

Audited Financial Statements of

School District No. 71 (Comox Valley)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 71 (Comox Valley)

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)	40
Schedule 4A - Tangible Capital Assets (Unaudited)	41
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	42
Schedule 4C - Deferred Capital Revenue (Unaudited)	43
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	44

School District No. 71 (Comox Valley)

MANAGEMENT REPORT

Version: 4115-3369-1386

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 71 (Comox Valley) 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.


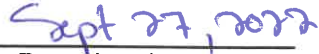

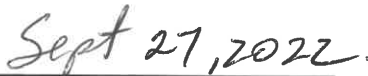


The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 71 (Comox Valley) (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. 71 (Comox Valley) 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. 71 (Comox Valley)

 _____ Signature of the Chairperson of the Board of Education	 _____ Date Signed
 _____ Signature of the Superintendent	 _____ Date Signed
 _____ Signature of the Secretary Treasurer	 _____ Date Signed



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INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 71 (Comox Valley), and
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 71 (Comox Valley) (the Entity), which comprise:

- the statement of financial position as at June 30, 2022
- 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 of the Entity as at and for the year ended June 30, 2022 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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' 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:

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

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

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

We obtained the Information, other than the financial statements and the auditors' 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 auditors' 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 auditors' 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Victoria, Canada
September 27, 2022

School District No. 71 (Comox Valley)

Statement 1

Statement of Financial Position


As at June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents (Note 3)	31,970,281	30,834,542
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	894,884	1,415,579
Due from Province - Other	-	99,252
Other (Note 4)	439,487	640,131
Total Financial Assets	<u>33,304,652</u>	<u>32,989,504</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education and Child Care	-	8,959
Other (Note 5)	10,945,117	13,666,917
Unearned Revenue (Note 6)	2,322,998	2,229,696
Deferred Revenue (Note 7)	1,961,911	1,853,793
Deferred Capital Revenue (Note 8)	133,325,941	126,040,567
Employee Future Benefits (Note 9)	3,988,054	4,049,278
Total Liabilities	<u>152,544,021</u>	<u>147,849,210</u>
Net Debt	<u>(119,239,369)</u>	<u>(114,859,706)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 11)	169,249,390	163,086,356
Prepaid Expenses	1,073,069	925,803
Total Non-Financial Assets	<u>170,322,459</u>	<u>164,012,159</u>
Accumulated Surplus (Deficit) (Note 19)	<u>51,083,090</u>	<u>49,152,453</u>

Contractual Obligations (Note 15)

Contingent Liabilities (Note 16)


Approved by the Board



 Signature of the Chairperson of the Board of Education

Sept 27, 2022

 Date Signed



 Signature of the Superintendent

Sept 27, 2022

 Date Signed



 Signature of the Secretary Treasurer

Sept 27, 2022

 Date Signed

School District No. 71 (Comox Valley)

Statement 2

Statement of Operations
Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	112,717,134	113,491,638	111,494,482
Other	160,000	275,900	215,600
Tuition	2,842,450	2,959,945	1,623,154
Other Revenue	1,701,075	2,967,587	2,256,785
Rentals and Leases	68,000	62,125	28,527
Investment Income	170,300	215,895	213,465
Gain (Loss) on Disposal of Tangible Capital Assets			399,000
Amortization of Deferred Capital Revenue	4,770,845	4,912,708	4,345,125
Total Revenue	<u>122,429,804</u>	<u>124,885,798</u>	<u>120,576,138</u>
Expenses (Note 18)			
Instruction	99,584,053	96,557,584	92,017,371
District Administration	4,209,647	3,792,981	3,648,525
Operations and Maintenance	19,148,030	20,153,184	17,497,489
Transportation and Housing	2,281,703	2,451,412	1,985,702
Total Expense	<u>125,223,433</u>	<u>122,955,161</u>	<u>115,149,087</u>
Surplus (Deficit) for the year	<u>(2,793,629)</u>	<u>1,930,637</u>	<u>5,427,051</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		49,152,453	43,725,402
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>51,083,090</u></u>	<u>49,152,453</u>

School District No. 71 (Comox Valley)

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual \$
Surplus (Deficit) for the year	(2,793,629)	1,930,637	5,427,051
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(11,802,519)	(13,381,413)	(26,252,829)
Amortization of Tangible Capital Assets	7,172,580	7,218,379	6,187,826
Total Effect of change in Tangible Capital Assets	(4,629,939)	(6,163,034)	(20,065,003)
Acquisition of Prepaid Expenses		(1,073,069)	(925,803)
Use of Prepaid Expenses		925,803	637,198
Total Effect of change in Other Non-Financial Assets	-	(147,266)	(288,605)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(7,423,568)</u>	(4,379,663)	(14,926,557)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(4,379,663)	(14,926,557)
Net Debt, beginning of year		(114,859,706)	(99,933,149)
Net Debt, end of year		<u>(119,239,369)</u>	<u>(114,859,706)</u>

School District No. 71 (Comox Valley)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,930,637	5,427,051
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	820,591	2,674,835
Prepaid Expenses	(147,266)	(288,605)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(2,730,759)	1,664,206
Unearned Revenue	93,302	630,301
Deferred Revenue	108,118	(10,343)
Employee Future Benefits	(61,224)	(14,593)
Loss (Gain) on Disposal of Tangible Capital Assets		(399,000)
Amortization of Tangible Capital Assets	7,218,379	6,187,826
Amortization of Deferred Capital Revenue	(4,912,708)	(4,345,125)
Total Operating Transactions	2,319,070	11,526,553
Capital Transactions		
Tangible Capital Assets Purchased	(13,109,550)	(8,805,785)
Tangible Capital Assets -WIP Purchased	(271,863)	(17,447,044)
District Portion of Proceeds on Disposal (Note 12)	-	399,000
Total Capital Transactions	(13,381,413)	(25,853,829)
Financing Transactions		
Capital Revenue Received	12,198,082	19,584,262
Total Financing Transactions	12,198,082	19,584,262
Net Increase (Decrease) in Cash and Cash Equivalents	1,135,739	5,256,986
Cash and Cash Equivalents, beginning of year	30,834,542	25,577,556
Cash and Cash Equivalents, end of year	31,970,281	30,834,542
Cash and Cash Equivalents, end of year, is made up of:		
Cash	31,970,281	30,834,542
	31,970,281	30,834,542
Supplementary Cash Flow Information (Note 22)		

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 **AUTHORITY AND PURPOSE**

The School District, established in 1946, operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 71 (Comox Valley)", and operates as "School District No. 71 (Comox Valley)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 71 (Comox Valley) 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 schools suspended in-class instruction in March 2020 and the District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1, 2020 and full-time beginning Sept 1, 2020 with new health and safety guidelines. 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**

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

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except with regards to the accounting for government transfers as set out in Notes 2(e), 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(e) and 2(m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize non-capital restricted contributions into revenue in the fiscal period in which the restriction that the contribution is subject to is met and 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. Canadian public sector accounting standards would require these contributions, if they are government transfers, to be recognized into revenue immediately when received unless they contain a stipulation that meets the definition of a liability.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods. Revenue will be recognized in that future period when the courses are provided.

e) Deferred Revenue

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

f) Deferred Capital Revenue

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.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
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 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) 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.

At this time the School District has determined there are no liabilities for contaminated sites.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

i) Tangible Capital Assets

The following criteria apply:

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

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

j) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incidental to ownership of the property to the School District are considered capital leases.

These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

k) Prepaid Expenses

Payments for insurance, subscriptions, software, utilities, membership and maintenance contracts 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 from it.

l) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers between various funds and reserves are adjusted in the respective fund and recorded (see Note 19 – Accumulated Surplus).

m) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated. Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

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

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

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

m) Revenue Recognition *(continued)*

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

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

Revenue related to fees or services received in advance of the fee being earned or the service 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.

Categories of Salaries

- Principals and Vice-Principals employed under a Principals and Vice-Principals contract are categorized as Principals and Vice-Principals.
- Superintendent, Assistant Superintendent, Secretary-Treasurer, Directors, Managers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

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

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

o) Financial Instruments

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

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

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

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Statement of 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. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

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

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 2 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, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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

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:

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

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.

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.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 3 CASH AND CASH EQUIVALENTS

	2022	2021
School Generated Funds	\$ 793,177	\$ 799,972
District Funds	17,241,312	13,734,679
Restricted Funds - Teacher Salary Deferral Program	216,712	247,790
BC Ministry of Finance Central Deposit Program	13,719,080	16,052,101
	\$ 31,970,281	\$ 30,834,542

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2022	2021
Due from Federal Government	\$ 376,063	\$ 371,681
Other	63,424	268,450
	\$ 439,487	\$ 640,131

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2022	2021
Trade payables	\$ 1,322,890	\$ 4,678,845
Salaries and benefits payable	3,097,723	2,804,541
Accrued vacation payable	468,778	509,783
Other	6,055,726	5,673,748
	\$ 10,945,117	\$ 13,666,917

NOTE 6 UNEARNED REVENUE

	2022	2021
Balance, beginning of year	\$ 2,229,696	\$ 1,599,395
Tuition fees received	3,053,247	2,253,455
Tuition fees recognized	(2,959,945)	(1,623,154)
Balance, end of year	\$ 2,322,998	\$ 2,229,696

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
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.

	2022	2021
Balance, beginning of year	\$ 1,853,793	\$ 1,864,136
Grants received:		
Provincial Grants - Ministry of Education	13,758,332	15,642,551
School Generated Funds	2,214,899	1,452,179
Other	6,176	5,303
Subtotal	15,979,407	17,100,033
Revenue recognized:	(15,871,289)	(17,015,540)
Revenue recovered:	-	(94,836)
Subtotal	(15,871,289)	(17,110,376)
Balance, end of year	\$ 1,961,911	\$ 1,853,793

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
<u>Deferred capital revenue - subject to amortization</u>		
Balance, beginning of year	\$ 98,599,693	\$ 98,997,994
Provincial Grants - Ministry of Education	8,224,891	3,730,907
Transfer in from deferred revenue - WIP	27,139,874	215,917
Write off/down of Buildings and Sites		
Amortization of deferred capital revenue	(4,912,708)	(4,345,125)
Balance, end of year	\$ 129,051,750	\$ 98,599,693

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 **DEFERRED CAPITAL REVENUE (Continued)**

	2022	2021
<u>Deferred capital revenue - work in progress</u>		
Work in progress, beginning of year	\$ 27,139,874	\$ 10,908,747
Transfer in from deferred capital revenue - Unspent	271,863	16,447,044
Transfer to deferred capital revenue	(27,139,874)	(215,917)
Balance, end of year	\$ 271,863	\$ 27,139,874

	2022	2021
<u>Deferred capital revenue - unspent</u>		
Unspent deferred capital revenue, beginning of year	\$ 301,000	\$ 894,689
Provincial Grants - Ministry of Education	8,365,564	19,169,010
Provincial Grants - Other	3,832,518	99,252
Other		15,000
MEd Restricted Portion of Proceeds on Disposal		301,000
Transfer to deferred capital revenue	(8,224,891)	(3,730,907)
- subject to amortization		
Transfer to deferred capital revenue - work in progress	(271,863)	(16,447,044)
Balance, end of year	\$ 4,002,328	\$ 301,000

Total deferred capital revenue balance, end of year	\$ 133,325,941	\$ 126,040,567
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NOTE 9 **EMPLOYEE FUTURE BENEFITS**

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

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 **EMPLOYEE FUTURE BENEFITS (Continued)**

	2022	2021
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation - April 1	\$ 3,238,936	\$ 3,304,451
Service Cost	287,503	286,830
Interest Cost	83,548	76,515
Benefit Payments	(172,231)	(240,023)
Increase (Decrease) in obligation due to Plan Amendment	(141,960)	-
Actuarial (Gain) Loss	56,625	(188,837)
Accrued Benefit Obligation - March 31	\$ 3,352,421	\$ 3,238,936

	2022	2021
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 3,352,421	\$ 3,238,936
Funded Status - Surplus (Deficit)	(3,352,421)	(3,238,936)
Employer Contributions after Measurement Date	12,926	38,048
Benefits Expense After Measurement Date	(104,232)	(92,763)
Unamortized Net Actuarial (Gain) Loss	(544,327)	(755,627)
Accrued Benefit Asset (Liability) - June 30	\$ (3,988,054)	\$ (4,049,278)

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 4,049,278	\$ 4,063,871
Net Expense for Fiscal Year	85,886	223,081
Employer Contributions	(147,110)	(237,674)
Accrued Benefit Liability (Asset) - June 30	\$ 3,988,054	\$ 4,049,278

Components of Net Benefit Expense		
Service Cost	\$ 292,202	\$ 286,999
Interest Cost	90,318	78,272
Immediate Recognition of Plan Amendment	(141,960)	-
Amortization of Net Actuarial (Gain)/Loss	(154,674)	(142,190)
Net Benefit Expense (Income)	\$ 85,886	\$ 223,081

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

	June 30, 2022	June 30, 2021
Discount Rate - April 1	2.25%	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	9.3 years	8.3 years

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 CAPITAL LEASE OBLIGATIONS

Capital leases for the purchase of computer hardware with MacQuarie Equipment Finance are no longer outstanding as the remaining lease expired on June 30, 2020 and was not renewed.

Thus, there was no corresponding interest expense for the years ending 2021 and 2022.

NOTE 11 TANGIBLE CAPITAL ASSETS

Net Book Value:	June 30, 2022	June 30, 2021
Sites	\$ 14,800,889	\$ 14,151,889
Buildings	142,884,182	138,676,231
Furniture & Equipment	6,396,771	5,809,522
Vehicles	1,366,800	1,346,531
Computer Hardware	3,800,748	3,102,183
Total	\$ 169,249,390	\$ 163,086,356

June 30, 2022

Cost:	Balance at July 1, 2021	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2022
Sites	\$ 14,151,889	\$ 649,000	\$ -	\$ -	\$ 14,800,889
Buildings	234,391,861	37,358,584	865,546	(27,991,920)	242,892,979
Furniture & Equipment	6,780,078	1,199,654	-	123,909	8,103,641
Vehicles	2,037,537	229,823	113,827	-	2,153,533
Computer Hardware	4,758,503	1,812,363	191,390	-	6,379,476
Total	\$ 262,119,868	\$ 41,249,424	\$ 1,170,763	\$ (27,868,011)	\$ 274,330,518

June 30, 2022

Accumulated Amortization:	Balance at July 1, 2021	Additions	Disposals	Balance at June 30, 2022
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	95,715,630	5,158,713	865,546	100,008,797
Furniture & Equipment	970,556	736,314	-	1,706,870
Vehicles	691,006	209,554	113,827	786,733
Computer Hardware	1,656,320	1,113,798	191,390	2,578,728
Total	\$ 99,033,512	\$ 7,218,379	\$ 1,170,763	\$ 105,081,128

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 11 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2021

Cost:	Balance at July 1, 2020	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2021
Sites	\$ 14,151,889	\$ -	\$ -	\$ -	\$ 14,151,889
Buildings	213,314,938	4,266,355	531,133	17,341,701	234,391,861
Furniture & Equipment	4,217,913	2,672,739	-	(110,574)	6,780,078
Vehicles	1,721,803	346,273	30,539	-	2,037,537
Computer Hardware	3,294,393	1,736,335	272,225	-	4,758,503
Total	\$ 236,700,936	\$ 9,021,702	\$ 833,897	17,231,127	\$ 262,119,868

June 30, 2021

Accumulated Amortization:	Balance at July 1, 2020	Additions	Disposals	Balance at June 30, 2021
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	91,594,889	4,651,874	531,133	95,715,630
Furniture & Equipment	427,861	542,695	-	970,556
Vehicles	533,578	187,967	30,539	691,006
Computer Hardware	1,123,255	805,290	272,225	1,656,320
Total	\$ 93,679,583	\$ 6,187,826	\$ 833,897	\$ 99,033,512

NOTE 12 DISPOSAL OF SITES AND BUILDINGS

In the 2016-17 school year, the District entered into a tri-party agreement with the Corporation of the City of Courtenay and the Comox Valley Regional District involving a land swap and the sale of the existing School Board Office. Proceeds were recorded as \$600,000 cash and \$265,000 prepaid rent, resulting in a then gain on disposal. The sale of the School Board Office to the Comox Valley Regional District completed on June 18, 2021. In 2021, the District received proceeds of \$700,000, of which \$600,000 was recorded as cash, and \$100,000 as prepaid rent. The disposed office was funded by both Board and Ministry of Education funds. Thus, a portion of the cash proceeds were recorded in 2021 as Ministry of Education Restricted Capital in the amount of \$301,000. The Prepaid Rent began amortization in 2021/22 and will be recorded as such for the life of the 99-year lease agreement.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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 boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2021, the Teachers' Pension Plan has about 50,000 active members and approximately 40,000 retired members. As of December 31, 2021, the Municipal Pension Plan has about 227,000 active members, including approximately 29,000 from school districts.

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

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

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 on a going concern basis.

The School District paid \$8,185,836 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$7,749,786).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2021, with results available in 2022.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

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.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 15 CONTRACTUAL OBLIGATIONS

The School District has entered into multiple-year contracts for the construction of tangible capital assets, specifically the structural seismic mitigation to Lake Trail Middle School. This contractual obligation will become a liability in the future when the terms of the contracts are met. The Lake Trail Middle School capital project funding agreement estimates the maximum potential project funding to be \$25,672,195 with an additional risk reserve of \$1,554,586. As of June 30, 2022, the project is considered “substantially complete” so \$21,385,362 was transferred from work-in-progress along with current year expenditures of \$4,139,391 for a total addition (to date) of \$25,524,753 into tangible capital assets. There is still work underway and the entire project is expected to be fully completed by December 31, 2022. A request will be made in the 2022/23 school year to the Ministry of Education and Childcare – Capital Branch for access to a portion of the risk reserve funding.

On May 23, 2017 the School District entered into a multiple-year contract for transportation services. This contract commenced September 1, 2017 for a minimum duration of five years. The District has extended the contract an additional 3 years including escalation. Contractual costs have been estimated and incrementally increased by a minimum of 5% annually based on the extended contract terms.

		2023		2024		2025
Transportation Contract	\$	2,543,341	\$	2,670,508	\$	2,804,033

NOTE 16 CONTINGENT LIABILITIES

The School District, in conducting its usual business activities, is involved in various legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material or adverse effect on the School District’s financial position.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 17 BUDGET FIGURES

Budget figures were approved by the Board through the adoption of an amended annual budget on February 22, 2022. Differences between the amended and original budget adopted May 25, 2021 are presented below:

	AMENDED			
	Annual Budget	Annual Budget		Change
Revenues				
Provincial Grants				
Ministry of Education	\$ 112,717,134	\$ 105,442,985	\$	(7,274,149)
Other	160,000	-		(160,000)
Tuition	2,842,450	2,707,450		(135,000)
Other Revenue	1,701,075	1,663,262		(37,813)
Rentals and Leases	68,000	36,000		(32,000)
Investment Income	170,300	132,800		(37,500)
Amortization of Deferred Capital Revenue	4,770,845	4,711,745		(59,100)
Total Revenue	\$ 122,429,804	\$ 114,694,242	\$	(7,735,562)
Expenses				
Instruction	\$ 99,584,053	\$ 90,833,935	\$	(8,750,118)
District Administration	4,209,647	3,878,859		(330,788)
Operations and Maintenance	19,148,030	18,936,789		(211,241)
Transportation and Housing	2,281,703	2,083,178		(198,525)
Total Expense	\$ 125,223,433	\$ 115,732,761	\$	(9,490,672)
Net Revenue (Expense)	\$ (2,793,629)	\$ (1,038,519)	\$	1,755,110
Budgeted Allocation of Surplus	5,019,694	828,338		(4,191,356)
Budgeted Surplus (Deficit) for the year	\$ 2,226,065	\$ (210,181)	\$	(2,436,246)

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 18 EXPENSE BY OBJECT

	2022		2021
Salaries and benefits	\$ 98,212,835	\$	93,645,602
Services and supplies	17,523,947		15,315,659
Amortization	7,218,379		6,187,826
	\$ 122,955,161	\$	115,149,087

NOTE 19 ACCUMULATED SURPLUS

The School District has established a number of funds to demonstrate compliance with legislation and to reflect the School District’s intentions to undertake certain future activities.

The Operating Fund accounts for the School District’s operating grants and other operating revenues. Legislation requires that the School District present a balanced budget for the Operating Fund, whereby budgeted expenditure does not exceed the total of budgeted revenue and any surplus in the operating fund carried forward from previous years.

The Capital Fund accounts for the School District’s investment in its existing capital infrastructure, including the existing buildings, furniture, vehicles, computers and equipment. It also reflects intentions to make future capital asset purchases.

The Special Purpose Funds account for grants and contributions received which are directed by agreement with a third party towards specific activities.

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2022, were as follows:

- \$1,029,394 was transferred from the operating fund to the capital fund for the purchase of capital assets;
- No funds were transferred from the special purpose fund to the capital fund for the purchase of capital assets;
- \$3,980,000 was transferred from the operating fund to local capital.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 19 **ACCUMULATED SURPLUS (Continued)**

	2022	2021
Operating Fund		
Restricted due to nature of constraints on funds		
Net School Surpluses	\$ 86,291	\$ 195,886
Teacher Mentorship	88,656	133,879
Anti-Racism in Early Care	6,429	-
Enhanced Cleaning & HVAC Upgrades	-	642,338
Pathways to Hope (ICY funding)	253,235	-
LEA Capacity Building Grant	-	6,840
Indigenous Education	291,105	299,678
Purchase Order Commitments	309,371	270,432
	\$ 1,035,087	\$ 1,549,053
Restricted for anticipated unusual expenses		
Childcare Facilities	200,000	-
Outdoor Classrooms	175,000	720,000
Accessibility/Entrance Renewals	-	300,000
School Fire Suppression project	300,000	700,000
Future Capital Project Pre-Engineering & Design	50,000	100,000
Board Office Project	2,000,000	500,000
	\$ 2,725,000	\$ 2,320,000
Restricted for operations spanning multiple school years		
District/Program Initiatives	242,999	74,945
Modulars/Furniture	676,018	550,000
Holdback Funds Learning Impacts & Mental Health	-	525,696
	\$ 919,017	\$ 1,150,641
Subtotal - Internally Restricted	\$ 4,679,104	\$ 5,019,694
Unrestricted Contingency Surplus	\$ 2,063,748	\$ 2,575,213
Total available for future operations	\$ 6,742,852	\$ 7,594,907
Capital Fund		
Invested in tangible capital assets	\$ 39,925,780	\$ 37,346,792
Local Capital	4,414,458	4,210,754
	\$ 44,340,238	\$ 41,557,546
Total Accumulated Surplus	\$ 51,083,090	\$ 49,152,453

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 19 **ACCUMULATED SURPLUS (Continued)**

The local capital surplus has been internally restricted by the Board for:

Board Office Project	3,195,584
Youth Trades Tools/Equipment Replacement	5,038
Furniture and Equipment	15,955
Fine Arts Equipment	10,888
Copier and Printer Fleet Replacement	37,797
Facility & IT Reserves	1,090,742
Classroom Renovations	58,455
	\$ 4,414,459

NOTE 20 **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 21 **RISK MANAGEMENT**

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

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

a) Credit risk

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

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

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

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 21 **RISK MANAGEMENT (Continued)**

b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in the Central Deposit Program with the Province and in recognized British Columbia institutions.

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 2021 related to credit, market or liquidity risks.

NOTE 22 **SUPPLEMENTARY CASH FLOW INFORMATION**

Interest collected and paid during the year was as follows:

		2022		2021
Interest collected	\$	215,895	\$	213,465
Interest paid		-		-

School District No. 71 (Comox Valley)

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	7,594,907		41,557,546	49,152,453	43,725,402
Changes for the year					
Surplus (Deficit) for the year	4,157,339		(2,226,702)	1,930,637	5,427,051
Interfund Transfers					
Tangible Capital Assets Purchased	(1,029,394)		1,029,394	-	
Local Capital	(3,980,000)		3,980,000	-	
Net Changes for the year	(852,055)	-	2,782,692	1,930,637	5,427,051
Accumulated Surplus (Deficit), end of year - Statement 2	6,742,852	-	44,340,238	51,083,090	49,152,453

School District No. 71 (Comox Valley)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	98,969,544	99,840,808	95,951,648
Other	160,000	275,900	215,600
Tuition	2,842,450	2,959,945	1,623,154
Other Revenue	590,689	752,926	789,382
Rentals and Leases	68,000	62,125	28,527
Investment Income	142,000	131,128	182,591
Total Revenue	<u>102,772,683</u>	<u>104,022,832</u>	<u>98,790,902</u>
Expenses			
Instruction	85,119,004	81,237,021	76,670,560
District Administration	4,209,647	3,792,981	3,648,525
Operations and Maintenance	11,632,414	12,434,018	10,959,235
Transportation and Housing	2,226,312	2,401,473	1,983,798
Total Expense	<u>103,187,377</u>	<u>99,865,493</u>	<u>93,262,118</u>
Operating Surplus (Deficit) for the year	<u>(414,694)</u>	<u>4,157,339</u>	<u>5,528,784</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>5,019,694</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(625,000)	(1,029,394)	(454,407)
Local Capital	(3,980,000)	(3,980,000)	(1,560,000)
Total Net Transfers	<u>(4,605,000)</u>	<u>(5,009,394)</u>	<u>(2,014,407)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(852,055)</u>	<u>3,514,377</u>
Operating Surplus (Deficit), beginning of year		7,594,907	4,080,530
Operating Surplus (Deficit), end of year		<u>6,742,852</u>	<u>7,594,907</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		4,679,104	7,594,907
Unrestricted		2,063,748	
Total Operating Surplus (Deficit), end of year		<u>6,742,852</u>	<u>7,594,907</u>

School District No. 71 (Comox Valley)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual \$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	97,243,597	98,580,744	92,492,731
ISC/LEA Recovery	(154,961)	(176,525)	(154,961)
Other Ministry of Education and Child Care Grants			
Pay Equity	451,831	451,831	451,831
Funding for Graduated Adults	135,000	165,990	230,034
Student Transportation Fund	421,375	421,375	421,375
Support Staff Benefits Grant	114,396	112,481	111,041
Teachers' Labour Settlement Funding			2,210,956
Early Career Mentorship Funding			170,000
FSA Scorer Grant	15,964	15,964	15,964
Equity Scan	3,000	3,000	-
Anti-Racism in Early Care	6,429	6,429	-
Integrated Child and Youth (ICY) Teams	253,235	253,235	-
Early Learning Framework	2,677	2,677	2,677
February 2022 Enrolment Count	477,001	-	-
Extreme Weather		3,607	
Total Provincial Grants - Ministry of Education and Child Care	98,969,544	99,840,808	95,951,648
Provincial Grants - Other	160,000	275,900	215,600
Tuition			
International and Out of Province Students	2,842,450	2,959,945	1,623,154
Total Tuition	2,842,450	2,959,945	1,623,154
Other Revenues			
Funding from First Nations	154,961	176,525	154,961
Miscellaneous			
Instructional Cafeteria	120,000	133,528	55,024
Miscellaneous	315,728	442,873	579,397
Total Other Revenue	590,689	752,926	789,382
Rentals and Leases	68,000	62,125	28,527
Investment Income	142,000	131,128	182,591
Total Operating Revenue	102,772,683	104,022,832	98,790,902

School District No. 71 (Comox Valley)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2022

	2022 Budget (Note 17)	2022 Actual	2021 Actual
	\$	\$	\$
Salaries			
Teachers	42,631,666	41,439,858	39,320,849
Principals and Vice Principals	5,444,087	5,383,773	5,270,358
Educational Assistants	7,277,588	6,519,542	5,921,174
Support Staff	9,017,775	8,906,698	8,127,471
Other Professionals	3,284,615	3,273,254	3,182,317
Substitutes	3,308,034	3,444,981	3,057,669
Total Salaries	70,963,765	68,968,106	64,879,838
Employee Benefits	16,725,069	16,358,646	15,447,539
Total Salaries and Benefits	87,688,834	85,326,752	80,327,377
Services and Supplies			
Services	4,290,906	3,552,736	3,139,062
Student Transportation	2,202,000	2,377,593	1,966,901
Professional Development and Travel	808,947	557,753	357,477
Rentals and Leases		144,588	
Dues and Fees	95,200	84,112	65,158
Insurance	240,800	214,770	199,811
Supplies	5,700,252	5,304,874	5,198,272
Utilities	2,160,438	2,302,315	2,008,060
Total Services and Supplies	15,498,543	14,538,741	12,934,741
Total Operating Expense	103,187,377	99,865,493	93,262,118

School District No. 71 (Comox Valley)

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	33,322,141	744,466		63,774		2,666,645	36,797,026
1.03 Career Programs	626,591		206,065			10,698	843,354
1.07 Library Services	104,858			713,021		40,002	857,881
1.08 Counselling	1,707,100					1,390	1,708,490
1.10 Special Education	4,239,470	138,290	5,411,887	73,644	191,360	318,406	10,373,057
1.30 English Language Learning	161,388		27,717				189,105
1.31 Indigenous Education	341,903	141,968	806,075	164,772	61,055	8,866	1,524,639
1.41 School Administration		4,220,759		1,943,879		189,373	6,354,011
1.62 International and Out of Province Students	936,407	138,290		114,902	219,515	50,690	1,459,804
1.64 Other			67,798	100,368		3,354	171,520
Total Function 1	41,439,858	5,383,773	6,519,542	3,174,360	471,930	3,289,424	60,278,887
4 District Administration							
4.11 Educational Administration					970,555		970,555
4.40 School District Governance					180,703		180,703
4.41 Business Administration				371,054	973,090		1,344,144
Total Function 4	-	-	-	371,054	2,124,348	-	2,495,402
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration					662,983		662,983
5.50 Maintenance Operations				4,882,514		155,557	5,038,071
5.52 Maintenance of Grounds				478,770			478,770
5.56 Utilities							-
Total Function 5	-	-	-	5,361,284	662,983	155,557	6,179,824
7 Transportation and Housing							
7.41 Transportation and Housing Administration					13,993		13,993
7.70 Student Transportation							-
Total Function 7	-	-	-	-	13,993	-	13,993
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	41,439,858	5,383,773	6,519,542	8,906,698	3,273,254	3,444,981	68,968,106

School District No. 71 (Comox Valley)

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 (Note 17)	2021 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	36,797,026	9,120,556	45,917,582	3,842,485	49,760,067	52,233,458	47,735,861
1.03 Career Programs	843,354	195,347	1,038,701	290,401	1,329,102	1,387,202	1,281,899
1.07 Library Services	857,881	206,577	1,064,458	341,876	1,406,334	1,586,445	1,443,956
1.08 Counselling	1,708,490	400,023	2,108,513	373	2,108,886	2,200,572	1,876,939
1.10 Special Education	10,373,057	2,381,078	12,754,135	147,387	12,901,522	13,784,803	12,229,029
1.30 English Language Learning	189,105	45,014	234,119	499	234,618	223,171	230,076
1.31 Indigenous Education	1,524,639	349,101	1,873,740	616,792	2,490,532	2,781,637	2,168,895
1.41 School Administration	6,354,011	1,426,170	7,780,181	596,207	8,376,388	8,197,674	8,051,314
1.62 International and Out of Province Students	1,459,804	341,381	1,801,185	394,374	2,195,559	2,354,153	1,324,638
1.64 Other	171,520	42,713	214,233	219,780	434,013	369,889	327,953
Total Function 1	60,278,887	14,507,960	74,786,847	6,450,174	81,237,021	85,119,004	76,670,560
4 District Administration							
4.11 Educational Administration	970,555	193,410	1,163,965	95,433	1,259,398	1,369,257	1,113,701
4.40 School District Governance	180,703	23,234	203,937	84,868	288,805	379,188	296,367
4.41 Business Administration	1,344,144	277,428	1,621,572	623,206	2,244,778	2,461,202	2,238,457
Total Function 4	2,495,402	494,072	2,989,474	803,507	3,792,981	4,209,647	3,648,525
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	662,983	133,623	796,606	417,205	1,213,811	1,314,594	1,073,176
5.50 Maintenance Operations	5,038,071	1,122,945	6,161,016	1,951,900	8,112,916	7,439,394	7,041,145
5.52 Maintenance of Grounds	478,770	97,392	576,162	228,814	804,976	717,988	836,854
5.56 Utilities	-	-	-	2,302,315	2,302,315	2,160,438	2,008,060
Total Function 5	6,179,824	1,353,960	7,533,784	4,900,234	12,434,018	11,632,414	10,959,235
7 Transportation and Housing							
7.41 Transportation and Housing Administration	13,993	2,654	16,647	7,233	23,880	24,312	22,609
7.70 Student Transportation	-	-	-	2,377,593	2,377,593	2,202,000	1,961,189
Total Function 7	13,993	2,654	16,647	2,384,826	2,401,473	2,226,312	1,983,798
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	68,968,106	16,358,646	85,326,752	14,538,741	99,865,493	103,187,377	93,262,118

School District No. 71 (Comox Valley)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	13,747,590	13,650,830	15,542,834
Other Revenue	1,110,386	2,214,661	1,467,403
Investment Income	5,500	5,798	5,303
Total Revenue	14,863,476	15,871,289	17,015,540
Expenses			
Instruction	14,465,049	15,320,563	15,346,811
Operations and Maintenance	343,036	500,787	350,428
Transportation and Housing	55,391	49,939	1,904
Total Expense	14,863,476	15,871,289	15,699,143
Special Purpose Surplus (Deficit) for the year	-	-	1,316,397
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased			(1,316,397)
Total Net Transfers	-	-	(1,316,397)
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. 71 (Comox Valley)

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

	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			757,644	776,744				59,650	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	343,036	327,360			160,000	39,200	185,519	611,364	1,471,710
Other			58,914	2,048,804					
Investment Income			5,797						
	343,036	327,360	64,711	2,048,804	160,000	39,200	185,519	611,364	1,471,710
Less: Allocated to Revenue	343,036	237,403	63,212	2,057,436	160,000	39,200	185,519	599,226	1,471,710
Deferred Revenue, end of year	-	89,957	759,143	768,112	-	-	-	71,788	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	343,036	237,403			160,000	39,200	185,519	599,226	1,471,710
Other Revenue			57,414	2,057,436					
Investment Income			5,798						
	343,036	237,403	63,212	2,057,436	160,000	39,200	185,519	599,226	1,471,710
Expenses									
Salaries									
Teachers							36,550		
Principals and Vice Principals							24,840		274,319
Educational Assistants		199,031							643,491
Support Staff	256,108				123,182	30,912		297,467	153,294
Substitutes					1,579		12,124		114,662
	256,108	199,031	-	-	124,761	30,912	73,514	297,467	1,185,766
Employee Benefits	57,099	38,372			34,777	6,277	15,344	70,587	285,944
Services and Supplies	29,829		63,212	2,057,436	462	2,011	96,661	231,172	
	343,036	237,403	63,212	2,057,436	160,000	39,200	185,519	599,226	1,471,710
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 71 (Comox Valley)

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

	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	Federal Safe Return to Class / Ventilation Fund	Professional Development	CVCF Student Travel
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			2,891	71,457	17,018			131,706	36,683
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	9,875,840	116,150	56,507	120,482	25,000	227,515	157,751		
Other								83,367	23,814
Investment Income									379
	9,875,840	116,150	56,507	120,482	25,000	227,515	157,751	83,367	24,193
Less: Allocated to Revenue	9,875,840	109,040	49,939	145,166	14,295	227,515	157,751	75,011	24,800
Deferred Revenue, end of year	-	7,110	9,459	46,773	27,723	-	-	140,062	36,076
Revenues									
Provincial Grants - Ministry of Education and Child Care	9,875,840	109,040	49,939	145,166	14,295	227,515	157,751		
Other Revenue								75,011	24,800
Investment Income									
	9,875,840	109,040	49,939	145,166	14,295	227,515	157,751	75,011	24,800
Expenses									
Salaries									
Teachers	7,563,734			60,550					
Principals and Vice Principals									
Educational Assistants									
Support Staff						135,195			
Substitutes	325,295	66,814			9,139				
	7,889,029	66,814	-	60,550	9,139	135,195	-	-	-
Employee Benefits	1,986,811	13,396		15,096	1,774	32,320			
Services and Supplies		28,830	49,939	69,520	3,382	60,000	157,751	75,011	24,800
	9,875,840	109,040	49,939	145,166	14,295	227,515	157,751	75,011	24,800
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 71 (Comox Valley)

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

	MHIS Resources	TOTAL
	\$	\$
Deferred Revenue, beginning of year		1,853,793
Add: Restricted Grants		
Provincial Grants - Ministry of Education and Child Care	40,898	13,758,332
Other		2,214,899
Investment Income		6,176
	40,898	15,979,407
Less: Allocated to Revenue	35,190	15,871,289
Deferred Revenue, end of year	5,708	1,961,911
Revenues		
Provincial Grants - Ministry of Education and Child Care	35,190	13,650,830
Other Revenue		2,214,661
Investment Income		5,798
	35,190	15,871,289
Expenses		
Salaries		
Teachers		7,660,834
Principals and Vice Principals		299,159
Educational Assistants		842,522
Support Staff		996,158
Substitutes		529,613
	-	10,328,286
Employee Benefits		2,557,797
Services and Supplies	35,190	2,985,206
	35,190	15,871,289
Net Revenue (Expense) before Interfund Transfers	-	-
Interfund Transfers	-	-
Net Revenue (Expense)	-	-

School District No. 71 (Comox Valley)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2022

	2022	2022 Actual			2021
	Budget (Note 17)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Investment Income	22,800		78,969	78,969	25,571
Gain (Loss) on Disposal of Tangible Capital Assets				-	399,000
Amortization of Deferred Capital Revenue	4,770,845	4,912,708		4,912,708	4,345,125
Total Revenue	<u>4,793,645</u>	<u>4,912,708</u>	<u>78,969</u>	<u>4,991,677</u>	<u>4,769,696</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,172,580	7,218,379		7,218,379	6,187,826
Total Expense	<u>7,172,580</u>	<u>7,218,379</u>	<u>-</u>	<u>7,218,379</u>	<u>6,187,826</u>
Capital Surplus (Deficit) for the year	<u>(2,378,935)</u>	<u>(2,305,671)</u>	<u>78,969</u>	<u>(2,226,702)</u>	<u>(1,418,130)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	625,000	1,029,394		1,029,394	1,770,804
Local Capital	3,980,000		3,980,000	3,980,000	1,560,000
Total Net Transfers	<u>4,605,000</u>	<u>1,029,394</u>	<u>3,980,000</u>	<u>5,009,394</u>	<u>3,330,804</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		3,855,265	(3,855,265)	-	
Total Other Adjustments to Fund Balances		<u>3,855,265</u>	<u>(3,855,265)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>2,226,065</u>	<u>2,578,988</u>	<u>203,704</u>	<u>2,782,692</u>	<u>1,912,674</u>
Capital Surplus (Deficit), beginning of year		<u>37,346,792</u>	<u>4,210,754</u>	<u>41,557,546</u>	<u>39,644,872</u>
Capital Surplus (Deficit), end of year		<u>39,925,780</u>	<u>4,414,458</u>	<u>44,340,238</u>	<u>41,557,546</u>

School District No. 71 (Comox Valley)

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	14,151,889	206,268,751	6,763,314	2,037,537		4,758,503	233,979,994
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		7,429,168	795,723				8,224,891
Operating Fund		425,244	194,461	129,823		279,866	1,029,394
Local Capital	649,000	1,381,062	192,706	100,000		1,532,497	3,855,265
Transferred from Work in Progress		28,123,110	16,764				28,139,874
	649,000	37,358,584	1,199,654	229,823	-	1,812,363	41,249,424
Decrease:							
Deemed Disposals				113,827		191,390	305,217
Written-off/down During Year		865,546					865,546
	-	865,546	-	113,827	-	191,390	1,170,763
Cost, end of year	14,800,889	242,761,789	7,962,968	2,153,533	-	6,379,476	274,058,655
Work in Progress, end of year		131,190	140,673				271,863
Cost and Work in Progress, end of year	14,800,889	242,892,979	8,103,641	2,153,533	-	6,379,476	274,330,518
Accumulated Amortization, beginning of year		95,715,630	970,556	691,006		1,656,320	99,033,512
Changes for the Year							
Increase: Amortization for the Year		5,158,713	736,314	209,554		1,113,798	7,218,379
Decrease:							
Deemed Disposals				113,827		191,390	305,217
Written-off During Year		865,546					865,546
		865,546	-	113,827	-	191,390	1,170,763
Accumulated Amortization, end of year		100,008,797	1,706,870	786,733	-	2,578,728	105,081,128
Tangible Capital Assets - Net	14,800,889	142,884,182	6,396,771	1,366,800	-	3,800,748	169,249,390

School District No. 71 (Comox Valley)

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	28,123,110	16,764			28,139,874
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw		140,673			140,673
Deferred Capital Revenue - Other	131,190				131,190
	131,190	140,673	-	-	271,863
Decrease:					
Transferred to Tangible Capital Assets	28,123,110	16,764			28,139,874
	28,123,110	16,764	-	-	28,139,874
Net Changes for the Year	(27,991,920)	123,909	-	-	(27,868,011)
Work in Progress, end of year	131,190	140,673	-	-	271,863

School District No. 71 (Comox Valley)

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	\$ 93,736,477	\$ 4,848,404	\$ 14,812	\$ 98,599,693
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	8,224,891			8,224,891
Transferred from Work in Progress	27,049,874		90,000	27,139,874
	<u>35,274,765</u>	<u>-</u>	<u>90,000</u>	<u>35,364,765</u>
Decrease:				
Amortization of Deferred Capital Revenue	4,749,080	162,128	1,500	4,912,708
	<u>4,749,080</u>	<u>162,128</u>	<u>1,500</u>	<u>4,912,708</u>
Net Changes for the Year	<u>30,525,685</u>	<u>(162,128)</u>	<u>88,500</u>	<u>30,452,057</u>
Deferred Capital Revenue, end of year	<u>124,262,162</u>	<u>4,686,276</u>	<u>103,312</u>	<u>129,051,750</u>
Work in Progress, beginning of year	27,049,874		90,000	27,139,874
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	140,673	131,190		271,863
	<u>140,673</u>	<u>131,190</u>	<u>-</u>	<u>271,863</u>
Decrease				
Transferred to Deferred Capital Revenue	27,049,874		90,000	27,139,874
	<u>27,049,874</u>	<u>-</u>	<u>90,000</u>	<u>27,139,874</u>
Net Changes for the Year	<u>(26,909,201)</u>	<u>131,190</u>	<u>(90,000)</u>	<u>(26,868,011)</u>
Work in Progress, end of year	<u>140,673</u>	<u>131,190</u>	<u>-</u>	<u>271,863</u>
Total Deferred Capital Revenue, end of year	<u>124,402,835</u>	<u>4,817,466</u>	<u>103,312</u>	<u>129,323,613</u>

School District No. 71 (Comox Valley)

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	\$	\$ 301,000	\$	\$	\$	\$ 301,000
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	8,365,564		3,832,518			12,198,082
	8,365,564	-	3,832,518	-	-	12,198,082
Decrease:						
Transferred to DCR - Capital Additions	8,224,891					8,224,891
Transferred to DCR - Work in Progress	140,673		131,190			271,863
	8,365,564	-	131,190	-	-	8,496,754
Net Changes for the Year	-	-	3,701,328	-	-	3,701,328
Balance, end of year	-	301,000	3,701,328	-	-	4,002,328