportation and Housing	7,128,846	7,275,155	6,601,294
Total Expense	791,515,068	779,604,256	729,326,994
Operating Surplus (Deficit) for the year	(30,730,792)	(15,334,177)	14,987,149
Budgeted Appropriation (Retirement) of Surplus (Deficit)	34,706,362		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(3,975,570)	(3,552,867)	(3,991,305)
Tangible Capital Assets - Work in Progress			-
Local Capital			5,000,000
Other			-
Total Net Transfers	(3,975,570)	(3,552,867)	1,008,695
Total Operating Surplus (Deficit), for the year	-	(18,887,044)	15,995,844
Operating Surplus (Deficit), beginning of year		46,349,117	30,353,273
Operating Surplus (Deficit), end of year		27,462,073	46,349,117
Operating Surplus (Deficit), end of year			
Internally Restricted		23,393,762	35,363,626
Unrestricted		4,068,311	10,985,491
Total Operating Surplus (Deficit), end of year		27,462,073	46,349,117

School District No. 36 (Surrey)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	731,024,310	732,029,802	694,134,946
ISC/LEA Recovery	(84,483)	(75,894)	(84,483)
Other Ministry of Education and Child Care Grants			
Pay Equity	6,861,224	6,861,241	6,861,224
Funding for Graduated Adults	1,329,084	1,670,589	2,260,632
Student Transportation Fund	72,999	72,999	72,999
Support Staff Benefits Grant	936,729	950,363	936,729
Teachers' Labour Settlement Funding			19,190,731
Early Career Mentorship Funding			1,535,000
FSA Scorer Grant	45,719	45,719	
Miscellaneous		903	45,719
Early Learning Framework	11,931	11,931	11,931
Revised Feb and May Projects	6,481		
Extreme Weather Grant		100,000	
Total Provincial Grants - Ministry of Education and Child Care	740,203,994	741,667,653	724,965,428
Provincial Grants - Other	383,700	577,100	392,900
Federal Grants	2,836,328	2,747,935	2,856,605
Tuition			
Continuing Education	1,269,000	881,904	1,190,348
International and Out of Province Students	10,079,326	10,758,681	11,144,114
Total Tuition	11,348,326	11,640,585	12,334,462
Other Revenues			
Funding from First Nations	84,483	75,894	84,483
Miscellaneous			
Teaching Kitchen	670,722	797,898	78,642
Energy Management	99,375	142,500	94,764
Worksafe BC	881,000	942,457	727,318
Other Miscellaneous	658,952	1,680,875	448,236
Total Other Revenue	2,394,532	3,639,624	1,433,443
Rentals and Leases	2,617,396	2,797,586	817,936
Investment Income	1,000,000	1,199,596	1,513,369
Total Operating Revenue	760,784,276	764,270,079	744,314,143

School District No. 36 (Surrey)

Schedule of Operating Expense by Object

Year Ended June 30, 2022

Schedule 2B (Unaudited)

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Salaries			
Teachers	365,401,423	367,534,636	349,526,661
Principals and Vice Principals	35,604,691	35,552,327	34,425,161
Educational Assistants	76,564,255	73,690,035	71,603,413
Support Staff	62,756,232	60,606,444	58,502,429
Other Professionals	11,825,861	11,800,400	11,250,789
Substitutes	29,613,883	30,581,280	19,876,846
Total Salaries	581,766,345	579,765,122	545,185,299
Employee Benefits	139,603,725	138,186,439	128,472,543
Total Salaries and Benefits	721,370,070	717,951,561	673,657,842
Services and Supplies			
Services	21,846,354	18,914,109	17,849,267
Student Transportation	5,633,052	6,009,350	5,005,217
Professional Development and Travel	2,983,852	1,354,576	1,211,914
Rentals and Leases	986,796	926,233	824,344
Dues and Fees	1,269,031	1,281,635	1,245,316
Insurance	1,624,938	1,547,844	1,478,341
Supplies	24,265,875	19,087,011	17,660,841
Utilities	11,535,100	12,531,937	10,393,912
Total Services and Supplies	70,144,998	61,652,695	55,669,152
Total Operating Expense	791,515,068	779,604,256	729,326,994

School District No. 36 (Surrey)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	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	282,199,539	8,308,510	12,138	5,857,959	1,052,416	13,658,267	311,088,829
1.03 Career Programs	3,887,380	131,644		1,441,938		250,412	5,711,374
1.07 Library Services	7,403,094			720,011	83,720	407,635	8,614,460
1.08 Counselling	9,318,978					505,985	9,824,963
1.10 Special Education	43,109,356	54,522	70,081,431	994,461		11,560,776	125,800,546
1.30 English Language Learning	14,238,495		469,281	70,539		766,380	15,544,695
1.31 Indigenous Education	1,112,138	143,663	1,747,627	81,891	184,323	50,183	3,319,825
1.41 School Administration		25,455,558		14,082,766		944,095	40,482,419
1.60 Summer School	2,250,672	323,616	73,967	197,384			2,845,639
1.61 Continuing Education	375,033	30,675		5,194			410,902
1.62 International and Out of Province Students	2,845,428	283,597	12,840	739,702	304,559	161,919	4,348,045
1.64 Other	369,088	150,075	1,288,204	71,633	90,248		1,969,248
Total Function 1	367,109,201	34,881,860	73,685,488	24,263,478	1,715,266	28,305,652	529,960,945
4 District Administration							
4.11 Educational Administration	342,378	146,633		221,218	2,198,737		2,908,966
4.40 School District Governance				187,164	498,868		686,032
4.41 Business Administration	15,861	523,834		3,257,926	4,023,958	20,117	7,841,696
Total Function 4	358,239	670,467	-	3,666,308	6,721,563	20,117	11,436,694
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	67,196		4,547	1,328,256	1,831,484	6,534	3,238,017
5.50 Maintenance Operations				27,982,844	1,271,992	2,169,038	31,423,874
5.52 Maintenance of Grounds				2,757,676	195,016	24,292	2,976,984
5.56 Utilities							-
Total Function 5	67,196	-	4,547	32,068,776	3,298,492	2,199,864	37,638,875
7 Transportation and Housing							
7.41 Transportation and Housing Administration				106,248	65,079		171,327
7.70 Student Transportation				501,634		55,647	557,281
Total Function 7	-	-	-	607,882	65,079	55,647	728,608
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	367,534,636	35,552,327	73,690,035	60,606,444	11,800,400	30,581,280	579,765,122

School District No. 36 (Surrey)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	311,088,829	72,078,501	383,167,330	9,747,345	392,914,675	391,602,986	367,332,233
1.03 Career Programs	5,711,374	1,384,430	7,095,804	1,183,740	8,279,544	8,342,673	7,323,320
1.07 Library Services	8,614,460	2,032,894	10,647,354	4,559,767	15,207,121	16,755,328	14,816,906
1.08 Counselling	9,824,963	2,305,680	12,130,643	-	12,130,643	12,167,725	11,735,380
1.10 Special Education	125,800,546	32,853,570	158,654,116	2,180,714	160,834,830	162,845,491	150,105,383
1.30 English Language Learning	15,544,695	3,655,786	19,200,481	4,749	19,205,230	18,533,377	18,281,056
1.31 Indigenous Education	3,319,825	801,649	4,121,474	523,881	4,645,355	5,658,282	4,149,722
1.41 School Administration	40,482,419	8,943,686	49,426,105	1,203,499	50,629,604	52,264,467	49,571,088
1.60 Summer School	2,845,639	542,425	3,388,064	156,582	3,544,646	3,536,486	2,204,292
1.61 Continuing Education	410,902	41,517	452,419	24,063	476,482	670,600	672,409
1.62 International and Out of Province Students	4,348,045	1,016,029	5,364,074	1,598,702	6,962,776	6,990,722	6,898,184
1.64 Other	1,969,248	452,744	2,421,992	138,054	2,560,046	2,531,671	2,455,280
Total Function 1	529,960,945	126,108,911	656,069,856	21,321,096	677,390,952	681,899,808	635,545,253
4 District Administration							
4.11 Educational Administration	2,908,966	539,850	3,448,816	935,989	4,384,805	6,253,803	3,748,006
4.40 School District Governance	686,032	101,395	787,427	354,430	1,141,857	1,152,134	1,025,152
4.41 Business Administration	7,841,696	1,720,593	9,562,289	1,441,105	11,003,394	12,280,582	10,562,984
Total Function 4	11,436,694	2,361,838	13,798,532	2,731,524	16,530,056	19,686,519	15,336,142
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	3,238,017	645,503	3,883,520	2,443,161	6,326,681	7,540,901	5,181,329
5.50 Maintenance Operations	31,423,874	8,145,916	39,569,790	12,843,651	52,413,441	55,862,531	50,039,304
5.52 Maintenance of Grounds	2,976,984	722,215	3,699,199	1,465,176	5,164,375	5,422,575	4,515,019
5.56 Utilities	-	-	-	14,503,596	14,503,596	13,973,888	12,108,653
Total Function 5	37,638,875	9,513,634	47,152,509	31,255,584	78,408,093	82,799,895	71,844,305
7 Transportation and Housing							
7.41 Transportation and Housing Administration	171,327	44,143	215,470	663	216,133	344,652	261,653
7.70 Student Transportation	557,281	157,913	715,194	6,343,828	7,059,022	6,784,194	6,339,641
Total Function 7	728,608	202,056	930,664	6,344,491	7,275,155	7,128,846	6,601,294
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	579,765,122	138,186,439	717,951,561	61,652,695	779,604,256	791,515,068	729,326,994

School District No. 36 (Surrey)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

Schedule 3 (Unaudited)

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	61,691,164	59,251,829	88,958,822
Other	324,368	701,306	738,768
Federal Grants	50,000	39,269	29,910
Other Revenue	10,777,763	13,200,728	9,008,746
Investment Income	6,000	13,016	7,371
Total Revenue	72,849,295	73,206,148	98,743,617
Expenses			
Instruction	65,781,132	69,527,734	81,363,135
Operations and Maintenance	4,098,576	972,576	12,464,019
Transportation and Housing	33,210	28,062	42,133
Total Expense	69,912,918	70,528,372	93,869,287
Special Purpose Surplus (Deficit) for the year	2,936,377	2,677,776	4,874,330
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(2,936,377)	(2,677,776)	(4,874,330)
Total Net Transfers	(2,936,377)	(2,677,776)	(4,874,330)
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. 36 (Surrey)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Service Delivery Transformation	Special Education Technology	School Generated Funds	Related Entities	Strong Start	Ready, Set, Learn
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	3	700,739	-	-	3,588,521	-	37,344	172,573
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	2,312,208	2,531,271						736,000	249,900
Provincial Grants - Other									
Federal Grants									
Other			372,626			10,803,271			
Investment Income	7,195		5,821						
	2,319,403	2,531,271	378,447	-	-	10,803,271	-	736,000	249,900
Less: Allocated to Revenue	2,319,403	2,531,273	387,192	-	-	10,381,820		757,647	251,619
Recovered									
Deferred Revenue, end of year	-	1	691,994	-	-	4,009,972	-	15,697	170,854
Revenues									
Provincial Grants - Ministry of Education and Child Care	2,312,208	2,531,273						757,647	251,619
Provincial Grants - Other									
Federal Grants									
Other Revenue			381,371			10,381,820			
Investment Income	7,195		5,821						
	2,319,403	2,531,273	387,192	-	-	10,381,820	-	757,647	251,619
Expenses									
Salaries									
Teachers									42,443
Principals and Vice Principals									
Educational Assistants		2,023,390							16,440
Support Staff								519,697	10,231
Other Professionals	92,373							17,752	71,009
Substitutes		101,170						27,462	
	92,373	2,124,560	-	-	-	-	-	564,911	140,123
Employee Benefits	20,691	406,713						172,797	22,483
Services and Supplies	201,064		387,192			10,381,820		19,939	89,013
	314,128	2,531,273	387,192	-	-	10,381,820	-	757,647	251,619
Net Revenue (Expense) before Interfund Transfers	2,005,275	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(2,005,275)								
	(2,005,275)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

			Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Safe Return to School / Restart: Health & Safety Grant
	OLEP	CommunityLINK							
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	96,780	592,668	-	23,434	549,368	6,427	3,515	40,565	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	635,231	4,067,572	1,328,788	43,153,757	2,319,132	33,210	111,033	30,250	1,759,233
Provincial Grants - Other									
Federal Grants									
Other	5,045	118,345							
Investment Income									
	640,276	4,185,917	1,328,788	43,153,757	2,319,132	33,210	111,033	30,250	1,759,233
Less: Allocated to Revenue	528,297	4,145,631	1,328,787	43,170,916	1,184,911	28,062	110,909	29,930	1,759,233
Recovered									
Deferred Revenue, end of year	208,759	632,954	1	6,275	1,683,589	11,575	3,639	40,885	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	523,252	4,027,286	1,328,787	43,170,916	1,184,911	28,062	110,909	29,930	1,759,233
Provincial Grants - Other									
Federal Grants									
Other Revenue	5,045	118,345							
Investment Income									
	528,297	4,145,631	1,328,787	43,170,916	1,184,911	28,062	110,909	29,930	1,759,233
Expenses									
Salaries									
Teachers	213,652		18,084	34,767,589	1,184,911			7,082	
Principals and Vice Principals			62,808						
Educational Assistants		4,397							
Support Staff		2,162,545	46,143			22,315	76,415	3,418	833,630
Other Professionals		252,283	128,125						
Substitutes		51,792	772,093						
	213,652	2,471,017	1,027,253	34,767,589	1,184,911	22,315	76,415	10,500	833,630
Employee Benefits	29,740	635,241	179,818	8,403,327		5,747	14,133	626	205,774
Services and Supplies	284,905	1,039,373	121,716				20,361	18,804	682,071
	528,297	4,145,631	1,328,787	43,170,916	1,184,911	28,062	110,909	29,930	1,721,475
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	37,758
Interfund Transfers									
Tangible Capital Assets Purchased									(37,758)
	-	-	-	-	-	-	-	-	(37,758)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	Federal Safe Return to Class / Ventilation Fund	Adolescent Psychiatric Unit	Adolescent Day Treatment	Am'ut	Daughters & Sisters P.L.E.A	Waypoint	Donation	Surrey Wrap	Community Schools Other
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	44,175	54,586	14,554	30	1,108	1,632,206	406,897	1,189,032
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,024,878	167,730	482,150	63,370	166,250	164,110			
Provincial Grants - Other							10,000		158,000
Federal Grants									
Other							1,445,860	49,822	508,976
Investment Income									
	1,024,878	167,730	482,150	63,370	166,250	164,110	1,455,860	49,822	666,976
Less: Allocated to Revenue	1,143	141,675	474,819	63,086	153,216	147,365	1,430,815	84,131	436,288
Recovered		42,850	52,948	13,554					
Deferred Revenue, end of year	1,023,735	27,380	8,969	1,284	13,064	17,853	1,657,251	372,588	1,419,720
Revenues									
Provincial Grants - Ministry of Education and Child Care	1,143	141,675	474,819	63,086	153,216	147,365			
Provincial Grants - Other							10,000		158,000
Federal Grants									
Other Revenue							1,420,815	84,131	278,288
Investment Income									
	1,143	141,675	474,819	63,086	153,216	147,365	1,430,815	84,131	436,288
Expenses									
Salaries									
Teachers		68,332	273,093	49,920	104,798	102,548			
Principals and Vice Principals									
Educational Assistants		30,330	74,219		7,157	17,377			
Support Staff							4,928		31,855
Other Professionals									
Substitutes			5,397						
	-	98,662	352,709	49,920	111,955	119,925	4,928	-	31,855
Employee Benefits		27,874	87,700	5,285	26,306	10,973	872		5,578
Services and Supplies		15,139	34,410	7,881	14,955	16,467	1,082,854	84,131	398,855
	-	141,675	474,819	63,086	153,216	147,365	1,088,654	84,131	436,288
Net Revenue (Expense) before Interfund Transfers	1,143	-	-	-	-	-	342,161	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(1,143)						(342,161)		
	(1,143)	-	-	-	-	-	(342,161)	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	New Safe Schools civic Forfeiture - Pro	Literacy Innovation	Rapid Reponse Fund	PAC Contribution	Indigenous Ed Windspeaker	Safe Program	K Transitions	Gang Prevention (BC)	Physical Health Education
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	74,368	-	-	353,049	86,330	11,896	23,281	62,736	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care			298,000						
Provincial Grants - Other	74,368							500,000	
Federal Grants					45,834				
Other				393,936		89,950			27,122
Investment Income									
	74,368	-	298,000	393,936	45,834	89,950	-	500,000	27,122
Less: Allocated to Revenue	77,775	-	253,405	451,629	39,269	79,284	1,087	438,753	17,501
Recovered									
Deferred Revenue, end of year	70,961	-	44,595	295,356	92,895	22,562	22,194	123,983	9,621
Revenues									
Provincial Grants - Ministry of Education and Child Care			253,405				1,087		
Provincial Grants - Other	77,775							438,753	17,501
Federal Grants					39,269				
Other Revenue				451,629		79,284			
Investment Income									
	77,775	-	253,405	451,629	39,269	79,284	1,087	438,753	17,501
Expenses									
Salaries									
Teachers								51,969	17,501
Principals and Vice Principals									
Educational Assistants									
Support Staff	56,299		11,851			15,552	603	186,219	
Other Professionals			52,762			16,490		76,786	
Substitutes									
	56,299	-	64,613	-	-	32,042	603	314,974	17,501
Employee Benefits	12,080		14,037			8,305	108	71,671	
Services and Supplies	9,396		174,755	160,190	39,269	38,937	376	52,108	
	77,775	-	253,405	160,190	39,269	79,284	1,087	438,753	17,501
Net Revenue (Expense) before Interfund Transfers	-	-	-	291,439	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased				(291,439)					
	-	-	-	(291,439)	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	Discover Trades	TOTAL
	\$	\$
Deferred Revenue, beginning of year	149	9,766,334
Add: Restricted Grants		
Provincial Grants - Ministry of Education and Child Care		61,634,073
Provincial Grants - Other		742,368
Federal Grants		45,834
Other		13,814,953
Investment Income		13,016
	-	76,250,244
Less: Allocated to Revenue	(723)	73,206,148
Recovered		109,352
Deferred Revenue, end of year	872	12,701,078
Revenues		
Provincial Grants - Ministry of Education and Child Care		59,251,829
Provincial Grants - Other	(723)	701,306
Federal Grants		39,269
Other Revenue		13,200,728
Investment Income		13,016
	(723)	73,206,148
Expenses		
Salaries		
Teachers		36,901,922
Principals and Vice Principals		62,808
Educational Assistants		2,173,310
Support Staff		3,981,701
Other Professionals		707,580
Substitutes		957,914
	-	44,785,235
Employee Benefits		10,367,879
Services and Supplies	(723)	15,375,258
	(723)	70,528,372
Net Revenue (Expense) before Interfund Transfers	-	2,677,776
Interfund Transfers		
Tangible Capital Assets Purchased		(2,677,776)
	-	(2,677,776)
Net Revenue (Expense)	-	-

School District No. 36 (Surrey)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual			2021 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	-	(395,594)		(395,594)	3,444,473
Other	-			-	-
Municipal Grants Spent on Sites	-			-	52
Federal Grants	-			-	-
Other Revenue	100,000		222,259	222,259	235,495
Rentals and Leases	110,000		118,200	118,200	-
Investment Income	50,000		198,221	198,221	183,213
Gain (Loss) on Disposal of Tangible Capital Assets	27,933,827	27,933,827		27,933,827	63,500
Amortization of Deferred Capital Revenue	31,463,971	31,377,496		31,377,496	27,916,494
Total Revenue	59,657,798	58,915,729	538,680	59,454,409	31,843,227
Expenses					
Operations and Maintenance				-	-
Transportation and Housing	-			-	-
Amortization of Tangible Capital Assets					
Operations and Maintenance	44,995,665	44,974,677		44,974,677	41,480,840
Transportation and Housing	-			-	-
Write-off/down of Buildings and Sites	-			-	-
Debt Services					
Capital Lease Interest	-			-	-
Capital Loan Interest	-			-	-
District Entered				-	-
Total Expense	44,995,665	44,974,677	-	44,974,677	41,480,840
Capital Surplus (Deficit) for the year	14,662,133	13,941,052	538,680	14,479,732	(9,637,613)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	6,911,947	6,230,643		6,230,643	8,865,635
Tangible Capital Assets - Work in Progress	-			-	-
Local Capital	-			-	(5,000,000)
Capital Lease Payment	-			-	-
Capital Loan Payment	-			-	-
Reclassified Prior Year Expenditures to Local Capital		786,227	(786,227)	-	-
Total Net Transfers	6,911,947	7,016,870	(786,227)	6,230,643	3,865,635
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(30,133,827)	30,133,827	-	
Tangible Capital Assets Purchased from Local Capital		2,848,805	(2,848,805)	-	
Tangible Capital Assets WIP Purchased from Local Capital		4,391,661	(4,391,661)	-	
Total Other Adjustments to Fund Balances		(22,893,361)	22,893,361	-	
Total Capital Surplus (Deficit) for the year	21,574,080	(1,935,439)	22,645,814	20,710,375	(5,771,978)
Capital Surplus (Deficit), beginning of year		585,749,426	2,200,312	587,949,738	593,721,716
Capital Surplus (Deficit), end of year		583,813,987	24,846,126	608,660,113	587,949,738

School District No. 36 (Surrey)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	399,572,799	1,366,800,643	59,442,570	9,795,085	1,440,791	21,976,281	1,859,028,169
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	(395,594)	28,684,797	6,021,830			1,462,344	35,773,377
Deferred Capital Revenue - Other		695,828				6,770	702,598
Operating Fund			1,621,798	591,401		1,339,668	3,552,867
Special Purpose Funds		2,020,663	657,113				2,677,776
Local Capital	64,834	654,118	1,745,138	384,715			2,848,805
Transferred from Work in Progress		19,937,747					19,937,747
	(330,760)	51,993,153	10,045,879	976,116	-	2,808,782	65,493,170
Decrease:							
Deemed Disposals			4,353,547	496,479	529,908	3,697,588	9,077,522
	-	-	4,353,547	496,479	529,908	3,697,588	9,077,522
Cost, end of year	399,242,039	1,418,793,796	65,134,902	10,274,722	910,883	21,087,475	1,915,443,817
Work in Progress, end of year		87,021,805					87,021,805
Cost and Work in Progress, end of year	399,242,039	1,505,815,601	65,134,902	10,274,722	910,883	21,087,475	2,002,465,622
Accumulated Amortization, beginning of year		575,537,986	22,539,958	4,173,294	1,018,143	11,026,880	614,296,261
Changes for the Year							
Increase: Amortization for the Year		33,200,771	6,228,874	1,003,489	235,168	4,306,375	44,974,677
Decrease:							
Deemed Disposals			4,353,547	496,479	529,908	3,697,588	9,077,522
			4,353,547	496,479	529,908	3,697,588	9,077,522
Accumulated Amortization, end of year		608,738,757	24,415,285	4,680,304	723,403	11,635,667	650,193,416
Tangible Capital Assets - Net	399,242,039	897,076,844	40,719,617	5,594,418	187,480	9,451,808	1,352,272,206

School District No. 36 (Surrey)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress
Year Ended June 30, 2022

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	60,162,761	-	-	-	60,162,761
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	39,722,560				39,722,560
Deferred Capital Revenue - Other	2,682,570				2,682,570
Local Capital	4,391,661				4,391,661
	46,796,791	-	-	-	46,796,791
Decrease:					
Transferred to Tangible Capital Assets	19,937,747				19,937,747
	19,937,747	-	-	-	19,937,747
Net Changes for the Year	26,859,044	-	-	-	26,859,044
Work in Progress, end of year	87,021,805	-	-	-	87,021,805

School District No. 36 (Surrey)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	643,275,335	26,513,677	-	669,789,012
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	36,168,971	702,598		36,871,569
Transferred from Work in Progress	18,618,608			18,618,608
	54,787,579	702,598	-	55,490,177
Decrease:				
Amortization of Deferred Capital Revenue	30,517,389	860,107		31,377,496
Reclassified Prior Year Expenditures to Local Capital	786,227			786,227
	31,303,616	860,107	-	32,163,723
Net Changes for the Year	23,483,963	(157,509)	-	23,326,454
Deferred Capital Revenue, end of year	666,759,298	26,356,168	-	693,115,466
Work in Progress, beginning of year	50,928,988	627,243		51,556,231
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	39,722,560	2,682,570		42,405,130
	39,722,560	2,682,570	-	42,405,130
Decrease				
Transferred to Deferred Capital Revenue	18,618,608			18,618,608
	18,618,608	-	-	18,618,608
Net Changes for the Year	21,103,952	2,682,570	-	23,786,522
Work in Progress, end of year	72,032,940	3,309,813	-	75,342,753
Total Deferred Capital Revenue, end of year	738,792,238	29,665,981	-	768,458,219

School District No. 36 (Surrey)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	3,274,467	3,650,731	4,287,427	-	11,212,625
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	74,923,968					74,923,968
Investment Income		33,943		62,665		96,608
Transfer between funds - closures	(214,253)	214,253				-
Local Government Site Fees				3,082,135		3,082,135
Reclassified Prior Year Expenditures to Local Capital	786,227					786,227
	<u>75,495,942</u>	<u>248,196</u>	<u>-</u>	<u>3,144,800</u>	<u>-</u>	<u>78,888,938</u>
Decrease:						
Transferred to DCR - Capital Additions	36,168,971	68,582	634,016			36,871,569
Transferred to DCR - Work in Progress	39,722,560		2,682,570			42,405,130
Transferred to Revenue - Site Purchases	(395,594)					(395,594)
	<u>75,495,937</u>	<u>68,582</u>	<u>3,316,586</u>	<u>-</u>	<u>-</u>	<u>78,881,105</u>
Net Changes for the Year	<u>5</u>	<u>179,614</u>	<u>(3,316,586)</u>	<u>3,144,800</u>	<u>-</u>	<u>7,833</u>
Balance, end of year	<u>5</u>	<u>3,454,081</u>	<u>334,145</u>	<u>7,432,227</u>	<u>-</u>	<u>11,220,458</u>