

Audited Financial Statements of

# **School District No. 61 (Greater Victoria)**

And Independent Auditors' Report thereon

June 30, 2022

# School District No. 61 (Greater Victoria)

June 30, 2022

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# School District No. 61 (Greater Victoria)

## MANAGEMENT REPORT

Version: 9872-9126-7144

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 61 (Greater Victoria) 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. 61 (Greater Victoria) (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. 61 (Greater Victoria) 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. 61 (Greater Victoria)



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



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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Education of School District No. 61 (Greater Victoria), and  
To the Minister of Education and Child Care, Province of British Columbia

### ***Opinion***

We have audited the financial statements of School District No. 61 (Greater Victoria) (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 as at and for the year ended June 30, 2022 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "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.



### ***Emphasis of Matter – Comparative Information***

We draw attention to Note 23 to the financial statements which explains that certain comparative information presented for the year ended June 30, 2021 has been restated. Note 23 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

### ***Other Matter – Comparative Information***

As part of our audit of the financial statements for the year ended June 30, 2022, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended June 30, 2021. In our opinion, such adjustments are appropriate and have been properly applied.

### ***Other Information***

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

- Information included in 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 included in the 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.

Chartered Professional Accountants

Victoria, Canada  
September 26, 2022

# School District No. 61 (Greater Victoria)

Statement of Financial Position  
As at June 30, 2022

	2022 Actual	2021 Actual (Restated - Note 23)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	66,075,808	62,735,222
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	1,240,454	4,851,003
Due from Province - Other	-	476,596
Due from First Nations	-	306,891
Other (Note 3)	3,322,280	3,408,670
Portfolio Investments (Note 4)	499,715	499,658
<b>Total Financial Assets</b>	<u>71,138,257</u>	<u>72,278,040</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 6)	34,580,499	33,492,718
Unearned Revenue (Note 7)	11,497,069	11,955,313
Deferred Revenue (Note 8)	7,532,465	6,540,627
Deferred Capital Revenue (Note 9)	246,275,116	223,573,627
Employee Future Benefits (Note 10)	3,073,254	2,996,493
<b>Total Liabilities</b>	<u>302,958,403</u>	<u>278,558,778</u>
<b>Net Debt</b>	<u>(231,820,146)</u>	<u>(206,280,738)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	287,356,817	265,216,436
Prepaid Expenses	875,252	957,276
<b>Total Non-Financial Assets</b>	<u>288,232,069</u>	<u>266,173,712</u>
<b>Accumulated Surplus (Deficit) (Note 20)</b>	<u>56,411,923</u>	<u>59,892,974</u>

Unrecognized Assets (Note 11)  
Contractual Obligations (Note 15)  
Contractual Rights (Note 16)  
Contingent Assets (Note 18)  
Contingent Liabilities (Note 18)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Sept 27 2022

Signature of the Superintendent

Date Signed

Sept 27 / 2022

Signature of the Secretary Treasurer

Date Signed

Sept 27 2022

# School District No. 61 (Greater Victoria)

Statement 2

Statement of Operations  
Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual (Restated - Note 23) \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	216,081,028	<b>227,053,205</b>	226,659,672
Other	112,750	<b>166,975</b>	103,076
Tuition	12,242,537	<b>15,070,357</b>	9,496,466
Other Revenue	5,529,152	<b>7,412,286</b>	5,494,884
Rentals and Leases	1,779,874	<b>2,519,825</b>	1,587,882
Investment Income	415,552	<b>557,202</b>	633,130
Amortization of Deferred Capital Revenue	7,969,213	<b>7,858,370</b>	7,705,292
Construction License		<b>4,300,000</b>	
<b>Total Revenue</b>	<u>244,130,106</u>	<u><b>264,938,220</b></u>	<u>251,680,402</u>
<b>Expenses</b>			
Instruction	207,618,206	<b>218,385,765</b>	209,607,636
District Administration	6,329,294	<b>7,074,628</b>	6,306,434
Operations and Maintenance	38,027,511	<b>41,870,376</b>	38,967,479
Transportation and Housing	1,291,815	<b>1,088,502</b>	1,121,348
<b>Total Expense</b>	<u>253,266,826</u>	<u><b>268,419,271</b></u>	<u>256,002,897</u>
<b>Surplus (Deficit) for the year</b>	<u>(9,136,720)</u>	<u><b>(3,481,051)</b></u>	<u>(4,322,495)</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>59,892,974</b>	64,215,469
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>56,411,923</b></u></u>	<u>59,892,974</u>



# School District No. 61 (Greater Victoria)

## Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual (Restated - Note 23) \$
<b>Surplus (Deficit) for the year</b>	(9,136,720)	<b>(3,481,051)</b>	(4,322,495)
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(50,712,864)	<b>(33,913,379)</b>	(31,640,450)
Amortization of Tangible Capital Assets	11,451,527	<b>11,772,998</b>	11,720,594
Ministry Tool Amortization Adjustment	-	-	1,191,685
<b>Total Effect of change in Tangible Capital Assets</b>	<b>(39,261,337)</b>	<b>(22,140,381)</b>	<b>(18,728,171)</b>
Acquisition of Prepaid Expenses	-	-	(572,377)
Use of Prepaid Expenses	-	<b>82,024</b>	-
<b>Total Effect of change in Other Non-Financial Assets</b>	<b>-</b>	<b>82,024</b>	<b>(572,377)</b>
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<b>(48,398,057)</b>	<b>(25,539,408)</b>	(23,623,043)
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<b>(25,539,408)</b>	(23,623,043)
<b>Net Debt, beginning of year</b>		<b>(206,280,738)</b>	(182,657,695)
<b>Net Debt, end of year</b>		<b>(231,820,146)</b>	(206,280,738)

# School District No. 61 (Greater Victoria)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2022

	2022 Actual	2021 Actual
		(Restated - Note 23)
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	(3,481,051)	(4,322,495)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	4,480,426	(200,012)
Prepaid Expenses	82,024	(572,377)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	123,689	298,811
Unearned Revenue	(458,244)	3,483,644
Deferred Revenue	991,838	(104,328)
Employee Future Benefits	76,761	162,322
Other Liabilities	964,092	5,630,974
Amortization of Tangible Capital Assets	11,772,998	11,720,594
Amortization of Deferred Capital Revenue	(7,858,370)	(7,705,292)
<b>Total Operating Transactions</b>	<b>6,694,163</b>	<b>8,391,841</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(3,677,800)	(4,684,094)
Tangible Capital Assets -WIP Purchased	(30,235,579)	(26,956,356)
Bylaw Expenditures	(2,403,438)	(811,727)
Insurance Claim Expense		(1,829,035)
<b>Total Capital Transactions</b>	<b>(36,316,817)</b>	<b>(34,281,212)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	32,963,297	29,972,115
<b>Total Financing Transactions</b>	<b>32,963,297</b>	<b>29,972,115</b>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	(57)	(57)
<b>Total Investing Transactions</b>	<b>(57)</b>	<b>(57)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>3,340,586</b>	<b>4,082,687</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>62,735,222</b>	<b>58,652,535</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>66,075,808</b>	<b>62,735,222</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	66,075,808	62,735,222
	<b>66,075,808</b>	<b>62,735,222</b>

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

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### 1. Authority and Purpose

The School District operates under the authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 61 (Greater Victoria)" and operates as "School District No. 61 (Greater Victoria)." 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. 61 (Greater Victoria) is exempt from federal and provincial corporate income taxes.

### 2. Summary of Significant Accounting Policies

#### (a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2 (f) and 2 (m).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

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

#### (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 are shown net of allowance for doubtful accounts.

#### (d) Portfolio Investments

The School District has investments in bonds that have a maturity of greater than 3 months at the time of acquisition. GICs, term deposits, bonds and other investments not quoted in an active market are reported at cost or amortized cost.

Detailed information regarding portfolio investments is disclosed in Note 4.

#### (e) Unearned Revenue

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

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (*Continued*)

#### (f) Deferred Revenue and Deferred Capital Revenue

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

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the Statement of Operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished.

#### (g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for qualified 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 and retirement rates, and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School District and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (Continued)

#### (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.

#### (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. Work in Progress is not amortized until the asset is utilized.
- 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. One-half of the amortization is recorded in the year of acquisition. 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 lives are as follows:

Buildings	40 years
Site Improvements	10 years
Furniture and Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

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### 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 incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g. insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

#### (k) Prepaid Expenses

Payments for insurance, subscriptions, and maintenance contracts for use within the School District in a future period are included as a prepaid expense and stated at acquisition cost and are charged to expenses over the periods expected to benefit from it. Textbooks and other teaching supplies are expensed as purchased.

#### (l) Funds and Reserves

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

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. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (Continued)

#### (m) Revenue Recognition (continued)

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

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. Interest expense includes interest paid on capital lease obligations.

##### Allocation of Costs

- Operating expenses are reported by function, program and object. Whenever possible, expenses are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and Indigenous education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical and principal and vice-principal salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits are allocated on a pro rata basis of overall salary expenses within each salary category.
- Supplies and services are allocated based on actual program identification.

#### (o) Financial Instruments

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

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

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability. The School District has not invested in any equity instruments that are quoted in an active market and has not designated any financial instruments to be recorded at fair value. The School District has no instruments in the fair value category.

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

## School District No. 61 (Greater Victoria)

Notes to Financial Statements  
Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (Continued)

(o) Financial Instruments (continued)

The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Statement of Operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

(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, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

(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.



## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 2. Summary of Significant Accounting Policies (Continued)

#### (q) Future Changes in Accounting Policies (continued)

Revenue from transactions with no performance obligations should be recognized when a school district:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

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

### 3. Accounts Receivable – Other Receivables

	June 30, 2022	June 30, 2021
Due from Agencies and Associations	\$ 276,059	\$ 464,578
Due from Government of Canada	337,411	220,730
Other Receivables	2,708,810	2,723,362
	<u>\$ 3,322,280</u>	<u>\$ 3,408,670</u>

### 4. Portfolio Investments

Portfolio investments is comprised of a 7.6% Province of Ontario Bond maturing June 2, 2027. The market value of the investments as of June 30, 2022 was \$0.59 million (2021: \$0.67 million).

### 5. Bank Indebtedness

The School District has an unutilized line of credit facility agreement with the CIBC, dated March 12, 2009, in the amount of \$1,500,000.

### 6. Accounts Payable and Accrued Liabilities – Other

	June 30, 2022	June 30, 2021
Trade Payables	\$ 6,066,150	\$ 5,942,459
Salaries and Benefits Payable	15,780,759	16,157,683
Accrued Vacation Pay	1,882,577	2,178,207
Holdback Payables	2,586,762	1,053,327
International Student Program Fee Payable	7,262,919	7,569,654
Other	1,001,332	591,388
	<u>\$ 34,580,499</u>	<u>\$ 33,492,718</u>

International Student Program Fees Payable in the amount of \$7,262,919 (2021: \$7,569,654) is comprised of 2021/22 refunds \$286,835 (2021: \$483,032), homestay fees of \$5,802,363 (2021: \$5,966,030) and medical fees of \$1,173,721 (2021: \$1,120,592). These amounts are collected and paid by the School District on behalf of the International Student Program. The same amount included in cash and cash equivalents is restricted and not available for general use.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 7. Unearned Revenue

	June 30, 2022	June 30, 2021
Unearned Revenue, Beginning of Year	\$ 11,955,313	\$ 8,471,669
Changes for the Year:		
Increase:		
Tuition fees	14,458,006	12,625,596
Rentals and Leases	2,519,825	1,535,504
Other	1,248,832	904,267
Summer school	-	1,720
	<u>18,226,663</u>	<u>15,067,087</u>
Decrease:		
Tuition fees	15,070,357	9,496,466
Rentals and Leases	2,519,825	1,587,882
Other	1,094,725	497,375
Summer school	-	1,720
	<u>18,684,907</u>	<u>11,583,443</u>
Net Changes for the Year	(458,244)	3,483,644
Unearned Revenue, End of Year	\$ 11,497,069	\$ 11,955,313

Unearned Revenue includes tuition collected from International students for school terms beginning after June 30, 2022.

### 8. Deferred Revenue

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

	June 30, 2022	June 30, 2021
Deferred Revenue, Beginning of Year	\$ 6,540,627	\$ 6,644,955
Changes for the Year:		
Increase:		
Provincial Grants - Ministry of Education and Child Care	29,296,235	35,919,986
Other	5,443,756	3,201,604
Investment Income	92,850	95,185
	<u>34,832,841</u>	<u>39,216,775</u>
Decrease:		
Allocation to Revenue	32,595,202	37,441,290
Recovered	1,245,801	1,879,813
	<u>33,841,003</u>	<u>39,321,103</u>
Net Changes for the Year	991,838	(104,328)
Deferred Revenue, End of Year	\$ 7,532,465	\$ 6,540,627

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 9. Deferred Capital Revenue

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

#### Deferred Capital Revenue:

	June 30, 2022	June 30, 2021 (Restated – Note 23)
Deferred Capital Revenue, Beginning of Year	\$ 188,451,831	\$ 185,446,765
Prior Period Adjustment (Note 23)	-	(1,191,686)
Deferred Capital Revenue, Beginning of Year, as Restated	188,451,831	184,255,079
Changes for the Year:		
Increase:		
Transferred from Deferred Capital Revenue – Capital Additions	-	204,858
Transferred from Deferred Capital Revenue – Work in Progress	5,269,287	11,697,185
	5,269,287	11,902,043
Decrease:		
Amortization of Deferred Capital Revenue	7,858,370	7,705,291
	7,858,370	7,705,291
Net Changes for the Year	(2,589,083)	4,196,752
Deferred Capital Revenue, End of Year	\$ 185,862,748	\$ 188,451,831

#### Deferred Capital Revenue – Work in Progress:

	June 30, 2022	June 30, 2021
Work in Progress, Beginning of Year	\$ 27,422,963	\$ 12,687,439
Changes for the Year:		
Increase:		
Transferred from Unspent Deferred Capital Revenue	30,110,027	26,432,709
	30,110,027	26,432,709
Decrease:		
Transferred to Deferred Capital Revenue	5,269,287	11,697,185
	5,269,287	11,697,185
Net Changes for the Year	24,840,740	14,735,524
Work in Progress, End of Year	\$ 52,263,703	\$ 27,422,963

**School District No. 61 (Greater Victoria)**

Notes to Financial Statements

Year Ended June 30, 2022

**9. Deferred Capital Revenue (Continued)****Unspent Deferred Capital Revenue:**

	June 30, 2022	June 30, 2021
Unspent Deferred Capital Revenue, Beginning of Year	\$ 7,698,833	\$ 7,005,047
Changes for the Year:		
Increase:		
Provincial Grants - Ministry of Education and Child Care	32,822,733	27,319,169
Provincial Grants - Other	-	2,538,841
Other	132,326	110,932
Investment Income	8,238	3,173
	<u>32,963,297</u>	<u>29,972,115</u>
Decrease:		
Transferred to Deferred Capital Revenue – Capital Additions	-	204,858
Transferred to Deferred Capital Revenue – Work in Progress	30,110,027	26,432,709
Bylaw and Other Provincial Capital Expenditures	2,359,133	811,727
Insurance Claim Expense	44,305	1,829,035
	<u>32,513,465</u>	<u>29,278,329</u>
Net Changes for the Year	449,832	693,786
Unspent Deferred Capital Revenue, End of Year	\$ 8,148,665	\$ 7,698,833
<b>Total Deferred Capital Revenue, End of Year</b>	<b>\$ 246,275,116</b>	<b>\$ 223,573,627</b>

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 10. Employee Future Benefits

The School District provides certain benefits upon retirement including vested sick leave, accumulating non-vested sick leave, lump sum retirement payments, vacation, overtime and death benefits for qualified employees pursuant to certain contracts and union agreements. 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.

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	2.50%	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
Expected Average Remaining Service Lifetime - March 31	10.6	10.3

	June 30, 2022	June 30, 2021
<b>Reconciliation of Accrued Benefit Obligation:</b>		
Accrued Benefit Obligation - April 1	\$ 2,837,663	\$ 2,835,619
Service Cost	282,454	283,791
Interest Cost	74,420	66,898
Benefit Payments	(291,600)	(237,981)
Actuarial Loss	49,828	(110,663)
Accrued Benefit Obligation - March 31	\$ 2,952,765	\$ 2,837,663

<b>Reconciliation of Funded Status at End of Fiscal Year:</b>		
Accrued Benefit Obligation - March 31	\$ 2,952,765	\$ 2,837,663
Market Value of Plan Assets - March 31	-	-
Funded Status - Deficit	(2,952,765)	(2,837,663)
Employer Contributions After Measurement Date	25,892	8,461
Benefit Expense After Measurement Date	(97,381)	(89,219)
Unamortized Net Actuarial Loss	(49,000)	(78,072)
Accrued Benefit Liability - June 30	\$ (3,073,254)	\$ (2,996,493)

<b>Reconciliation of Change in Accrued Benefit Liability:</b>		
Accrued Benefit Liability - July 1	\$ 2,996,493	\$ 2,834,171
Net Expense for Fiscal Year	385,792	383,735
Employer Contributions	(309,031)	(221,412)
Accrued Benefit Liability - June 30	\$ 3,073,254	\$ 2,996,493

<b>Components of Net Benefit Expense:</b>		
Service Cost	\$ 284,412	\$ 283,457
Interest Cost	80,625	68,779
Amortization of Net Actuarial Loss	20,755	31,500
Net Benefit Expense	\$ 385,792	\$ 383,735

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 11. Tangible Capital Assets

June 30, 2022

<b>Cost:</b>	Balance at June 30, 2021	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2022
		\$			
Sites	\$ 10,833,717	1,144,523	\$ -	\$ -	\$ 11,978,240
Site Improvements	1,700,000	-	-	-	1,700,000
Buildings	382,089,095	7,359	-	4,691,911	386,788,365
Buildings – WIP	27,378,456	29,571,340	-	(4,691,911)	52,257,885
Furniture & Equipment	13,133,013	1,041,650	(829,463)	612,059	13,957,259
Furniture & Equipment – WIP	44,507	605,176	-	(612,059)	37,624
Vehicles	1,157,916	15,476	-	-	1,173,392
Computer Software	111,437	-	(47,244)	-	64,193
Computer Hardware	10,064,738	1,468,792	(4,880,015)	59,063	6,712,578
Computer Hardware – WIP	-	59,063	-	(59,063)	-
<b>Total</b>	<b>\$ 446,512,879</b>	<b>\$33,913,379</b>	<b>\$ (5,756,722)</b>	<b>\$ -</b>	<b>\$ 474,669,536</b>

<b>Accumulated Amortization:</b>	Balance at June 30, 2021 (Restated – Note 23)	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2022
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	765,000	170,000	-	-	935,000
Buildings	168,961,190	8,436,624	-	-	177,397,814
Furniture & Equipment	4,747,096	1,354,513	(829,463)	-	5,272,146
Vehicles	426,449	116,566	-	-	543,015
Computer Software	87,456	17,563	(47,244)	-	57,775
Computer Hardware	6,309,252	1,677,732	(4,880,015)	-	3,106,969
<b>Total</b>	<b>\$ 181,296,443</b>	<b>\$ 11,772,998</b>	<b>\$ (5,756,722)</b>	<b>\$ -</b>	<b>\$ 187,312,719</b>

June 30, 2021

<b>Cost:</b>	Balance at June 30, 2020	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2021 (Restated – Note 23)
Sites	\$ 10,833,717	\$ -	\$ -	\$ -	\$ 10,833,717
Site Improvements	1,700,000	-	-	-	1,700,000
Buildings	368,828,464	352,637	-	12,907,994	382,089,095
Buildings – WIP	13,510,641	26,775,809	-	(12,907,994)	27,378,456
Furniture & Equipment	11,072,728	2,327,219	(330,610)	63,676	13,133,013
Furniture & Equipment – WIP	22,855	85,328	-	(63,676)	44,507
Vehicles	1,091,556	94,320	(27,960)	-	1,157,916
Computer Software	239,464	-	(128,027)	-	111,437
Computer Hardware	8,485,415	1,909,918	(425,814)	95,219	10,064,738
Computer Hardware – WIP	-	95,219	-	(95,219)	-
<b>Total</b>	<b>\$ 415,784,840</b>	<b>\$31,640,450</b>	<b>\$ (912,411)</b>	<b>\$ -</b>	<b>\$ 446,512,879</b>

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 11. Tangible Capital Assets (Continued)

#### June 30, 2021 (Continued)

	Balance at June 30, 2020 (Restated – Note 23)	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2021
<b>Accumulated Amortization:</b>					
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	595,000	170,000	-	-	765,000
Buildings	160,710,542	8,250,648	-	-	168,961,190
Furniture & Equipment	3,837,122	1,240,584	(330,610)	-	4,747,096
Vehicles	340,537	113,872	(27,960)	-	426,449
Computer Software	167,590	47,893	(128,027)	-	87,456
Computer Hardware	4,837,469	1,897,597	(425,814)	-	6,309,252
<b>Total</b>	<b>\$ 170,488,260</b>	<b>\$ 11,720,594</b>	<b>\$ (912,411)</b>	<b>\$ -</b>	<b>\$ 181,296,443</b>

#### Net Book Value:

	Net Book Value June 30, 2022	Net Book Value June 30, 2021 (Restated – Note 23)
Sites	\$ 11,978,240	\$ 10,833,717
Site Improvements	765,000	935,000
Buildings	209,390,551	213,127,905
Buildings – WIP	52,257,885	27,378,456
Furniture & Equipment	8,685,113	8,385,917
Furniture & Equipment – WIP	37,624	44,507
Vehicles	630,377	731,467
Computer Software	6,418	23,981
Computer Hardware	3,605,609	3,755,486
	<b>\$ 287,356,817</b>	<b>\$ 265,216,436</b>

Buildings – Work in Progress having a value of \$52,257,885 (2021: \$27,378,456) and Furniture & Equipment – Work in Progress having a value of \$37,624 (2021: \$44,507) have not been amortized. Amortization of these assets commence when the asset is put into service.

The School District manages and controls various works of art including painting and sculptures. These assets are not recorded as tangible capital assets and are not amortized as a reasonable amount cannot be determined.

The School District entered into a Land Exchange Agreement with the Corporation of the City of Victoria (“the City”) as part of the Caledonia Redevelopment Master Agreement, whereby the School District transferred parcels of land located at 1801/1805/1855 Chambers Street and 1216 North Park Street to the City in exchange for parcels of land located at 1235 Caledonia Street, 1230 Grant Street and a portion of Vining Street and North Park Street. The City lands had a total market value of \$2.38 million and the School District lands had a total market value of \$2.88 million. No gain or loss on disposal was recorded on the exchange.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements  
Year Ended June 30, 2022

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### 12. 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. 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.

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 \$19,447,660 for employer contributions to these plans in the year ended June 30, 2022 (2021: \$18,865,730).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan was 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.

### 13. Interfund Transfers

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

- Transfer from the operating fund to the capital fund \$635,257 for tangible capital assets purchased.
- Transfer from the special purpose fund to the capital fund \$458,779 for tangible capital assets purchased.



## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 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, as well as key management personnel, if any, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

### 15. Contractual Obligations

The School District has entered into a number of multiple-year contracts for the delivery of services and operating leases. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	2023	2024	2025	2026	2027	Thereafter
Youth and Family Counselling	\$1,654,316	-	-	-	-	-
Catering	340,000	340,000	-	-	-	-
Transportation	863,000	863,000	863,000	863,000	863,000	-
Operating Lease	103,936	42,074	42,074	22,365	1,139	-
Occupational/Physical Therapy	379,142	-	-	-	-	-
Waste Management	191,000	191,000	31,833	-	-	-
Bus Purchase	1,556,818	-	-	-	-	-
Computer Technology	516,603	-	-	-	-	-
Vic High Construction Contracts	22,209,607	-	-	-	-	-
Cedar Hill Construction Contracts	1,466,052	350,000	350,000	-	-	-
Other Construction Contracts	781,490	68,397	68,397	-	-	-
Total	\$30,061,964	1,854,471	1,355,304	885,365	864,139	-

### 16. 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 property leases. The following table summarizes the contractual rights of the School District for future assets:

	2023	2024	2025	2026	2027	Thereafter
Property Leases	\$1,354,820	\$1,213,736	\$ 726,236	\$ 661,261	\$ 567,912	\$3,935,723
Local Education Agreement	832,036	832,036	832,036	-	-	-
Total	\$2,186,856	\$2,045,772	\$1,558,272	\$ 661,261	\$ 567,912	\$3,935,723

### 17. Budget Figures

Budget figures were approved by the Board through the adoption of an annual budget on June 3, 2021.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 18. Contingent Liabilities and Assets

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 effect on the School District's financial position. A liability for these claims is recorded to the extent that the probability of a loss is likely and the amount of potential loss is estimable.

At June 30, 2022, unspent Classroom Enhancement Fund remedies totalled \$442,286 (2021: \$308,613). The School District was unable to reach an agreement with the local teachers' union regarding the treatment of the unspent remedies by June 30<sup>th</sup>. The Deferred Revenue balance is \$307,570 (2021: \$251,925).

Certain schools in the School District contain asbestos. No amount has been recorded in the financial statements with regard to this potential liability.

### 19. Expense by Object

	June 30, 2022	June 30, 2021 (Restated – Note 23)
Salaries and Benefits	\$ 223,581,886	\$ 215,159,059
Services and Supplies	33,064,387	29,123,244
Interest	-	-
Amortization	11,772,998	11,720,594
	<u>\$ 268,419,271</u>	<u>\$ 256,002,897</u>

### 20. Internally Restricted Surplus – Operating Fund

Internally Restricted (appropriated) by Board for:		
<i>Constraints on funds</i>	\$ 476,914	
<i>Anticipated unusual expenses</i>	71,000	
<i>Operations spanning multiple years</i>	6,169,453	
<i>Future capital cost share</i>	-	
Subtotal Internally Restricted	<u>\$ 6,717,367</u>	<u>\$ 6,717,367</u>
Unrestricted Operating Surplus (Deficit) – Contingency		1,501,254
Total Available for Future Operations		-
<b>Total Internally Restricted Surplus – Operating Fund</b>		<b>\$ 8,218,621</b>
Invested in Tangible Capital Assets		44,716,211
Local Capital Surplus		3,477,091
<b>Total Accumulated Surplus</b>		<b>\$ 56,411,923</b>

### 21. Economic Dependence

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

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

### 22. Sale of 1765 Lansdowne Road, 2780 Richmond Road and Quit Claim

On March 29, 2021, the School District entered into a Purchase and Sale Agreement (“the Agreement”) dated March 24, 2021, a First Addendum dated May 17, 2021, a Second Addendum dated May 2, 2022 and a Third Addendum dated May 31, 2022 with Conseil Scolaire Francophone De La Colombie-Britannique to dispose of a portion of land situated at 1765 Lansdowne Road for \$15,232,000. The Agreement has a closing date of March 31, 2023.

On September 17, 2021, the School District entered into an Agreement of Purchase and Sale (“the Agreement”), a First Addendum dated December 14, 2021, a Second Addendum dated February 28, 2022, a Third Addendum dated March 16, 2022, a Fourth Addendum dated March 22, 2022, a Fifth Addendum dated April 5, 2022 and a Sixth Addendum dated June 30, 2022 with Victoria Hospice Society to dispose of a portion of land situation at 2780 Richmond Road for \$2,500,000. The closing date is one business day after the date on which the subdivision has been fully registered and title to the Property has been conveyed to the purchaser, free and clear of all encumbrances except the permitted encumbrances, estimated to be sometime between September 2024 – March 2025.

On September 24, 2021, the School District entered into a Framework Agreement (“the Agreement”) and an Addendum dated August 29, 2022 with The Corporation of the City of Victoria (“the City”) and Pacifica Housing Advisory Association (“Pacifica Housing”) and British Columbia Housing Management Commission, where the School District will dispose, release and quit claims a Quit Claim Area located at 498 Cecelia Road in favour of the City, in exchange for \$1,000,000 paid for by Pacifica Housing. The closing date is estimated to be August 31, 2022.

### 23. 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 on disposals in the partial service year. The School District has made a retroactive adjustment to recognize amortization of all assets and deferred capital contributions on disposals including in a partial service year. The impact of the prior period adjustment on the June 30, 2021 comparative amounts is as follows:

	Increase (Decrease)
Tangible Capital Assets	\$ (2,569,745)
Deferred Capital Revenue	(1,191,686)
Accumulated surplus, July 1, 2020	\$ (1,378,059)
Amortization of Deferred Capital Revenue	\$ 56,501
Operations and Maintenance Expense (Amortization)	62,654
Surplus for the year ending June 30, 2021	\$ (6,153)

### 24. Risk Management

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

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

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2022

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### 24. Risk Management (*Continued*)

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 recognized British Columbia institutions and the School District invests solely in bonds and guaranteed investment certificates.

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 bonds and guaranteed investment certificates.

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 has been no change to risk exposure from 2021 related to credit, market or liquidity risks.

# School District No. 61 (Greater Victoria)

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 (Restated - Note 23)
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	13,192,739		46,700,235	<b>59,892,974</b>	65,593,528
Prior Period Adjustments					(1,378,059)
<b>Accumulated Surplus (Deficit), beginning of year, as restated</b>	<b>13,192,739</b>	-	<b>46,700,235</b>	<b>59,892,974</b>	64,215,469
<b>Changes for the year</b>					
Surplus (Deficit) for the year	(4,338,861)	458,779	399,031	<b>(3,481,051)</b>	(4,322,495)
Interfund Transfers					
Tangible Capital Assets Purchased	(609,370)	(458,779)	1,068,149	-	
Tangible Capital Assets - Work in Progress	(25,887)		25,887	-	
<b>Net Changes for the year</b>	<b>(4,974,118)</b>	-	<b>1,493,067</b>	<b>(3,481,051)</b>	<b>(4,322,495)</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>8,218,621</b>	-	<b>48,193,302</b>	<b>56,411,923</b>	59,892,974

# School District No. 61 (Greater Victoria)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget (Note 17)	2022 Actual	2021 Actual (Restated - Note 23)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	190,981,576	<b>197,056,412</b>	191,638,791
Other	112,750	<b>166,975</b>	100,802
Tuition	12,242,537	<b>15,070,357</b>	9,496,466
Other Revenue	2,029,152	<b>2,478,948</b>	2,325,833
Rentals and Leases	1,779,874	<b>2,519,825</b>	1,587,882
Investment Income	352,652	<b>475,034</b>	568,013
<b>Total Revenue</b>	<u>207,498,541</u>	<u><b>217,767,551</b></u>	<u>205,717,787</u>
<b>Expenses</b>			
Instruction	180,770,133	<b>187,045,527</b>	174,918,158
District Administration	6,329,294	<b>7,074,628</b>	6,306,434
Operations and Maintenance	24,765,705	<b>26,897,755</b>	25,619,933
Transportation and Housing	1,291,815	<b>1,088,502</b>	1,121,348
<b>Total Expense</b>	<u>213,156,947</u>	<u><b>222,106,412</b></u>	<u>207,965,873</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(5,658,406)</u>	<u><b>(4,338,861)</b></u>	<u>(2,248,086)</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>5,658,406</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	-	<b>(609,370)</b>	(2,538,503)
Tangible Capital Assets - Work in Progress	-	<b>(25,887)</b>	-
<b>Total Net Transfers</b>	<u>-</u>	<u><b>(635,257)</b></u>	<u>(2,538,503)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u><b>(4,974,118)</b></u>	<u>(4,786,589)</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>13,192,739</b>	17,979,328
<b>Operating Surplus (Deficit), end of year</b>		<u><b>8,218,621</b></u>	<u>13,192,739</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 20)		<b>6,717,367</b>	13,192,739
Unrestricted		<b>1,501,254</b>	-
<b>Total Operating Surplus (Deficit), end of year</b>		<u><b>8,218,621</b></u>	<u>13,192,739</u>

# School District No. 61 (Greater Victoria)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual (Restated - Note 23) \$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	188,753,064	<b>194,701,752</b>	183,351,677
ISC/LEA Recovery	(966,444)	<b>(832,036)</b>	(1,031,724)
Other Ministry of Education and Child Care Grants			
Pay Equity	2,896,617	<b>2,896,617</b>	2,896,617
Funding for Graduated Adults	100,287	<b>49,673</b>	89,835
Student Transportation Fund	20,027	<b>20,027</b>	20,027
Support Staff Benefits Grant	193,437	<b>198,514</b>	193,437
Teachers' Labour Settlement Funding			5,654,057
Early Career Mentorship Funding			435,000
FSA Scorer Grant	17,740	<b>17,740</b>	17,740
Early Learning Framework	-	<b>4,125</b>	4,125
Equity Scan Implementation	-	-	3,000
Suicide Prevention	-	-	5,000
Summer School Operating Grant Reduction	(33,152)	-	-
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>190,981,576</b>	<b>197,056,412</b>	<b>191,638,791</b>
<b>Provincial Grants - Other</b>	<b>112,750</b>	<b>166,975</b>	<b>100,802</b>
<b>Tuition</b>			
Summer School Fees	-	-	1,720
Continuing Education	7,000	<b>3,625</b>	2,975
International and Out of Province Students	12,217,537	<b>15,057,307</b>	9,473,221
Distributed Learning	18,000	<b>9,425</b>	18,550
<b>Total Tuition</b>	<b>12,242,537</b>	<b>15,070,357</b>	<b>9,496,466</b>
<b>Other Revenues</b>			
Other School District/Education Authorities	-	<b>2,700</b>	2,700
Funding from First Nations	966,444	<b>829,034</b>	1,031,724
Miscellaneous			
International Student Program Revenues	639,527	<b>829,365</b>	497,375
Industry Training Authority Grants	175,000	<b>182,300</b>	193,250
ArtStarts Grant	17,600	<b>17,600</b>	-
Cafeteria Revenue	55,000	<b>123,423</b>	59,842
Miscellaneous	110,981	<b>438,820</b>	540,942
Odyssey French Language Assistant Funding	27,100	-	-
BC Hydro Commercial Energy Manager Program Funding	37,500	<b>55,706</b>	-
<b>Total Other Revenue</b>	<b>2,029,152</b>	<b>2,478,948</b>	<b>2,325,833</b>
<b>Rentals and Leases</b>	<b>1,779,874</b>	<b>2,519,825</b>	<b>1,587,882</b>
<b>Investment Income</b>	<b>352,652</b>	<b>475,034</b>	<b>568,013</b>
<b>Total Operating Revenue</b>	<b>207,498,541</b>	<b>217,767,551</b>	<b>205,717,787</b>

# School District No. 61 (Greater Victoria)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2022

	2022 Budget (Note 17) \$	2022 Actual \$	2021 Actual (Restated - Note 23) \$
<b>Salaries</b>			
Teachers	92,198,153	<b>94,940,648</b>	90,349,744
Principals and Vice Principals	14,385,816	<b>14,297,258</b>	14,066,958
Educational Assistants	18,641,764	<b>18,601,555</b>	17,265,674
Support Staff	19,273,071	<b>19,092,704</b>	18,669,864
Other Professionals	4,957,013	<b>5,093,299</b>	4,916,468
Substitutes	8,570,336	<b>11,140,179</b>	8,663,963
<b>Total Salaries</b>	<b>158,026,153</b>	<b>163,165,643</b>	153,932,671
<b>Employee Benefits</b>	36,054,086	<b>36,977,340</b>	34,422,220
<b>Total Salaries and Benefits</b>	<b>194,080,239</b>	<b>200,142,983</b>	188,354,891
<b>Services and Supplies</b>			
Services	6,314,984	<b>9,158,014</b>	7,007,812
Student Transportation	1,076,545	<b>877,741</b>	915,608
Professional Development and Travel	727,897	<b>682,992</b>	1,038,194
Rentals and Leases	109,851	<b>109,850</b>	126,428
Dues and Fees	105,199	<b>121,279</b>	110,536
Insurance	420,003	<b>474,094</b>	424,325
Supplies	6,493,917	<b>6,376,005</b>	6,188,153
Utilities	3,828,312	<b>4,163,454</b>	3,799,926
<b>Total Services and Supplies</b>	<b>19,076,708</b>	<b>21,963,429</b>	19,610,982
<b>Total Operating Expense</b>	<b>213,156,947</b>	<b>222,106,412</b>	207,965,873



# School District No. 61 (Greater Victoria)

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
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	71,754,147	5,003,936	2,143,600	207,865	223,891	9,095,572	88,429,011
1.03 Career Programs	847,955	122,923	311,998	-	-	34,632	1,317,508
1.07 Library Services	2,319,050	-	-	308,423	-	67,849	2,695,322
1.08 Counselling	2,635,571	-	-	-	-	87,431	2,723,002
1.10 Special Education	9,789,621	624,918	15,359,790	213,701	-	826,017	26,814,047
1.30 English Language Learning	2,068,012	85,544	-	6,952	-	78,542	2,239,050
1.31 Indigenous Education	336,904	141,362	693,816	48,241	146,784	41,005	1,408,112
1.41 School Administration	-	8,015,723	-	4,062,622	-	3,685	12,082,030
1.60 Summer School	-	-	-	-	-	-	-
1.61 Continuing Education	183,659	28,758	-	56,125	-	7,550	276,092
1.62 International and Out of Province Students	4,772,403	-	18,801	870,994	747,828	330,622	6,740,648
1.64 Other	-	-	4,853	-	-	123	4,976
<b>Total Function 1</b>	<b>94,707,322</b>	<b>14,023,164</b>	<b>18,532,858</b>	<b>5,774,923</b>	<b>1,118,503</b>	<b>10,573,028</b>	<b>144,729,798</b>
<b>4 District Administration</b>							
4.11 Educational Administration	-	173,442	-	311,401	1,072,020	11,316	1,568,179
4.40 School District Governance	-	-	-	-	327,724	-	327,724
4.41 Business Administration	186,084	100,652	-	1,263,211	1,309,349	41,128	2,900,424
<b>Total Function 4</b>	<b>186,084</b>	<b>274,094</b>	<b>-</b>	<b>1,574,612</b>	<b>2,709,093</b>	<b>52,444</b>	<b>4,796,327</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	47,242	-	64,874	291,031	1,010,303	16,064	1,429,514
5.50 Maintenance Operations	-	-	-	10,576,161	143,571	365,717	11,085,449
5.52 Maintenance of Grounds	-	-	-	801,239	-	132,926	934,165
5.56 Utilities	-	-	-	-	-	-	-
<b>Total Function 5</b>	<b>47,242</b>	<b>-</b>	<b>64,874</b>	<b>11,668,431</b>	<b>1,153,874</b>	<b>514,707</b>	<b>13,449,128</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	-	-	-	25,598	111,829	-	137,427
7.70 Student Transportation	-	-	3,823	49,140	-	-	52,963
7.73 Housing	-	-	-	-	-	-	-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>3,823</b>	<b>74,738</b>	<b>111,829</b>	<b>-</b>	<b>190,390</b>
<b>9 Debt Services</b>							
9.92 Interest on Bank Loans	-	-	-	-	-	-	-
9.94 Interest on Temporary Borrowing	-	-	-	-	-	-	-
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>94,940,648</b>	<b>14,297,258</b>	<b>18,601,555</b>	<b>19,092,704</b>	<b>5,093,299</b>	<b>11,140,179</b>	<b>163,165,643</b>

# School District No. 61 (Greater Victoria)

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 (Restated - Note 23)
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	88,429,011	20,016,290	108,445,301	3,484,675	111,929,976	107,955,458	105,116,687
1.03 Career Programs	1,317,508	305,081	1,622,589	924,808	2,547,397	2,403,947	2,324,493
1.07 Library Services	2,695,322	628,531	3,323,853	141,010	3,464,863	3,222,845	3,363,611
1.08 Counselling	2,723,002	632,901	3,355,903	4,620	3,360,523	3,551,244	3,723,864
1.10 Special Education	26,814,047	6,353,741	33,167,788	992,560	34,160,348	34,740,474	32,029,738
1.30 English Language Learning	2,239,050	516,565	2,755,615	25,551	2,781,166	2,922,740	2,770,867
1.31 Indigenous Education	1,408,112	311,512	1,719,624	868,086	2,587,710	2,394,091	2,382,772
1.41 School Administration	12,082,030	2,549,787	14,631,817	188,629	14,820,446	14,419,920	15,235,765
1.60 Summer School	-	-	-	-	-	-	33,079
1.61 Continuing Education	276,092	63,259	339,351	5,614	344,965	319,607	389,649
1.62 International and Out of Province Students	6,740,648	1,526,704	8,267,352	2,650,770	10,918,122	8,727,057	7,444,514
1.64 Other	4,976	1,218	6,194	123,817	130,011	112,750	103,119
<b>Total Function 1</b>	<b>144,729,798</b>	<b>32,905,589</b>	<b>177,635,387</b>	<b>9,410,140</b>	<b>187,045,527</b>	<b>180,770,133</b>	<b>174,918,158</b>
<b>4 District Administration</b>							
4.11 Educational Administration	1,568,179	307,181	1,875,360	154,660	2,030,020	1,971,900	1,819,162
4.40 School District Governance	327,724	31,498	359,222	155,222	514,444	535,229	482,335
4.41 Business Administration	2,900,424	629,793	3,530,217	999,947	4,530,164	3,822,165	4,004,937
<b>Total Function 4</b>	<b>4,796,327</b>	<b>968,472</b>	<b>5,764,799</b>	<b>1,309,829</b>	<b>7,074,628</b>	<b>6,329,294</b>	<b>6,306,434</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	1,429,514	290,971	1,720,485	832,335	2,552,820	2,316,392	2,320,226
5.50 Maintenance Operations	11,085,449	2,568,956	13,654,405	3,753,428	17,407,833	16,153,834	16,916,765
5.52 Maintenance of Grounds	934,165	203,302	1,137,467	740,280	1,877,747	1,650,915	1,781,085
5.56 Utilities	-	-	-	5,059,355	5,059,355	4,644,564	4,601,857
<b>Total Function 5</b>	<b>13,449,128</b>	<b>3,063,229</b>	<b>16,512,357</b>	<b>10,385,398</b>	<b>26,897,755</b>	<b>24,765,705</b>	<b>25,619,933</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	137,427	27,404	164,831	5,101	169,932	165,480	155,522
7.70 Student Transportation	52,963	12,646	65,609	852,961	918,570	1,126,335	965,826
7.73 Housing	-	-	-	-	-	-	-
<b>Total Function 7</b>	<b>190,390</b>	<b>40,050</b>	<b>230,440</b>	<b>858,062</b>	<b>1,088,502</b>	<b>1,291,815</b>	<b>1,121,348</b>
<b>9 Debt Services</b>							
9.92 Interest on Bank Loans	-	-	-	-	-	-	-
9.94 Interest on Temporary Borrowing	-	-	-	-	-	-	-
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>163,165,643</b>	<b>36,977,340</b>	<b>200,142,983</b>	<b>21,963,429</b>	<b>222,106,412</b>	<b>213,156,947</b>	<b>207,965,873</b>

# School District No. 61 (Greater Victoria)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget (Note 17)	2022 Actual	2021 Actual (Restated - Note 23)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	24,099,452	27,593,355	34,211,428
Other Revenue	3,500,000	4,933,338	3,169,051
Investment Income	58,900	68,509	60,811
<b>Total Revenue</b>	<u>27,658,352</u>	<u>32,595,202</u>	<u>37,441,290</u>
<b>Expenses</b>			
Instruction	26,848,073	31,340,238	34,689,478
Operations and Maintenance	810,279	796,185	811,079
<b>Total Expense</b>	<u>27,658,352</u>	<u>32,136,423</u>	<u>35,500,557</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>458,779</u>	<u>1,940,733</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(458,779)	(1,940,733)
<b>Total Net Transfers</b>	<u>-</u>	<u>(458,779)</u>	<u>(1,940,733)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>-</u>	<u>-</u>

**School District No. 61 (Greater Victoria)**

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	-	-	668,776	5,497	3,711,279	2,374	49,723	-	521,651
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	793,188	657,183		190,549		192,000	68,600	468,090	3,998,998
Other			23,317		5,420,439				
Investment Income	2,997		53,132		23,203				
	796,185	657,183	76,449	190,549	5,443,642	192,000	68,600	468,090	3,998,998
<b>Less:</b> Allocated to Revenue	796,185	657,183	35,715	123,334	4,956,541	180,413	80,056	450,217	4,162,324
Recovered				4,497					
<b>Deferred Revenue, end of year</b>	-	-	<b>709,510</b>	<b>68,215</b>	<b>4,198,380</b>	<b>13,961</b>	<b>38,267</b>	<b>17,873</b>	<b>358,325</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	793,188	657,183		123,334		180,413	80,056	450,217	4,162,324
Other Revenue					4,933,338				
Investment Income	2,997		35,715		23,203				
	796,185	657,183	35,715	123,334	4,956,541	180,413	80,056	450,217	4,162,324
<b>Expenses</b>									
Salaries									
Teachers								76,787	758,601
Principals and Vice Principals				5,072				57,029	256,093
Educational Assistants		531,109		95,007	6,227	126,655			259,126
Support Staff								6,368	92,924
Substitutes		21,524			46,654	1,486	17,667	31,317	39,180
	-	552,633	-	100,079	52,881	128,141	17,667	171,501	1,405,924
Employee Benefits		104,550		20,211	9,147	30,601	3,019	36,500	321,469
Services and Supplies	796,185		35,715	3,044	4,451,671	21,671	59,370	226,279	2,434,931
	796,185	657,183	35,715	123,334	4,513,699	180,413	80,056	434,280	4,162,324
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	442,842	-	-	15,937	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased					(442,842)			(15,937)	-
	-	-	-	-	(442,842)	-	-	(15,937)	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

**School District No. 61 (Greater Victoria)**

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

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Safe Return to School / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	Early Childhood Education Dual Credit Program
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	-	515,437	251,925	34,953	-	28,179	-	614,310	-
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	702,459	17,728,997	1,986,310	22,219	113,395	25,000	456,742	441,192	260,000
Other									
Investment Income									
	702,459	17,728,997	1,986,310	22,219	113,395	25,000	456,742	441,192	260,000
<b>Less:</b> Allocated to Revenue	702,459	17,263,561	1,225,666	29,985	82,775	9,780	456,742	-	210,000
Recovered		515,437	704,999						
<b>Deferred Revenue, end of year</b>	-	<b>465,436</b>	<b>307,570</b>	<b>27,187</b>	<b>30,620</b>	<b>43,399</b>	-	<b>1,055,502</b>	<b>50,000</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	702,459	17,263,561	1,225,666	29,985	82,775	9,780	456,742		210,000
Other Revenue									
Investment Income									
	702,459	17,263,561	1,225,666	29,985	82,775	9,780	456,742	-	210,000
<b>Expenses</b>									
Salaries									
Teachers		13,227,513	310,977						
Principals and Vice Principals					28,226				
Educational Assistants							380,420		
Support Staff	158,981								
Substitutes	433,311	780,166	717,831		1,759	6,627			
	592,292	14,007,679	1,028,808	-	29,985	6,627	380,420	-	-
Employee Benefits	110,167	3,255,882	196,858		7,077	1,139	46,792		
Services and Supplies				29,985	45,713	2,014	29,530		210,000
	702,459	17,263,561	1,225,666	29,985	82,775	9,780	456,742	-	210,000
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 61 (Greater Victoria)

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

	Ledger School	Provincial Inclusion Outreach	Estate Trust	TOTAL
	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	21,868	1,515	113,140	6,540,627
<b>Add:</b> Restricted Grants				
Provincial Grants - Ministry of Education and Child Care	366,840	824,473		29,296,235
Other				5,443,756
Investment Income			13,518	92,850
	366,840	824,473	13,518	34,832,841
<b>Less:</b> Allocated to Revenue	340,433	825,239	6,594	32,595,202
Recovered	20,868			1,245,801
<b>Deferred Revenue, end of year</b>	<b>27,407</b>	<b>749</b>	<b>120,064</b>	<b>7,532,465</b>
<b>Revenues</b>				
Provincial Grants - Ministry of Education and Child Care	340,433	825,239		27,593,355
Other Revenue				4,933,338
Investment Income			6,594	68,509
	340,433	825,239	6,594	32,595,202
<b>Expenses</b>				
Salaries				
Teachers	190,119	210,906		14,774,903
Principals and Vice Principals	15,084	24,015		357,293
Educational Assistants	55,667	142,640		1,244,657
Support Staff		29,538		668,231
Substitutes	540		375	2,098,437
	261,410	407,099	375	19,143,521
Employee Benefits	61,348	90,558	64	4,295,382
Services and Supplies	17,675	327,582	6,155	8,697,520
	340,433	825,239	6,594	32,136,423
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	458,779
<b>Interfund Transfers</b>				
Tangible Capital Assets Purchased				(458,779)
	-	-	-	(458,779)
<b>Net Revenue (Expense)</b>	-	-	-	-

# School District No. 61 (Greater Victoria)

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 (Restated - Note 23)
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education and Child Care	1,000,000	2,403,438		2,403,438	809,453
Other	-	-		-	2,274
Investment Income	4,000		13,659	13,659	4,306
Amortization of Deferred Capital Revenue	7,969,213	7,858,370		7,858,370	7,705,292
Construction License	-	-	4,300,000	4,300,000	-
<b>Total Revenue</b>	<u>8,973,213</u>	<u>10,261,808</u>	<u>4,313,659</u>	<u>14,575,467</u>	<u>8,521,325</u>
<b>Expenses</b>					
Operations and Maintenance	1,000,000	2,403,438		2,403,438	815,873
Amortization of Tangible Capital Assets					
Operations and Maintenance	11,451,527	11,772,998		11,772,998	11,720,594
<b>Total Expense</b>	<u>12,451,527</u>	<u>14,176,436</u>	<u>-</u>	<u>14,176,436</u>	<u>12,536,467</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(3,478,314)</u>	<u>(3,914,628)</u>	<u>4,313,659</u>	<u>399,031</u>	<u>(4,015,142)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	-	1,068,149		1,068,149	4,479,236
Tangible Capital Assets - Work in Progress	-	25,887		25,887	-
<b>Total Net Transfers</b>	<u>-</u>	<u>1,094,036</u>	<u>-</u>	<u>1,094,036</u>	<u>4,479,236</u>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		2,609,651	(2,609,651)	-	
Tangible Capital Assets WIP Purchased from Local Capital		99,665	(99,665)	-	
<b>Total Other Adjustments to Fund Balances</b>		<u>2,709,316</u>	<u>(2,709,316)</u>	<u>-</u>	
<b>Total Capital Surplus (Deficit) for the year</b>	<u>(3,478,314)</u>	<u>(111,276)</u>	<u>1,604,343</u>	<u>1,493,067</u>	<u>464,094</u>
<b>Capital Surplus (Deficit), beginning of year</b>		44,827,487	1,872,748	46,700,235	47,614,200
Prior Period Adjustments					
Ministry Amortization Tool Adjustment					(1,378,059)
<b>Capital Surplus (Deficit), beginning of year, as restated</b>		<u>44,827,487</u>	<u>1,872,748</u>	<u>46,700,235</u>	<u>46,236,141</u>
<b>Capital Surplus (Deficit), end of year</b>		<u>44,716,211</u>	<u>3,477,091</u>	<u>48,193,302</u>	<u>46,700,235</u>

# School District No. 61 (Greater Victoria)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	10,833,717	383,789,095	13,133,013	1,157,916	111,437	10,064,738	<b>419,089,916</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Operating Fund		7,359	586,535	15,476			<b>609,370</b>
Special Purpose Funds			421,527			37,252	<b>458,779</b>
Local Capital	1,144,523		33,588			1,431,540	<b>2,609,651</b>
Transferred from Work in Progress		4,691,911	612,059			59,063	<b>5,363,033</b>
	<u>1,144,523</u>	<u>4,699,270</u>	<u>1,653,709</u>	<u>15,476</u>	<u>-</u>	<u>1,527,855</u>	<b><u>9,040,833</u></b>
Decrease:							
Deemed Disposals			829,463		47,244	4,880,015	<b>5,756,722</b>
	<u>-</u>	<u>-</u>	<u>829,463</u>	<u>-</u>	<u>47,244</u>	<u>4,880,015</u>	<b><u>5,756,722</u></b>
<b>Cost, end of year</b>	<u>11,978,240</u>	<u>388,488,365</u>	<u>13,957,259</u>	<u>1,173,392</u>	<u>64,193</u>	<u>6,712,578</u>	<b><u>422,374,027</u></b>
<b>Work in Progress, end of year</b>		<u>52,257,885</u>	<u>37,624</u>				<b><u>52,295,509</u></b>
<b>Cost and Work in Progress, end of year</b>	<u>11,978,240</u>	<u>440,746,250</u>	<u>13,994,883</u>	<u>1,173,392</u>	<u>64,193</u>	<u>6,712,578</u>	<b><u>474,669,536</u></b>
<b>Accumulated Amortization, beginning of year</b>		167,075,935	4,764,994	426,452	87,453	6,309,246	<b>178,664,080</b>
Prior Period Adjustments							
Ministry Amortization Tool Adjustment		2,650,255	(17,898)	(3)	3	6	<b>2,632,363</b>
<b>Accumulated Amortization, beginning of year, as restated</b>		<u>169,726,190</u>	<u>4,747,096</u>	<u>426,449</u>	<u>87,456</u>	<u>6,309,252</u>	<b><u>181,296,443</u></b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		8,606,624	1,354,513	116,566	17,563	1,677,732	<b>11,772,998</b>
Decrease:							
Deemed Disposals			829,463		47,244	4,880,015	<b>5,756,722</b>
			<u>829,463</u>	<u>-</u>	<u>47,244</u>	<u>4,880,015</u>	<b><u>5,756,722</u></b>
<b>Accumulated Amortization, end of year</b>		<u>178,332,814</u>	<u>5,272,146</u>	<u>543,015</u>	<u>57,775</u>	<u>3,106,969</u>	<b><u>187,312,719</u></b>
<b>Tangible Capital Assets - Net</b>	<u><b>11,978,240</b></u>	<u><b>262,413,436</b></u>	<u><b>8,722,737</b></u>	<u><b>630,377</b></u>	<u><b>6,418</b></u>	<u><b>3,605,609</b></u>	<u><b>287,356,817</b></u>



# School District No. 61 (Greater Victoria)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2022

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	27,378,456	44,507			27,422,963
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	25,020,882	605,176		59,063	25,685,121
Deferred Capital Revenue - Other	4,424,906				4,424,906
Operating Fund	25,887				25,887
Local Capital	99,665				99,665
	<u>29,571,340</u>	<u>605,176</u>	<u>-</u>	<u>59,063</u>	<u>30,235,579</u>
Decrease:					
Transferred to Tangible Capital Assets	4,691,911	612,059		59,063	5,363,033
	<u>4,691,911</u>	<u>612,059</u>	<u>-</u>	<u>59,063</u>	<u>5,363,033</u>
<b>Net Changes for the Year</b>	<u>24,879,429</u>	<u>(6,883)</u>	<u>-</u>	<u>-</u>	<u>24,872,546</u>
<b>Work in Progress, end of year</b>	<u><u>52,257,885</u></u>	<u><u>37,624</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>52,295,509</u></u>

# School District No. 61 (Greater Victoria)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	161,631,808	24,933,397	3,134,812	<b>189,700,017</b>
Prior Period Adjustments				
Ministry Amortization Tool Adjustment	(1,642,353)	637,350	(243,183)	<b>(1,248,186)</b>
<b>Deferred Capital Revenue, beginning of year, as restated</b>	<b>159,989,455</b>	<b>25,570,747</b>	<b>2,891,629</b>	<b>188,451,831</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Work in Progress	1,542,146	3,727,141		<b>5,269,287</b>
	1,542,146	3,727,141	-	<b>5,269,287</b>
Decrease:				
Amortization of Deferred Capital Revenue	6,738,647	965,181	154,542	<b>7,858,370</b>
	6,738,647	965,181	154,542	<b>7,858,370</b>
<b>Net Changes for the Year</b>	<b>(5,196,501)</b>	<b>2,761,960</b>	<b>(154,542)</b>	<b>(2,589,083)</b>
<b>Deferred Capital Revenue, end of year</b>	<b>154,792,954</b>	<b>28,332,707</b>	<b>2,737,087</b>	<b>185,862,748</b>
<b>Work in Progress, beginning of year</b>	24,788,390	2,634,573	-	<b>27,422,963</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	25,685,121	4,424,906	-	<b>30,110,027</b>
	25,685,121	4,424,906	-	<b>30,110,027</b>
Decrease				
Transferred to Deferred Capital Revenue	1,542,146	3,727,141	-	<b>5,269,287</b>
	1,542,146	3,727,141	-	<b>5,269,287</b>
<b>Net Changes for the Year</b>	<b>24,142,975</b>	<b>697,765</b>	<b>-</b>	<b>24,840,740</b>
<b>Work in Progress, end of year</b>	<b>48,931,365</b>	<b>3,332,338</b>	<b>-</b>	<b>52,263,703</b>
<b>Total Deferred Capital Revenue, end of year</b>	<b>203,724,319</b>	<b>31,665,045</b>	<b>2,737,087</b>	<b>238,126,451</b>

# School District No. 61 (Greater Victoria)

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
<b>Balance, beginning of year</b>	\$ -	\$ 2,975,006	\$ 4,256,745	\$ -	\$ 467,082	\$ 7,698,833
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care	28,769,680		4,053,053			32,822,733
Other					132,326	132,326
Investment Income		5,319			2,919	8,238
	28,769,680	5,319	4,053,053	-	135,245	32,963,297
Decrease:						
Transferred to DCR - Work in Progress	25,685,121		4,424,906			30,110,027
Bylaw and Other Provincial Capital Expenditures	2,356,085		3,048			2,359,133
Insurance Claim Expense	44,305					44,305
	28,085,511	-	4,427,954	-	-	32,513,465
<b>Net Changes for the Year</b>	684,169	5,319	(374,901)	-	135,245	449,832
<b>Balance, end of year</b>	<b>684,169</b>	<b>2,980,325</b>	<b>3,881,844</b>	<b>-</b>	<b>602,327</b>	<b>8,148,665</b>