



Audited Financial Statements of
School District No. 36 (Surrey)
June 30, 2024

School District No. 36 (Surrey)

June 30, 2024

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School District No. 36 (Surrey)

MANAGEMENT REPORT

Version: 4621-3875-1893

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, 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. 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)

"Laurie Larsen"	September 11, 2024
Signature of the Chairperson of the Board of Education	Date Signed
"Mark Pearmain"	September 11, 2024
Signature of the Superintendent	Date Signed
"Jon Harding"	September 11, 2024
Signature of the Secretary Treasurer	Date Signed



KPMG LLP

PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 36 (Surrey),
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 36 (Surrey) (the "Entity"), which comprise:

- the statement of financial position as at June 30, 2024
- 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, 2024 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.



Other Information

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

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

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 Other Information, other than the financial statements and the auditor's report thereon, included in the Financial Statement Discussion and Analysis document and 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.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Vancouver, Canada
September 11, 2024

School District No. 36 (Surrey)

Statement of Financial Position

As at June 30, 2024

Statement 1

	2024 Actual	2023 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	152,952,487	163,591,178
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	5,859,976	7,029,210
Due from Province - Other	69,760	64,800
Due from First Nations	-	98,928
Other (Note 4)	12,406,297	8,773,549
Portfolio Investments (Note 5)	36,233,545	-
Total Financial Assets	207,522,065	179,557,665
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 6)	20,739,390	15,918,252
Unearned Revenue (Note 7)	13,138,406	13,677,206
Deferred Revenue (Note 8)	15,001,047	12,024,897
Deferred Capital Revenue (Note 9)	873,624,656	814,826,259
Employee Future Benefits (Note 10)	11,572,076	11,919,309
Asset Retirement Obligation (Note 11)	57,142,905	57,207,022
Other Liabilities (Note 12)	92,141,064	81,144,248
Total Liabilities	1,083,359,544	1,006,717,193
Net Debt	(875,837,479)	(827,159,528)
Non-Financial Assets		
Tangible Capital Assets (Note 14)	1,472,314,595	1,387,930,887
Restricted Assets (Endowments) (Note 15)	800,000	800,000
Prepaid Expenses	4,202,524	2,542,989
Total Non-Financial Assets	1,477,317,119	1,391,273,876
Accumulated Surplus (Deficit)	601,479,640	564,114,348
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	601,462,099	564,114,348
Accumulated Remeasurement Gains (Losses)	17,541	-
	601,479,640	564,114,348

Contractual Obligations (Note 18, 19)

Contractual Rights (Note 20)

Contingent Liabilities (Note 21)

Approved by the Board

“Laurie Larsen”

September 11, 2024

Signature of the Chairperson of the Board of Education

Date Signed

“Mark Pearmain”

September 11, 2024

Signature of the Superintendent

Date Signed

“Jon Harding”

September 11, 2024

Signature of the Secretary Treasurer

Date Signed

School District No. 36 (Surrey)

Statement of Operations

Year Ended June 30, 2024

Statement 2

	2024 Budget (Note 25)	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	944,322,398	1,017,630,464	875,406,640
Other	716,000	1,181,579	1,212,867
Municipal Grants Spent on Sites		8,249,192	2,444,943
Federal Grants	3,147,045	3,967,229	3,567,509
Tuition	17,558,642	13,790,295	12,414,737
Other Revenue	17,384,556	25,769,913	22,628,645
Rentals and Leases	4,251,935	4,725,016	3,841,234
Investment Income	9,113,387	6,311,604	5,154,427
Gain (Loss) on Disposal of Tangible Capital Assets			73,088
Amortization of Deferred Capital Revenue	35,347,992	36,032,846	33,711,301
Total Revenue	1,031,841,955	1,117,658,138	960,455,391
Expenses			
Instruction	869,055,500	904,246,108	816,901,588
District Administration	22,121,370	22,301,460	18,346,806
Operations and Maintenance	144,052,757	144,452,497	133,423,479
Transportation and Housing	8,724,935	9,310,322	8,019,282
Total Expense	1,043,954,562	1,080,310,387	976,691,155
Surplus (Deficit) for the year, before endowment contributions	(12,112,607)	37,347,751	(16,235,764)
Endowment Contributions			800,000
Surplus (Deficit) for the year	(12,112,607)	37,347,751	(15,435,764)
Accumulated Surplus (Deficit) from Operations, beginning of year		564,114,348	579,550,112
Accumulated Surplus (Deficit) from Operations, end of year		601,462,099	564,114,348

School District No. 36 (Surrey)

Statement 3

Statement of Remeasurement Gains and Losses

Year Ended June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Accumulated Remeasurement Gains (Losses) at beginning of year		-
Unrealized Gains (Losses) attributable to:		
Portfolio Investments	16,735	-
Amounts Reclassified to the Statement of Operations:		
Portfolio Investments	806	-
Net Remeasurement Gains (Losses) for the year	17,541	-
Accumulated Remeasurement Gains (Losses) at end of year	17,541	-

School District No. 36 (Surrey)

Statement of Changes in Net Debt

Year Ended June 30, 2024

Statement 4

	2024 Budget (Note 25)	2024 Actual	2023 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(12,112,607)	37,347,751	(15,435,764)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(61,323,463)	(133,655,735)	(82,272,160)
Amortization of Tangible Capital Assets	48,344,818	49,272,027	47,248,427
Total Effect of change in Tangible Capital Assets	(12,978,645)	(84,383,708)	(35,023,733)
Acquisition of Prepaid Expenses	(2,300,000)	(4,202,524)	(2,542,989)
Use of Prepaid Expenses	2,268,390	2,542,989	2,268,390
Endowment Contributions			(800,000)
Total Effect of change in Other Non-Financial Assets	(31,610)	(1,659,535)	(1,074,599)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(25,122,862)	(48,695,492)	(51,534,096)
Net Remeasurement Gains (Losses)		17,541	
(Increase) Decrease in Net Debt		(48,677,951)	(51,534,096)
Net Debt, beginning of year		(827,159,528)	(775,625,432)
Net Debt, end of year		(875,837,479)	(827,159,528)

School District No. 36 (Surrey)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	37,347,751	(15,435,764)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(2,369,546)	1,775,830
Prepaid Expenses	(1,659,535)	(274,599)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	4,821,138	(4,838,949)
Unearned Revenue	(538,800)	2,248,216
Deferred Revenue	2,976,150	(676,181)
Employee Future Benefits	(347,233)	(730,388)
Asset Retirement Obligations	(64,117)	-
Other Liabilities	10,996,816	11,747,455
Loss (Gain) on Disposal of Tangible Capital Assets	-	(73,088)
Amortization of Tangible Capital Assets	49,272,027	47,248,427
Amortization of Deferred Capital Revenue	(36,032,846)	(33,711,301)
Recognition of Deferred Capital Revenue Spent on Sites	(44,042,411)	(4,889,939)
Total Operating Transactions	20,359,394	2,389,719
Capital Transactions		
Tangible Capital Assets Purchased	(91,123,324)	(51,960,723)
Tangible Capital Assets -WIP Purchased	(42,532,411)	(30,311,437)
District Portion of Proceeds on Disposal	-	73,088
Total Capital Transactions	(133,655,735)	(82,199,072)
Financing Transactions		
Capital Revenue Received	138,873,654	73,748,822
Endowment Contributions	-	(800,000)
Total Financing Transactions	138,873,654	72,948,822
Investing Transactions		
Investments in Portfolio Investments	(36,216,004)	-
Total Investing Transactions	(36,216,004)	-
Net Increase (Decrease) in Cash and Cash Equivalents	(10,638,691)	(6,860,531)
Cash and Cash Equivalents, beginning of year	163,591,178	170,451,709
Cash and Cash Equivalents, end of year	152,952,487	163,591,178
Cash and Cash Equivalents, end of year, is made up of:		
Cash	152,952,487	163,591,178
	152,952,487	163,591,178

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

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 and Child Care. School District No. 36 (Surrey) is exempt from federal and provincial corporate income taxes.

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(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 Notes 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.

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

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.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

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

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 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. Additional details over basis of accounting are included in Note 2(a).

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 (EARS�) 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.

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.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

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

g) Asset Retirement Obligations (cont'd)

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 estimate of the asset retirement obligations include costs directly attributable to the asset retirement activities. The estimated costs have been recorded as a liability and capitalized into the carrying amount of tangible capital assets, which is being amortized in accordance with the amortization accounting policy outlined in Note 2(j). The obligation was measured at current cost as the timing of future cash flows cannot be reasonably determined. The carrying value of the liability is reviewed at each financial reporting date with changes to the timing or amount of the original estimate of cash flows recorded as an adjustment to the liability and related tangible capital asset.

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) 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.

j) 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.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Tangible Capital Assets (cont'd)

- 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

k) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

l) 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.

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.

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.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

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

m) Revenue Recognition (cont'd)

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. Additional details over basis of accounting are included in Note 2(a).

Revenue from transactions with performance obligations is recognized when (or as) the performance obligation is satisfied (by providing the promised goods or services to a payor).

Revenue from transactions with no performance obligations is recognized when the 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.

International tuitions, when received in advance of the school year, are recorded as deferred revenue and recognized in revenue evenly over the ten-month school year.

The School District participates in various rebate programs from which an annual rebate is received upon eligibility criteria being met.

Rental and Lease revenues, when received in advance of the rental date, are recorded as deferred revenue and recognized in revenue once the event for the leased space has occurred.

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.

Categories of Salaries

- Principals, Vice-Principals, and District Principals employed under an administrative officer contract are categorized as Principals and Vice-Principals.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

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

n) Expenditures (cont'd)

- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees, Directors of Instruction, and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

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

o) 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 16 – Interfund Transfers and Note 23 – Internally Restricted – Operating Fund).

q) 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.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

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

q) Financial Instruments (cont'd)

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. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. The loss is not reversed if there is 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.

r) 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, liability for asset retirement obligations, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

s) Adoption of new accounting standards

(i) PS 3400 Revenue:

On July 1, 2023, the School District adopted Canadian public sector accounting standard PS 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. The adoption of this new standard did not have an impact on the amounts presented in the financial statements.

(ii) PSG-8 Purchased Intangibles:

On July 1, 2023, the School District adopted Canadian public sector accounting guideline PSG-8 Purchased Intangibles. The new accounting guideline permits recognition of purchased intangibles that are acquired through an arm's length exchange transaction between willing parties provided the purchased intangible meets the recognition criteria for an asset. The adoption of this new guideline did not have an impact on the amounts presented in the financial statements.

(iii) PS 3160 Public Private Partnerships:

On July 1, 2023, the School District adopted Canadian public sector accounting standard PS 3160 Public Private Partnerships. The new accounting standard includes requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. The adoption of this new standard did not have an impact on the amounts presented in the financial statements.

NOTE 3 ECONOMIC DEPENDENCE

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

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 4 ACCOUNTS RECEIVABLE - OTHER

	June 30, 2024	June 30, 2023
Due from Federal Government	\$ 4,960,603	\$ 2,035,751
Trade Accounts Receivable	765,033	812,020
Payroll Accounts Receivable	225,678	101,992
Other Accounts Receivable	1,362,265	1,175,040
Deposits	2,708,309	3,293,840
School Site Acquisition Charges	2,384,409	1,354,906
	\$ 12,406,297	\$ 8,773,549

NOTE 5 PORTFOLIO INVESTMENTS

	June 30, 2024
Investments in the cost and amortized cost category:	
Guaranteed investment certificates	\$ 25,712,650
Money market funds	199,691
Total investments at cost and amortized cost	\$ 25,912,341
Investments in the fair market value category:	
Fixed income pooled investments	\$ 10,321,204
Total investments at fair market value	\$ 10,321,204
Total Portfolio Investments	\$ 36,233,545

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	June 30, 2024	June 30, 2023
Trade Payables	\$ 14,213,295	\$ 10,230,292
Lien Holdbacks	6,359,943	5,502,402
Other	166,152	185,558
	\$ 20,739,390	\$ 15,918,252

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 7 UNEARNED REVENUE

Unearned revenue as at June 30th, 2024

	Balance, June 30, 2023	Increases to Unearned Revenue	Revenue recognized in the period	Balance, June 30, 2024
	\$	\$	\$	\$
Tuition Fees	13,069,950	13,412,481	(13,790,295)	12,692,136
Rental/Lease of Facilities	607,256	4,564,030	(4,725,016)	446,270
Total	13,677,206	17,976,511	(18,515,311)	13,138,406

Unearned revenue as at June 30th, 2023

	Balance, June 30, 2022	Increases to Unearned Revenue	Revenue recognized in the period	Balance, June 30, 2023
	\$	\$	\$	\$
Tuition Fees	10,927,621	14,557,066	(12,414,737)	13,069,950
Rental/Lease of Facilities	501,369	3,947,121	(3,841,234)	607,256
Total	11,428,990	18,504,187	(16,255,971)	13,677,206

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 8 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, 2024

	Balance, June 30, 2023	Contributions received	Revenue recognized in the period	Balance, June 30, 2024
	\$	\$	\$	\$
Provincial Grants - Ministry of Education	3,356,258	95,684,923	(93,588,086)	5,453,095
Provincial Grants - Other	733,908	774,657	(792,779)	715,786
Federal Grants	33,320	87,500	(56,024)	64,796
Other	7,901,411	22,866,376	(22,042,260)	8,725,527
Investment Income	-	79,468	(37,625)	41,843
Total	12,024,897	119,492,924	(116,516,774)	15,001,047

Deferred Revenue as at June 30th, 2023

	Balance, June 30, 2022	Contributions received	Revenue recognized in the period	Balance, June 30, 2023
	\$	\$	\$	\$
Provincial Grants - Ministry of Education	3,910,481	75,225,912	(75,780,135)	3,356,258
Provincial Grants - Other	767,327	791,855	(825,274)	733,908
Federal Grants	102,977	12,500	(82,157)	33,320
Other	7,920,293	19,113,028	(19,131,910)	7,901,411
Investment Income	-	33,130	(33,130)	-
Total	12,701,078	95,176,425	(95,852,606)	12,024,897

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 9 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.

	2024	2023
	\$	\$
Deferred Capital Revenue, (includes Work in progress), beginning of year	814,826,259	779,678,677
Increases:		
Provincial Grants - MOE	134,889,834	66,712,553
Provincial Grants - Other	-	3,454,469
Local Government Site Fees	3,329,963	2,899,801
Investment Income	518,646	462,734
Sale of Capital Assets	-	219,265
Other Revenue	135,211	-
	<u>138,873,654</u>	<u>73,748,822</u>
Decreases:		
Transfers to Revenue - Site Purchases	44,042,411	4,889,939
Amortization of Deferred Capital Revenue	36,032,846	33,711,301
	<u>80,075,257</u>	<u>38,601,240</u>
Net Change for the year	58,798,397	35,147,582
Deferred Capital Revenue (includes Work in Progress), end of year	<u>873,624,656</u>	<u>814,826,259</u>

Work in progress amount as of June 30, 2024 was \$48,377,104 (June 30, 2023: \$41,958,896).

Unspent Deferred Capital Contributions as of June 30, 2024 were \$33,903,476 (June 30, 2023: \$14,132,327).

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 10 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.

	2024	2023
	\$	\$
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	11,551,107	13,021,171
Service Cost	726,702	747,688
Interest Cost	454,564	406,174
Benefit Payments	(1,626,756)	(1,878,998)
Actuarial (Gain) Loss	(369,089)	(744,928)
Accrued Benefit Obligation – March 31	<u>10,736,528</u>	<u>11,551,107</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	<u>10,736,528</u>	<u>11,551,107</u>
Funded Status - Surplus (Deficit)	(10,736,528)	(11,551,107)
Employer Contributions After Measurement Date	127,888	377,479
Benefits Expense After Measurement Date	(292,035)	(295,317)
Unamortized Net Actuarial (Gain) Loss	(671,401)	(450,364)
Accrued Benefit Asset (Liability) - June 30	<u>(11,572,076)</u>	<u>(11,919,309)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	11,919,309	12,649,697
Net Expense for Fiscal Year	1,029,932	1,361,761
Employer Contributions	(1,377,165)	(2,092,149)
Accrued Benefit Liability (Asset) - June 30	<u>11,572,076</u>	<u>11,919,309</u>
Components of Net Benefit Expense		
Service Cost	723,914	742,442
Interest Cost	454,071	418,271
Amortization of Net Actuarial (Gain)/Loss	(148,053)	201,048
Net Benefit Expense (Income)	<u>1,029,932</u>	<u>1,361,761</u>

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 10 EMPLOYEE FUTURE BENEFITS (Continued)

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

	<u>2024</u>	<u>2023</u>
Discount Rate – April 1	4.00%	3.25%
Discount Rate – March 31	4.25%	4.00%
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	9.5 years

NOTE 11 ASSET RETIREMENT OBLIGATION

Legal obligations exist for the removal and disposal of asbestos and other hazardous materials in some School District owned buildings that will undergo major renovations or demolition in the future.

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
	\$	\$
Asset Retirement Obligation, opening balance	57,207,022	57,207,022
Settlements during the year	64,117	-
Asset Retirement Obligation, closing balance	<u>57,142,905</u>	<u>57,207,022</u>

NOTE 12 OTHER LIABILITIES

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

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
	\$	\$
Salaries and Benefits Payable	82,901,594	71,460,406
Accrued Vacation Payable	9,239,470	9,683,842
	<u>92,141,064</u>	<u>81,144,248</u>

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 13 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, 2024 were \$77,635,511 (2023: \$69,883,254).

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, 2023, The Teachers' Pension Plan has about 51,000 active members from school districts, and approximately 42,000 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 2024 and 2023 fiscal years.

Teacher Pension Plan is determined on a formula based on a contribution rate of 11.30% of salary for 2024 (2023: 11.30%).

Year's Maximum Pensionable Earnings ("YMPE") for 2024 set at \$68,500 (2023: \$66,600).

Municipal Pension Plan

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 and a balance of \$3,185 million in the rate stabilization account. The next valuation will be December 31, 2024, with results available in 2025.

As of December 31, 2023, The Municipal Pension Plan has about 256,000 active members, of which approximately 31,000 are from school districts.

Municipal Pension Plan employer contributions are determined by a formula based on a contribution rate of 9.31% of salary for 2024 (2023: 9.31%).

School District No. 36 (Surrey)
Notes to Financial Statements
Year Ended June 30, 2024

NOTE 14 TANGIBLE CAPITAL ASSETS

June 30, 2024	Land	Building	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Work in Progress (WIP)	2024 Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost								
Beginning of year	404,218,877	1,580,453,728	72,910,652	10,616,440	481,972	18,145,432	45,496,483	2,132,323,584
Additions	44,042,411	36,918,205	7,856,589	198,066	-	2,108,053	42,532,411	133,655,735
Disposals	-	-	-	-	-	-	-	-
Deemed Disposals	-	-	(3,623,000)	(334,960)	(481,972)	(5,844,739)	-	(10,284,671)
Transfer from WIP	-	37,321,359	-	-	-	-	(37,321,359)	-
Closing Balance	448,261,288	1,654,693,292	77,144,241	10,479,546	-	14,408,746	50,707,535	2,255,694,648
Accumulated Amortization								
Beginning of year		700,036,319	28,089,271	4,981,411	433,778	10,851,918	-	744,392,697
Amortization		37,410,870	7,502,744	1,054,801	48,194	3,255,418	-	49,272,027
Disposals		-	-	-	-	-	-	-
Deemed Disposals		-	(3,623,000)	(334,960)	(481,972)	(5,844,739)	-	(10,284,671)
Closing Balance		737,447,189	31,969,015	5,701,252	-	8,262,597	-	783,380,053
Net Book Value	448,261,288	917,246,103	45,175,226	4,778,294	-	6,146,149	50,707,535	1,472,314,595

Amortization of work in progress for buildings as at June 30, 2024 will commence when the asset is put into service.

School District No. 36 (Surrey)
Notes to Financial Statements
Year Ended June 30, 2024

NOTE 14 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2023	Land	Building	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Work in Progress (WIP)	2023 Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost								
Beginning of year	399,242,039	1,476,000,818	65,134,902	10,274,722	910,883	21,087,475	87,021,805	2,059,672,644
Additions	4,976,838	33,129,677	11,004,042	1,085,169	-	1,764,997	30,311,437	82,272,160
Disposals	-	(513,526)	-	-	-	-	-	(513,526)
Deemed Disposals	-	-	(3,228,292)	(743,451)	(428,911)	(4,707,040)	-	(9,107,694)
Transfer from WIP	-	71,836,759	-	-	-	-	(71,836,759)	-
Closing Balance	404,218,877	1,580,453,728	72,910,652	10,616,440	481,972	18,145,432	45,496,483	2,132,323,584
Accumulated Amortization								
Beginning of year		665,310,831	24,415,285	4,680,304	723,403	11,635,667	-	706,765,490
Amortization		35,239,014	6,902,278	1,044,558	139,286	3,923,291	-	47,248,427
Disposals		(513,526)	-	-	-	-	-	(513,526)
Deemed Disposals		-	(3,228,292)	(743,451)	(428,911)	(4,707,040)	-	(9,107,694)
Closing Balance		700,036,319	28,089,271	4,981,411	433,778	10,851,918	-	744,392,697
Net Book Value	404,218,877	880,417,409	44,821,381	5,635,029	48,194	7,293,514	45,496,483	1,387,930,887

Amortization of work in progress for buildings as at June 30, 2023 will commence when the asset is put into service.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 15 RESTRICTED ASSETS – ENDOWMENTS

A donor has provided an endowment contribution with a restriction that the original contribution should not be spent. The endowment is invested in a high interest savings account, bearing interest at 5.52%.

The endowment was established to create a legacy fund for the Surrey Schools Lunch Program.

Name of Endowment	Balance	Contributions	Balance
	June 30, 2023		June 30, 2024
	\$	\$	\$
The Surrey School District Food Program Fund	800,000	-	800,000
Total	800,000	-	800,000

NOTE 16 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 \$3,816,710 (2023: \$4,091,758) from the operating fund and \$2,373,036 (2023: \$3,476,434) from the special purpose fund, totalling \$6,189,746 (2023: \$7,568,192) to the capital fund, were made to purchase various capital assets.

NOTE 17 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 18 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:

2025	\$	739,371
2026		390,809
2027		54,196
2028		-
2029		-
	\$	1,184,376

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 19 CONTRACTUAL OBLIGATIONS

The School District has a total of \$66,448,229 (2023: \$32,744,693) of contractual obligations at year end related to capital items and the construction or renovation of buildings, which are funded from deferred capital revenues of Ministry of Education and Child Care Bylaw capital, Restricted Capital, Land Capital, Local Capital Reserve funds and operating funds. Disclosure relates to the unperformed portion of the contracts.

Contractual Commitments:

Snokomish Elementary	\$ 21,955,143
Woodland Park Elementary	11,376,545
Walnut Road Elementary	8,864,480
Lena Shaw Elementary	7,221,654
Semiahmoo Trail Elementary	4,253,397
South Meridian Elementary	2,962,692
Guildford Park Secondary	2,941,424
Tamanawis Secondary	1,689,447
Kwantlen Park Secondary	1,241,528
Pacific Heights Elementary	997,815
Ta'Talu Elementary	930,432
WE Kinvig Elementary	470,012
Erma Stephenson Elementary	275,793
Regent Road Elementary	206,181
Riverdale Elementary	141,605
Corporate Services	124,036
DR. FD Sinclair Elementary	100,368
Sum of contractual commitments under \$100,000	695,677
Total Contractual Commitments	<u>\$ 66,448,229</u>

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 20 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for the leasing of School District property. The following table summarizes the contractual rights of the School District for future assets:

2025	\$ 150,160
2026	10,550
2027	-
2028	-
2029	-
	<u>\$ 160,710</u>

NOTE 21 CONTINGENT LIABILITIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provisions have been included in liabilities when the loss is likely and amount is determinable. 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 22 EXPENSE BY OBJECT

	June 30, 2024	June 30, 2023
	\$	\$
Salaries and Benefits	927,509,380	834,138,657
Services and Supplies	103,528,980	95,304,071
Amortization	49,272,027	47,248,427
	<u>1,080,310,387</u>	<u>976,691,155</u>

NOTE 23 INTERNALLY RESTRICTED – OPERATING FUND

The School District attributes a portion of the accumulated surplus to an internal operating fund and internally restricts for 2024: \$1,647,471 (2023: \$6,903,851). The detail of the internal restricted items are as follows:

Net School Operating Balance	\$ 783,725
Indigenous Learners Education Targeted Funds	463,636
Early Career Mentorship	400,110
Total Internally Restricted Items	<u>\$ 1,647,471</u>

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2024

NOTE 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 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. During the current year, the School District invested in portfolio investments, consisting of low risk GICs, fixed income pooled investments and money market funds. 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.

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 2023 related to credit, market or liquidity risks.

NOTE 25 BUDGET FIGURES

Budget figures included in the financial statements are based on the School District's Annual Budget adopted by the Board of Education on May 10th, 2023.

School District No. 36 (Surrey)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2024

	Operating Fund	Special Purpose Fund	Capital Fund	2024 Actual	2023 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	10,607,713	800,000	552,706,635	564,114,348	579,550,112
Changes for the year					
Surplus (Deficit) for the year	2,927,307	2,373,036	32,047,408	37,347,751	(15,435,764)
Interfund Transfers					
Tangible Capital Assets Purchased	(1,994,886)	(2,308,919)	4,303,805	-	
Local Capital	(1,821,824)		1,821,824	-	
Other		(64,117)	64,117	-	
Net Changes for the year	(889,403)	-	38,237,154	37,347,751	(15,435,764)
Accumulated Surplus (Deficit), end of year - Statement 2	9,718,310	800,000	590,943,789	601,462,099	564,114,348
Accumulated Remeasurement Gains (Losses) - Statement 3	17,541	-	-	17,541	-
	9,735,851	800,000	590,943,789	601,479,640	564,114,348

School District No. 36 (Surrey)

Schedule of Operating Operations

Year Ended June 30, 2024

Schedule 2 (Unaudited)

	2024 Budget (Note 25)	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	864,090,512	888,249,158	797,181,509
Other	366,000	388,800	387,593
Federal Grants	3,147,045	3,911,205	3,485,352
Tuition	17,558,642	13,790,295	12,414,737
Other Revenue	2,086,434	3,506,660	2,886,705
Rentals and Leases	4,146,935	4,611,176	3,734,334
Investment Income	8,195,387	5,364,635	4,213,724
Total Revenue	899,590,955	919,821,929	824,303,954
Expenses			
Instruction	776,147,363	790,475,954	724,877,525
District Administration	22,121,370	22,301,460	18,346,806
Operations and Maintenance	95,356,875	94,841,162	85,851,773
Transportation and Housing	8,693,538	9,276,046	7,990,452
Total Expense	902,319,146	916,894,622	837,066,556
Operating Surplus (Deficit) for the year	(2,728,191)	2,927,307	(12,762,602)
Budgeted Appropriation (Retirement) of Surplus (Deficit)	5,614,140		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(2,885,949)	(1,994,886)	(4,091,758)
Local Capital		(1,821,824)	-
Total Net Transfers	(2,885,949)	(3,816,710)	(4,091,758)
Total Operating Surplus (Deficit), for the year	-	(889,403)	(16,854,360)
Operating Surplus (Deficit), beginning of year		10,607,713	27,462,073
Operating Surplus (Deficit), end of year		9,718,310	10,607,713
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 23)		1,647,471	6,903,851
Unrestricted		8,070,839	3,703,862
Total Operating Surplus (Deficit), end of year		9,718,310	10,607,713

School District No. 36 (Surrey)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2024

	2024 Budget (Note 25)	2024 Actual	2023 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	841,963,508	864,217,539	758,028,573
ISC/LEA Recovery	(75,894)	(108,133)	(98,928)
Other Ministry of Education and Child Care Grants			
Pay Equity	6,861,224	6,861,224	6,861,224
Funding for Graduated Adults	1,473,593	1,343,111	1,609,915
Student Transportation Fund	72,999	73,000	72,999
Support Staff Benefits Grant	967,283	967,283	967,283
FSA Scorer Grant	45,719	45,719	45,719
Child Care Funding	-	60,674	-
Early Learning Framework (ELF) Implementation	-	-	11,080
Labour Settlement Funding	9,000,245	9,000,245	26,715,792
Labour Settlement Funding (Teacher & Support Staff Benefit Enhancement)	1,242,159	1,242,159	654,949
Exempt Wage Increase	2,539,676	4,508,794	2,303,561
Miscellaneous	-	37,543	9,342
Total Provincial Grants - Ministry of Education and Child Care	864,090,512	888,249,158	797,181,509
Provincial Grants - Other	366,000	388,800	387,593
Federal Grants	3,147,045	3,911,205	3,485,352
Tuition			
Continuing Education	760,000	774,167	744,555
International and Out of Province Students	16,798,642	13,016,128	11,670,182
Total Tuition	17,558,642	13,790,295	12,414,737
Other Revenues			
Funding from First Nations	75,894	108,133	98,928
Miscellaneous			
Teaching Kitchen Revenue	783,348	1,148,187	941,003
Energy management	120,000	125,000	118,872
Worksafe BC	656,929	-	699,691
Other Miscellaneous	450,263	2,125,340	1,028,211
Total Other Revenue	2,086,434	3,506,660	2,886,705
Rentals and Leases	4,146,935	4,611,176	3,734,334
Investment Income	8,195,387	5,364,635	4,213,724
Total Operating Revenue	899,590,955	919,821,929	824,303,954

School District No. 36 (Surrey)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2024

	2024 Budget (Note 25)	2024 Actual	2023 Actual
	\$	\$	\$
Salaries			
Teachers	418,994,103	424,066,765	389,050,224
Principals and Vice Principals	40,600,751	39,930,011	37,332,281
Educational Assistants	85,124,724	86,739,316	80,454,872
Support Staff	70,496,892	68,849,848	64,010,517
Other Professionals	16,120,069	15,622,000	12,797,002
Substitutes	33,633,745	40,489,182	34,069,633
Total Salaries	664,970,284	675,697,122	617,714,529
Employee Benefits	165,850,330	166,254,778	150,096,829
Total Salaries and Benefits	830,820,614	841,951,900	767,811,358
Services and Supplies			
Services	25,458,076	26,768,709	22,100,865
Student Transportation	7,074,062	7,946,568	6,869,148
Professional Development and Travel	2,232,459	2,731,062	2,236,746
Rentals and Leases	1,123,571	1,029,988	979,532
Dues and Fees	1,375,164	1,431,738	1,361,156
Insurance	1,797,699	2,009,829	1,807,215
Supplies	19,366,831	21,129,912	20,995,078
Utilities	13,070,670	11,894,916	12,905,458
Total Services and Supplies	71,498,532	74,942,722	69,255,198
Total Operating Expense	902,319,146	916,894,622	837,066,556

School District No. 36 (Surrey)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	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	326,047,378	9,014,799	36,443	6,225,668	818,039	19,411,995	361,554,322
1.03 Career Programs	4,260,777	144,472	-	1,676,491	-	330,243	6,411,983
1.07 Library Services	8,541,595	-	-	861,935	98,012	547,001	10,048,543
1.08 Counselling	10,362,283	-	-	-	-	631,727	10,994,010
1.10 Special Education	34,344,769	788,143	82,242,422	1,007,057	-	12,752,219	131,134,610
1.30 English Language Learning	30,825,087	-	529,309	63,524	-	1,947,041	33,364,961
1.31 Indigenous Education	1,003,610	162,678	2,169,467	100,802	201,839	85,322	3,723,718
1.41 School Administration	1,710	28,182,341	-	16,691,239	-	1,364,340	46,239,630
1.60 Summer School	2,845,302	356,264	123,676	238,955	-	-	3,564,197
1.61 Continuing Education	255,941	-	-	8,656	-	-	264,597
1.62 International and Out of Province Students	4,487,884	385,707	16,697	894,011	409,785	301,030	6,495,114
1.64 Other	359,772	165,975	1,614,790	325,672	132,243	218	2,598,670
Total Function 1	423,336,108	39,200,379	86,732,804	28,094,010	1,659,918	37,371,136	616,394,355
4 District Administration							
4.11 Educational Administration	634,029	163,727	-	339,545	2,887,294	-	4,024,595
4.40 School District Governance	-	-	-	214,339	562,613	-	776,952
4.41 Business Administration	12,493	565,905	-	4,168,400	5,685,956	84,137	10,516,891
Total Function 4	646,522	729,632	-	4,722,284	9,135,863	84,137	15,318,438
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	83,187	-	6,512	2,191,976	2,405,403	2,028	4,689,106
5.50 Maintenance Operations	948	-	-	30,397,151	2,074,701	2,951,618	35,424,418
5.52 Maintenance of Grounds	-	-	-	2,845,936	181,129	34,634	3,061,699
5.56 Utilities	-	-	-	-	-	-	-
Total Function 5	84,135	-	6,512	35,435,063	4,661,233	2,988,280	43,175,223
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	114,241	164,986	-	279,227
7.70 Student Transportation	-	-	-	484,250	-	45,629	529,879
Total Function 7	-	-	-	598,491	164,986	45,629	809,106
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	424,066,765	39,930,011	86,739,316	68,849,848	15,622,000	40,489,182	675,697,122

School District No. 36 (Surrey)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2024 Actual	2024 Budget (Note 25)	2023 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	361,554,322	85,673,836	447,228,158	9,745,729	456,973,887	449,076,410	419,491,176
1.03 Career Programs	6,411,983	1,620,605	8,032,588	1,498,981	9,531,569	9,333,189	8,837,291
1.07 Library Services	10,048,543	2,346,601	12,395,144	4,004,518	16,399,662	17,131,140	16,031,900
1.08 Counselling	10,994,010	2,580,934	13,574,944	-	13,574,944	13,697,476	12,586,513
1.10 Special Education	131,134,610	36,537,980	167,672,590	2,048,950	169,721,540	164,357,622	153,311,857
1.30 English Language Learning	33,364,961	8,117,010	41,481,971	15,918	41,497,889	41,131,883	39,591,741
1.31 Indigenous Education	3,723,718	984,134	4,707,852	327,755	5,035,607	5,484,060	5,129,486
1.41 School Administration	46,239,630	10,870,786	57,110,416	1,474,723	58,585,139	56,946,507	54,017,541
1.60 Summer School	3,564,197	708,435	4,272,632	186,702	4,459,334	4,066,080	3,944,966
1.61 Continuing Education	264,597	23,697	288,294	89,379	377,673	420,107	345,513
1.62 International and Out of Province Students	6,495,114	1,531,229	8,026,343	2,654,646	10,680,989	11,672,946	8,425,751
1.64 Other	2,598,670	652,029	3,250,699	387,022	3,637,721	2,829,943	3,163,790
Total Function 1	616,394,355	151,647,276	768,041,631	22,434,323	790,475,954	776,147,363	724,877,525
4 District Administration							
4.11 Educational Administration	4,024,595	773,994	4,798,589	1,359,244	6,157,833	6,626,079	5,009,683
4.40 School District Governance	776,952	115,067	892,019	365,106	1,257,125	1,235,138	1,183,835
4.41 Business Administration	10,516,891	2,342,802	12,859,693	2,026,809	14,886,502	14,260,153	12,153,288
Total Function 4	15,318,438	3,231,863	18,550,301	3,751,159	22,301,460	22,121,370	18,346,806
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	4,689,106	840,966	5,530,072	4,055,355	9,585,427	9,219,057	7,836,493
5.50 Maintenance Operations	35,424,418	9,478,513	44,902,931	20,167,441	65,070,372	64,301,639	57,160,870
5.52 Maintenance of Grounds	3,061,699	800,979	3,862,678	1,931,461	5,794,139	6,201,122	5,879,055
5.56 Utilities	-	-	-	14,391,224	14,391,224	15,635,057	14,975,355
Total Function 5	43,175,223	11,120,458	54,295,681	40,545,481	94,841,162	95,356,875	85,851,773
7 Transportation and Housing							
7.41 Transportation and Housing Administration	279,227	66,656	345,883	10,742	356,625	345,567	294,747
7.70 Student Transportation	529,879	188,525	718,404	8,201,017	8,919,421	8,347,971	7,695,705
Total Function 7	809,106	255,181	1,064,287	8,211,759	9,276,046	8,693,538	7,990,452
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	675,697,122	166,254,778	841,951,900	74,942,722	916,894,622	902,319,146	837,066,556

School District No. 36 (Surrey)

Schedule of Special Purpose Operations

Year Ended June 30, 2024

Schedule 3 (Unaudited)

	2024 Budget (Note 25)	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	80,231,886	93,588,086	75,780,135
Other	350,000	792,779	825,274
Federal Grants	-	56,024	82,157
Other Revenue	15,148,122	22,042,260	19,131,910
Investment Income	28,000	37,625	33,130
Total Revenue	95,758,008	116,516,774	95,852,606
Expenses			
Instruction	92,908,137	113,770,154	92,024,063
Operations and Maintenance	351,064	339,308	323,279
Transportation and Housing	31,397	34,276	28,830
Total Expense	93,290,598	114,143,738	92,376,172
Special Purpose Surplus (Deficit) for the year, before endowment contributions	2,467,410	2,373,036	3,476,434
Endowment Contributions		-	800,000
Special Purpose Surplus (Deficit) for the year	2,467,410	2,373,036	4,276,434
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(2,467,410)	(2,308,919)	(3,476,434)
Other		(64,117)	-
Total Net Transfers	(2,467,410)	(2,373,036)	(3,476,434)
Total Special Purpose Surplus (Deficit) for the year	-	-	800,000
Special Purpose Surplus (Deficit), beginning of year		800,000	-
Special Purpose Surplus (Deficit), end of year		800,000	800,000
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		800,000	800,000
Total Special Purpose Surplus (Deficit), end of year		800,000	800,000

School District No. 36 (Surrey)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	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	-	-	846,733	4,143,526	-	-	170,959	219,870	2
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	2,362,477	3,177,154	-	-	736,000	252,350	561,155	4,311,707	1,454,302
Provincial Grants - Other	-	-	-	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	-
Other	-	-	518,103	17,744,377	2,650	-	2,335	-	-
Investment Income	5,506	-	32,119	-	-	-	-	-	-
	2,367,983	3,177,154	550,222	17,744,377	738,650	252,350	563,490	4,311,707	1,454,302
Less: Allocated to Revenue	2,367,977	3,177,150	529,232	17,493,280	738,649	217,207	697,551	4,368,374	1,454,302
Deferred Revenue, end of year	6	4	867,723	4,394,623	1	35,143	36,898	163,203	2
Revenues									
Provincial Grants - Ministry of Education and Child Care	2,362,471	3,177,150	-	-	735,999	217,207	695,216	4,368,374	1,454,302
Provincial Grants - Other	-	-	-	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	497,113	17,493,280	2,650	-	2,335	-	-
Investment Income	5,506	-	32,119	-	-	-	-	-	-
	2,367,977	3,177,150	529,232	17,493,280	738,649	217,207	697,551	4,368,374	1,454,302
Expenses									
Salaries									
Teachers	-	-	-	-	-	948	230,377	-	28,218
Principals and Vice Principals	-	-	-	-	-	-	-	-	85,915
Educational Assistants	-	2,348,710	-	-	-	-	-	1,363,055	-
Support Staff	-	-	-	-	522,015	80,956	-	1,715,920	61,204
Other Professionals	114,925	-	-	-	20,192	80,769	-	289,757	172,256
Substitutes	-	313,550	-	-	16,647	-	-	39,400	740,390
	114,925	2,662,260	-	-	558,854	162,673	230,377	3,408,132	1,087,983
Employee Benefits	23,319	514,890	-	-	178,119	37,412	33,098	910,865	211,697
Services and Supplies	201,064	-	529,232	17,493,280	1,676	17,122	434,076	49,377	154,622
	339,308	3,177,150	529,232	17,493,280	738,649	217,207	697,551	4,368,374	1,454,302
Net Revenue (Expense) before Interfund Transfers	2,028,669	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(1,964,552)	-	-	-	-	-	-	-	-
Other	(64,117)	-	-	-	-	-	-	-	-
	(2,028,669)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Student & Family Affordability	JUST B4
Deferred Revenue, beginning of year	\$ -	\$ -	\$ 14,142	\$ -	\$ 45,675	\$ 10,415	\$ 3,308	\$ 1,924,229	\$ 9,455
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	65,899,097	3,497,479	32,476	47,000	11,250	55,400	196,000	1,872,000	25,000
Provincial Grants - Other	-	-	-	-	-	87,531	-	-	14,930
Federal Grants	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	73,267	-	-	11,321
Investment Income	-	-	-	-	-	-	-	-	-
	65,899,097	3,497,479	32,476	47,000	11,250	216,198	196,000	1,872,000	51,251
Less: Allocated to Revenue	65,899,097	3,497,479	34,276	47,000	48,249	164,742	68,167	1,825,304	47,422
Deferred Revenue, end of year	-	-	12,342	-	8,676	61,871	131,141	1,970,925	13,284
Revenues									
Provincial Grants - Ministry of Education and Child Care	65,899,097	3,497,479	34,276	47,000	48,249	3,944	68,167	1,825,304	21,171
Provincial Grants - Other	-	-	-	-	-	87,531	-	-	14,930
Federal Grants	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	73,267	-	-	11,321
Investment Income	-	-	-	-	-	-	-	-	-
	65,899,097	3,497,479	34,276	47,000	48,249	164,742	68,167	1,825,304	47,422
Expenses									
Salaries									
Teachers	52,803,764	3,497,479	-	-	5,498	-	-	-	-
Principals and Vice Principals	-	-	-	-	-	-	-	-	-
Educational Assistants	-	-	-	-	-	-	275	-	-
Support Staff	-	-	27,666	5,518	40,884	128,281	-	-	35,675
Other Professionals	-	-	-	-	-	-	-	-	-
Substitutes	-	-	-	-	-	-	-	-	-
	52,803,764	3,497,479	27,666	5,518	46,382	128,281	275	-	35,675
Employee Benefits	13,095,333	-	6,610	2,266	-	34,622	141	-	11,703
Services and Supplies	-	-	-	39,216	1,867	1,839	67,751	1,825,304	44
	65,899,097	3,497,479	34,276	47,000	48,249	164,742	68,167	1,825,304	47,422
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund	French Immersion Growth	Provincial Resource Program	Daytrippers	Endowments	Surrey Youth Resiliency	Safe School Program
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	25,554	49,874	-	817,238	43,764	-	-	-	69,817
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	19,000	175,000	8,711,614	200,000	1,168,196	-	-	-	-
Provincial Grants - Other	-	-	-	-	-	-	-	-	40,000
Federal Grants	-	-	-	-	-	-	-	-	-
Other	-	-	95,407	-	-	2,194	-	358,120	96,113
Investment Income	-	-	-	-	-	-	41,843	-	-
	19,000	175,000	8,807,021	200,000	1,168,196	2,194	41,843	358,120	136,113
Less: Allocated to Revenue	13,333	190,635	6,605,051	877,955	1,180,799	2,194	-	358,120	127,260
Deferred Revenue, end of year	31,221	34,239	2,201,970	139,283	31,161	-	41,843	-	78,670
Revenues									
Provincial Grants - Ministry of Education and Child Care	13,333	190,635	6,509,644	877,955	1,180,799	2,194	-	358,120	-
Provincial Grants - Other	-	-	-	-	-	-	-	-	39,968
Federal Grants	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	95,407	-	-	-	-	-	87,292
Investment Income	-	-	-	-	-	-	-	-	-
	13,333	190,635	6,605,051	877,955	1,180,799	2,194	-	358,120	127,260
Expenses									
Salaries									
Teachers	190	-	1,842	707,495	710,100	-	-	48,137	-
Principals and Vice Principals	-	159,049	-	-	-	-	-	-	-
Educational Assistants	-	-	7,143	-	149,054	-	-	-	-
Support Staff	7,903	-	1,171,511	-	-	-	-	112,977	68,493
Other Professionals	-	-	253,101	-	-	-	-	-	-
Substitutes	-	-	36,023	-	10,228	-	-	-	-
	8,093	159,049	1,469,620	707,495	869,382	-	-	161,114	68,493
Employee Benefits	1,295	31,586	380,701	170,460	200,748	-	-	40,221	18,478
Services and Supplies	3,945	-	4,754,730	-	110,669	2,194	-	156,785	40,289
	13,333	190,635	6,605,051	877,955	1,180,799	2,194	-	358,120	127,260
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	Community School Other	Donations	Rapid Response Fund	PAC Contribution	Indigenous ED Windspeaker	Integrated Child & Youth Resiliency	Gang Prevention (BC)	Physical Health Education	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	1,789,223	1,384,616	44,595	202,003	23,238	-	150,640	36,021	12,024,897
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	-	-	-	-	-	920,266	-	-	95,684,923
Provincial Grants - Other	22,645	3,500	-	-	-	-	606,051	-	774,657
Federal Grants	-	-	-	-	87,500	-	-	-	87,500
Other	638,254	2,626,833	-	567,402	-	-	-	130,000	22,866,376
Investment Income	-	-	-	-	-	-	-	-	79,468
	660,899	2,630,333	-	567,402	87,500	920,266	606,051	130,000	119,492,924
Less: Allocated to Revenue	1,554,125	1,837,766	-	413,849	56,024	-	541,040	83,165	116,516,774
Deferred Revenue, end of year	895,997	2,177,183	44,595	355,556	54,714	920,266	215,651	82,856	15,001,047
Revenues									
Provincial Grants - Ministry of Education and Child Care	-	-	-	-	-	0	-	-	93,588,086
Provincial Grants - Other	22,645	3,500	-	-	-	-	541,040	83,165	792,779
Federal Grants	-	-	-	-	56,024	-	-	-	56,024
Other Revenue	1,531,480	1,834,266	-	413,849	-	-	-	-	22,042,260
Investment Income	-	-	-	-	-	-	-	-	37,625
	1,554,125	1,837,766	-	413,849	56,024	-	541,040	83,165	116,516,774
Expenses									
Salaries									
Teachers	8,580	926	-	-	-	-	57,692	43,682	58,144,928
Principals and Vice Principals	-	-	-	-	-	-	-	25,327	270,291
Educational Assistants	-	6,828	-	-	-	-	-	-	3,875,065
Support Staff	714,641	6,817	-	-	-	-	288,615	-	4,989,076
Other Professionals	-	-	-	-	-	-	254	-	931,254
Substitutes	-	-	-	-	-	-	-	-	1,156,238
	723,221	14,571	-	-	-	-	346,561	69,009	69,366,852
Employee Benefits	182,326	2,719	-	-	-	-	87,863	14,156	16,190,628
Services and Supplies	648,578	1,607,860	-	282,098	56,024	-	106,616	-	28,586,258
	1,554,125	1,625,150	-	282,098	56,024	-	541,040	83,165	114,143,738
Net Revenue (Expense) before Interfund Transfers	-	212,616	-	131,751	-	-	-	-	2,373,036
Interfund Transfers									
Tangible Capital Assets Purchased	-	(212,616)	-	(131,751)	-	-	-	-	(2,308,919)
Other	-	-	-	-	-	-	-	-	(64,117)
	-	(212,616)	-	(131,751)	-	-	-	-	(2,373,036)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2024

	2024 Budget (Note 25)	2024 Actual			2023 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	-	35,793,220		35,793,220	2,444,996
Municipal Grants Spent on Sites	-	8,249,192		8,249,192	2,444,943
Other Revenue	150,000	-	220,993	220,993	610,030
Rentals and Leases	105,000		113,840	113,840	106,900
Investment Income	890,000		909,344	909,344	907,573
Gain (Loss) on Disposal of Tangible Capital Assets	-			-	73,088
Amortization of Deferred Capital Revenue	35,347,992	36,032,846		36,032,846	33,711,301
Total Revenue	36,492,992	80,075,258	1,244,177	81,319,435	40,298,831
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	48,344,818	49,272,027		49,272,027	47,248,427
Total Expense	48,344,818	49,272,027	-	49,272,027	47,248,427
Capital Surplus (Deficit) for the year	(11,851,826)	30,803,231	1,244,177	32,047,408	(6,949,596)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	5,353,359	4,303,805		4,303,805	7,568,192
Local Capital	-		1,821,824	1,821,824	-
Settlement of Asset Retirement Obligation	-	64,117		64,117	-
Total Net Transfers	5,353,359	4,367,922	1,821,824	6,189,746	7,568,192
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		8,547,455	(8,547,455)	-	
Tangible Capital Assets WIP Purchased from Local Capital		1,701,970	(1,701,970)	-	
Total Other Adjustments to Fund Balances		10,249,425	(10,249,425)	-	
Total Capital Surplus (Deficit) for the year	(6,498,467)	45,420,578	(7,183,424)	38,237,154	618,596
Capital Surplus (Deficit), beginning of year		530,029,933	22,676,702	552,706,635	552,088,039
Capital Surplus (Deficit), end of year		575,450,511	15,493,278	590,943,789	552,706,635

School District No. 36 (Surrey)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2024

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	404,218,877	1,580,453,728	72,910,652	10,616,440	481,972	18,145,432	2,086,827,101
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	35,793,219	29,478,203	2,708,150	-	-	717,719	68,697,291
Deferred Capital Revenue - Other	8,249,192	724,192	601,389	-	-	-	9,574,773
Operating Fund	-	-	604,552	-	-	1,390,334	1,994,886
Special Purpose Funds	-	1,827,607	481,312	-	-	-	2,308,919
Local Capital	-	4,888,203	3,461,186	198,066	-	-	8,547,455
Transferred from Work in Progress		37,321,359					37,321,359
	44,042,411	74,239,564	7,856,589	198,066	-	2,108,053	128,444,683
Decrease:							
Deemed Disposals			3,623,000	334,960	481,972	5,844,739	10,284,671
	-	-	3,623,000	334,960	481,972	5,844,739	10,284,671
Cost, end of year	448,261,288	1,654,693,292	77,144,241	10,479,546	-	14,408,746	2,204,987,113
Work in Progress, end of year		50,707,535					50,707,535
Cost and Work in Progress, end of year	448,261,288	1,705,400,827	77,144,241	10,479,546	-	14,408,746	2,255,694,648
Accumulated Amortization, beginning of year		700,036,319	28,089,271	4,981,411	433,778	10,851,918	744,392,697
Changes for the Year							
Increase: Amortization for the Year		37,410,870	7,502,744	1,054,801	48,194	3,255,418	49,272,027
Decrease:							
Deemed Disposals			3,623,000	334,960	481,972	5,844,739	10,284,671
		-	3,623,000	334,960	481,972	5,844,739	10,284,671
Accumulated Amortization, end of year		737,447,189	31,969,015	5,701,252	-	8,262,597	783,380,053
Tangible Capital Assets - Net	448,261,288	967,953,638	45,175,226	4,778,294	-	6,146,149	1,472,314,595

School District No. 36 (Surrey)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2024

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	45,496,483				45,496,483
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	40,068,889				40,068,889
Deferred Capital Revenue - Other	761,552				761,552
Local Capital	1,701,970				1,701,970
	42,532,411	-	-	-	42,532,411
Decrease:					
Transferred to Tangible Capital Assets	37,321,359				37,321,359
	37,321,359	-	-	-	37,321,359
Net Changes for the Year	5,211,052	-	-	-	5,211,052
Work in Progress, end of year	50,707,535	-	-	-	50,707,535

School District No. 36 (Surrey)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2024

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	733,589,226	25,145,810		758,735,036
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	32,904,072	1,325,581		34,229,653
Transferred from Work in Progress	31,479,324	2,932,909		34,412,233
	64,383,396	4,258,490	-	68,641,886
Decrease:				
Amortization of Deferred Capital Revenue	35,083,636	949,210		36,032,846
	35,083,636	949,210	-	36,032,846
Net Changes for the Year	29,299,760	3,309,280	-	32,609,040
Deferred Capital Revenue, end of year	762,888,986	28,455,090	-	791,344,076
Work in Progress, beginning of year	36,625,430	5,333,466		41,958,896
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	40,068,889	761,552		40,830,441
	40,068,889	761,552	-	40,830,441
Decrease				
Transferred to Deferred Capital Revenue	31,479,324	2,932,909		34,412,233
	31,479,324	2,932,909	-	34,412,233
Net Changes for the Year	8,589,565	(2,171,357)	-	6,418,208
Work in Progress, end of year	45,214,995	3,162,109	-	48,377,104
Total Deferred Capital Revenue, end of year	808,103,981	31,617,199	-	839,721,180

School District No. 36 (Surrey)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2024

Schedule 4D (Unaudited)

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	5	3,765,342	2,161,905	8,205,075		14,132,327
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	131,227,549		3,662,285			134,889,834
Investment Income	-	250,089	-	268,557		518,646
Transfer project surplus to MECC Restricted (from) Bylaw	(2,849,091)	2,849,091				-
Other Revenue	-	135,211	-	-		135,211
Local Government Site fees	-	-	-	3,329,963		3,329,963
	<u>128,378,458</u>	<u>3,234,391</u>	<u>3,662,285</u>	<u>3,598,520</u>	<u>-</u>	<u>138,873,654</u>
Decrease:						
Transferred to DCR - Capital Additions	32,904,072	(3,621)	1,329,202			34,229,653
Transferred to DCR - Work in Progress	40,068,889	154,301	607,251			40,830,441
Transferred to Revenue - Site Purchases	35,793,219	-	-	8,249,192		44,042,411
	<u>108,766,180</u>	<u>150,680</u>	<u>1,936,453</u>	<u>8,249,192</u>	<u>-</u>	<u>119,102,505</u>
Net Changes for the Year	<u>19,612,278</u>	<u>3,083,711</u>	<u>1,725,832</u>	<u>(4,650,672)</u>	<u>-</u>	<u>19,771,149</u>
Balance, end of year	<u>19,612,283</u>	<u>6,849,053</u>	<u>3,887,737</u>	<u>3,554,403</u>	<u>-</u>	<u>33,903,476</u>