

Audited Financial Statements of

School District No. 69 (Qualicum)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 69 (Qualicum)

June 30, 2022

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School District No. 69 (Qualicum)

MANAGEMENT REPORT

Version: 5475-4729-2747

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 69 (Qualicum) 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.

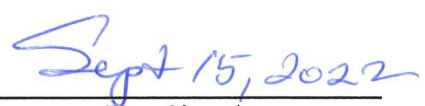
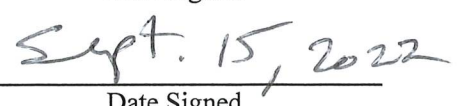
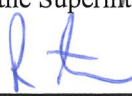
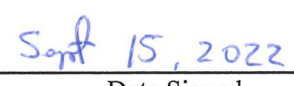
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 69 (Qualicum) (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, McGorman MacLean, 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. 69 (Qualicum) 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. 69 (Qualicum)

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

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 69 (Qualicum), and
To the Minister of Education, Province of British Columbia

Opinion

We have audited the accompanying consolidated financial statements of School District No. 69 (Qualicum), which comprise the statement of financial position as at June 30, 2022, the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of School District No. 69 (Qualicum) as at June 30, 2022, and the results of its operations, changes in net financial assets and cash flows for the year then ended 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 of 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 report. We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

We also:

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

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

McGernan Maclean
CHARTERED PROFESSIONAL ACCOUNTANTS

Parksville, Canada
September 13, 2022

School District No. 69 (Qualicum)

Statement 1

Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual (Restated)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	15,043,883	17,116,087
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	879,929	181,817
Other (Note 3)	189,702	285,548
Total Financial Assets	16,113,514	17,583,452
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	4,333,188	5,028,488
Unearned Revenue (Note 5)	2,335,775	2,278,449
Deferred Revenue (Note 6)	733,952	844,032
Deferred Capital Revenue (Note 7)	44,274,713	44,815,218
Employee Future Benefits (Note 8)	6,358,157	6,098,992
Total Liabilities	58,035,785	59,065,179
Net Debt	(41,922,271)	(41,481,727)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	60,455,942	61,383,826
Prepaid Expenses	163,668	124,698
Total Non-Financial Assets	60,619,610	61,508,524
Accumulated Surplus (Deficit) (Note 13)	18,697,339	20,026,797

Contractual Obligations (Note 10)

Contractual Rights (Note 15)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

School District No. 69 (Qualicum)

Statement 2

Statement of Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	53,322,713	53,502,318	54,489,959
Other	150,000	139,889	147,870
Tuition	3,000,000	3,661,653	1,370,654
Other Revenue	1,167,000	1,491,617	684,632
Rentals and Leases	600,000	677,331	624,850
Investment Income	120,000	122,493	122,796
Amortization of Deferred Capital Revenue	2,545,960	2,561,645	2,488,383
Total Revenue	<u>60,905,673</u>	<u>62,156,946</u>	<u>59,929,144</u>
Expenses			
Instruction	47,788,608	48,664,420	46,461,738
District Administration	2,373,985	2,412,317	2,191,247
Operations and Maintenance	9,123,022	9,974,706	8,946,434
Transportation and Housing	2,360,151	2,434,961	2,039,981
Total Expense	<u>61,645,766</u>	<u>63,486,404</u>	<u>59,639,400</u>
Surplus (Deficit) for the year	<u>(740,093)</u>	<u>(1,329,458)</u>	<u>289,744</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		20,026,797	19,737,053
Accumulated Surplus (Deficit) from Operations, end of year		<u>18,697,339</u>	<u>20,026,797</u>

School District No. 69 (Qualicum)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Surplus (Deficit) for the year	<u>(740,093)</u>	<u>(1,329,458)</u>	<u>289,744</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(418,550)	(1,987,343)	(3,139,669)
Amortization of Tangible Capital Assets	2,899,228	2,915,227	2,833,216
Total Effect of change in Tangible Capital Assets	<u>2,480,678</u>	<u>927,884</u>	<u>(306,453)</u>
Use of Prepaid Expenses		(163,668)	(124,698)
Acquisition of Supplies Inventory		124,698	100,075
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(38,970)</u>	<u>(24,623)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>1,740,585</u>	<u>(440,544)</u>	<u>(41,332)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(440,544)</u>	<u>(41,332)</u>
Net Debt, beginning of year		<u>(41,481,727)</u>	<u>(41,440,395)</u>
Net Debt, end of year		<u><u>(41,922,271)</u></u>	<u><u>(41,481,727)</u></u>

School District No. 69 (Qualicum)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2022

	2022 Actual	2021 Actual (Restated)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(1,329,458)	289,744
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(602,266)	481,745
Prepaid Expenses	(38,970)	(24,623)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(695,300)	649,352
Unearned Revenue	57,326	1,774,591
Deferred Revenue	(110,080)	227,079
Employee Future Benefits	259,165	259,323
Amortization of Tangible Capital Assets	2,915,227	2,833,216
Amortization of Deferred Capital Revenue	(2,561,645)	(2,488,383)
Services and Supplies purchased with Bylaw Capital	(749,478)	(559,646)
Repayment of Provincial Grant	(60,000)	
Total Operating Transactions	(2,915,479)	3,442,398
Capital Transactions		
Tangible Capital Assets Purchased	(1,987,343)	(3,139,669)
Total Capital Transactions	(1,987,343)	(3,139,669)
Financing Transactions		
Capital Revenue Received	2,830,618	2,806,110
Total Financing Transactions	2,830,618	2,806,110
Net Increase (Decrease) in Cash and Cash Equivalents	(2,072,204)	3,108,839
Cash and Cash Equivalents, beginning of year	17,116,087	14,007,248
Cash and Cash Equivalents, end of year	15,043,883	17,116,087
Cash and Cash Equivalents, end of year, is made up of:		
Cash	15,043,883	17,116,087
	15,043,883	17,116,087

SCHOOL DISTRICT NO. 69 (QUALICUM)
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. 69 (Qualicum)" and operates as "School District No. 69 (Qualicum)." 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. 69 (Qualicum) 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 September 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 in regard to the accounting for government transfers as set out in Notes 2(e) and 2(j).

In November 2011, the 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(j), 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 tangible 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

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Basis of Accounting (continued)

- Externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

The impacts of this difference on the financial statements of the School District are as follows:

Year ended June 30, 2021 - increase in annual surplus by \$441,865

June 30, 2021 - increase in accumulated surplus and decrease in deferred contributions by \$45,404,619

Year ended June 30, 2022 - decrease in annual surplus by \$1,993,181

June 30, 2022 - increase in accumulated surplus and decrease in deferred contributions by \$43,411,438

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Unearned Revenue

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

e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by the 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(j).

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

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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) 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 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.
- 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Tangible Capital Assets (continued)

- Estimated useful life is as follows:

Buildings	40 years
Furniture and Equipment	10 years
Vehicles	10 years
Computer Hardware	5 years

h) Prepaid Expenses

Amounts for maintenance contracts and other services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

i) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 13 - Accumulated Surplus).

j) 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.
- 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Revenue Recognition (continued)

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

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

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

Allocation of Costs

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

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l) 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.

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 instruments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

m) Measurement Uncertainty

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

n) Future Changes in Accounting Policies

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

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

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

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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Future Changes in Accounting Policies (continued)

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:

- Has the authority to claim or retain an inflow of economic resources; and
- Identifies a past transaction or event that gives rise to an asset.

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

NOTE 3 ACCOUNTS RECEIVABLE - OTHER RECEIVABLES

	2022	2021
Due from Federal Government	\$ 77,327	\$ 95,393
Mount Arrowsmith Teachers Association	7,034	28,349
CUPE Local 3570	12,568	14,816
Thomas Bus	-	55,476
Other	92,773	91,514
	<u>\$ 189,702</u>	<u>\$ 285,548</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2022	2021
Trades payable	\$ 815,187	\$ 1,005,727
Salaries and benefits payable	2,713,950	2,989,629
Accrued vacation pay	224,146	235,545
Employer health tax payable	266,236	257,201
Other	313,669	540,386
	<u>\$ 4,333,188</u>	<u>\$ 5,028,488</u>

NOTE 5 UNEARNED REVENUE

	2022	2021
Tuition fees	\$ 2,302,573	\$ 2,245,247
Rentals	33,202	33,202
	<u>\$ 2,335,775</u>	<u>\$ 2,278,449</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 6 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by the Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by the Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Detailed information about the changes in deferred capital revenue is included in Schedule 4C and 4D.

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

	2022	2021
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 6,212,559	\$ 6,384,645
Service Cost	454,276	457,364
Interest Cost	158,546	146,736
Benefit Payments	(510,449)	(471,803)
Increase in Obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	(64,833)	(304,383)
Accrued Benefit Obligation – March 31	<u>\$ 6,250,099</u>	<u>\$ 6,212,559</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 6,250,099	\$ 6,212,559
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	(6,250,099)	(6,212,559)
Employer Contributions After Measurement Date	138,192	216,560
Benefits Expense After Measurement Date	(165,863)	(153,206)
Unamortized Net Actuarial (Gain) Loss	(80,388)	50,212
Accrued Benefit Liability – June 30	<u>\$ (6,358,157)</u>	<u>\$ (6,098,992)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 6,098,992	\$ 5,839,668
Net expense for fiscal year	691,246	700,495
Employer Contributions	(432,081)	(441,171)
Accrued Benefit Liability – June 30	<u>\$ 6,358,157</u>	<u>\$ 6,098,992</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 EMPLOYEE FUTURE BENEFITS (continued)

Components of Net Benefit Expense

Service Cost	\$ 455,236	\$ 456,592
Interest Cost	170,243	149,689
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial Loss	65,767	94,214
Net Benefit Expense	\$ 691,246	\$ 700,495

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

	2022	2021
Discount Rate – April 1	2.50%	2.25%
Discount Rate – March 31	3.25%	2.50%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	10.9	10.7

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	June 30, 2022	June 30, 2021 (restated)
Sites	\$ 11,929,778	\$ 11,929,778
Buildings	45,284,057	45,888,293
Furniture and Equipment	733,473	636,626
Vehicles	2,468,270	2,872,133
Computer Hardware	40,364	56,996
Total	\$ 60,455,942	\$ 61,383,826

June 30, 2022

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2022
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	107,643,001	1,704,615	-	-	109,347,616
Furniture and Equipment	1,153,941	221,011	45,578	-	1,329,374
Vehicles	4,653,160	61,717	56,430	-	4,658,447
Computer Hardware	83,151	-	-	-	83,151
Total	\$ 125,463,031	\$ 1,987,343	\$ 102,008	\$ -	\$ 127,348,366

Accumulated Amortization:	Opening Balance	Additions	Disposals	Total 2022
Buildings	\$ 61,754,708	\$ 2,308,851	\$ -	\$ 64,063,559
Furniture and Equipment	517,313	124,166	45,578	595,901
Vehicles	1,781,027	465,580	56,430	2,190,177
Computer Hardware	26,157	16,630	-	42,787
Total	\$ 64,079,205	\$ 2,915,227	\$ 102,008	\$ 66,892,424

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2021

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2021
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	105,383,582	2,259,419	-	-	107,643,001
Furniture and Equipment	1,130,558	155,626	132,243	-	1,153,941
Vehicles	4,084,809	671,205	102,854	-	4,653,160
Computer Hardware	29,732	53,419	-	-	83,151
Total	\$ 122,558,459	\$ 3,139,669	\$ 235,097	\$ -	\$125,463,031

Accumulated Amortization:	Opening Balance (restated)	Additions (restated)	Disposals (restated)	Total 2021 (restated)
Buildings	\$ 59,483,903	\$ 2,270,805	\$ -	\$ 61,754,708
Furniture and Equipment	535,331	114,225	132,243	517,313
Vehicles	1,446,983	436,898	102,854	1,781,027
Computer Hardware	14,869	11,288	-	26,157
Total	\$ 61,481,086	\$ 2,833,216	\$ 235,097	\$ 64,079,205

NOTE 10 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

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

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 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 surplus for basic pension benefits on a going concern basis.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 11 EMPLOYEE PENSION PLANS (continued)

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 \$4,192,989 for employer contributions to these plans in the year ended June 30, 2022 (2021 - \$4,036,337).

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 Plan.

NOTE 12 EXPENSE BY OBJECT

	2022	2021 (restated)
Salaries and benefits	\$ 50,963,936	\$ 49,270,310
Services and supplies	9,607,241	7,535,874
Amortization	2,915,227	2,833,216
	<u>\$ 63,486,404</u>	<u>\$ 59,639,400</u>

NOTE 13 ACCUMULATED SURPLUS

Accumulated surplus consists of:

	2022	2021 (restated)
Invested in tangible capital assets	\$ 16,997,545	\$ 17,200,490
Local capital surplus	325,322	325,147
Total capital surplus	17,322,867	17,525,637
Operating surplus	1,374,472	2,501,160
	<u>\$ 18,697,339</u>	<u>\$ 20,026,797</u>

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

- Capital assets were purchased with Operating funds (\$150,637)

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 13 ACCUMULATED SURPLUS (continued)

The operating surplus has been internally restricted (appropriated) for:

	2022	2021 (restated)
School budgets	\$ 97,227	\$ 61,944
Capital maintenance	331,493	421,493
Indigenous education	48,609	-
Educational programs	-	53,300
Energy projects	62,337	112,337
Budgeted allocation of surplus	400,551	814,047
Appropriated for future years' operating budget	434,255	1,038,039
Internally restricted	1,374,472	2,501,160
Unrestricted operating surplus	-	-
Total operating surplus	<u>\$ 1,374,472</u>	<u>\$ 2,501,160</u>

NOTE 14 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 rental of facilities. The following summarizes the contractual rights of the School District for future assets:

	2023	2024	2025	2026
Future rental revenue	<u>\$ 687,238</u>	<u>\$ 203,600</u>	<u>\$ 105,049</u>	<u>\$ 105,049</u>

NOTE 15 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 16 BUDGET FIGURES

The budget figures included in the financial statements are not audited. The budget figures data presented in these financial statements is based upon the 2021/22 amended annual budget adopted by the Board on January 25, 2022. The following chart compares the original annual budget bylaw approved April 27, 2021 to the amended annual budget bylaw reported in these financial statements.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 16 BUDGET FIGURES (continued)

	2022 Amended Annual Budget	2022 Annual Budget
Revenues		
Provincial Grants		
Ministry of Education	\$ 55,868,673	\$ 54,992,364
Other Provincial Revenues	150,000	150,000
Tuition	3,000,000	2,500,000
Other Revenue	1,167,000	1,440,000
Rentals and Leases	600,000	600,000
Investment Income	120,000	190,000
Total Revenue	<u>60,905,673</u>	<u>59,872,364</u>
Expenses		
Instruction	\$ 47,788,608	\$ 47,073,667
District Administration	2,373,985	2,241,464
Operations and Maintenance	9,123,022	9,115,662
Transportation and Housing	2,360,151	2,179,256
Total Expenses	<u>61,645,766</u>	<u>60,610,049</u>
Net Revenue (Expenses)	(740,093)	(737,685)
Budgeted Allocation of Surplus	805,375	814,047
Budgeted Surplus for the year	<u>\$ 65,282</u>	<u>\$ 76,362</u>

NOTE 17 ECONOMIC DEPENDENCE

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

NOTE 18 PRIOR PERIOD ADJUSTMENT

On May 28, 2021, the Office of the Comptroller General directed all school districts to apply the half-year rule method of amortization beginning in the fiscal year an asset is placed into service. This directive applies to both past and future purchases. Prior to this directive, the School District did not recognize amortization in the first partial service year. The School District has made a retroactive adjustment to recognize amortization of all assets and deferred capital contributions beginning in the first service year. The impact of the prior period adjustment on the June 30, 2021 comparative amounts is as follows:

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 18 PRIOR PERIOD ADJUSTMENT (continued)

	<u>Increase (Decrease)</u>
Tangible Capital Assets	\$ (1,445,311)
Deferred Capital Revenue	(1,268,242)
Accumulated Surplus (Deficit)	(177,069)
Amortization of Deferred Capital Revenue	48,359
Operations & Maintenance Expense - Asset Amortization	57,419
Accumulated Surplus - beginning of the year July 1, 2020	(168,009)

NOTE 19 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 and cash equivalents, amounts receivable and investments.

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

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

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 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 Ministry of Finance.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 19 RISK MANAGEMENT (continued)

c) Liquidity risk:

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2021 related to credit, market or liquidity risks.

School District No. 69 (Qualicum)

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

Schedule 1

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual (Restated)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,501,160		17,525,637	20,026,797	19,905,062
Prior Period Adjustments					(168,009)
Accumulated Surplus (Deficit), beginning of year, as restated	2,501,160	-	17,525,637	20,026,797	19,737,053
Changes for the year					
Surplus (Deficit) for the year	(976,051)		(353,407)	(1,329,458)	289,744
Interfund Transfers	(150,637)		150,637	-	-
Tangible Capital Assets Purchased	(1,126,688)	-	(202,770)	(1,329,458)	289,744
Net Changes for the year	1,374,472	-	17,322,867	18,697,339	20,026,797
Accumulated Surplus (Deficit), end of year - Statement 2					

School District No. 69 (Qualicum)

Schedule 2

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	47,204,794	47,170,893	47,244,111
Other	150,000	139,889	147,870
Tuition	3,000,000	3,661,653	1,370,654
Other Revenue	140,000	153,658	91,855
Rentals and Leases	600,000	677,331	624,850
Investment Income	120,000	118,924	117,053
Total Revenue	51,214,794	51,922,348	49,596,393
Expenses			
Instruction	41,546,302	42,039,655	39,412,105
District Administration	2,373,985	2,412,317	2,191,247
Operations and Maintenance	5,894,233	6,577,046	5,645,848
Transportation and Housing	1,787,099	1,869,381	1,631,500
Total Expense	51,601,619	52,898,399	48,880,700
Operating Surplus (Deficit) for the year	(386,825)	(976,051)	715,693
Budgeted Appropriation (Retirement) of Surplus (Deficit)	805,375		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(418,550)	(150,637)	(207,781)
Total Net Transfers	(418,550)	(150,637)	(207,781)
Total Operating Surplus (Deficit), for the year	-	(1,126,688)	507,912
Operating Surplus (Deficit), beginning of year		2,501,160	1,993,248
Operating Surplus (Deficit), end of year		1,374,472	2,501,160
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 14)		1,374,472	2,501,160
Total Operating Surplus (Deficit), end of year		1,374,472	2,501,160

School District No. 69 (Qualicum)

Schedule 2A

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	45,792,277	45,709,913	44,534,890
Other Ministry of Education and Child Care Grants			
Pay Equity	936,176	936,176	936,176
Funding for Graduated Adults		9,746	16,883
Student Transportation Fund	426,341	426,341	426,341
Support Staff Benefits Grant	32,384	69,175	68,245
Teachers' Labour Settlement Funding			1,156,463
Early Career Mentorship Funding			95,000
FSA Scorer Grant	8,187	8,187	8,187
Early Learning Framework		1,926	1,926
Equity Scan	9,429	3,000	
Anti-Racism in Early Care and Learning		6,429	
Total Provincial Grants - Ministry of Education and Child Care	47,204,794	47,170,893	47,244,111
Provincial Grants - Other	150,000	139,889	147,870
Tuition			
International and Out of Province Students	3,000,000	3,661,653	1,370,654
Total Tuition	3,000,000	3,661,653	1,370,654
Other Revenues			
Miscellaneous			
Transportation Revenue	50,000	42,885	22,016
Miscellaneous	90,000	100,534	62,068
Peard Dividend		10,239	7,771
Total Other Revenue	140,000	153,658	91,855
Rentals and Leases	600,000	677,331	624,850
Investment Income	120,000	118,924	117,053
Total Operating Revenue	51,214,794	51,922,348	49,596,393

School District No. 69 (Qualicum)

Schedule 2B

Schedule of Operating Expense by Object
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Salaries			
Teachers	20,030,108	20,327,501	19,182,758
Principals and Vice Principals	3,495,970	3,487,859	3,594,794
Educational Assistants	3,804,695	3,633,828	3,378,651
Support Staff	5,313,964	5,439,729	5,203,566
Other Professionals	1,786,335	1,651,447	1,587,849
Substitutes	1,725,708	2,088,794	1,730,410
Total Salaries	36,156,780	36,629,158	34,678,028
Employee Benefits	9,365,834	9,156,174	8,777,457
Total Salaries and Benefits	45,522,614	45,785,332	43,455,485
Services and Supplies			
Services	2,684,268	2,811,939	1,908,443
Professional Development and Travel	543,085	426,658	321,190
Rentals and Leases	5,000	9,580	14,702
Dues and Fees	66,000	73,104	72,941
Insurance	164,000	158,733	166,616
Supplies	1,655,652	2,468,345	1,959,969
Utilities	961,000	1,164,708	981,354
Total Services and Supplies	6,079,005	7,113,067	5,425,215
Total Operating Expense	51,601,619	52,898,399	48,880,700

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

Schedule 2C

	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	16,795,794	1,090,703		706		1,152,052	19,039,255
1.03 Career Programs	87,730			40,676		1,348	129,754
1.07 Library Services	545,870	35,915		236,203		3,423	821,411
1.08 Counselling	829,215						829,215
1.10 Special Education	1,678,616	180,783	3,324,855	32,262	76,640	440,582	5,733,738
1.30 English Language Learning	76,297						76,297
1.31 Indigenous Education	87,302	133,767	308,973				530,042
1.41 School Administration		1,780,350		1,086,067	5,305	61,390	2,933,112
1.62 International and Out of Province Students	226,677	151,001		76,405	196,412		650,495
1.64 Other					42,617		42,617
Total Function 1	20,327,501	3,372,519	3,633,828	1,472,319	320,974	1,658,795	30,785,936
4 District Administration							
4.11 Educational Administration		115,340		10,816	397,745		523,901
4.40 School District Governance					111,674		111,674
4.41 Business Administration				393,185	586,096		979,281
Total Function 4	-	115,340	-	404,001	1,095,515	-	1,614,856
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				60,644	173,724	7,708	242,076
5.50 Maintenance Operations				2,423,404		304,480	2,727,884
5.52 Maintenance of Grounds				178,250		22,214	200,464
5.56 Utilities							-
Total Function 5	-	-	-	2,662,298	173,724	334,402	3,170,424
7 Transportation and Housing							
7.41 Transportation and Housing Administration				59,666	61,234	6,518	127,418
7.70 Student Transportation				841,445		89,079	930,524
7.73 Housing							-
Total Function 7	-	-	-	901,111	61,234	95,597	1,057,942
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	20,327,501	3,487,859	3,633,828	5,439,729	1,651,447	2,088,794	36,629,158

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

Schedule 2C

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget	2021 Actual (Restated)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	19,039,255	4,790,550	23,829,805	931,650	24,761,455	24,208,898	23,672,963
1.03 Career Programs	129,754	34,228	163,982	405,445	569,427	584,879	694,513
1.07 Library Services	821,411	211,326	1,032,737	30,380	1,063,117	1,091,455	1,126,483
1.08 Counselling	829,215	210,886	1,040,101		1,040,101	1,026,931	922,502
1.10 Special Education	5,733,738	1,487,799	7,221,537	59,549	7,281,086	7,387,810	6,564,063
1.30 English Language Learning	76,297	28,610	104,907		104,907	96,450	88,817
1.31 Indigenous Education	530,042	143,111	673,153	41,958	715,111	764,061	730,500
1.41 School Administration	2,933,112	720,135	3,653,247	65,596	3,718,843	3,824,593	3,854,790
1.62 International and Out of Province Students	650,495	163,273	813,768	1,921,461	2,735,229	2,510,368	1,706,705
1.64 Other	42,617	7,762	50,379		50,379	50,857	50,769
Total Function 1	30,785,936	7,797,680	38,583,616	3,456,039	42,039,655	41,546,302	39,412,105
4 District Administration							
4.11 Educational Administration	523,901	118,478	642,379	63,106	705,485	727,240	585,383
4.40 School District Governance	111,674	8,314	119,988	90,325	210,313	217,548	201,297
4.41 Business Administration	979,281	224,858	1,204,139	292,380	1,496,519	1,429,197	1,404,567
Total Function 4	1,614,856	351,650	1,966,506	445,811	2,412,317	2,373,985	2,191,247
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	242,076	67,922	309,998	219,741	529,739	576,802	473,377
5.50 Maintenance Operations	2,727,884	621,484	3,349,368	1,056,077	4,405,445	3,923,131	3,805,478
5.52 Maintenance of Grounds	200,464	51,223	251,687	111,218	362,905	328,300	289,166
5.56 Utilities	-		-	1,278,957	1,278,957	1,066,000	1,077,827
Total Function 5	3,170,424	740,629	3,911,053	2,665,993	6,577,046	5,894,233	5,645,848
7 Transportation and Housing							
7.41 Transportation and Housing Administration	127,418	23,675	151,093	849	151,942	163,138	151,388
7.70 Student Transportation	930,524	242,540	1,173,064	502,149	1,675,213	1,605,961	1,448,877
7.73 Housing	-		-	42,226	42,226	18,000	31,235
Total Function 7	1,057,942	266,215	1,324,157	545,224	1,869,381	1,787,099	1,631,500
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	36,629,158	9,156,174	45,785,332	7,113,067	52,898,399	51,601,619	48,880,700

School District No. 69 (Qualicum)

Schedule 3

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	5,517,919	5,581,947	6,686,202
Other Revenue	1,027,000	1,337,959	592,777
Total Revenue	<u>6,544,919</u>	<u>6,919,906</u>	<u>7,278,979</u>
Expenses			
Instruction	6,242,306	6,624,765	7,049,633
Operations and Maintenance	195,141	195,141	199,346
Transportation and Housing	107,472	100,000	
Total Expense	<u>6,544,919</u>	<u>6,919,906</u>	<u>7,248,979</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>30,000</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased			(30,000)
Total Net Transfers	<u>-</u>	<u>-</u>	<u>(30,000)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 69 (Qualicum)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

Deferred Revenue, beginning of year									
Add:	Restricted Grants								
	Provincial Grants - Ministry of Education and Child Care								
	Other								
Less: Allocated to Revenue									
Deferred Revenue, end of year									
Revenues									
	Provincial Grants - Ministry of Education and Child Care								
	Other Revenue								
Expenses									
	Salaries								
	Teachers								
	Principals and Vice Principals								
	Educational Assistants								
	Support Staff								
	Employee Benefits								
	Services and Supplies								
Net Revenue (Expense) before Interfund Transfers									
Interfund Transfers									
Net Revenue (Expense)									

School District No. 69 (Qualicum)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

Deferred Revenue, beginning of year									
Add:	Restricted Grants								
	Provincial Grants - Ministry of Education and Child Care								
	Other								
Less: Allocated to Revenue									
Deferred Revenue, end of year									
Revenues									
	Provincial Grants - Ministry of Education and Child Care								
	Other Revenue								
Expenses									
	Salaries								
	Teachers								
	Principals and Vice Principals								
	Educational Assistants								
	Support Staff								
	Employee Benefits								
	Services and Supplies								
Net Revenue (Expense) before Interfund Transfers									
Interfund Transfers									
Net Revenue (Expense)									

School District No. 69 (Qualicum)

Schedule 4

Schedule of Capital Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual			2021 Actual (Restated)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	600,000	749,478		749,478	559,646
Investment Income			3,569	3,569	5,743
Amortization of Deferred Capital Revenue	2,545,960	2,561,645		2,561,645	2,488,383
Total Revenue	<u>3,145,960</u>	<u>3,311,123</u>	<u>3,569</u>	<u>3,314,692</u>	<u>3,053,772</u>
Expenses					
Operations and Maintenance	600,000	749,478	3,394	752,872	676,505
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,433,648	2,449,647		2,449,647	2,424,735
Transportation and Housing	465,580	465,580		465,580	408,481
Total Expense	<u>3,499,228</u>	<u>3,664,705</u>	<u>3,394</u>	<u>3,668,099</u>	<u>3,509,721</u>
Capital Surplus (Deficit) for the year	<u>(353,268)</u>	<u>(353,582)</u>	<u>175</u>	<u>(353,407)</u>	<u>(455,949)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	418,550	150,637		150,637	237,781
Total Net Transfers	<u>418,550</u>	<u>150,637</u>	<u>-</u>	<u>150,637</u>	<u>237,781</u>
Total Capital Surplus (Deficit) for the year	<u>65,282</u>	<u>(202,945)</u>	<u>175</u>	<u>(202,770)</u>	<u>(218,168)</u>
Capital Surplus (Deficit), beginning of year		17,200,490	325,147	17,525,637	17,911,814
Prior Period Adjustments					
District Entered					(168,009)
Capital Surplus (Deficit), beginning of year, as restated		<u>17,200,490</u>	<u>325,147</u>	<u>17,525,637</u>	<u>17,743,805</u>
Capital Surplus (Deficit), end of year		<u>16,997,545</u>	<u>325,322</u>	<u>17,322,867</u>	<u>17,525,637</u>

School District No. 69 (Qualicum)

Tangible Capital Assets

Year Ended June 30, 2022

Schedule 4A

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	11,929,778	107,643,001	1,153,941	4,653,160	-	83,151	125,463,031
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,169,150	206,124				1,375,274
Deferred Capital Revenue - Other		461,432					461,432
Operating Fund		74,033	14,887	61,717			150,637
Decrease:							
Deemed Disposals	-	1,704,615	221,011	61,717	-	-	1,987,343
Cost, end of year							
Work in Progress, end of year	-	-	45,578	56,430	-	-	102,008
Cost and Work in Progress, end of year	11,929,778	109,347,616	1,329,374	4,658,447	-	83,151	127,348,366
Accumulated Amortization, beginning of year	11,929,778	109,347,616	1,329,374	4,658,447	-	83,151	127,348,366
Prior Period Adjustments							
District Entered		60,608,060	459,618	1,548,375		17,841	62,633,894
Accumulated Amortization, beginning of year, as restated		1,146,648	57,695	232,652		8,316	1,445,311
Changes for the Year							
Increase: Amortization for the Year		61,754,708	517,313	1,781,027	-	26,157	64,079,205
Decrease:							
Deemed Disposals		2,308,851	124,166	465,580		16,630	2,915,227
Accumulated Amortization, end of year							
		-	45,578	56,430		-	102,008
		64,063,559	595,901	2,190,177	-	42,787	66,892,424
Tangible Capital Assets - Net	11,929,778	45,284,057	733,473	2,468,270	-	40,364	60,455,942

School District No. 69 (Qualicum)

Schedule 4C

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	43,340,799	2,018,982	44,838	45,404,619
Prior Period Adjustments				
District Entered	(1,232,022)	(31,428)	(4,792)	(1,268,242)
Deferred Capital Revenue, beginning of year, as restated	42,108,777	1,987,554	40,046	44,136,377
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,375,274	461,432		1,836,706
	1,375,274	461,432	-	1,836,706
Decrease:				
Amortization of Deferred Capital Revenue	2,483,471	68,588	9,586	2,561,645
	2,483,471	68,588	9,586	2,561,645
Net Changes for the Year	(1,108,197)	392,844	(9,586)	(724,939)
Deferred Capital Revenue, end of year	41,000,580	2,380,398	30,460	43,411,438
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	41,000,580	2,380,398	30,460	43,411,438

School District No. 69 (Qualicum)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2022

Schedule 4D

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	-	471,266	207,575	-	678,841
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	2,140,736		47,387			2,188,123
Other					637,355	637,355
Investment Income	(15,984)	15,984	2,779	2,361		5,140
Transfer project surplus to MECC Restricted (from) Bylaw	2,124,752	15,984	50,166	2,361	637,355	2,830,618
Decrease:						
Transferred to DCR - Capital Additions	1,375,274		461,432			1,836,706
Purchase of Services and Supplies	749,478		60,000			749,478
Repayment of Provincial Grant	2,124,752	-	521,432	-	-	2,646,184
Net Changes for the Year	-	15,984	(471,266)	2,361	637,355	184,434
Balance, end of year	-	15,984	-	209,936	637,355	863,275